

LC Paper No. CB(4)1039/17-18

(These minutes have been seen by the Administration)

Ref : CB4/PL/PS

Panel on Public Service

Minutes of meeting held on Monday, 19 March 2018, at 10:45 am in Conference Room 3 of the Legislative Council Complex

Members present :	Hon POON Siu-ping, BBS, MH (Chairman) Hon Jeremy TAM Man-ho (Deputy Chairman) Hon Mrs Regina IP LAU Suk-yee, GBS, JP Hon KWOK Wai-keung, JP Dr Hon CHIANG Lai-wan, JP Hon CHUNG Kwok-pan Hon CHU Hoi-dick Hon HO Kai-ming Hon LAM Cheuk-ting Hon SHIU Ka-fai Hon YUNG Hoi-yan Dr Hon Pierre CHAN
Members absent :	Hon Charles Peter MOK, JP Hon IP Kin-yuen Dr Hon Elizabeth QUAT, BBS, JP Hon Martin LIAO Cheung-kong, SBS, JP Hon Jimmy NG Wing-ka, JP
Public Officers : attending	Agenda item IV Mr Joshua LAW, GBS, JP Secretary for the Civil Service Mr Thomas CHOW, JP Permanent Secretary for the Civil Service

	Mr Eddie MAK, JP Deputy Secretary for the Civil Service 1	
	Ms Amy WONG Deputy Secretary for the Civil Service 2	
	Mr Eric CHAN Deputy Secretary for the Civil Service 3	
	Mr LI Pak-hong, JP Director of General Grades Civil Service Bureau	
	Agenda item V	
	Mr Joshua LAW, GBS, JP Secretary for the Civil Service	
	Mr Thomas CHOW, JP Permanent Secretary for the Civil Service	
	Ms Amy WONG Deputy Secretary for the Civil Service 2	
	Dr Cindy LAI Kit-lim, JP Deputy Director of Health	
Clerk in attendance :	Mr Anthony CHU Chief Council Secretary (4)1	
Staff in attendance :	Ms Wendy JAN Senior Council Secretary (4)7	
	Ms Maggie CHUNG Council Secretary (4)1	
	Mr Griffin FUNG Legislative Assistant (4)8	
	Mr Terry HON Clerical Assistant (4)1	

I. Confirmation of minutes

(LC Paper No. CB(4)726/17-18 -- Minutes of meeting held on 15 January 2018)

The minutes of the meeting held on 15 January 2018 were confirmed.

II. Information papers issued since the last regular meeting on 26 February 2018

2. <u>Members</u> noted that no information paper had been issued since the last regular meeting on 26 February 2018.

III. Date of next meeting and items for discussion

(LC Paper No. CB(4)730/17-18(01)	List of outstanding items for discussion
LC Paper No. CB(4)730/17-18(02)	List of follow-up actions)

3. <u>Members</u> agreed that the next regular Panel meeting would be held on Friday, 13 April 2018 to discuss the following items proposed by the Administration:

- (a) Implementation of five-day week in the Government; and
- (b) Grade structure review for Marine Officer and Surveyor of Ships grades.

4. Regarding item (b) above, <u>members</u> noted that subsequent to the briefing by the Administration on the findings and recommendations of the grade structure review for Marine Officer and Surveyor of Ships grades at the Panel meeting on 22 December 2017, the Administration proposed to brief members on the decision of the Chief Executive-in-Council on the recommendations at the next regular Panel meeting. <u>Members</u> also noted that members of the Panel on Economic

Development and all other Members of the Legislative Council would be invited to join the discussion of this item.

5. <u>The Deputy Chairman</u> said that he had received a copy of a submission from the Hong Kong Confederation of Trade Unions dated 14 March 2018 addressed to the Panel Chairman expressing views on the extension of service of civil servants who joined the Government between 1 June 2000 and 31 May 2015. The organization further suggested that the Panel should hold a public hearing to gauge views from civil service staff unions/associations on the matter. <u>The Chairman</u> said that he had not yet received the submission and directed the Clerk to follow up the matter. <u>The Chairman</u> further said that, after receiving the submission, members could discuss at the next regular meeting whether to hold a public hearing.

(*Post-meeting note*: The Secretariat received the submission on 19 March 2018. On the instruction of the Chairman, it was issued to members vide LC Paper No. CB(4)798/17-18(01) on 22 March 2018.)

IV. Civil service-related matters featured in the 2018-2019 Budget

(LC Paper No. CB(4)730/17-18(03) -- Administration's paper on the Civil service-related matters featured in the 2018-2019 Budget)

6. At the invitation of the Chairman, <u>Secretary for the Civil Service</u> ("SCS") briefed members on the civil service-related matters featured in the 2018-2019 Budget, details of which were set out in the Administration's paper (LC Paper No. CB(4)730/17-18(03)).

Changes in civil service establishment in 2018-2019

7. <u>The Deputy Chairman</u> said that some Executive Officer ("EO") grade staff had complained to him that they had been staying in their posts for longer than the interval of a normal tour of service (i.e. two to five years depending on the rank). Knowing that posting arrangement of EO was administered by the General Grades Office ("the Office") of the Civil Service Bureau ("CSB"), he asked if any of the new 13 posts

created under CSB in 2018-2019 would be deployed to the Office to improve the posting arrangement.

8. <u>SCS</u> advised that given the increasing number of civil servants, grade management work had to be enhanced. Among the 13 posts created under CSB, two Senior EO posts would be added in the Office to enhance the grade management work of the EO grade and the Clerical Assistant grade. Recruitment of EOs/Administrative Officers was centrally planned and conducted by CSB having regard to the projected staff wastage of the two grades. At the request of the Deputy Chairman, <u>SCS</u> undertook to provide the changes in establishment of EO grade staff and Administrative Officer grade staff in 2018-2019.

(*Post-meeting note*: The Administration's response was issued to members vide LC Paper No. <u>CB(4)903/17-18(01)</u> on 13 April 2018.)

9. <u>SCS</u> further advised that 10 posts, including four Training Officer grade posts, two EO grade posts and four clerical grade posts, would be deployed to the Civil Service Training and Development Institute ("CSTDI") mainly for training programmes relating to national studies and the Basic Law. In reply to the Deputy Chairman's question about the existing establishment in CSTDI, <u>Deputy Secretary for the Civil Service 3</u> said that CSTDI would have around 126 staff with the 10 additional new posts.

10. <u>The Deputy Chairman</u> enquired about the number of pilot posts added for the Government Flying Service. <u>SCS</u> said that the additional 11 posts created in the Government Flying Service would be responsible for various daily operations.

11. <u>Dr CHIANG Lai-wan</u> considered it reasonable for the civil service workforce to grow in line with the changes in the population. Nevertheless, citing the Squatter Control Unit under the Lands Department as an illustration, she was concerned whether the Administration would, with a view to ensuring the proper use of public funds and the effective and efficient provision of public service, regularly review the functions, service nature and workflow of individual bureau/departments("B/Ds") and government subvented bodies in order to streamline/computerize their operations and optimize the deployment of their manpower resources.

12. SCS explained that any increase in civil service manpower resources of individual B/Ds had been considered with full justifications provided by B/Ds, such as their scope of services and their operational needs. As stated in the Chief Executive's 2017 Policy Address, the Administration would augment the civil service establishment to support the implementation of new policies and initiatives and ease the work pressure on civil servants. In 2018-2019, 6700 posts, including 47 directorate posts, would be created in the civil service. CSB had been encouraging B/Ds to review their scope of services, improve their organizational structures and streamline their work procedures. Furthermore, B/Ds had been using innovation and technology to improve the delivery of public service, which was in line with the development of Hong Kong as a smart city. As regards the Squatter Control Unit under the Lands Department, SCS clarified that it was currently responsible for, among other duties, performing territory-wide squatter control and clearance duties, including demolishing unauthorized squatter structures and unauthorized extensions to the surveyed structures.

13. <u>Dr CHIANG Lai-wan</u> urged the Administration to consider setting target ratios for non-ethnic Chinese ("NEC") civil servants so as to facilitate NEC's employment in the civil service and promote elimination of race discrimination in workplace. <u>SCS</u> welcomed members' views on facilitating employment of NEC in the civil service and reiterated that, as stated at the last meeting on 26 February 2018, the Administration had already lowered Chinese language proficiency requirements of some grades to increase government job opportunities for NEC.

Training and development programmes for civil servants

14. Both <u>the Deputy Chairman</u> and <u>Dr CHIANG Lai-wan</u> enquired about the project progress of the new civil service college. <u>The Deputy</u> <u>Chairman</u> asked whether the 10 additional posts in CSTDI would be assigned to help take forward the project. <u>Dr CHIANG</u> suggested that, before the commissioning of the new civil service college, more short-term courses and management retreat programmes should be organized by CSTDI using existing Government facilities or on outlying islands.

15. <u>SCS</u> said that as the new civil service college was still in the planning stage, the Administration was still searching for a suitable site and gathering more information about the civil service training systems of some overseas jurisdictions. The 10 additional posts in CSTDI included in the 2018-2019 Budget were mainly for the enhancement of training programmes relating to national studies and the Basic Law, and the

strengthening of the administrative support of CSTDI, not for the establishment of the new civil service college.

Offsetting arrangement for the Mandatory Provident Fund Scheme

16. <u>Mr HO Kai-ming</u> pointed out that \$15 billion had been reserved in the 2018-2019 Budget as the subsidy for employers to abolish the offsetting arrangement of severance payments and long service payments with Mandatory Provident Fund ("MPF") contribution. Noting from the Administration's paper that some civil servants were employed on terms which attracted retirement benefits under the MPF Scheme, he asked whether the Administration would take the lead in abolishing the offsetting arrangement and had estimated the relevant financial implications.

17. SCS pointed out that most of the civil servants were provided with retirement benefits under the civil service pension schemes or the Civil Service Provident Fund Scheme. Civil servants appointed under the civil service pension schemes were exempted from the provisions under the Mandatory Provident Fund Schemes Ordinance (Cap.485) and would not be affected by the abolition of the offsetting arrangement. As to those appointed under the Civil Service Provident Fund Scheme, their accrued benefits attributable to Government's contributions receivable would normally be over and above the quantum of the severance payments and long service payments calculated in accordance with the Employment Ordinance (Cap.57) and offsetting arrangement would rarely be required. Non-civil service contract terms staff were employed on terms which attracted retirement benefits under the MPF Scheme while some were on gratuity-bearing contract terms. As the proposal of abolishing the offsetting arrangement was still being discussed by the relevant stakeholders, the Administration had no basis to estimate at this stage the financial implications in relation to staff working in the Government if the offsetting arrangement was abolished.

Chinese Medicine Service for civil service eligible persons

18. Taking into account the increasing demand for Chinese medicine ("CM") service among civil servants and that the Elderly Health Care Voucher Scheme also covered CM service, <u>Dr CHIANG Lai-wan</u> opined that the Administration should include CM service in the scope of civil service medical benefits. She further asked whether the Administration had considered allowing civil service eligible persons ("CSEPs") to claim reimbursement for procuring CM service in the private market and had estimated the relevant financial implications.

19. SCS advised that the civil service medical and dental benefits ("civil service medical benefits") were provided to CSEPs by the Department of Health ("DH") or Hospital Authority ("HA") in accordance with the Civil Service Regulations, CSB Circulars and Circular Memoranda. At present, CM service was not included as part of civil service medical benefits as it was not a standard service provided by HA or DH, and the existing 18 public CM clinics ("CMCs") were tripartite collaboration model involving HA, operated on a a non-governmental organization and a local university. Given that the Food and Health Bureau ("FHB") would announce in 2018 the positioning and development framework for major areas of the Tseung Kwan O CM hospital, CSB would monitor the development of CM in the public healthcare system, as well as explore the possibility of including CM service as part of civil service medical benefits to be provided by the Tseung Kwan O CM hospital. As regards Dr CHIANG recommendation allowing Lai-wan's about **CSEPs** to claim reimbursement for procuring CM service in the private market, SCS said that the Administration had not estimated CSEPs' utilization rate of CM service and the relevant expenditure. As any reimbursement scheme would entail difficulty in quality assurance, the Administration considered it more appropriate to provide CM service to CSEPs within the public healthcare system if it were to be provided to CSEPs as medical benefits in future.

20. Worrying that the Tseung Kwan O CM hospital might not be able to fully address all CSEPs' needs for CM service, <u>Dr CHIANG</u> <u>Lai-wan</u> considered that the Administration should conduct a survey to assess the current utilization situation of CM service among CSEPs so as to ensure that the Tseung Kwan O CM hospital could meet the demand of CSEPs.

Long and Meritorious Service Travel Award Scheme for eligible civil servants

21. <u>The Deputy Chairman</u> recapitulated his suggestion raised at the Panel meeting on 22 December 2017 on allowing unmarried award-winners of the Long and Meritorious Service Travel Award Scheme to bring friends or family members as travel companions. He enquired whether the Administration had accepted his suggestion and included the additional expenditure in the 2018-2019 Budget. In response, <u>SCS</u> replied that the Administration was assessing the feasibility of the Deputy Chairman's suggestion and would endeavour to come up with a decision as soon as possible.

V.	An overview of medical and dental benefits for civil servants, pensioners and eligible dependants		
	(LC Paper No. CB(4)730/17-18(04)	Administration's paper on an overview of medical and dental benefits for civil servants, pensioners and eligible dependants	
	LC Paper No. CB(4)730/17-18(05)	Paper on medical and dental benefits for civil servants, pensioners and eligible dependants prepared by the Legislative Council Secretariat (updated background brief)	
	LC Paper No. CB(4)755/17-18(01)	Submission from the Coalition of Civil Servants on Medical and Dental Benefits for CSEPs (Chinese version only))	

22. As a staffing proposal was included in the Administration's paper (LC Paper No. CB(4)730/17-18(04)), <u>the Chairman</u> reminded members that in accordance with Rule 83A of the Rules of Procedure of the Legislative Council, they should disclose the nature of any direct or indirect pecuniary interests relating to the subject under discussion at the meeting before they spoke on the subject.

23. <u>The Chairman</u> informed the meeting that the Panel had received two submissions on civil service medical benefits for CSEP, one from the Coalition of Civil Servants on Medical and Dental Benefits for CSEPs (LC Paper No. CB(4)755/17-18(01)), and the other from a member of the public dated 18 March 2018, which was tabled at the meeting.

(*Post-meeting note*: The submission from the member of the public dated 18 March 2018 was issued to members vide LC Paper No. CB(4)774/17-18(01) on 19 March 2018.)

24. At the invitation of the Chairman, SCS briefed members on the latest overview of the provision of medical benefits for CSEPs and the DH's plan to create a new permanent post of Consultant (D4/D3/D2) for enhancing the clinical supervision, planning, development and operations of Families Clinics in the New Territories region, details of which were Administration's set out in the paper (LC Paper No. CB(4)730/17-18(04)). <u>SCS</u> further said that subject to the views of members, the endorsement of the Establishment Subcommittee ("ESC") would be sought on the staffing proposal of DH.

Inclusion of CM service

25. <u>The Chairman and Dr CHIANG Lai-wan</u> strongly urged the Administration to include CM service in the scope of civil service medical benefits as early as possible in view of the repeated requests from civil servants. Having regard to quality assurance, <u>Dr CHIANG</u> suggested that, as a trial arrangement, the Administration should explore the feasibility of allowing CSEPs to obtain CM service from the public CMCs in the 18 districts and claim reimbursement from the Government for the costs incurred, subject to a ceiling if necessary. She further suggested that if CMCs did not have the capacity to cope with related demands, the Administration should engage the private sector in the provision of CM service to CSEPs.

26. <u>Mr HO Kai-ming</u> shared Dr CHIANG Lai-wan's view and suggested that as a starting point, the Administration should consider purchasing quotas from CMCs for the exclusive use by CSEPs on a first-come-first-served basis and as such, the additional costs could be within control.

27. <u>SCS</u> replied that while he understood civil servants' wish to include CM service as part of the civil service medical benefits, the crux of the issue was that CM service was not provided by DH or HA as a standard service at present, thus it did not fall within the scope of the civil service medical benefits as defined in the relevant Civil Service Regulations. Existing CMCs were operated on a tripartite collaboration model involving HA, a non-governmental organization and a local university. As regards feasibility of providing CM service for CSEPs by CMCs, he said that this might not be an effective solution to address civil servants' wish in view of its limited capacity to provide service for some 540 000 CSEPs. Moreover, it would be outside the scope of the civil

service medical benefits and the existing policy for the Administration to purchase quotas from CMCs for the exclusive use by CSEPs.

28. <u>SCS</u> further advised that CSB would closely monitor the development of CM, in particular the positioning of the new Tseung Kwan O CM hospital in the public healthcare system, and would follow up with FHB to explore the feasibility of providing CM service for CSEPs when situation so allowed. <u>SCS</u> added that FHB planned to announce the positioning of the CM hospital by mid-2018.

29. <u>Mr HO Kai-ming</u> was worried that the new CM hospital might not provide dedicated service for CSEPs upon its commissioning because according to his understanding, the Administration's initial plan was to engage a non-governmental organization to operate the hospital. As such, its service might still not be regarded as part of the standard services provided by DH or HA. In this connection, he sought information on the feasibility of providing CM service for CSEPs by DH.

30. In response, <u>Deputy Director of Health</u> ("DDH") said that DH, instead of providing CM service, was the Administration's agency to execute CM related policies and statutory functions. FHB would set up a unit to oversee the development of CM in Hong Kong, including the provision of CM service in the public healthcare sector.

31. Citing the reimbursement arrangement of co-payment under HA's Pilot Public-Private Partnership Scheme in Cataract Surgeries as an example whereby CSEPs might receive fixed subsidy from HA and apply to DH for reimbursement of co-payment for the cataract surgery performed by a private ophthalmologist, the Chairman sought the reasons for not acceding to the request of Dr CHIANG Lai-wan and Mr HO Kai-ming in making similar reimbursement arrangement for CSEPs to obtain CM service from CMCs.

32. <u>Mr HO Kai-ming</u> further cited the reimbursement arrangement of co-payment for CSEPs under HA's Colon Assessment Public-Private Partnership Programme as another example to show that CSEPs might choose to have a colonoscopy performed by a private specialist participating in the programme and apply for reimbursement of co-payment from DH. In this connection, <u>Mr HO</u> said that he was not convinced by SCS's argument that it was outside the scope of the civil service medical benefits for CSEPs to obtain CM service from CMCs and claim reimbursement from the Government for the costs incurred.

33. <u>SCS</u> explained that unlike CM service, both ophthalmology and colonoscopy services were provided by HA as standard services. Under these two schemes, CSEPs would be invited by HA to participate in the schemes as members of the public in accordance with the selection criteria.

Medical and dental services for CSEPs

34. Noting that the Administration would set up a new Government Dental Clinic in Yuen Long for CSEPs, the Deputy Chairman enquired whether CSEPs would be restricted to using only the Government Dental or work within their residential area. and whether Clinics the Administration would consider setting up more Government Dental Clinics in the urban areas or new development areas, such as the Kai Tak area where the offices of a number of major government departments would be relocated. He further suggested that consideration should be given to reserving space in newly constructed Government buildings for setting up Government dental facilities for CSEPs.

35. SCS advised that the Administration strived to set up dedicated dental clinics in different geographic locations of Hong Kong Island, Kowloon and New Territories for convenient use by CSEPs, which in turn would increase their accessibility so as to better meet their needs. As CSEPs could choose to use any Government Dental Clinic, most CSEPs would attend a Government Dental Clinic close to their home or As regards CSEPs working in the Kai Tak area, they could workplace. use the Government Dental Clinic located in Kowloon City. DDH added that efforts had been made by the Administration to identify suitable space in different geographic locations for setting up more dental facilities for CSEPs, and such facilities would be incorporated into new Government buildings where practicable at the initial planning stage of the buildings.

36. In reply to Dr CHIANG Lai-wan's enquiry about the progress of providing priority discs for CSEPs in evening sessions of General Out-patient Clinics, <u>SCS</u> advised that CSB had been following up with HA on this issue and would report the progress to members as appropriate.

Manpower enhancement

37. Regarding DH's proposal to create a permanent post of Consultant for enhancing the clinical supervision, planning, development and operations of Families Clinics in the New Territories region,

<u>Mr HO Kai-ming</u> asked about the substantial benefits that would be brought about by the proposal to CSEPs, such as the reduction in their waiting time for medical and dental services.

38. DDH advised that at present, Consultant (Family Medicine) was responsible for providing overall clinical supervision, planning and quality assurance of Families Clinics. Consultant (Family Medicine)'s current portfolio was over-stretched in view of a number of factors, such as the continuous service expansion of Families Clinics from three clinics in 2008 to six clinics in 2018-2019, the substantial increase in the number of medical officers working in Families Clinics from about 20 in 2008 to about 40 at present, and in particular, the planned implementation of Risk Assessment and Management Programme for patients with diabetes mellitus, which sought to improve the quality of care for CSEPs by better controlling the disease progression and reducing avoidable hospitalization and utilization of specialist out-patient and emergency service. The proposed additional Consultant post would enhance the professional support in clinical service at the Consultant rank so as to ensure and sustain the standard of care and patient safety of Families Clinics.

Post-retirement medical protection for civil servants appointed on or after <u>1 June 2000</u>

39. Noting that civil servants appointed on or after 1 June 2000 on the New Permanent Terms ("NPT") of Appointment would cease to enjoy civil service medical benefits upon retiring from the civil service, <u>Mr HO Kai-ming</u> expressed grave concern that this would affect the morale of these civil servants who would gradually make up the whole civil service. He called on the Administration to explore the feasibility of providing post-retirement medical benefits for them.

40. <u>SCS</u> explained that a series of civil service reforms were carried out in 1999 that involved a review of the terms and conditions of employment for new recruits who joined the Government on or after 1 June 2000. Upon the completion of the review, revisions were introduced having regard to a host of factors, including the principle of broad comparability with the private sector. According to the new terms and conditions of service for civil servants appointed on or after 1 June 2000 on NPT, they would no longer enjoy civil service medical benefits after retirement. Under these circumstances, it would be very difficult for the Administration to make major changes to this new package at this stage.

Conclusion

41. In closing, <u>the Chairman</u> said that members generally supported the Administration to submit the staffing proposal to ESC for endorsement.

VI. Any other business

42. There being no other business, the meeting ended at 12:21 pm.

Council Business Division 4 Legislative Council Secretariat 9 May 2018