For discussion on 20 February 2017

### **Legislative Council Panel on Public Service**

#### **Update on Extension of Service of Civil Servants**

#### **Purpose**

This paper reports on the progress made in implementing the initiatives for extending the service of civil servants.

#### **Background**

- 2. The Government announced in January 2015 the adoption of a package of flexible initiatives for extending the service of civil servants. These initiatives serve to enable the civil service to keep pace with the demographic changes of society; address the different operational and succession needs of individual grades/departments; and balance the interests of different cohorts of civil servants while maintaining effective management of the civil service.
- 3. We last updated Members at the Panel meeting on 21 December 2015 via LC Paper No. CB(4)356/15-16(05) on the progress of the implementation of the initiatives. The completed tasks include
  - (a) as a long-term solution to address the challenges posed by structural changes in population and shrinkage of the labour force, raising the retirement age of new recruits appointed to the civil service on or after 1 June 2015 to 65 in respect of civilian grades and 60 in respect of disciplined services grades regardless of their ranks; and
  - (b) introduction of the Post-retirement Service Contract (PRSC) Scheme, which institutionalises a framework for bureaux/departments (B/Ds) to employ retired/retiring civil servants on contract terms to undertake ad hoc, time-limited, seasonal or part-time tasks which call for specific civil service expertise/experience.

## **Progress Update**

- 4. While adopting a higher retirement age for new recruits can serve as a permanent fix for the challenges arising from an ageing population for the long term, we need to make available flexible tools for deployment by individual B/Ds to meet their specific operational needs in the interim. The flexible tools can also provide a scalable solution for changing requirements and circumstances. In this regard, apart from introducing the PRSC Scheme, we have consulted the staff sides earlier on a draft implementation framework on the adjusted mechanisms for (a) final extension of service up to 120 days; and (b) further employment for a longer duration (hereafter referred to as "FE").
- 5. For final extension of service up to 120 days, we have revised the arrangements for processing the applications since February 2016. Apart from raising the maximum period of final extension from 90 days to 120 days, the revised arrangements allow B/Ds to flexibly retain suitable serving officers for a short period beyond retirement age under simplified procedures and relaxed criteria to meet specific operational and succession needs, such as to follow through an outstanding task during its critical stage, to hand outstanding tasks over to a successor, etc.
- 6. With regard to the adjusted mechanism for FE, it seeks to provide B/Ds with more flexibility to retain serving officers beyond retirement age for a longer duration of up to five years in the light of operational needs, succession planning and recruitment situation of individual ranks. Eligible officers may be invited to apply and considered for FE through a fair and objective selection process to fill vacancies identified in the relevant ranks, if any. The adjusted mechanism will apply to all grades and ranks, provided that the relevant criteria are met. Having taken into account the views of the bureau/departmental management, we are now consulting the staff sides on the implementation guidelines. The key principles underpinning the implementation guidelines are
  - (a) Objective criteria to determine the need of FE: Relevant heads of department/grade should determine the need for FE by taking into account relevant objective criteria, including genuine and operational needs, need to retain valuable expertise/experience, succession planning and promotion blockage.

- (b) **Fair FE selection exercise:** To ensure fairness of the FE selection exercise, a selection board will be convened to consider FE applications. The modus operandi will be similar to that of promotion and recruitment exercises. Selection will be based on the above-mentioned objective criteria adopted in determining the need for FE, as well as the physical fitness, satisfactory performance and conduct of the applicant.
- (c) **Regular review of the FE period:** While the maximum period for further employment beyond retirement age may be up to five years, each FE application will be approved for a fixed period initially and may be renewed upon application. Applications for renewal will be handled by the same FE selection process. Specifically, each FE will be for not more than 12 months for promotion ranks so that the readiness for advancement of officers in the lower ranks can be timely reviewed.
- (d) Checks and balances: FE will be subject to checks and balances by the Civil Service Bureau (CSB) (CSB will consult the Public Service Commission (PSC) having regard to the specific ranks concerned). Specifically, the FE selection board report and recommendations will be submitted to CSB and/or PSC for scrutiny.
- 7. Subject to the feedback received from the staff sides on the draft implementation guidelines mentioned in paragraph 6 above, we will finalise the guidelines for promulgation.

# **Advice Sought**

8. Members are invited to note the contents of this paper.

Civil Service Bureau February 2017