

(Translation)
**Speech by the Secretary for the Civil Service at the
Special Meeting of the Finance Committee in the Legislative Council
on 5 March 2012**

Madam Chairman and Honourable Members,

Of the items relating to civil service expenses in the 2012-13 Draft Estimates of Expenditure, I would like to highlight the following two items.

2. **First, civil service establishment.** In keeping with the established strategy of “Market Leads, Government Facilitates”, our policy is to prevent overspending by the Government, which will stifle the development of the private market, while sparing no effort to provide quality services to the public. Accordingly, the Government will continue to keep the civil service establishment under control, and create additional civil service posts when the operational need is fully justified, when the work involved cannot be undertaken by re-deployment of existing staff, or when alternative modes of service delivery are considered inappropriate.

3. There has been a modest increase of about 1% in the civil service establishment each year since 2006-07. The 2012-13 Draft Estimates of Expenditure project a 0.9% increase or an additional 1 535 posts in the civil service establishment. Subject to the approval of the 2012-13 Draft Estimates by the Legislative Council, the civil service establishment is estimated to stand at 169 560 posts at the end of March 2013.

4. **Second, financial provisions.** In the 2012-13 Draft Estimates of Expenditure, there are some financial provisions under various Heads of

Expenditure which are directly related to the policy area of central management of the civil service. The following items are particularly worthy of note –

- (a) Head 37 Department of Health: Programme 7 “Medical and Dental Treatment for Civil Servants”: a financial provision of \$974.4 million is proposed for providing medical and dental services for serving civil servants, pensioners and their eligible dependants at government families clinics and dental clinics, as well as for the reimbursement of medical fees and hospital charges. For the former, an allocation of \$564.4 million is proposed, representing an increase of \$43.6 million (or 8%) over the 2011-12 Revised Estimate. The additional provision is mainly for setting up additional dental surgeries and enhancing the service at the Hong Kong Families Clinic. With regard to the reimbursement of medical fees and hospital charges, an allocation of \$410 million is proposed, representing an increase of \$90 million (or 28%) over the 2011-12 Revised Estimate. The additional provision is to meet an anticipated increase in applications for reimbursement of medical expenses from eligible persons; and
- (b) Head 120 Pensions: Programme 1 “Public and Judicial Service Pension Benefits”: an amount of \$22,150.4 million is proposed for pension payments to eligible retired public officers. This represents an increase of \$2,904.4 million (or 15.1%) over the 2011-12 Revised Estimate. The increase is due to an estimated increase in the number of new retirees in 2012-13 and the full-year effect of pension payments to those retiring in 2011-12.

5. Madam Chairman, as the backbone of the Government, the civil service assists the Administration in formulating, explaining and implementing policies

and contributes to the stability and continuity of government operation. The Civil Service Bureau will continue to strive to maintain a professional and efficient civil service to deliver quality services to the public.

6. Madam Chairman, my colleagues and I are happy to answer questions from Members.