

For Discussion on
16 April 2012

Legislative Council Panel on Public Service

An Overview of the Civil Service: Establishment, Strength, Retirement, Resignation and Age Profile

Purpose

This paper provides an update on the overall establishment, strength, retirement, resignation and age profile situation of the Civil Service¹.

Establishment and Strength

(a) Overall

2. Over the years, the size of the Civil Service has largely followed changes in economic development, increasing community expectations and demand for public services, and institutional and productivity reforms. The establishment (namely the number of posts) and strength (namely the number of serving civil servants) position of the Civil Service for the last 25 years since 1986-87 is shown at **Annex A**.

3. As shown at **Annex A**, from a peak of around 200 000 posts in 1990-91, the Civil Service establishment remained at around 186 000 to 196 000 in the rest of the 1990s, while the number of civil servants ranged from 180 000 to 190 000. The turn of the millennium witnessed a down-sizing of the Civil Service through enhanced efficiency drives, the

¹ For the purpose of this paper, the Civil Service does not include judges and judicial officers, locally-engaged staff in Mainland and overseas Economics and Trade Offices and officers in the Independent Commission Against Corruption.

two general voluntary retirement (VR) schemes in 2000 and 2003, the targeted VR schemes for specific grades, and the six years of open recruitment freeze which ended in March 2007 (namely from 1999-00 to 2006-07 save for 2001-02 and 2002-03)². As at 31st March 2007, the Civil Service establishment and strength stood at around 159 400 and 153 800 respectively.

4. In recent years, the Civil Service has grown modestly to meet the demand for new or improved services to the public. As at 31st March 2011, the Civil Service establishment and strength stood at 163 410 and 156 886 respectively, representing an aggregate increase of 4 009 (or 2.5%) and 3 081 (or 2%) for establishment and strength respectively since end-March 2007. The number of civil servants on 31st March 2011 was about 2.2% of the population of Hong Kong (estimated at 7.108 million for mid-2011) and about 4.2% of the total work force (estimated at 3.763 million for mid-2011). These percentages have remained stable since 2006-07.

(b) Directorate and Non-directorate

5. A breakdown of the Civil Service establishment and strength by directorate and non-directorate levels over the last 25 years is also provided at **Annex A**. In brief, over 99% of both establishment and strength were at the non-directorate level. As at 31st March 2011, there were 162 046 non-directorate posts and 155 601 non-directorate civil servants; and 1 364 directorate posts and 1 285 directorate civil servants.

Retirement and Resignation

(a) Retirement

6. Retirement is the primary reason for departure of civil servants from the Service. The normal retirement ages are –

² Where there were strong operational needs, exceptional approval had been given for a limited number of grades to conduct open recruitment during the period of open recruitment freeze.

- (i) 55 for civil servants (both civilian and disciplined services grades) recruited before July 1987 and remain on the Old Pension Scheme (OPS);
- (ii) 60 for civilian civil servants who have switched from the OPS to the New Pension Scheme (NPS) and for civil servants recruited to civilian grades on or after 1 July 1987 on the NPS or the Civil Service Provident Fund (CSPF) Scheme;
- (iii) 55 or 57 (depending on ranks)³ for civil servants in the disciplined services grades who have switched from the OPS to the NPS and for civil servants recruited to disciplined services grades on or after 1 July 1987 on the NPS or the CSPF Scheme.

7. Civil servants may also apply to retire early after attaining the age of –

- (i) 45 for rank-and-file civil servants in disciplined services grades and are on the OPS;
- (ii) 50 for civilian civil servants and are on the OPS, civil servants in officer ranks of disciplined grades and are on the OPS, and rank-and-file civil servants in disciplined services grades who have switched from the OPS to the NPS; and
- (iii) 55 for civilian civil servants who have switched from the OPS to the NPS, and civil servants in directorate ranks of disciplined services grades whose normal retirement age is 57 who have switched from the OPS to the NPS.

8. The retirement position of the Civil Service over the last 25 years is shown at **Annex B**. Briefly, the number of civil servants retiring

³ The normal retirement age is 57 for civil servants in some directorate ranks in the disciplined services grades, while the normal retirement age is 55 for civil servants in all other ranks in the disciplined services grades.

increased steadily from around 800 (or 0.5% of the strength) in 1986-87 to the peak of around 4 000 (or 2.2%) in 1996-97. It then dropped sharply in the following two years, and picked up steadily around the turn of the century before peaking at around 8 800 (or 5.1%) in 2001-02 largely as a result of the first general VR scheme. The number of retirees remained high in the following three years (i.e. 2002-03 to 2004-05) mainly because of the second general VR scheme. The number of retirees dropped to around 2 600 (or 1.7%) in 2005-06 and around 3 900 (or 2.5%) in 2010-11. Notwithstanding the fluctuations in the number of retirees in the Civil Service as a whole, the number of directorate civil servants retiring increased gradually from around 4% of the directorate strength in 2001-02 to around 7% in 2010-11 as shown in **Annex C**.

9. A breakdown of the age of civil servants at the time of retirement over the last 25 years is provided at **Annex D**. Briefly, with the introduction of the NPS in 1987 to replace the OPS and the declining number of civil servants on the OPS, civil servants retiring before the age of 55 decreased from 36% of the total number of retirees in 1986-87 to 17% in 2006-07 and to 8% in 2010-11. As shown at **Annex E**, directorate civil servants retiring before the age of 55 also decreased from about 30% of directorate retirees in 2001-02 to less than 3% in 2010-11. The declining trend in the number of civil servants retiring before the age of 55 is expected to continue, as more serving civil servants are subject to the normal retirement age of 60. At the end of 2011, 94% of all civil servants on pensionable terms and CSPF Scheme were subject to a retirement age of 60. The trend of civil servants retiring at an older age is also in line with a healthier general population and a longer working life of the local workforce.

10. At **Annex F** is the number of civil servants projected to retire in the next 25 years, on the assumption that they will only retire upon reaching their applicable normal retirement age. Briefly, the number of retirees will increase until 2020-21, from the annual average of around 3 800 for the five-year period ended 2010-11 to around 5 200 in the five-year period ending 2015-16 and around 6 900 in the next five-year period ending 2020-21. The number will decline moderately to around 6 100 in the following five-year period ending 2025-26 and to around

4 600 in the next five-year period ending 2030-31. The declining trend will continue thereafter. The larger number of retirees in the coming decade is largely due to the significant growth of the Civil Service in the 1980s, when those recruited then will be approaching their normal retirement age by 2020-21.

(b) Resignation

11. Resignation only accounts for the departure of a small number of civil servants. The resignation position of the Civil Service over the last 25 years is shown at **Annex B**. Briefly, the number of resignees decreased sharply from the peak of around 7 900 (or 4.2% of the strength of the Civil Service) in 1989-90 to around 1 000 (or 0.5%) in 1998-99. It has stabilised at below 0.5% of the strength of the Civil Service over the last decade or so. As shown at **Annex C**, the number of directorate civil servants resigning has also remained at around 0.5% of the directorate strength over the past decade.

Age Profile

12. The age profile of the Civil Service over the last 25 years is illustrated at **Annex G**. The age group of 40-49 has become the largest group of civil servants since 1999-2000. The age group of 50-59 has also continued to increase throughout the period. Since 2006-07, around two thirds of civil servants are in the age groups of 40-49 and 50-59, while the remaining one-third is in the age groups of 20-29 and 30-39. The relative aging profile is mainly attributed to the expansion of the Civil Service in the 1980s, the introduction of the NPS in 1987 (under which the normal retirement age is 60 instead of 55 under the OPS), and the open recruitment freeze around the turn of the century. The age profile of the Civil Service has continued to mirror that of the community and the working population as a whole, as shown at **Annex H**.

13. While the number of civil servants in the age groups of 40-49 and 50-59 comprised around two thirds of the total strength in 2010-11, more young people have been recruited into the Civil Service since the lifting of

the open recruitment freeze in 2007-08 as shown in **Annex I**. In the four years of 2007-08 to 2010-11, there were around 14 300 new recruits in the age group of 20-29 (or 66% of the total intake) and around 5 200 new recruits in the age group of 30-39 (or 24%). As shown at **Annex G**, the number of civil servants of the age group of 20-29 increased from 7% of the Civil Service strength in 2006-07 to around 10% in 2010-11. This trend is expected to continue in the years to come which, with the larger number of anticipated retirements and intake of more young people, would moderate the aging profile of the Civil Service.

14. **Annex J** shows the age profile of directorate civil servants over the last 25 years. The number of directorate civil servants in the age group of 40-49 has been on a continuous decline in the last decade, while the age group of 50-59 is on a rising trend and has remained the largest group since 1999-2000, representing two thirds of the total directorate strength in 2010-11.

Succession

15. With an increasing number of civil servants retiring in the next decade and the consequential increase in the number of vacancies, bureaux and departments need to expedite their recruitment processes by planning and conducting recruitment exercises in advance of anticipated retirements and implementation of new policy initiatives. To further accelerate the recruitment procedures and facilitate better preparation for processing large number of job applications, we have streamlined the recruitment process.

16. On the steady increase in the number of retiring civil servants at the directorate level, the Administration has a well-established mechanism on succession planning. Secretary for the Civil Service regularly meets with Permanent Secretaries of bureaux and Heads of departments to discuss the succession situation in individual departments and grades, with a view to ensuring early identification of any succession problems and early planning and implementation of remedial actions. In tandem with the succession planning efforts, the Administration is committed to

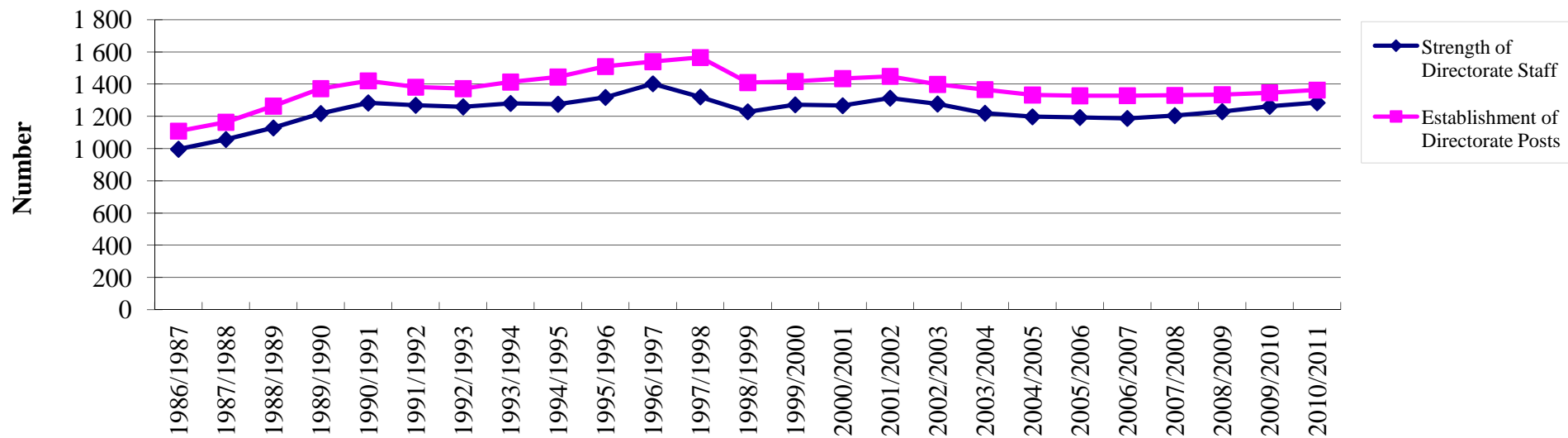
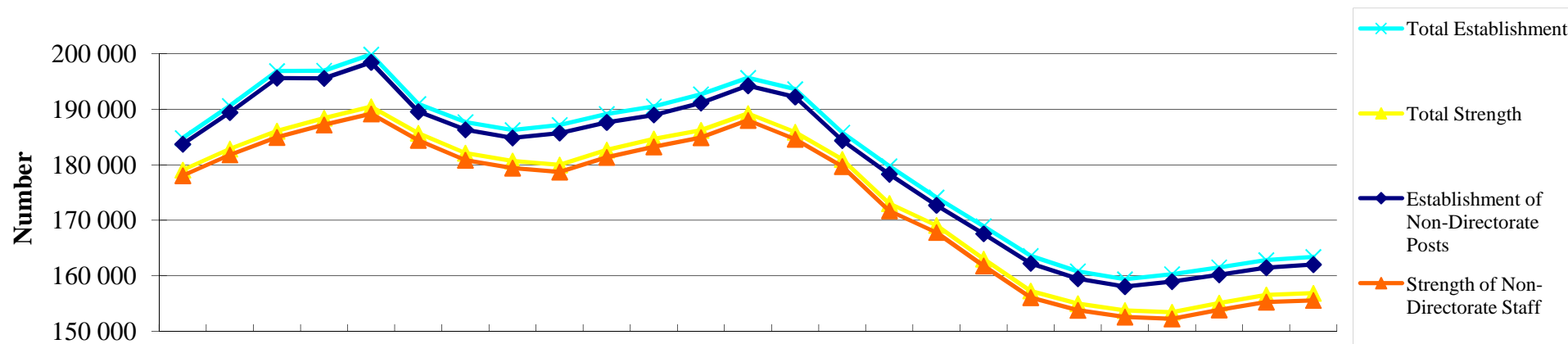
providing training and development opportunities for civil servants at all levels to enrich their exposure, to enable them to acquire the necessary knowledge and skills for the discharge of their responsibilities, and to prepare them for higher responsibilities. Apart from 'in-house' training provided by individual bureaux and departments, the Civil Service Training and Development Institute of the Civil Service Bureau has put in place a structured training and development framework to assist bureaux and departments in the grooming and development of civil servants with potential for advancement for succession planning purpose. The training and development programmes, local and overseas, cover public policy, management, leadership development, national studies and the Basic Law.

Advice Sought

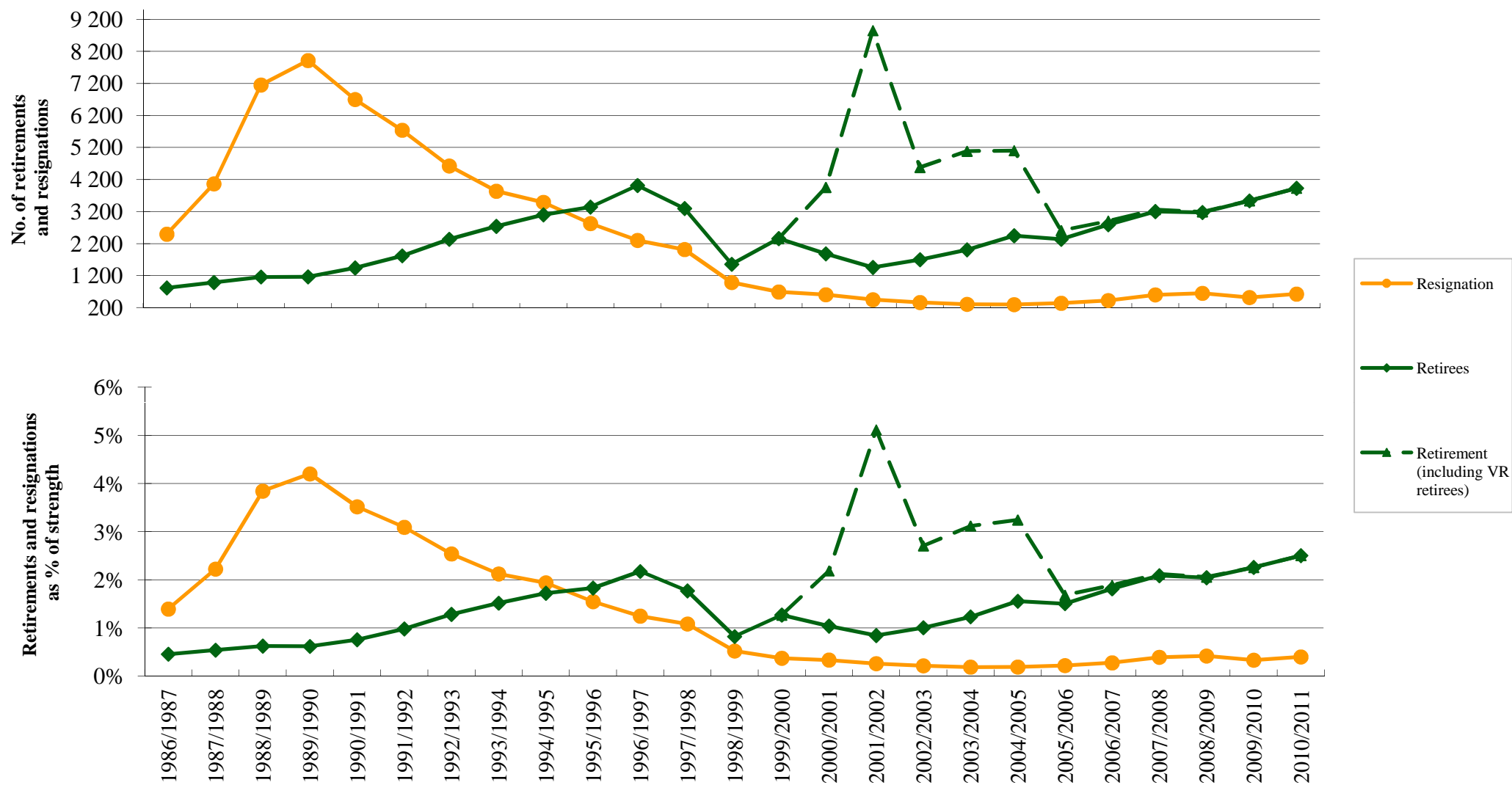
17. Members are invited to note this paper.

Civil Service Bureau
April 2012

Establishment and Strength of the Civil Service from 1986-87 to 2010-11

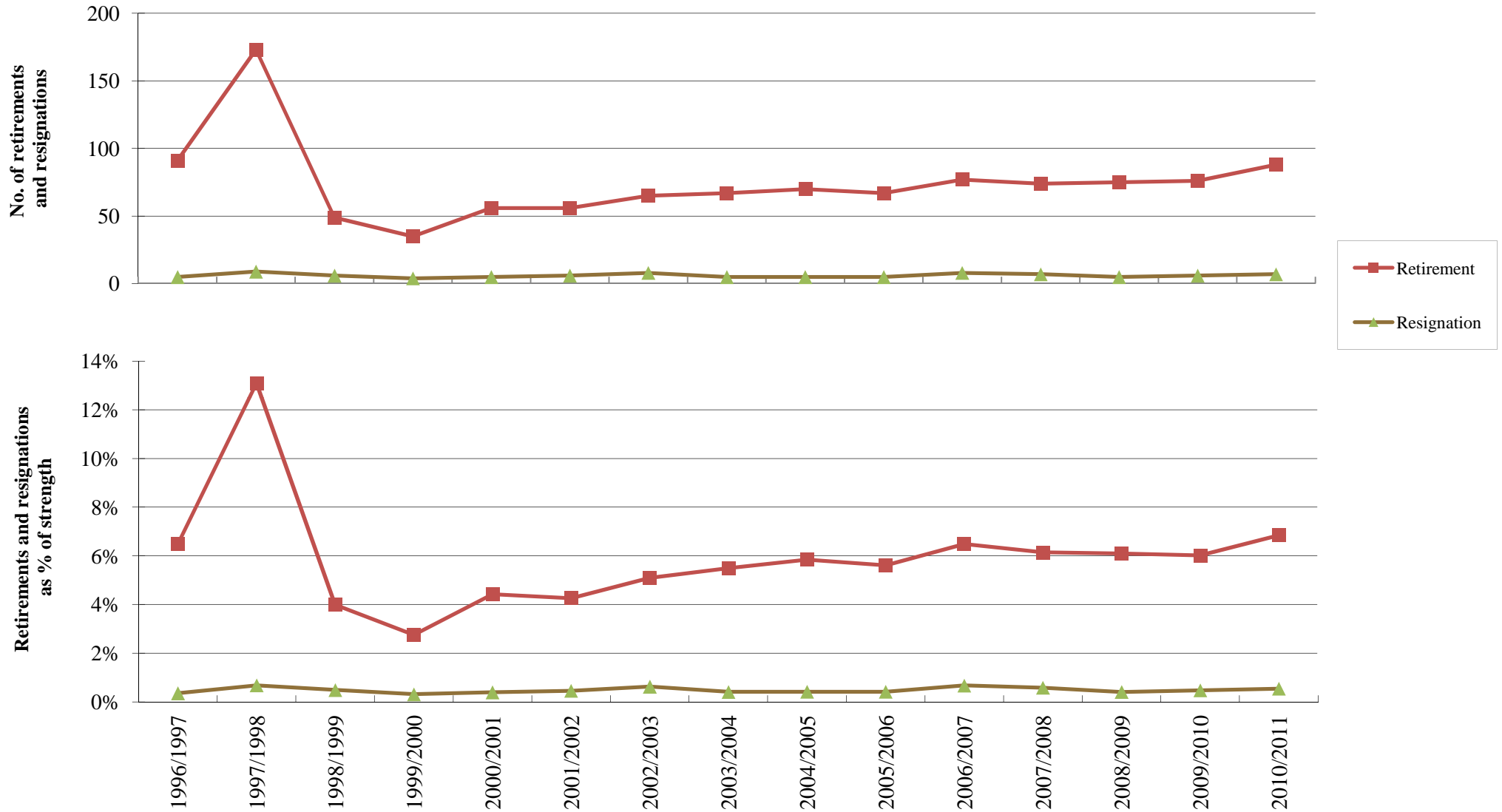


Retirement and Resignation Position of the Civil Service from 1986-87 to 2010-11



Note: "Retirement" in this chart refers to normal and early retirement.

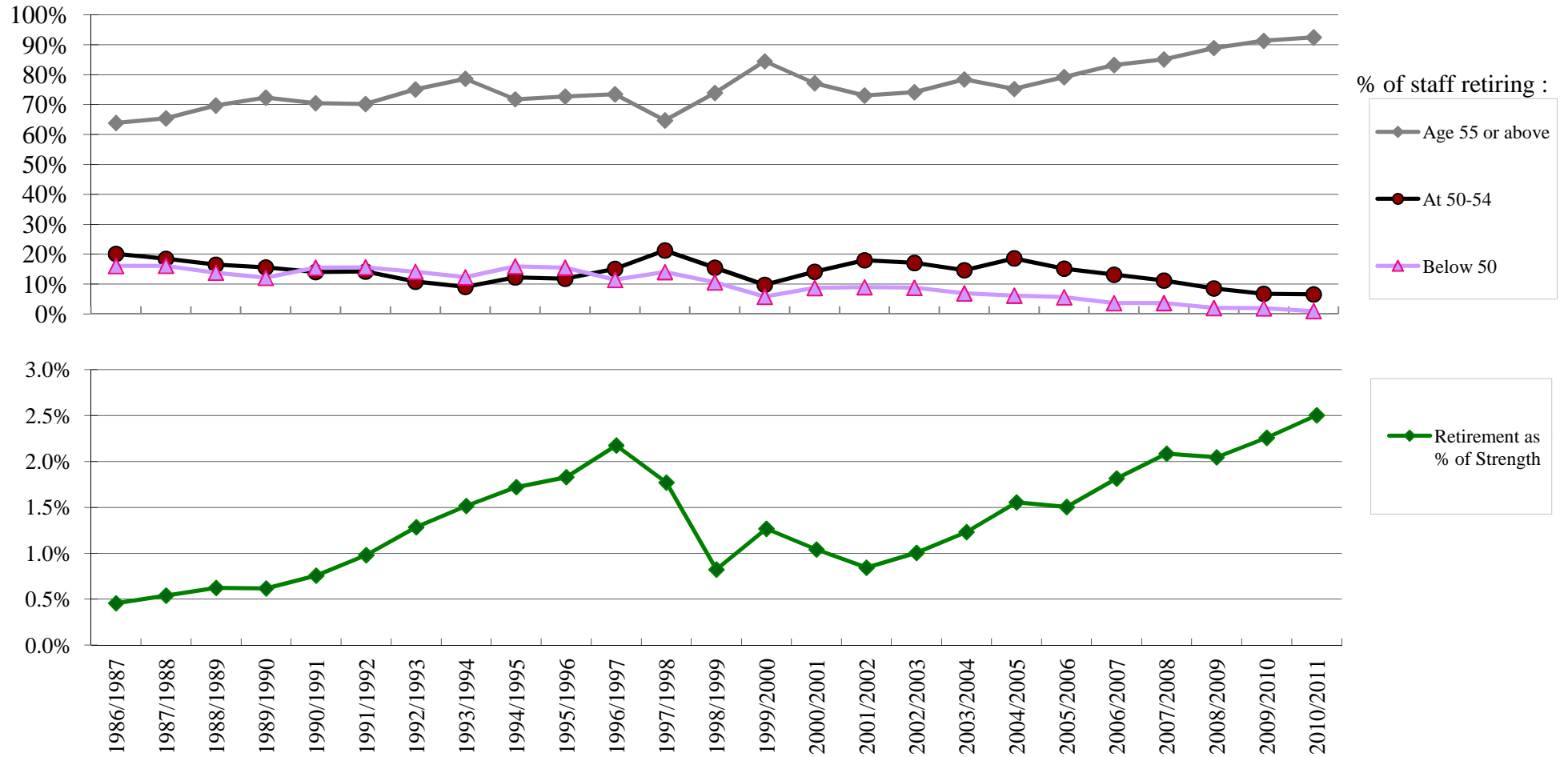
Retirement and Resignation Position of Directorate Civil Servants from 1996-97 to 2010-11



Note:

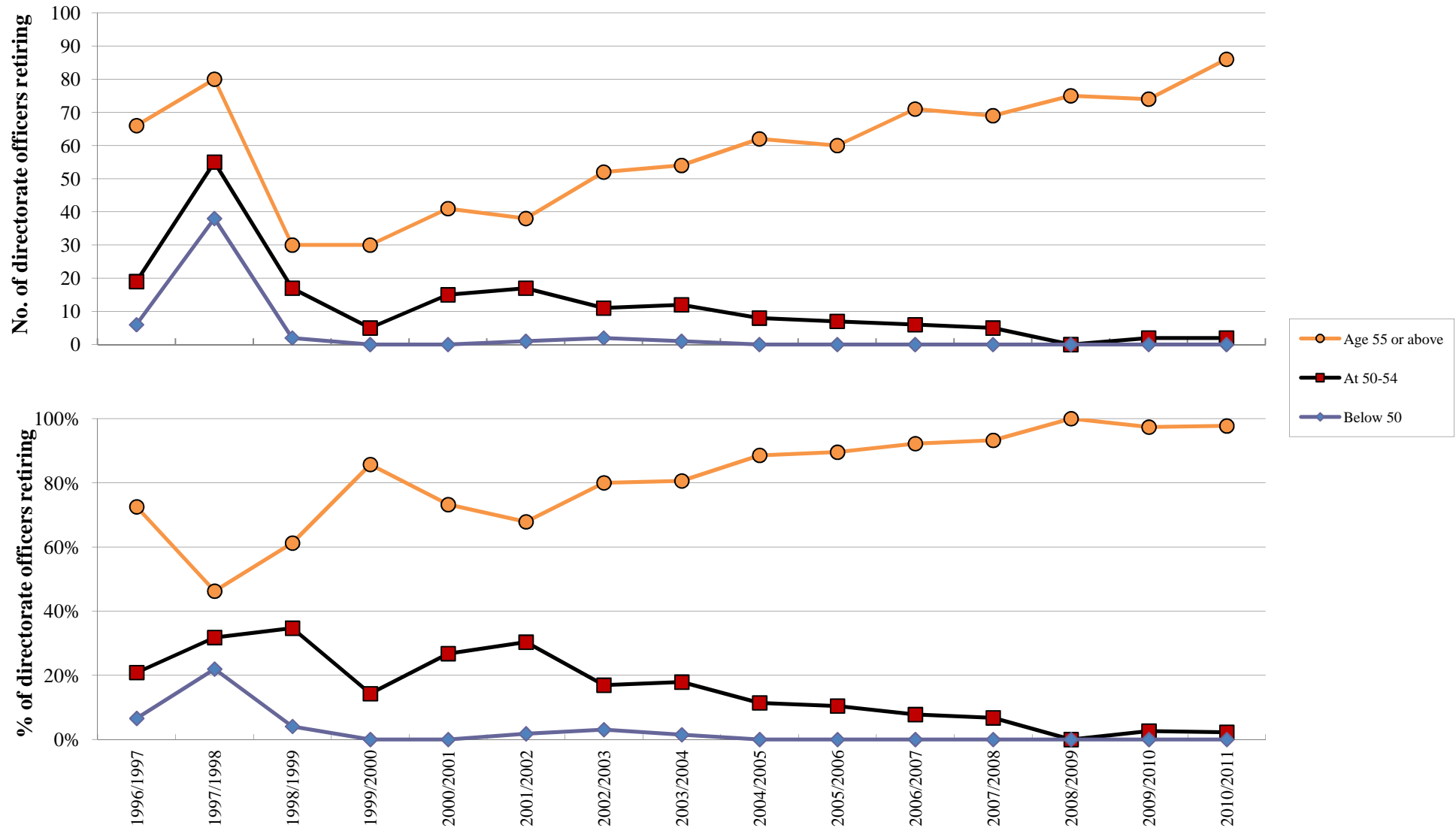
- "Retirement" in this chart refers to normal and early retirement.
- Breakdown by directorate and non-directorate civil servants in respect of retirement and resignation before 1996-97 is not available.

Retirement of Civil Servants from 1986-87 to 2010-11



Note: "Retirement" in this chart refers to normal and early retirement.

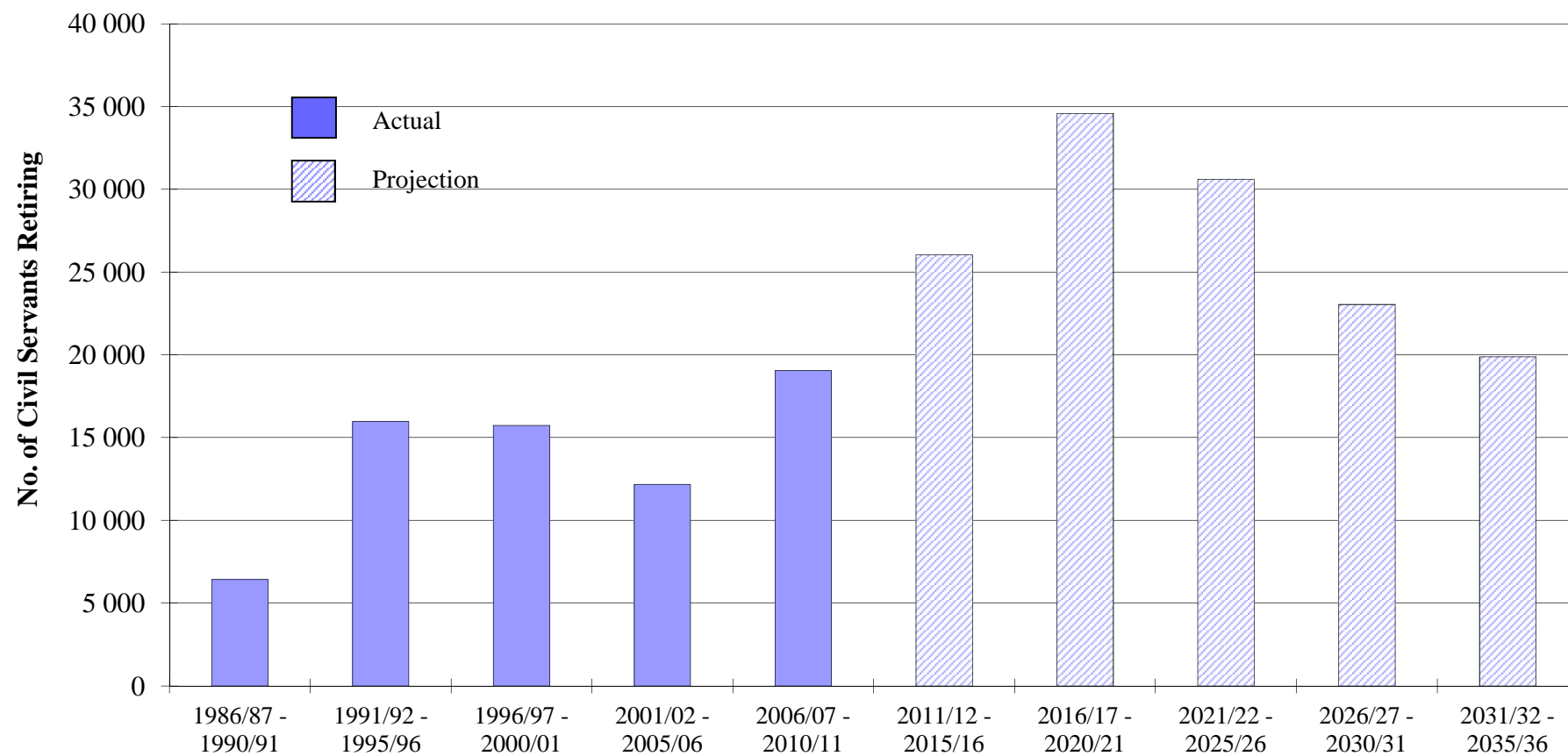
Age of Directorate Civil Servants on Retirement from 1996-97 to 2010-11



Note:

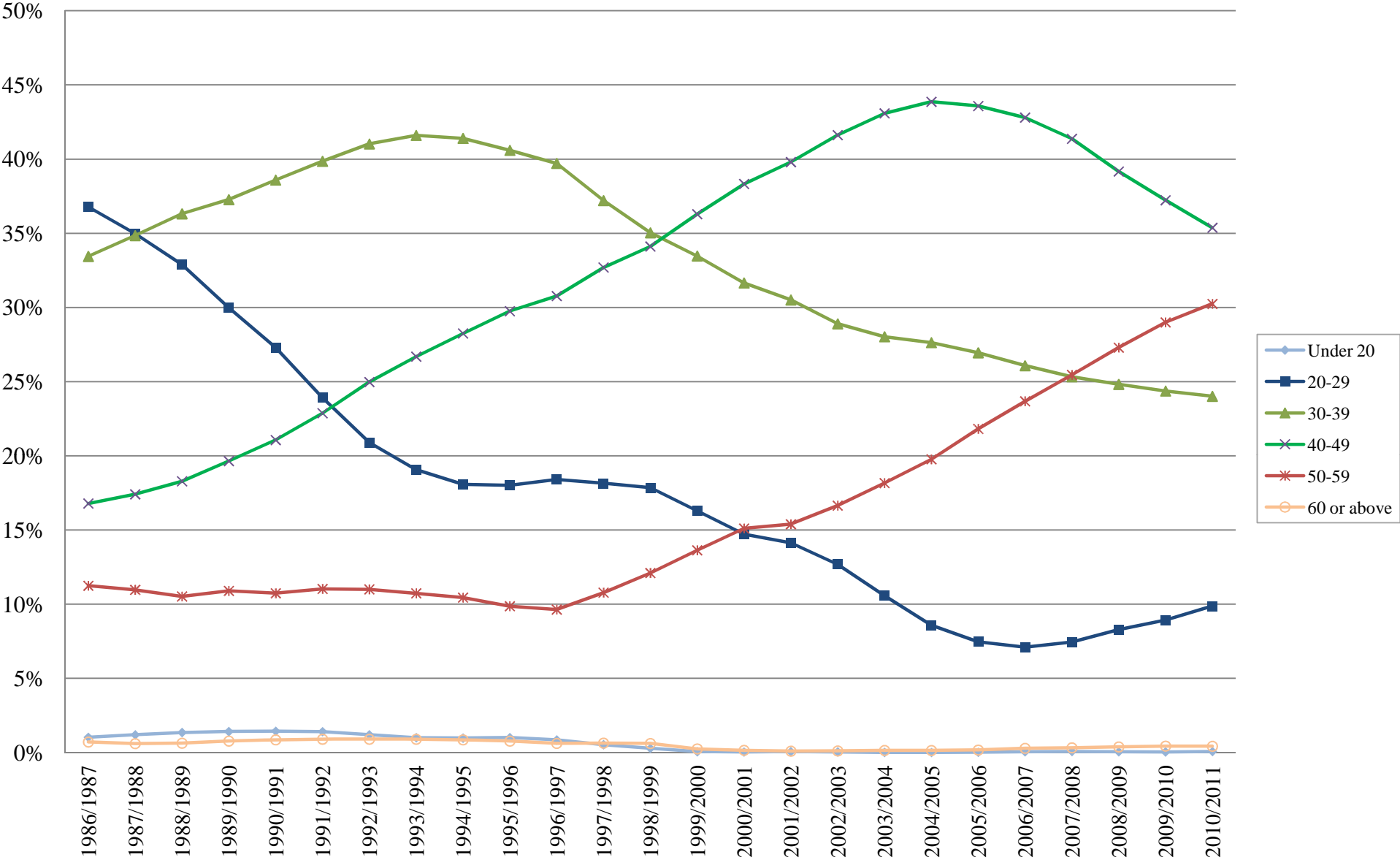
- "Retirement" in this chart refers to normal and early retirement.
- Breakdown by directorate and non-directorate civil servants in respect of retirement before 1996-97 is not available.

Projected Number of Civil Servants Retiring in the Next 25 Years

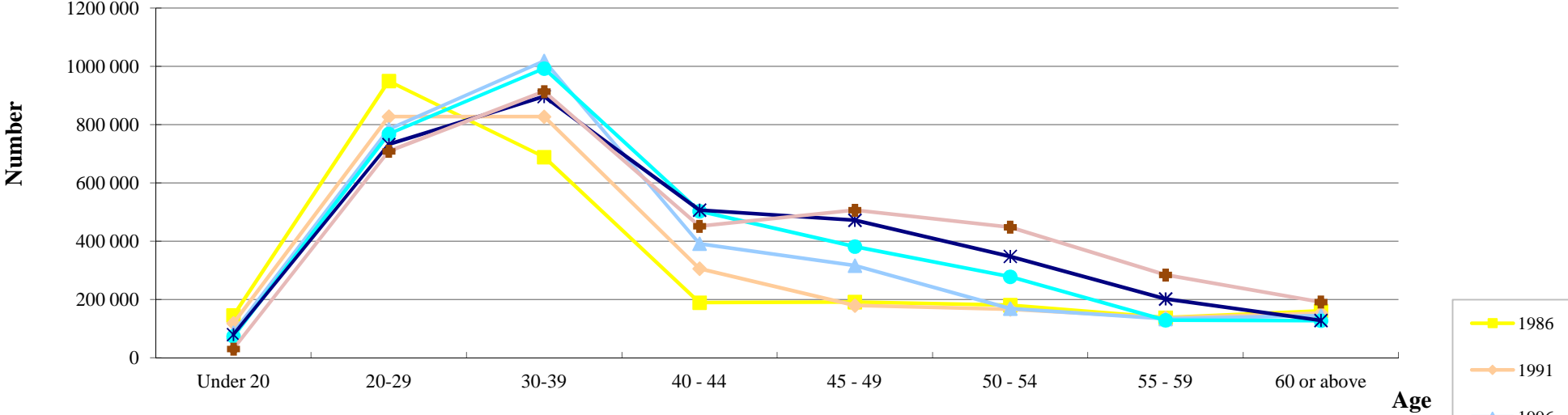


Note : Projection made on the basis of age profile of the Civil Service as at 31 March 2011 and assuming that staff leave on normal retirement.

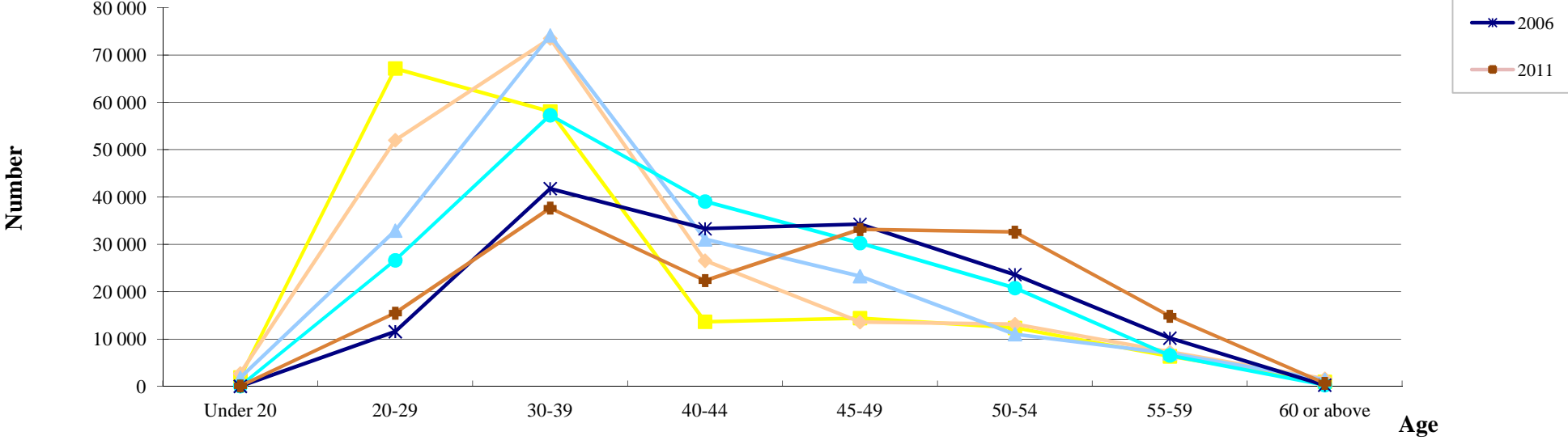
Civil Servants by Age Groups from 1986-87 to 2010-11



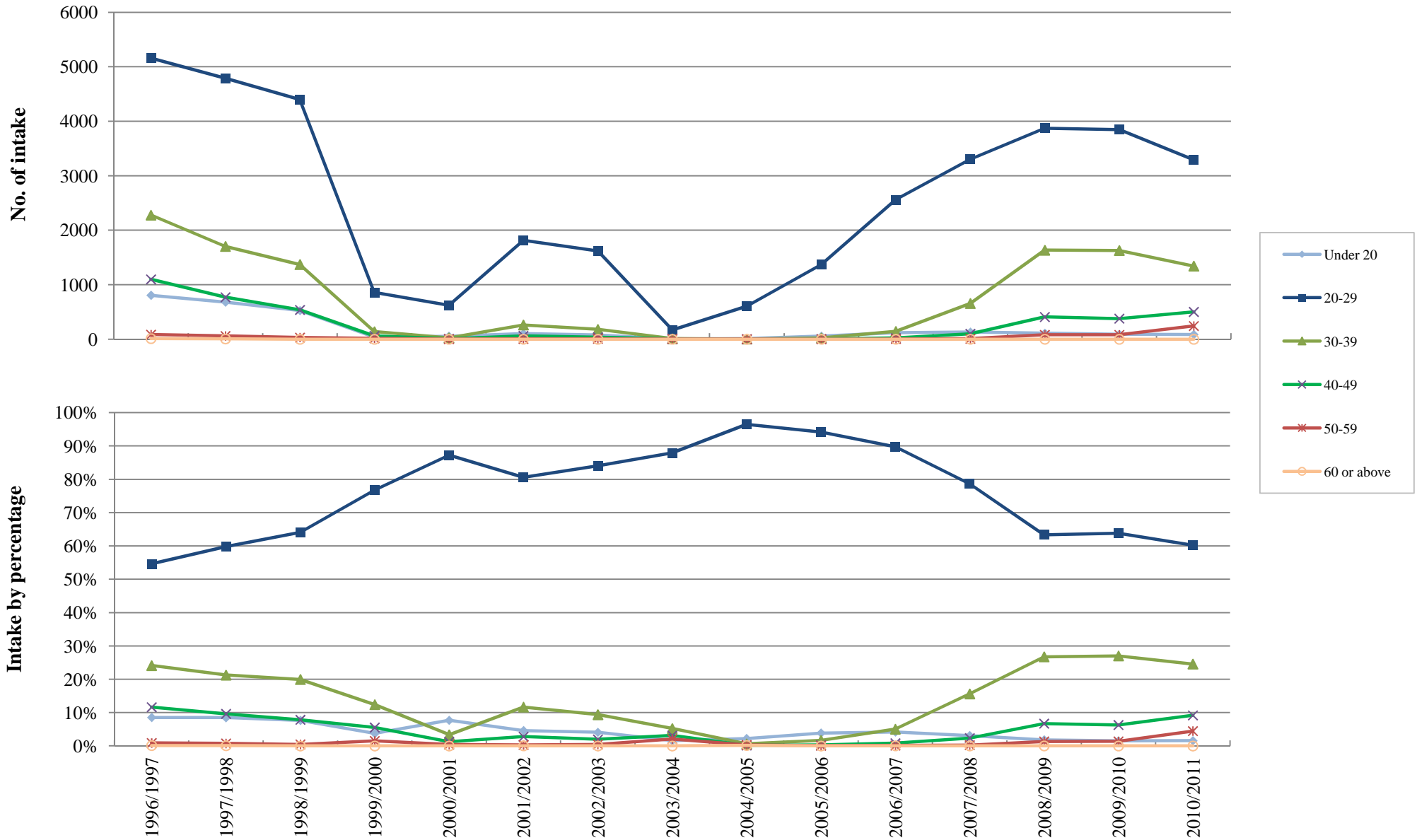
Age Profile of the Hong Kong Working Population



Age Profile of the Civil Service



Intake of Civil Servants by Age Groups from 1996-97 to 2010-2011



Directorate Civil Servants by Age Groups from 1986-87 to 2010-11

