For discussion On 20 January 2014

## LEGISLATIVE COUNCIL PANEL ON PUBLIC SERVICE

## **Policy Initiatives of the Civil Service Bureau**

#### Purpose

This paper elaborates on policy initiatives relating to the Civil Service Bureau ("CSB") featured in the 2014 Policy Agenda.

#### **New Initiatives**

#### (A) <u>Improving the quota ratio of awards under the Long and Meritorious Service</u> <u>Travel Award Scheme</u>

2. The objective of the Long and Meritorious Service Travel Award Scheme (the "LMSTA Scheme") is to recognize and reward long and meritorious service of serving civil servants. All local non-directorate officers with a continuous service of 20 years or more, who have track records of consistently very good performance and have not received any Government travel award before, are eligible for consideration for the grant of an award. The award is in the form of travel allowance<sup>1</sup>, payable also to spouses who accompany the selected officers on the trip. At present, the number of awards for each year is determined on the basis of one award for every 30 officers meeting the service requirement (1:30). There were 2 133, 2 181 and 2 196 awards in 2011-12, 2012-13 and 2013-14 respectively. Currently, the majority of the award recipients have over and above 30 years of service.

3. The LMSTA Scheme is an important scheme for sustaining staff morale. The existing quota ratio of 1:30 has been in place since 1997 and competition for the awards has been intense. The Administration considers it appropriate to improve the ratio in order to provide better incentives to motivate civil servants to deliver quality service to meet the rising expectations of the general public.

<sup>&</sup>lt;sup>1</sup> The rate of the travel allowance is revised on 1 April each year with reference to the rate of change in package tour charges in the Consumer Price Index (C) in the past 12-month period ending February. The rate for 2013-14 is \$24,450.

We aim to improve the quota ratio from 1:30 to 1:27 commencing 2014-15. There would be 2 473 awards in 2014-15, of which 247 are due to the new initiative.

# (B) <u>Setting up a new Families Clinic and enhancing specialised dental services</u> for civil service eligible persons

4. Civil servants, pensioners and their eligible dependants are entitled to medical and dental treatment and services that are provided by the Department of Health (DH) or the Hospital Authority (HA) free of charge<sup>2</sup>, as well as reimbursement of medical expenses for items that are prescribed in accordance with medical necessity and are chargeable by HA or not available in HA and DH. In recent years, we have implemented a series of improvement measures on civil service medical and dental benefits in collaboration with DH and HA. These include enhancing the capacity of general dental surgeries, setting up a new Families Clinic in New Territories West, and providing dedicated diagnostic services and specialist out-patient services to civil service eligible persons, etc.

5. As part of our on-going efforts to improve civil service medical and dental benefits, we will kick start the preparatory work on setting up a new Families Clinic in the New Territories in 2014-15. When this fifth Families Clinic<sup>3</sup> comes into full operation, the total number of consultation rooms in all Families Clinics will increase from 32 to 42, representing an increase of about 31% in service capacity. For 2014-15, we will also enhance specialised dental services by setting up dedicated oral-maxillofacial and dental surgeries for civil service eligible persons.

## **On-going Initiatives**

#### (A) <u>Giving due consideration to additional manpower needs where justified for</u> <u>delivering effective services to the public</u>

6. The civil service has supported the Fourth Term Government in implementing new policies and initiatives in a professional and effective manner. We will, on the one hand, continue to work with bureaux/departments (B/Ds) to enhance efficiency through measures such as internal redeployment,

<sup>&</sup>lt;sup>2</sup> Save for the charges applicable to hospital maintenance, dentures and dental appliances as provided for in the Civil Service Regulations.

<sup>&</sup>lt;sup>3</sup> Currently, there are four Families Clinics located in Chai Wan, Wan Chai, Hung Hom and Tsuen Wan respectively.

streamlining and re-engineering, and on the other hand, render support to the civil service by strengthening the establishment to cope with additional We will support creation of new civil service posts where workload. 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. To facilitate the delivery of new policy initiatives and improved services to the public, we have strengthened the civil service establishment by about 1% annually since 2007-08. The projected establishment as at 31 March 2014 as shown in the 2013-14 Estimates is 171 422 (the actual establishment of the civil service as at end November 2013 was 170 231). We expect the civil service establishment will be further increased in 2014-15 to address the manpower requirements to facilitate the delivery of new policy initiatives and improvement to existing services. Details will be published in the 2014-15 Budget to be delivered on 26 February 2014.

## (B) Conducting a study on the extension of the service of civil servants

7. In response to the demographic challenges arising from an ageing population and dwindling labour force, the Steering Committee on Population Policy, chaired by the Chief Secretary for Administration, is conducting a public engagement exercise on population policy. Against this backdrop and to facilitate succession planning in the civil service, CSB, in consultation with B/Ds, is conducting an internal study to assess the manpower and retirement situation in the civil service in the coming years and explore possible options for extending the service of civil servants. In examining the options, we will assess in detail their implications, taking into account the unique circumstances and features of the civil service system. We aim to complete this study in the first quarter of 2014. Consultation with stakeholders on options identified will then ensue.

#### (C) <u>Strengthening our training programmes and fostering a learning culture in</u> <u>the civil service</u>

8. The Administration is committed to providing civil servants at different ranks with training and development opportunities, thereby equipping them with the necessary skills, knowledge and mindset to serve the public in an ever changing environment. CSB, through the Civil Service Training and Development Institute (CSTDI), will continue to strengthen training programmes to boost the innovation and drive of civil servants and to foster a learning culture in the civil service. We have enhanced the elements of policy and social innovation, leading change and creative problem solving in our leadership programmes, workshops and seminars for civil servants at different ranks. We will also continue to enhance the quality and variety of the e-learning resources available at the Cyber Learning Centre Plus ("CLC Plus") website to facilitate the pursuit of continuous learning among civil servants.

9. CSTDI also offers national studies and Basic Law training which takes into account the needs of civil servants of different levels and work nature. National studies training is organized in the forms of training courses, seminars, theme-based visits to the Mainland, civil service exchange programme and a dedicated website on Mainland-related information and development. On training on the Basic Law, in addition to having seminars and web course, CSTDI also provides on-line resources and organises a variety of promotional activities to enhance understanding of the Basic Law amongst civil servants.

## (D) <u>Maintaining a vigorous, effective and efficient disciplinary system against</u> <u>misconduct in the civil service</u>

10. The Administration is determined to uphold the highest standard of probity and integrity in the civil service. We have put in place a system under which disciplinary cases are processed with regard to the principles of natural justice and observance of procedural propriety. Safeguards are in place to ensure that a civil servant suspected of misconduct is given a fair hearing and sufficient opportunities to defend himself/herself and we will monitor their implementation and effectiveness.

11. We will continue to monitor closely the implementation and effectiveness of the established procedures to remove persistent under-performers under section 12 of the Public Service (Administration) Order<sup>4</sup>. We will also keep up our efforts in promoting a performance-based culture that is conducive to improving efficiency and productivity in the civil service.

# (E) Enhancing communication with the staff sides and encouraging fuller use of various commendation schemes to recognise and motivate exemplary performance

12. We are committed to fostering a partnership culture among civil

<sup>&</sup>lt;sup>4</sup> The Public Service (Administration) Order is an Executive Order made by the Chief Executive under Article 48 (4) of the Basic Law. Under section 12 of the Order, an officer may be required to retire in the public interest on grounds of persistent sub-standard performance.

servants by continuing to encourage more communication between the management and staff, especially colleagues in the front line. We will continue to consult and engage staff through the existing staff consultative machinery both at the central and departmental levels. Our objective is to provide an open and caring work environment and to better understand the views and experience of staff, so that they will be motivated to perform at their best to facilitate the implementation of various policy initiatives.

13. In keeping with our policy to encourage meritorious performance at the individual level through proper recognition, we introduced in 2004 the annual Secretary for the Civil Service's Commendation Award Scheme. A total of 77 civil servants from 35 B/Ds received commendations at a presentation ceremony held on 28 November 2013.

14. To recognise meritorious performance at the department and team levels, we have introduced the biennial Civil Service Outstanding Service Award Scheme since 1999. The Scheme aims to recognise departments and teams that are committed to continuous improvement and strive to provide high quality customer-oriented services to the public. Awards are granted at team, departmental and inter-departmental levels, and the best practices of the winning departments are widely publicised. The Scheme was last organised in 2013.

## (F)<u>Maintaining broad comparability between civil service pay and private sector</u> <u>pay</u>

15. The Government's civil service pay policy is to offer remuneration sufficient to attract, retain and motivate staff of suitable calibre to provide the public with an effective and efficient service; and such remuneration is to be regarded as fair by both civil servants and the public they serve by maintaining broad comparability between civil service and private sector pay. Civil service pay is compared with private sector pay on a regular basis through the conduct of three types of survey: (i) a pay level survey (PLS) every six years to ascertain whether civil service pay is broadly comparable with private sector pay; (ii) a starting salaries survey (SSS) every three years to compare the starting salaries of non-directorate civilian civil service grades with the entry pay of jobs in the private sector requiring similar qualifications<sup>5</sup>; and (iii) a pay trend survey (PTS)

<sup>&</sup>lt;sup>5</sup> For the 2012 SSS, the Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) submitted its report on the findings and recommendations to the Chief Executive (CE) in December 2012. CSB consulted this Panel on 21 January 2013 on the application of the findings to the civil service. CSB has also consulted the Standing Committee on Disciplined Services Salaries and Conditions of Service (SCDS) and the staff sides. We briefed this Panel on 14 April

every year to ascertain the average year-on-year movements in private sector pay<sup>6</sup>. The staff sides of the four central consultative councils are consulted on the annual civil service salary revision, as well as any salary revision following the SSSs and PLSs.

16. The Standing Commission on Civil Service Salaries and Conditions of Service (the Standing Commission) has been invited by the Administration to conduct the current PLS. It has been consulting the staff sides in reviewing the survey methodology and the consultant is now carrying out the field works. CSB will consult this Panel and the staff sides on the application of the findings of the PLS after the Standing Commission has submitted the survey findings and its advice on how the findings should be applied to the civilian civil service grades in due course. We will also consult the Standing Committee on Disciplined Services Salaries and Conditions of Service regarding the application of the findings on the disciplined services grades in due course.

#### (G) <u>Continuing to promote the employment of people with disabilities and</u> <u>ethnic minorities in the Government</u>

17. The Government, being an Equal Opportunities Employer, is committed to eliminating disabilities, race and other forms of discrimination in employment. We will continue to implement relevant measures on employment of persons with disabilities to facilitate job seekers with disabilities in applying for government jobs, promote their employment in the Government, and help government employees with disabilities fully integrate in the workplace. We will also keep up our efforts in implementing suitable measures, including the review and adjustments of the Chinese language proficiency requirements of relevant grades, with a view to ensuring that ethnic minorities will continue to

<sup>2013</sup> on CE-in-Council's decision that the starting salaries for all the basic ranks of the civilian and disciplined services grades should remain unchanged in accordance with the recommendations of the Standing Commission and the SCDS.

For background, the Standing Commission is an independent advisory body made up of members (including its Chairman) from different professional background (including business/professional, human resources, academic, etc.) responsible for advising and recommending the CE on matters relating to the pay and conditions of service of non-directorate civil service (with the exception of judicial officers and disciplined services staff).

<sup>&</sup>lt;sup>6</sup> The annual PTS is commissioned by the tripartite PTS Committee comprising representatives of the staff sides, representatives of the Administration and members from the two independent advisory bodies on civil service pay and conditions of service.

have equal access to job opportunities in the Government.

## Way Forward

18. We will continue to take forward the above initiatives in close consultation with departmental management and staff. We will seek Members' views as appropriate. We are committed to maintaining a civil service with high standards of integrity, efficiency and performance in order to contribute to the effective governance of the Hong Kong Special Administrative Region.

Civil Service Bureau 16 January 2014