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(Translation)

**Opening Remarks by Secretary for the Civil Service at the
Special Meeting of the Finance Committee in the Legislative Council
on 16 April 2018**

Chairman and Honourable Members,

Among the matters related to the civil service in the 2018-19 Draft Estimates of Expenditure, I would like to focus my introduction on two items.

2. **The first item is civil service establishment.** In order to support the implementation of the policies, initiatives and new measures of the Government of the new term and to ease the work pressure on civil servants, the civil service establishment is expected to expand by 6 700 posts in 2018-19. This represents a year-on-year increase of about 3.7%, the highest since reunification. Frontline staff will account for nearly 70% of the additional manpower. Subject to the approval of the Draft Estimates of Expenditure by the Legislative Council, the civil service establishment is expected to stand at 188 451 posts by end-March 2019.

3. The establishment of the vast majority of bureaux and departments (“B/Ds”) will be augmented in 2018-19. The additional staff will serve in different areas of work, mainly in land and housing development, development of a liveable city, poverty alleviation, elderly care, support for the disadvantaged, promotion of primary healthcare, supporting the upcoming commissioning of major infrastructure projects (such as a number of boundary control points), etc.

4. In addition, to mitigate the impact of time-limited posts on the relevant grades and civil servants, after a comprehensive review of these posts, the Government will make permanent about 400 time-limited posts and extend about 590 posts in 2018-19. These posts can be used for promotion or substantively filled by civil servants, thus providing more career development opportunities.

5. The appropriate increase in manpower resources by the Government represents not only a booster for the civil service in appreciation of the challenges encountered by B/Ds in taking forward new initiatives, but, more importantly, it could enhance the quality of public services.

6. **The second item of my introduction is about financial provisions.** In the 2018-19 Draft Estimates of Expenditure, the financial provisions under a few Heads of

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Expenditure are related to the policy area of management of the civil service. They include -

- (a) Head 37 – Department of Health: Programme (7) “Medical and Dental Treatment for Civil Servants”: A financial provision of \$1,848.9 million is proposed, representing an increase of \$298.2 million (19.2%) over the 2017-18 Revised Estimate. The increase is mainly for enhancing the medical and dental benefits for serving civil servants, pensioners and their eligible dependants, and continuously improving various services. Of this provision, \$953.7 million is for providing medical and dental services at Families Clinics and government dental clinics, and \$895.2 million for the payment and reimbursement of medical fees and hospital charges; and
- (b) Head 120 – Pensions: Programme (1) “Public and Judicial Service Pension Benefits”: An amount of \$36,653.4 million is proposed for pension payments to retirees, representing an increase of \$3,002.5 million over the 2017-18 Revised Estimate. The increase is mainly due to an estimated increase in the number of new retirees and the full-year effect of pension payments to those retiring in 2017-18.

7. Chairman, this is the end of my introduction. I would welcome questions from Members.