

(Translation)  
**Speech by the Secretary for the Civil Service at the  
Special Meeting of the Finance Committee in the Legislative Council  
on 31 March 2014**

Chairman and Honourable Members,

Of the items relating to civil service expenses in the 2014-15 Draft Estimates of Expenditure, I would like to highlight the following two items.

2. **First, civil service establishment.** The civil service has supported the Fourth Term Government in implementing many new policies and initiatives in a professional and effective manner. We will, on the one hand, continue to work with bureaux/departments to enhance efficiency through measures such as internal redeployment, streamlining and re-engineering, and on the other hand, render support to the civil service by strengthening the establishment to cope with additional workload. We will support creation of new civil service posts where operational need is fully justified and when the work involved cannot be undertaken by re-deployment of existing staff or through alternative modes of service delivery.

3. There has been a modest increase of about 1% in the civil service establishment each year since 2007-08. The 2014-15 Draft Estimates of Expenditure project an additional 2 556 posts in the civil service establishment, or an increase of about 1.5%, over the 2013-14 Revised Estimate. This is the highest year-on-year increase since 2007-08. Subject to the approval of the 2014-15 Draft Estimates by the Legislative Council, the civil service establishment is estimated to stand at 173 961 posts at the end of March 2015. In 2014-15, most departments will have their establishment increased. Growth will be particularly significant in some departments, including the Buildings

Department, Housing Department, Customs and Excise Department and Immigration Department.

4. **Second, financial provisions.** In the 2014-15 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 \$1,088.7 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 \$688.7 million is proposed, representing an increase of \$64.6 million (or 10.4%) over the 2013-14 Revised Estimate. The additional provision is mainly for setting up additional general and specialised dental surgeries, kick-starting the preparatory work on a new Families Clinic and procuring additional equipment. With regard to the reimbursement of medical fees and hospital charges, an allocation of \$400 million is proposed, representing an increase of \$40 million (or 11%) over the 2013-14 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 \$26,331.7 million is proposed for pension payments to eligible retired public officers. This represents an increase of \$3,351.5 million (or 14.6%) over the 2013-14 Revised

Estimate. The increase is due to an estimated increase in the number of new retirees in 2014-15 and the full-year effect of pension payments to those retiring in 2013-14.

5. Chairman, as the backbone of the Government, the civil service 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 and encourage civil servants to pursue continuous improvement and do their best to deliver quality services to the public.

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