

LC Paper No. CB(4)642/18-19

(These minutes have been seen by the Administration)

Ref : CB4/PL/PS

Panel on Public Service

Minutes of meeting held on Monday, 17 December 2018, at 10:45 am in Conference Room 3 of the Legislative Council Complex

Members present	 Hon Gary FAN Kwok-wai (Chairman) Hon Martin LIAO Cheung-kong, SBS, JP (Deputy Chairman) Hon WONG Ting-kwong, GBS, JP Hon Charles Peter MOK, JP Hon Charles Peter MOK, JP Hon KWOK Wai-keung, JP Hon IP Kin-yuen Dr Hon Elizabeth QUAT, BBS, JP Hon POON Siu-ping, BBS, MH Dr Hon POON Siu-ping, BBS, MH Dr Hon CHIANG Lai-wan, SBS, JP Hon HO Kai-ming Hon LAM Cheuk-ting Hon SHIU Ka-fai Dr Hon Pierre CHAN Hon Jeremy TAM Man-ho Hon Tony TSE Wai-chuen, BBS Hon CHAN Hoi-yan
Members absent	: Hon Mrs Regina IP LAU Suk-yee, GBS, JP Hon CHU Hoi-dick
Member attending	: Hon SHIU Ka-chun

Public Officers attending

: Agenda item III

Ms Amy WONG Deputy Secretary for the Civil Service 2

Mr Benjamin MOK Principal Assistant Secretary (Pay and Leave) Civil Service Bureau

Ms Michelle LI Director of Leisure and Cultural Services

Mrs Doris FOK Assistant Director (Leisure Services)1 Leisure and Cultural Services Department

Agenda item IV

Mr Adolph LEUNG, JP Deputy Government Economist Financial Secretary's Office

Mr Desmond HOU Principal Economist(4) Financial Secretary's Office

Ms Reddy NG, JP Principal Economist(5) Financial Secretary's Office

Ms Angelina KWAN Head, Human Resources Planning and Poverty Co-ordination Unit

Mr Johann WONG, JP Deputy Secretary for Labour & Welfare (Welfare)2

Clerk in attendance :	Mr Anthony CHU
	Chief Council Secretary (4)1

Staff in attendance : Ms Mina CHAN Senior Council Secretary (4)7

Ms Maggie CHUNG Council Secretary (4)1

Mr Griffin FUNG Legislative Assistant (4)7

Mr Terry HON Clerical Assistant (4)1

Action

I.

Information paper(s) issued since the last regular meeting on 19 November 2018

- (LC Paper No. CB(4)231/18-19(01) -- Administration's response to the letter dated 22 October 2018 from Hon Jeremy TAM Man-ho requesting information on the Government's plan to redevelop the site for Shine Skills Centre in Kwun Tong into a civil service college
- LC Paper No. CB(4)313/18-19(01) -- Submission from the Government Amenity Management Supervisors General Union (Chinese version only)
- LC Paper No. CB(4)313/18-19(02) -- Submission from the General Union of HKSAR Government Leisure Services Staff (Chinese version only) (Restricted to members only)
- LC Paper No. CB(4)313/18-19(03) -- Administration's response to the submissions from

the Government Amenity Management Supervisors General Union and the General Union of HKSAR Government Leisure Services Staff)

<u>Members</u> noted that the above papers had been issued since the last meeting.

II. Date of next meeting and items for discussion

(LC Paper No. CB(4)318/18-19(01)	List of outstanding items for discussion
LC Paper No. CB(4)318/18-19(02)	List of follow-up actions)

Schedule of regular meetings from January to July 2019

2. Referring to the proposal of rescheduling the regular meetings from January to July 2019 as discussed at the last meeting, <u>the Chairman</u> said that the Secretariat had issued a circular on 21 November 2018 consulting members' views on the matter. Since some members did not agree to the proposal due to a clash with their prior engagements, it was decided that the Panel would continue with its existing meeting schedule. Members were informed of such decision vide LC Paper No. CB(4)270/18-19 issued on 3 December 2018.

3. <u>Members</u> noted that the Administration planned to discuss the item "2019-2020 Civil Service Pay Adjustment" at the regular meeting in June 2019. In order to allow the Administration sufficient time to prepare the relevant paper, <u>members</u> agreed that the June regular meeting be rescheduled to Friday, 21 June 2019, at 8:45 am.

(*Post-meeting note*: A circular [LC Paper No. CB(4)423/18-19] was issued on 16 January 2019 informing members of the rescheduling of the regular meeting in June 2019.)

Items for discussion at the next meeting

4. <u>Members</u> agreed that the next regular Panel meeting would be held on 21 January 2019 to discuss the following items proposed by the Administration:

- (a) Use of agency workers; and
- (b) Update on extension of the service of civil servants.

(*Post-meeting note*: At the request of the Administration and with the concurrence of the Chairman, the item "Update on extension of the service of civil servants" had been replaced with another item "Review on Civil Service Pay Level Survey and Starting Salaries Survey". Members were informed of the arrangement vide LC Paper No. CB(4)361/18-19 on 21 December 2018.)

5. On item (a) above, <u>members</u> also agreed that the Innovation and Technology Bureau be invited to send representatives to attend the next meeting for discussion on the item and to provide a discussion paper on the use of T-contract staff.

6. <u>Mr HO Kai-ming</u> expressed concern about the hiring of the services of nurses and other frontline care-related supporting staff provided by agencies in the Hospital Authority ("HA"). He proposed inviting the related public officers to attend the next meeting or requesting HA to provide the Panel with the relevant statistical information. <u>The Chairman</u> said that the Secretariat would follow up the matter with the Administration.

(*Post-meeting note*: After the meeting, Mr HO Kai-ming agreed that HA should first be requested to provide the relevant information.)

III. Issues relating to the lifeguards of the Leisure and Cultural Services Department

(LC Paper No. CB(4)318/18-19(03) -- Administration's paper on Civil Service Lifeguards of the Leisure and Cultural Services Department LC Paper No. CB(4)318/18-19(04) -- Paper on the issues relating to the lifeguards of the Leisure and Cultural Services Department prepared by the Legislative Council Secretariat (background brief)

Other relevant papers

- LC Paper No. CB(4)65/18-19(01) -- Letter dated 12 October 2018 from Hon LAM Cheuk-ting concerning the training, grade structure and manpower situation of the lifeguards of the Leisure and Cultural Services Department
- -- Administration's LC Paper No. CB(4)145/18-19(01) response to the letter dated 12 October 2018 from Hon LAM Cheuk-ting concerning the training, grade structure and manpower situation of the lifeguards of the Leisure and Cultural Services Department)

7. At the invitation of the Chairman, <u>Director of Leisure and</u> <u>Cultural Services</u> ("DLCS") briefed members on the issues relating to the lifeguards of the Leisure and Cultural Services Department ("LCSD") as set out in the Administration's paper (LC Paper No. CB(4)318/18-19(03)).

Qualifications and training of LCSD's lifeguards

8. Noting from the Administration's paper that LCSD did not require non-civil service contract ("NCSC") seasonal lifeguards to possess valid first aid certificates, <u>Mr Jeremy TAM</u> was concerned whether every single gazetted beach was stationed with lifeguards trained in first aid. <u>DLCS</u> replied that each gazetted beach would have at least one lifeguard possessed with valid first aid certificate.

9. <u>Mr HO Kai-ming</u> said that LCSD's lifeguards were not required to possess any qualification on scuba diving, and civil service ("CS") lifeguards attended in-service training courses of scuba diving on a voluntary basis. Referring to an accident of an LCSD seasonal lifeguard who was suspected to be drowned when performing scuba diving duties, <u>Mr HO</u>, <u>Dr Elizabeth QUAT</u> and <u>Mr Jeremy TAM</u> questioned why the Administration did not set the training on skin diving and scuba diving rescue for LCSD's lifeguards as compulsory, especially when they might have to perform such duties in their day-to-day operations. <u>Mr POON Siu-ping</u> enquired whether there were sufficient resources to provide compulsory skin diving and scuba diving training to all LCSD's lifeguards.

10. DLCS clarified that all LCSD's lifeguards had already possessed skin diving skills for underwater rescue operation as that was an item to be assessed for the Pool Lifeguard Awards and Beach Lifeguard Awards issued by the Hong Kong Life Saving Society. With a view to further enhancing the lifesaving knowledge and skills of its lifeguards, compulsory refresher courses on lifesaving and first aid skills were provided to LCSD's lifeguards. Meanwhile, LCSD would ensure that there were adequate training places for serving CS lifeguards who were willing to participate in scuba diving training and the priority be accorded to CS lifeguards who were posted to gazetted beaches and water sports That said, in general, LCSD's lifeguards were not required to centres. undertake scuba diving duties in their daily operations. Only trained and qualified LCSD's lifeguards might, where necessary and under the supervision and instruction of senior lifeguards, use scuba diving equipment to assist in emergency underwater rescue before the arrival of the diving personnel of the Fire Services Department. Contractors were hired for tasks requiring diving for prolonged periods, such as inspection and maintenance of shark prevention nets.

11. <u>Deputy Secretary for the Civil Service 2</u> ("DSCS") added that the Administration would provide appropriate training to staff having

regard to relevant considerations including nature of work, operational requirements and service needs.

12. Given that the skin diving skills assessments conducted by the Hong Kong Life Saving Society for holders of Pool Lifeguard and Beach Lifeguard Awards were only for a depth of around two metres underwater, <u>Dr Elizabeth QUAT</u>, <u>Mr HO Kai-ming</u> and <u>Mr Jeremy TAM</u> queried whether the requirement for LCSD's lifeguards to possess these lifeguard awards could meet the practical operational needs of public swimming pools and gazetted beaches for which the water depth of some spots exceeded two metres.

13. In response, <u>DLCS</u> advised that starting from 2019, LCSD would arrange for newly appointed CS lifeguards and NCSC lifeguards on long-term employment to complete the course on advanced skills of skin diving rescue and pass a five-metre depth diving test, before assuming duties. As regards Mr HO's enquiry on whether LCSD had other measures to ascertain the appointed lifeguards' capability to perform lifesaving duties, <u>DLCS</u> advised that all candidates had to undergo trade test during recruitment.

14. <u>Dr Elizabeth QUAT</u> considered that with a view to better protecting the safety of swimmers, LCSD's requirements for all serving and prospective lifeguards should include recognized qualifications in skin diving and scuba diving, and LCSD should provide subsidy or arrange courses for its lifeguards to acquire the qualification. <u>Mr LAM Cheuk-ting</u> also suggested that LCSD should request its lifeguards to pursue continuing vocational training so as to meet the Department's operational needs. <u>Mr POON Siu-ping</u> echoed the above views and stressed that it was important for the Administration to safeguard the safety of both LCSD's lifeguards and members of the public.

15. At the request of Dr Elizabeth QUAT, <u>the Administration</u> undertook to provide a written response on:

- (a) details of programmes on skin diving and scuba diving training provided by LCSD for its lifeguards;
- (b) if the above programmes were not compulsory for LCSD's lifeguards, reasons why; and
- (c) whether LCSD's lifeguards were expected to use the skin diving and/or scuba diving skills in their daily work.

(*Post-meeting note*: The Administration's response was circulated to members vide LC Paper No. CB(4)430/18-19(01) on 18 January 2019.)

Manpower situation and pay level of LCSD's lifeguards

Manpower situation

16. <u>Dr Elizabeth QUAT</u> and <u>Mr SHIU Ka-fai</u> expressed great concern about the long-standing problem of shortage in LCSD's lifeguards which had affected the services of some public swimming pools and gazetted beaches. Referring to his experience where one LCSD swimming pool was closed due to the lack of lifeguards, <u>Mr SHIU</u> sought details of the lifeguard shortage situation at public swimming pools and gazetted beaches in the 2018 swimming season. <u>Mr HO Kai-ming</u> cautioned that the commissioning of Ocean Park's new water park in 2019 would aggravate the problem.

17. <u>Dr CHIANG Lai-wan</u> recalled that the Panel had received submissions from the public in respect of the shortage of LCSD's lifeguards, and she and <u>Mr POON Siu-ping</u> were worried that the problem might put the safety of swimmers at risk. <u>Mr POON</u> said that according to the Administration's reply to a written question raised by a Finance Committee member in examining the Estimates of Expenditure for 2018-2019, the number of vacancies of CS lifeguards in 2015-2016, 2016-2017 and 2017-2018 were 15, 35 and 28 respectively. He enquired about the reasons for the difference between the establishment and strength of CS lifeguards and the latest figure, and how LCSD determined the establishment of CS lifeguards, in particular that it had reduced the establishment from some 2 400 at 2004 to 1 959 as at 1 August 2018.

18. <u>DLCS</u> advised that LCSD would regularly review the lifeguard manpower of public swimming pools, gazetted beaches and water sports centres, taking into account the actual operational and service needs. In 2003-2004, LCSD conducted a review of the manpower requirements for lifeguards at public swimming pools, and deleted the lifeguard positions which were no longer required. In 2013, LCSD set up a "Working Group on Lifeguard Manpower Review" to review the provision and deployment of lifeguards in a more comprehensive manner. As regards the gap between the establishment and strength of CS lifeguards, she advised that it was due to the lead time required for conducting recruitment exercises, but there were no recruitment and retention

difficulties for CS lifeguards, and there was no vacancy of CS lifeguards during the peak months of 2018 swimming season.

19. <u>Mr HO Kai-ming</u> pointed out that even though the total number of CS lifeguards had increased by 35% between 2011 and 2018 with the increase in the number of public swimming pools, the mix of CS and NCSC seasonal lifeguards remained at 1:1 ratio. Noting that LCSD did not require NCSC seasonal lifeguards to possess valid first aid certificates, <u>Mr HO</u> enquired whether the Administration would improve the recruitment ratio of CS lifeguards in the 2019 swimming season. <u>Mr POON Siu-ping</u> enquired how the ratio between CS lifeguards and NCSC seasonal lifeguards was determined. Given that NCSC seasonal lifeguards were employed on a time-limited basis, <u>Mr LAM Cheuk-ting</u> was concerned whether the engagement of a large number of NCSC seasonal lifeguards would hinder the retention and transfer of knowledge and experience.

20. <u>DLCS</u> said that CS and NCSC seasonal lifeguards worked together to provide lifesaving and lifeguard services. As at 1 August 2018, 687 of the 1959 lifeguards in LCSD were NCSC seasonal lifeguards, but there was still a shortfall of about 200 NCSC lifeguards during the peak months of the 2018 swimming season. In this connection, LCSD planned to implement a pilot scheme in 2019 by engaging 40 NCSC full-year full-time lifeguards to form a regional-based "special support team" for flexible deployment to respond to unforeseen manpower shortages at public swimming pools and gazetted beaches. Meanwhile, LCSD would, where justified, strive to bid for additional resources to increase the number of CS lifeguards under the established mechanism.

21. In response to Mr SHIU Ka-fai's suggestion of importing qualified foreign labour to increase the overall supply of LCSD's lifeguards and improving the remuneration of LCSD's lifeguard to attract and retain talents, <u>DLCS</u> advised that LCSD had been implementing a series of measures to address the issue, including adjusting the pay level of seasonal lifeguards in the light of the changing employment market, streamlining recruitment procedures, enhancing publicity and expanding recruitment channels. LCSD currently had no plan to import labour to augment the supply of lifeguards.

Pay level

22. <u>Mr Jeremy TAM</u> remarked that compared with other CS grades involving lifesaving and first aid duties, the remuneration packages for LCSD's lifeguards were unattractive. <u>Mr LAM Cheuk-ting</u> pointed out that some CS lifeguards had transferred to other positions in disciplined services departments with better remuneration packages and career development.

23. <u>DSCS</u> advised that in 2017-2018, out of the 24 CS lifeguards who chose to transfer to different CS grades, 18 of them had taken up positions as Senior Artisan (Beach/Swimming Pool) and remained CS lifeguards.

24. <u>Mr POON Siu-ping</u> enquired about the pay adjustment for LCSD's lifeguards in 2019 swimming season. <u>DLCS</u> advised that the pay adjustment for CS lifeguards was set in accordance with the established annual CS pay adjustment mechanism. With a view to maintaining the attractiveness of the pay of NCSC seasonal lifeguards, LCSD had, in accordance with the Administration's policy, made reference to the local private employment market in terms of pay level of lifeguards and other important relevant factors, such as LCSD's fiscal position and the Composite Consumer Price Index etc., and kept the pay of NCSC seasonal lifeguards broadly comparable with that of their private sector counterparts. It was decided that NCSC seasonal lifeguards would have an 8% pay increase for the 2019 swimming season.

Grade structure review of LCSD's lifeguards

25. <u>Dr Elizabeth QUAT</u> and <u>Mr LAM Cheuk-ting</u> commented that the work of LCSD's lifeguards covered a wide portfolio and was more complicated than that of lifeguards in private sector, but the remuneration packages and promotion prospects of LCSD's lifeguards were far from satisfactory.

26. Having regard to the risks lifeguards were exposed to and that their duties were professional in nature, <u>Mr LAM Cheuk-ting</u> considered that the Administration should, make reference to other overseas countries in the terms and conditions, grade structure and management of lifeguards, re-grade CS lifeguards as a professional grade and enhance the career stability of the grade by creating more CS posts. <u>Dr Elizabeth</u> <u>QUAT</u> called on the Administration to conduct a grade structure review ("GSR") for CS lifeguards to address the issues raised by members. <u>Mr HO Kai-ming</u> echoed that the Administration should take into account

the manpower situation of both CS and NCSC lifeguards and conduct a GSR accordingly.

27. <u>DSCS</u> and <u>DLCS</u> explained that as CS lifeguards must possess lifeguard qualifications which were internationally recognized, placing CS lifeguards under the Artisan grade should not be perceived as a derogatory treatment. In fact, a number of streams under the Artisan grade required the post-holders to possess relevant technical qualifications.

28. As regards the request of a GSR of LCSD's lifeguards, <u>DLCS</u> advised that according to the Administration's policy, GSRs would only be considered for individual non-directorate civilian CS grades when the grades had proven and persistent recruitment and retention difficulties which could not be resolved through the regular pay surveys under the Improved Civil Service Pay Adjustment Mechanism; or when there were fundamental changes to the job nature, job complexity and level of responsibilities of the grades. The Administration considered that CS lifeguards did not meet either one of the above criteria for GSR.

29. <u>Dr Elizabeth QUAT</u>, <u>Dr CHIANG Lai-wan</u> and <u>Mr HO Kai-ming</u> considered that a meeting should be organized to receive views from relevant deputations and stakeholders on the issues relating to LCSD's lifeguards. <u>The Chairman</u> instructed the Clerk to follow up the matter with the Administration.

(Post-meeting note: At the meeting on 21 January 2019, the Panel agreed that the relevant unions would be invited to participate in the further discussion on the subject at the regular meeting on 18 February 2019.)

Motion proposed by a member

30. <u>The Chairman informed the meeting that he had received a</u> motion from Mr HO Kai-ming. <u>The Chairman</u> ruled that the motion was directly related to the agenda item. <u>Members</u> agreed that the motion should be proceeded with at the meeting. <u>The Chairman</u> ordered that the voting bell be rung for five minutes to notify members of the voting.

31. <u>Mr HO Kai-ming</u> moved the motion as follows:

"鑒於季節性救生員近年出現招聘困難,未能減輕現有公務員 救生員於旺季的工作量及壓力,並導致部份泳池局部封閉, 嚴重影響服務質素、公眾安全,以及同工的工作士氣;因此, 本事務委員會要求政府須盡快改善救生員的工作條件,以吸 引新人入行,當中包括:增加公務員救生員的職位、改善救 生員的薪酬待遇水平、設立醫療總監及救生員訓練學校、制 訂職前培訓,以及進行職系架構檢討等。"

(Translation)

"In view of the difficulties in recent years in recruiting seasonal lifeguards which entail a failure to alleviate the workload and pressure of current CS lifeguards during peak seasons as well as lead to partial closure of some swimming pools and seriously undermine service quality, public safety as well as staff morale, this Panel requests the Government to improve the working conditions of lifeguards as soon as possible in order to attract new blood by, among others, increasing the number of civil service lifeguard posts, improving the remuneration packages of lifeguards, creating a Medical Director post, establishing a lifeguard training school, arranging pre-employment training and conducting a grade structure review."

32. <u>The Chairman</u> put the motion to vote. As the majority of members present voted for the motion, <u>the Chairman</u> declared that the motion was carried and directed that the Administration be requested to provide a written response to the motion passed by the Panel.

(*Post-meeting note*: The Administration's response to the motion was circulated to members vide LC Paper No. CB(4)432/18-19(01) on 18 January 2019.)

Other concerns

Leave deduction arrangement in LCSD

33. In response to Dr Elizabeth QUAT's question about the leave deduction arrangement for LCSD's staff on non-five day week work pattern, <u>DLCS</u> advised LCSD was examining the feasibility of implementing a pilot scheme of revised leave deduction arrangement, but

careful consideration had to be given to various factors, including the various shift patterns of different grades of staff, the operational needs of venues/service units, the workload and complexity concerning leave record management and the need to comply with the basic principles of maintaining the level of service to the public without additional manpower, etc. <u>Dr QUAT</u> called on LCSD to draw up a practicable implementation plan as soon as possible.

IV. Creation of a Principal Economist Post in the Office of the Government Economist under the Financial Secretary's Office

(LC Paper No. CB(4)312/18-19(01) -- Administration's paper on Creation of One Permanent Principal Economist Post in the Office of the Government Economist)

34. <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 subjects.

35. At the invitation of the Chairman, <u>Deputy Government</u> <u>Economist ("DGE")</u> briefed members on the proposed creation of one permanent Principal Economist ("Pr Econ") post in Section V of the Office of the Government Economist ("OGE") upon the lapse of the supernumerary Pr Econ post, details of which were set out in the Administration's paper (LC Paper No. CB(4)312/18-19(01)).

Policy direction on poverty

36. <u>Mr SHIU Ka-chun</u> supported the proposal to create a permanent Pr Econ post to head Section V, which provided analytical support to the Administration in key policy areas of poverty, welfare and population, and appreciated the efforts made by the team in compiling the annual poverty situation report. However, he was gravely concerned that the poverty alleviation measures taken by the Administration failed to reduce the poor population even though considerable resources had been deployed to OGE's analytical work on poverty. He considered that the

Administration should set indicators for eliminating poverty. Echoing Mr SHIU's concern, <u>the Chairman</u> asked whether the staffing proposal reflected the Administration's view that the poor population and the gap between the rich and the poor in Hong Kong would keep growing, and whether a policy target or direction had been set for the analytical work to be spearheaded by the proposed Pr Econ post, say, to reduce the poor population to a certain level within a particular timeframe.

37. DGE responded that OGE proposed making the Pr Econ post in Section V permanent because it considered that there would be a continuous need for the analytical work on poverty in the foreseeable The proposed Pr Econ post was created to provide economic future. analyses with a view to rendering professional advice to the Government to facilitate its formulation of appropriate poverty alleviation policies and measures. It was the relevant bureaux, instead of OGE, to set the direction and targets of the Government's policy on alleviating poverty. Head, Human Resources Planning and Poverty Co-ordination Unit ("Head/HRPPCU") further explained that the poverty line threshold could be affected by various factors such as changes in demographic composition and the economic cycle which were beyond the Government's control. Hence it would be difficult for the Administration to establish target in terms of the reduction of the poverty rate for its poverty alleviation measures. That said, the poverty line analysis conducted by OGE did help gauge the effectiveness of various poverty alleviation measures by analyzing the extent of improvement in the poverty rate before and after policy intervention.

Poverty analysis

38. <u>Mr SHIU Ka-chun</u> queried whether OGE deliberately lowered the elderly poverty rate by taking into account the effect of Higher Old Age Living Allowance ("Higher OALA"), which was launched in June 2018, and the asset situation of the "asset-rich, income-poor" elders in its analysis of elderly poverty situation in Hong Kong in 2017. He requested OGE to provide statistics to justify its view that the poverty situation of the elderly might be overstated.

39. <u>DGE</u> stressed that the economic analyses made by OGE were based on objective data, aiming to provide a true picture of the poverty situation in Hong Kong to the public and serve as a reference for the relevant policy bureaux and the Commission on Poverty ("CoP") in policy deliberations on poverty. <u>Principal Economist(5)</u>("Pr Econ (5)") further explained that the Higher OALA was launched in June 2018 with retrospective effect from May 2017. Eligible elders could receive a

one-off retrospective payment dated back to May 2017 at the earliest. Therefore, the corresponding part of the impact of the measure should be reflected in the poverty statistics for 2017. As regards the "asset-rich, income-poor" elders, Pr Econ (5) pointed out that in view of the ageing population and the fact that a considerable number of elders were residing in owner-occupied mortgage-free housing, some CoP members and stakeholders considered that assets status should be reflected when analyzing the elderly poverty situation. As the Census and Statistics Department ("C&SD") had indicated the infeasibility of collecting data on people's asset amount, the Hong Kong Poverty Situation Report 2017 introduced an additional analysis of elders being "income poor, owning property of certain value" in the relevant thematic study to enrich the analysis on elderly poverty. Among the poor elders residing in the "target households" in the analysis, about seven-tenths were "income poor, owning property of certain value", and the remaining three-tenths were residing in properties of relatively low values. Pr Econ (5) emphasized that OGE had no intention to deliberately suppress the number of poor elders by taking their assets into account, and the analysis simply sought to give a better picture of the elderly poverty situation. Poor elders, regardless of owning properties of certain value or not, would be included in the definition of poverty provided that their household incomes were below the poverty line.

40. Head/HRPPCU added that though the elderly poverty situation was notably improved after the Government's recurrent cash intervention, the problem of elderly poverty was expected to aggravate in the future with the accelerating pace of population ageing. The newly introduced analysis could facilitate the public's understanding of the property asset situation of the poor elders from another perspective, supplementing the limitation of not considering assets in the existing poverty line analytical framework. Its findings could also shed light on the formulation of relevant measures to help address the needs of those "asset-rich, income-poor" elders, such as enhancement in efforts to promote the reverse mortgage programme which helped the elderly to convert their property into a steady source of income. As the poverty situation analysis conducted annually by OGE had been widely accepted by the general public and non-governmental organizations as useful reference information on the poverty situation in Hong Kong. the Human Resources Planning and Poverty Co-ordination Unit was supportive of the Administration's proposal to create a permanent Pr Econ post in Section V, which would provide continued professional support in poverty analyses to CoP.

Work of OGE

41. <u>Mr POON Siu-ping</u> enquired about the arrangement for the six supporting staff members under the proposed permanent Pr Econ post and the distribution of work in OGE if the staffing proposal was not approved. <u>DGE</u> advised that the six supporting staff members, who were holding permanent civil service posts, would continue with their existing duties upon the lapse of the supernumerary Pr Econ post in Section V. However, the quality and timeliness of OGE's analytical support to the Government in key policy areas of poverty, welfare and population would inevitably be undermined to some extent.

42. Noting that the research work of Section IV in OGE covered the area of manpower, <u>Mr POON Siu-ping</u> questioned whether there was overlapping of duties with Section V, which engaged in policy analyses on, among others, population issue. <u>Principal Economist(4)</u> explained that while Section V was responsible for providing inputs in the population projection and labour force projection exercises, the major duties of Section IV were to provide analytical support for various commissions/committees and the relevant policy bureaux/departments in policy deliberations on labour-related issues, such as review of the Statutory Minimum Wage rate, standard working hours policy and the Mandatory Provident Fund "offsetting" arrangement, etc. As such, the work portfolios of the two teams were inter-related, rather than duplicated, with each other.

43. <u>Mr IP Kin-yuen</u> asked about the sources of data used by OGE in making economic analyses. <u>DGE</u> advised that OGE would collect data from various channels depending on the nature of the data required. Most of the local data acquired by OGE came from C&SD while some, such as mortgages and interest rates, were from other government departments/organizations, such as the Hong Kong Monetary Authority. OGE would also get data directly from the websites of overseas governments/private organizations and academic research papers. If specific data were required but not available or adequate for conducting a particular thematic study, OGE would seek C&SD's assistance to include some questions in its existing surveys in order to collect the data required. If such data could not be obtained via existing surveys, the conduct of a new survey would be considered.

Duties of the proposed post

44. Noting that the proposed Pr Econ post was required to provide strategic inputs on the policy areas of poverty, welfare and population, <u>Mr IP Kin-yuen</u> asked whether it would be taken up by an Administrative Officer or a professional grade officer. <u>DGE</u> explained that the Pr Econ was required to provide analytical support and professional advice from the economic perspectives to the Government to facilitate its policy formulation. Therefore, it was considered more appropriate for the post to be filled by an Economist grade officer.

45. <u>The Chairman</u> asked whether the proposed Pr Econ post would provide strategic inputs on the proposal to establish a retirement protection scheme. <u>Pr Econ (5)</u> responded that OGE had provided analytical support for projecting the financial implications of the scheme to the Government with different scenario tests. Subject to advice from the relevant policy bureaux, it would provide the Government with the necessary analytical support in this regard.

Conclusion

46. <u>The Chairman</u> concluded that the Panel agreed that the staffing proposal be submitted to the Establishment Subcommittee for consideration.

V. Any other business

47. There being no other business, the meeting ended at 12:41 pm.

Council Business Division 4 Legislative Council Secretariat 18 March 2019