

立法會
Legislative Council

LC Paper No. CB(4)1419/20-21
(These minutes have been seen
by the Administration)

Ref : CB4/PL/PS

Panel on Public Service

**Minutes of meeting held on
Monday, 21 June 2021, at 10:45 am
in Conference Room 3 of the Legislative Council Complex**

Members present : Hon KWOK Wai-keung, JP (Chairman)
Hon POON Siu-ping, BBS, MH (Deputy Chairman)
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Dr Hon CHIANG Lai-wan, SBS, JP
Hon SHIU Ka-fai, JP
Dr Hon Pierre CHAN
Hon CHAN Chun-ying, JP
Hon LUK Chung-hung, JP
Hon Tony TSE Wai-chuen, BBS, JP

Members absent : Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Steven HO Chun-yin, BBS
Hon LEUNG Che-cheung, SBS, MH, JP

Public officers attending : **Agenda item III**

Mr Patrick NIP, JP
Secretary for the Civil Service

Mrs Ingrid YEUNG, JP
Permanent Secretary for the Civil Service

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Miss Ann CHAN
Deputy Secretary for the Civil Service 2

Mr Leo LI
Principal Assistant Secretary for the Civil Service
(Pay and Leave)

Agenda item IV

Mr Patrick NIP, JP
Secretary for the Civil Service

Mrs Ingrid YEUNG, JP
Permanent Secretary for the Civil Service

Mr Gary POON, JP
Deputy Secretary for the Civil Service 3

Ms Betsy LAI
Principal Assistant Secretary for the Civil Service
(Training and Development)

Clerk in attendance : Ms Wendy JAN
Chief Council Secretary (4)1

Staff in attendance : Ms Maggie CHUNG
Senior Council Secretary (4)1

Ms Peggy CHUNG
Council Secretary (4)1

Mr Griffin FUNG
Legislative Assistant (4)9

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I. Information papers issued since the last regular meeting on 17 May 2021

[LC Paper Nos. CB(4)1093/20-21(01), CB(4)1113/20-21(01) and CB(4)1136/20-21(01)]

Members noted that the following papers had been issued since the last regular meeting of the Panel on Public Service ("the Panel") on 17 May 2021:

- (a) Letter dated 8 June 2021 from Ms Elizabeth QUAT requesting the Panel to discuss the manpower situation of and grade structure review ("GSR") for lifeguards of the Leisure and Cultural Services Department ("LCSD");
- (b) Letter dated 11 June 2021 from Mr LUK Chung-hung requesting the Panel to discuss the implementation of the oath-taking/declaration arrangement for staff appointed on non-civil service terms and extending the arrangement to cover employees of government-funded bodies; and
- (c) Information paper from the Administration on "Commencement of Legislative Amendments made in 2012 to Subsidiary Legislation on Discipline made under Disciplined Services Ordinances".

Grade structure review for lifeguards of the Leisure and Cultural Services Department

2. Referring to Ms Elizabeth QUAT's letter mentioned in paragraph 1(a) above, the Chairman pointed out that Mr LUK Chung-hung had also requested the Panel to accord priority to discuss GSR for LCSD's lifeguards and this subject matter was included in the Panel's List of outstanding items for discussion. The Chairman further expressed his concern about the manpower shortage of lifeguards at public swimming pools and gazetted beaches, and urged the Administration to brief members on the matter as early as possible. Secretary for the Civil Service ("SCS") advised that he would liaise with LCSD on the matter and revert to the Secretariat after the meeting.

Implementation of the oath-taking/declaration arrangement

3. The Chairman sought the Civil Service Bureau ("CSB")'s response to the request raised by Mr LUK Chung-hung in his letter mentioned in paragraph 1(b) above. SCS replied that bureaux and departments ("B/Ds") were collating the declarations collected from government staff appointed on

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non-civil service terms. CSB planned to report to the Panel the latest implementation progress of the declaration arrangements for civil servants and non-civil service staff within the current Legislative Council session. As regards the oath-taking/declaration arrangement for employees of government-funded bodies, the Government was conducting detailed study regarding the implementation of the relevant requirements and would announce the detailed arrangements in due course.

Commencement of legislative amendments made in 2012 to subsidiary legislation on discipline made under Disciplined Services Ordinances

4. The Chairman referred members to the information paper provided by the Administration as mentioned in paragraph 1(c) above. According to the information paper, the Administration planned to appoint 15 October 2021 as the commencement date for a set of amendment regulations/rules made by the Administration in 2012 for amending the subsidiary legislation on discipline made under various ordinances governing the relevant disciplined services. It intended to publish a notice on the commencement date in the Gazette on 23 July 2021. The Chairman drew members' attention to the fact that a subcommittee had been formed in 2012 to study the amendment regulations/rules, but the subcommittee was not able to complete scrutiny of the amendment regulations/rules within the tight timeframe under the negative vetting procedure before the end of the Fourth Legislative Council.

5. SCS explained that while no amendment was made to the amendment regulations/rules upon the expiry of the 28-day negative vetting period on 30 May 2012, the Administration agreed to continue to process applications for legal representation administratively in accordance with the fairness requirement, and not to bring the amendment regulations/rules into operation at that time, so that the Administration might consult the management and staff sides of disciplined services departments on the matter. In continuing to process applications for legal representation administratively, some disciplined services departments had enhanced their administrative arrangements some years ago. The feedback from the staff sides towards the enhanced administrative arrangements had been generally positive. He added that while the administrative arrangements had been working smoothly, it remained necessary for the amendment regulations/rules to come into operation. The Administration intended to appoint 15 October 2021 as the commencement date of the amendment regulations/rules.

6. The Chairman said that the amendment regulations/rules involved amendments to a number of subsidiary legislation. Members who considered it necessary to discuss the subject matter at a Panel meeting should contact the Secretariat by the next regular meeting on 12 July 2021.

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(Post-meeting note: The Secretariat had not received any request for discussion of the above subject matter from members by the deadline.)

II. Date of next meeting and items for discussion
[LC Paper Nos. CB(4)1131/20-21(01) and (02)]

Arrangements for next regular meeting

7. Members agreed that the next regular meeting of the Panel would be held on 12 July 2021 to discuss the following items proposed by the Administration:

- (a) GSR for the disciplined services grades; and
- (b) Implementation progress of the Job Creation Scheme.

Arrangements for the meetings to be held between August and October 2021

8. The Chairman informed members that pursuant to the President's direction in respect of the Council meetings to be held from 21 July to 20 October 2021, he would discuss with CSB the schedule of the Panel meetings to be held between August and October 2021.

(Post-meeting note: The schedule of meetings for August and September 2021 was issued to members vide LC Paper No. CB(4)1188/20-21 on 30 June 2021.)

Discussion on the Coronavirus Disease 2019 vaccination arrangements for civil servants

9. In response to the questions raised by Mrs Regina IP regarding the updates of the Coronavirus Disease 2019 ("COVID-19") vaccination arrangements for civil servants, SCS advised that since 31 May 2021, a vaccination in lieu of regular testing approach had been adopted for around 54 000 frontline government employees who were regularly involved in enforcement, inspection and investigation duties, having frequent and close contact with members of the public, or involved in high risk duties. B/Ds had provided facilitation measures, such as the granting of leave to recuperate after vaccination, to encourage their staff to get vaccinated as soon as possible. If a frontline staff was unfit for vaccination due to medical conditions or had not yet been vaccinated, he/she was required to undergo COVID-19 testing on a bi-weekly basis.

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III. 2021-2022 civil service pay adjustment

[File Ref.: CSBCR/PG/4-085-001/86 (issued by CSB on 8 and 15 June 2021 respectively) and LC Paper No. CB(4)1131/20-21(03)]

10. At the invitation of the Chairman, SCS briefed members on the decision of the Chief Executive-in-Council ("CE-in-Council") made on 15 June 2021 that, the pay for civil servants in the upper, middle and lower salary bands and the directorate should be frozen with retrospective effect from 1 April 2021. No funding applications would be submitted to the Finance Committee as the 2021-2022 civil service pay adjustment decision had no additional financial implications.

11. Mr CHAN Chun-ying declared that he was a member of the Standing Commission on Civil Service Salaries and Conditions of Service. Mr Tony TSE declared that he was a member of the Standing Committee on Disciplined Services Salaries and Conditions of Service. Mrs Regina IP declared that she was Honorary President of several civil service organizations.

Pay freeze decision

12. The Chairman, the Deputy Chairman and Mr LUK Chung-hung relayed the disappointment and concerns of some staff side representatives about the Administration's pay freeze decision for civil servants in all salary bands in 2021-2022. The Chairman and the Deputy Chairman pointed out that some civil servants were worried that, coupled with the rise in prices of goods, the pay freeze arrangement would affect their livelihood. Mr LUK called for a pay rise for civil servants that could catch up with inflation.

13. Mr Tony TSE considered that the civil service pay freeze was a best balance of the six factors ("the six factors"), i.e. the net pay trend indicators ("PTIs"), the state of Hong Kong's economy, changes in the cost of living, the Government's fiscal position, the pay claims of the staff side and civil service morale, amidst the uncertainties surrounding the epidemic and the economy. Mrs Regina IP and Mr SHIU Ka-fai considered that the Administration's pay freeze decision was a wise one given that many industries had been hard hit by COVID-19 and the local economic activity remained weak.

14. Having regard that the sum of net PTIs for the upper salary band in 2020-2021 and 2021-2022 was negative and that for the middle and lower salary bands was positive, Mr CHAN Chun-ying asked whether it was unfair to impose a pay freeze for the entire civil service.

15. SCS advised that the CE-in-Council made the civil service pay adjustment decision in accordance with the established mechanism having

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regard to the six factors. The Administration considered the 2021-2022 civil service pay adjustment an informed decision in the face of the uncertain future economic condition. He stressed that although changes in the cost of living was one of the six factors, tracking inflation was not the objective of civil service pay adjustment. In the past 29 pay adjustment exercises, there were occasions where civil service pay adjustment did not follow the net PTIs.

16. In response to the Deputy Chairman's question regarding the timely measures to help alleviate the financial pressure of civil servants at junior ranks as a result of increases in cost of living, SCS advised that the Administration noted the concerns of civil servants in the lower salary band, and efforts would be made to improve their working conditions and well-being.

17. Given that GSR for the disciplined services grades would be completed soon, Mr CHAN Chun-ying asked whether the Administration would reconsider its pay freeze decision upon taking into account the GSR findings and recommendations. SCS explained that GSR for the disciplined services grades was conducted under a separate mechanism. CSB would study and examine the GSR report in detail in consultation with stakeholders concerned. Upon receiving feedback from stakeholders, CSB would submit recommendations to the CE-in-Council for a decision.

18. Mr LUK Chung-hung was concerned that the Administration's pay freeze decision during economic recovery would bring an adverse impact to civil service morale as well as private sector pay. Mr SHIU Ka-fai suggested that the Administration should explain clearly to civil servants that it had not only taken into account the economic growth in the first quarter of 2021 but also the economic situations in 2019 and 2020, and other relevant factors when making the pay adjustment decision. Having regard that the Administration had imposed civil service pay freeze for two consecutive years, Mrs Regina IP called on the Administration to give consideration to civil service morale when deciding on the civil service pay adjustment in 2022-2023.

19. SCS advised that although some staff side representatives had requested reasonable pay rise to maintain their standard of living and purchasing power, they in general understood the rationale for the pay freeze. He assured members that the CE-in-Council would give careful and holistic consideration to the six factors, including the morale of civil servants, when deciding on future pay adjustments.

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Pay trend survey and net pay trend indicators

20. The Chairman expressed concern that the Pay Trend Survey ("PTS") collected the pay adjustment data of the private sector in the previous financial year, which could not reflect the actual market conditions. The Deputy Chairman asked whether the Administration would come up with measures to improve the PTS methodology.

21. SCS pointed out that each year before PTS began, the Pay Trend Survey Committee would review the survey methodology and the survey fields. He considered the findings of PTS a useful reference to facilitate the Administration's understanding of the pay adjustment movements in the private sector, and advised that CSB would convey members' views to the Pay Trend Survey Committee for consideration.

22. The Chairman further enquired about the number of civil servants who had reached the maximum pay points of their ranks in the past three years. Concerning that these civil servants were no longer receiving increments, he asked whether the Administration would, for fairness sake, review the arrangement of deducting the payroll cost of increments ("PCIs") from each salary band to arrive at the net PTIs.

23. Principal Assistant Secretary for the Civil Service (Pay and Leave) advised that about 40% of civil servants had reached the maximum pay points of their ranks in the past three years, and the number of these civil servants was gradually decreasing due to the retirement wave and the intake of new recruits in recent years. Permanent Secretary for the Civil Service ("PSCS") explained that the Administration deducted PCIs from the gross PTIs since private sector merit pay was included in the annual PTS. As over 50% of the companies participating in the 2021 PTS still took merit pay as one of the considerations when deciding on the pay adjustment for their employees but failed to provide the percentages of pay adjustment attributable to special merit pay, the Administration considered it reasonable to maintain the PCIs deduction arrangement. That said, SCS stressed that the Administration had already put a cap on the PCIs since the 2019-2020 civil service pay adjustment.

24. Mr CHAN Chun-ying asked whether the Administration would give due weight to the net PTI when it had reached a certain level and whether the civil service pay adjustment would be subject to the net PTIs in the past. SCS advised that each pay adjustment exercise was a separate annual exercise based on circumstances prevailing at the time. When making decision on the civil service pay adjustment, the CE-in-Council would not focus on a specific measurement but give due consideration to all the six factors.

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Other concerns

25. Mr SHIU Ka-fai expressed concern about the lax working attitude of individual civil servants. Mr Tony TSE opined that there was a general perception that some civil servants were bureaucratic when discharging their duties, and members of the public might thus query whether the services provided by these civil servants were value for money. Concerning that the above situation might have adverse impact on images of B/Ds, Mr TSE called on the Administration to address the problem.

26. SCS advised that the Administration would strive to enhance the efficiency of and strengthen the cooperation and coordination among B/Ds. The Administration would also enhance public's understanding of the commendable services of civil servants.

IV. Proposed creation of the post of Head of the Civil Service College
[LC Paper Nos. CB(4)1131/20-21(04) and (05)]

27. At the invitation of the Chairman, SCS briefed members on the proposal of creating a new one-rank grade post of Head of the Civil Service College at D6 level in 2021-2022 ("the staffing proposal"), in order to tie in with the establishment of the Civil Service College ("the College") in 2021, details of which were set out in the Administration's paper (LC Paper No. CB(4)1131/20-21(04)).

28. The Chairman 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.

Directorate structure of the Civil Service College

29. Mr CHAN Chun-ying agreed to the importance of the post of the Head of the College. Noting that the proposed post would report to PSCS and through PSCS, to SCS, Mr CHAN asked whether the Administration would make reference to the appointment arrangements for the heads of similar institutions in the Mainland and other countries, and appoint SCS as the Head of the College and then recruit a deputy head to help operate the College. Expressing support for the establishment of the College and the staffing proposal, Mr Tony TSE enquired whether the proposed reporting hierarchy was common in the civil service.

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30. SCS advised that it would be more appropriate for the College to be led by a senior official dedicated to the full range of its work on a full-time basis. SCS would oversee and be accountable for the operation of the College, and work closely with PSCS and the Head of the College. SCS added that such reporting hierarchy was common in the civil service and had operated smoothly.

31. Mr Tony TSE asked whether the Administration had made reference to the remuneration packages of the heads of similar institutions in other places in determining the salary level of the post, and whether the Head of the College would be appointed on civil service terms of employment. He also enquired why the Administration considered that a D6 post would be able to draw suitable talents. Mr LUK Chung-hung supported the staffing proposal but expressed concern as to whether the terms and form of employment could attract suitable talents for the post.

32. While expressing support for establishing the College, Ms Elizabeth QUAT pointed out that the posts of some heads of government departments were only pitched at D4 or D5 level. She enquired about the staffing establishment of the College, the rationale for the post to be pitched at D6 level, and whether the Administration would set any key performance indicators to assess the performance of the Head of the College.

33. SCS advised that comparing with the Civil Service Training and Development Institute ("CSTDI"), which had an establishment of some 130 posts and was led by directorate officers at D2 and D1 level, the scale, scope and importance of the College would be significantly enhanced. The duties and responsibilities of the Head of the College would be equivalent to those of the head of a government department. The Head of the College would be required to set the direction for the future planning and development of the College, and formulate the policy and strategy in delivering and enhancing civil service training. In addition, the Head of the College would be required to establish network with government officials, senior professionals and experts from local academic institutions as well as counterparts in the Mainland and overseas to explore collaboration. Taking into account the qualifications and expertise required of the post, it would be appropriate to pitch the post at D6 level.

34. SCS further elaborated that the Head of the College would be a new one-rank grade post and the officer filling the post would be appointed on civil service agreement terms for three years so as to allow more flexibility in engaging suitable talents. The Head of the College would be selected through an open recruitment exercise, so that the Administration could source

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the right person for the post from a wider pool of candidates including serving and retired civil servants, as well as candidates from outside the civil service.

35. SCS added that, while the College would have an establishment of some 130 posts upfront, the post of the Head of the College would need to be pitched at a sufficiently senior level, given the importance attached by the Government to civil service training, and the breadth and complexity of the portfolio. He said that some posts, such as the Director-General of Investment Promotion, Commissioner for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area and Commissioner for Belt & Road, were also pitched at D6 level on account of the importance of their work, even though the staffing establishments of the offices they headed were relatively small.

36. In response to Mr Tony TSE's enquiry about the work arrangement of the Deputy Secretary (Civil Service)³ ("DS(CS)³") after the appointment of Head of the College, SCS explained that at present, apart from overseeing CSTDI, DS(CS)³ was also responsible for overseeing the Staff Relations Division, Conduct and Discipline Division and Secretariat on Civil Service Discipline. Upon the creation of the post of the Head of the College and filling of the post, work related to training and development would be taken up by the Head of the College and DS(CS)³ would devote more time to the other duties which were increasingly demanding.

Establishment of the Civil Service College

37. Mr CHAN Chun-ying cited that the training institutions for civil servants in both Canada and Singapore were established through legislation. He asked whether the Administration would consider setting up the College through legislation rather than under CSB. SCS replied that the Administration had no such plan at this stage as it would be more desirable for the College to be established within the Administration's organizational structure rather than operating as a statutory body.

Training programmes for civil servants

38. Apart from the training courses required to be attended by new recruits, Mr CHAN Chun-ying asked whether the Administration would set training indicators/targets for civil servants similar to the training requirements for civil servants in the Mainland or the continuing professional development requirements for some professional qualifications.

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39. Having regard to the importance of the four key areas of training for civil service, viz. national studies and the Basic Law, leadership development, innovation and technology applications, and international collaboration, Ms Elizabeth QUAT asked whether it would be compulsory for all civil servants to attend the training courses on these four key areas after the College had been established. Ms QUAT also asked whether participants would be assessed to ensure their understanding of the training content after attending the training courses, and whether they would be required to receive continuous training on these four key areas.

40. SCS responded that the Civil Service Training Advisory Board had set up working groups to examine the four key areas of training for civil servants in a focused manner, and the working groups would map out the way forward for enhancing training in the respective areas. He supported that civil service training should be strengthened to enhance, amongst others, civil servants' understanding of the Constitution of the People's Republic of China, the Basic Law, the constitutional order of the Hong Kong Special Administrative Region, and the latest development of the Guangdong-Hong Kong-Macao Greater Bay Area. SCS added that the Head of the College would lead the College in mapping out and implementing training strategies in support of the overall Government directives and priorities.

41. In response to Ms Elizabeth QUAT's enquiry, SCS affirmed that communication skills with members of the public as well as Legislative Council Members were essential in the leadership development training for civil servants.

42. Mrs Regina IP supported the staffing proposal. In response to her enquiry, SCS advised that the Administration had been collaborating with nine Mainland institutions to run national studies programmes in the Mainland. At present, about 1 000 civil servants attended such programmes each year. The number of training places and collaborating institutions would be further increased to allow more civil servants to attend such programmes in the Mainland. SCS added that about 75% of the directorate officers had attended such programmes, and it was the Administration's target to raise the percentage of directorate officers who had attended such programmes from the current 75% to 100%.

43. Mrs Regina IP opined that the Administration should continue the provision of training opportunities for civil servants to attend courses at overseas renowned institutions after the establishment of the College, so as to foster mutual understanding and networking. SCS advised that the Administration recognized the importance of international collaboration and would continue to provide overseas training opportunities for civil servants.

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He expected that the College would promote exchanges with civil servants in the Mainland, and Southeast Asian and Western countries.

44. Mr SHIU Ka-fai expressed support to the staffing proposal as he opined that it was important to deepen civil servants' understanding of national and Hong Kong history. In this regard, SCS advised that it was the Administration's target to launch the recruitment exercise as soon as possible with a view to identifying a suitable candidate for appointment to the post by the first quarter of 2022, if the staffing proposal was supported by the Finance Committee of Legislative Council. SCS further affirmed that civil servants should have comprehensive knowledge of national and Hong Kong history so as to better understand the principle of "One Country, Two Systems".

45. The Deputy Chairman expressed support to the staffing proposal. In reply to the Deputy Chairman's enquiry, SCS advised that, overall speaking, civil servants were willing to attend the national studies programmes in the Mainland. Most of them found that the training had enhanced their understanding of the latest developments of the country. The management of B/Ds would make appropriate arrangement if colleagues could not attend the training due to family or personal reasons.

46. The Chairman noted that the post of Head of the College was created much earlier than the completion of the construction works of the College. He asked whether the Administration had drawn up work objectives and targets of the Head of the College, and whether the enhancement of effectiveness of the civil service was included in the work objectives of the Head of the College.

47. SCS replied that the College was planned to be established in 2021, with interim accommodation in the North Point Government Offices by upgrading CSTDI's existing facilities, while the construction works of the long-term accommodation of the College in Kwun Tong were expected to be completed by phase beginning from the end of 2026. SCS added that the Civil Service Training Advisory Board would provide guidance on training programmes for the civil service and its long-term development strategy. The Administration considered that there was an imminent need to appoint the Head of the College by the target timing of the first quarter of 2022, so as to work with the relevant departments to press ahead with the construction works of the long-term accommodation of the College, and to lead the College in implementing the various measures and initiatives to strengthen, widen and deepen civil service training.

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Conclusion

48. The Chairman concluded that the Panel supported the Administration's submission of the staffing proposal to the Establishment Subcommittee for consideration.

V. Any other business

49. There being no other business, the meeting ended at 12:35 pm.

Council Business Division 4
Legislative Council Secretariat
23 August 2021