For discussion on 20 April 2020

Legislative Council Panel on Public Service

Update on Extension of the Service of Civil Servants

Purpose

This paper reports on the progress on the implementation of various measures for extending the service of civil servants.

Background

2. The Government has fully implemented all flexible measures for extending the service of civil servants as announced in January 2015, which include –

- (a) raising the retirement age of new recruits who joined the Government on or after 1 June 2015 to 65 for civilian grades and 60, regardless of ranks, for disciplined services grades;
- (b) introducing a new Post-retirement Service Contract (PRSC) Scheme to enable bureaux/departments (B/Ds) to engage retired/retiring civil servants on contract terms to undertake ad hoc, time-limited, seasonal or part-time tasks that require specific civil service expertise/experience;
- (c) revising the arrangements for processing applications for final extension of service of serving civil servants beyond retirement age, including raising the maximum period of final extension from 90 days to 120 days and suitably relaxing the approval criteria; and
- (d) adjusting the mechanism for further employment of serving civil servants beyond retirement age for a duration longer than 120 days (hereafter referred to as "FE") by up to a maximum of five years.

These measures not only facilitate B/Ds to address their specific manpower requirement flexibly in the light of their overall manpower situation, genuine and operational needs as well as succession planning, etc., but also provide different avenues for civil servants to continue to serve beyond retirement age and pass on their experience. We updated Members on the progress on the implementation of the above measures at the Panel meeting held on 18 March 2019, vide LC Paper No. CB(4)521/18-19(05).

3. We also informed Members at the same Panel meeting that, to tie in with the goal of expanding the labour force and to respond to the aspirations of serving civil servants, the Government launched in July 2018 the option for serving civil servants who joined the Government between 1 June 2000 and 31 May 2015 (hereafter referred to as "Eligible Civil Servants") to choose to retire at the age of 65 (for civilian grades) or 60 (for disciplined services grades, regardless of ranks) (hereafter referred to as "the Option"). Eligible Civil Servants can decide whether or not to take the Option within the two-year option period from 17 September 2018 to 16 September 2020.

Progress Update

Measures announced in 2015

4. We have been closely monitoring the implementation of the measures announced in 2015. All measures are running generally smoothly.

5. Regarding the PRSC Scheme, as at 30 June 2019, B/Ds employed a total of about 3 000 full-time PRSC staff. Over 90% of these staff undertook ad hoc or time-limited tasks. Under the Scheme, all positions are at non-directorate level.

6. For final extension of service, as at 24 February 2020 (i.e. four years after the implementation of the revised arrangements), a total of about 10 900 applications were received by B/Ds, involving about 260 (i.e. the majority) civil service grades. Among them, around 10 500 applications (96%) had been processed. Out of the processed applications, around 8 200 applications were approved (approval rate of 79%). The figures broken down by salary groups are set out at **Annex A**.

7. As regards the adjusted FE mechanism, so far 102 FE selection exercises have been completed since its implementation on 1 June 2017,

involving a total of 40 civil service grades. Out of some 4 000 applications, about 3 500 applications were approved (approval rate of 87%). The figures broken down by salary groups are set out at **Annex B**.

8. We will continue to render necessary assistance to B/Ds in deploying relevant tools to retain suitable officers beyond retirement age.

The Option

9. Regarding the Option, colleagues' response has been positive since its launch and the number of Eligible Civil Servants who had taken the Option has been increasing steadily. As at 16 February 2020 (i.e. 17 months after the commencement of the option period), there were a total of some 56 000 Eligible Civil Servants, comprising about 35 000 civilian officers and 21 000 disciplined services officers. Among them, around 17 200 civilian officers and 10 200 disciplined services officers (i.e. a total of about 27 400 Eligible Civil Servants, or 49% of them) had taken the Option. The figures broken down by pay scales and salary groups are set out at **Annexes C and D** respectively. Since there are still several months before the end of the option period (i.e. 16 September 2020), we believe that some colleagues will make the decision nearer the time.

10. We will keep in view the implementation of the Option and render necessary assistance to Eligible Civil Servants as necessary.

Advice Sought

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

Civil Service Bureau April 2020

Number of Applications for Final Extension of Service by Salary Groups (as at 24 February 2020)

Salary group	Number of applications received	Number of applications processed and approved
Ranks with maximum pay point above Master Pay Scale Point (MPS Pt.) 33, or equivalent	1 842	1 506
Ranks with maximum pay point at or below MPS Pt. 33, or equivalent	9 031	6 740
Total	10 873	8 246

Number of FE Applications by Salary Groups (as at 29 February 2020)

Salary group	Number of completed FE selection exercises	Number of applications	Number of applications approved
Ranks with maximum pay point above MPS Pt. 33, or equivalent	52	271	212
Ranks with maximum pay point at or below MPS Pt. 33, or equivalent	50	3 754	3 283
Total	102	4 025	3 495

Number of Eligible Civil Servants who had taken the Option by Pay Scales (as at 16 February 2020)

Pay scale	Number of Eligible Civil Servants	Number of Eligible Civil Servants who had taken the Option
Directorate / Directorate (Legal) Pay Scale	142	16
Master Pay Scale	33 085	15 297
Pay scales related to disciplined services grades ¹	21 017	10 246
Model Scale 1 Pay Scale	1 965	1 862
Total	56 209	27 421

¹ Pay scales related to disciplined services grades include General Disciplined Services (Commander) Pay Scale, General Disciplined Services (Officer) Pay Scale, General Disciplined Services (Rank and File) Pay Scale and Police Pay Scale.

Annex D

Number of Eligible Civil Servants who had taken the Option by Salary Groups (as at 16 February 2020)

Salary group	Number of Eligible Civil Servants	Number of Eligible Civil Servants who had taken the Option
Ranks with maximum pay point above MPS Pt. 33, or equivalent	9 545	4 052
Ranks with maximum pay point at or below MPS Pt. 33, or equivalent	46 664	23 369
Total	56 209	27 421