

For information

**Legislative Council Panel on Public Service
Follow-up to meeting on 15 March 2004**

INTRODUCTION

At the meeting of the Legislative Council Panel on Public Service held on 15 March 2004, Members requested information on –

- (a) the number of posts to be deleted and the estimated savings in respect of the re-organisation proposals mentioned in paragraph 8 of LC Paper No. CB(1)1245/03-04(03) entitled “Civil Service-related Issues in the Budget Speech 2004-05”; and
- (b) detailed manpower statistics referred to in LC Paper No. CB(1)1245/03-04(04) entitled “Progress of Reduction of Civil Service Establishment”, specifically,
 - (i) the breakdown of the establishment and strength of civil servants as at 31 January 2004 by terms of appointment;
 - (ii) the number of staff on non-civil service contract terms;
 - (iii) staff employed in subvented organisations;
 - (iv) staff employed by Government contractors; and
 - (v) details of the 583 posts which have obtained approval for exemption from the civil service recruitment freeze.

This paper provides the required information.

DETAILS

Organisation reviews

(a) Amalgamation of the Civil Engineering Department and the Territory Development Department into a new Civil Engineering and Development Department

2. The proposed merger will bring about a net deletion of 9 directorate posts and 57 non-directorate posts, resulting in total savings of about \$26 million in notional annual salary cost at mid-point. The total savings in full annual average staff cost, including salaries and staff on-cost, will be about \$39.5 million.

(b) Streamlining of the organization structure and deployment of staffing resources of the Hong Kong Economic and Trade offices

3. The proposed organisation changes will bring about a net deletion of 2 directorate posts and 12 non-directorate posts by April 2006, resulting in net savings of \$11.1 million in notional annual salary cost at mid-point. The net savings in full annual average staff cost, including salaries and on-cost, will be about \$16.7 million.

(c) Further review of the organization structure of the Housing Department

4. Based on the initial review results, it is estimated that the directorate establishment can be downsized by a net deletion of 27 posts (including both civil service posts and Housing Authority contract posts) by 2005-06, or 37% of the directorate establishment as approved by the Finance Committee of the Legislative Council in December 2002. Upon full implementation of the new directorate structure, the savings in notional annual salary cost at mid-point and in full annual average staff cost, including salaries and staff on-cost, will be about \$35.2 million and about \$53.3 million respectively.

5. The above re-structuring of directorate posts is part and parcel of the overall organization review of the Housing Department. The total staff establishment (including both directorate posts and non-directorate posts) of the Housing Department is expected to be reduced by some 3 500 posts (including both civil service posts and Housing Authority contract posts) between October 2002 and March 2007, representing a reduction of close to 30% of the establishment of

September 2002. The total savings in full annual average staff cost, including salaries and staff on-cost, will be about \$1.3 billion. The reduction in the establishment will be achieved by deleting posts after the incumbents retire normally or depart under various voluntary schemes, or in the case of contract employees, leave after their contracts expire.

Manpower Statistics

(a) Establishment and strength of the civil service as at 31 January 2004

6. As at 31 January 2004, the civil service establishment is 172 865 while the strength is 165 643. Detailed breakdown by terms of appointment is as follows –

Establishment	Strength ⁽¹⁾							
	Posts	Pensionable	Agreement ⁽²⁾	New ⁽³⁾ probationary terms	New ⁽³⁾ permanent terms	Others ⁽⁴⁾	Sub-total	Other categories ⁽⁵⁾
172 865	143 310	2 900	3 889	312	13 769	164 180	1 463	165 643

Notes

- (1) Includes officers on pre-retirement leave, pre-resignation leave, terminal leave, and training attachments filling temporary posts.
- (2) Includes those who retired and are re-employed on agreement terms.
- (3) Officers who are offered appointment on or after 1 June 2000 are appointed on new terms and are not pensionable.
- (4) Includes those who are employed on month-to-month terms and day-to-day terms.
- (5) Includes ICAC officers, judicial officers and locally engaged staff working in Hong Kong Economic and Trade Offices.

(b) Non-civil service contract (NCSC) staff

7. The NCSC Staff Scheme is a standing scheme which allows Heads of Department to employ staff on fixed contract terms outside the civil service establishment to meet service needs which are short-term, part-time or under review. Given the nature of the NCSC Scheme, it is our policy not to micro-manage departments in the employment of NCSC staff. We therefore do not have detailed information relating to the employment situation of NCSC staff in individual departments. However, for the purpose of overall monitoring of the implementation

of the NCSC Scheme, we collect half-yearly statistics from departments on the number of NCSC staff employed, the range of salaries and contract duration as at end June and end December each year. According to the latest information in hand, the number of full-time NCSC staff as at 31 December 2003 is 16 147.

(c) Staff employed in subvented organisations and by Government contractors

8. We do not have information on the number of staff employed by subvented organisations nor Government contractors since these staff are not employed directly by the Government.

(d) Exemption from the civil service recruitment freeze

9. Up till now, approval has been given for 583 posts to be exempted from the general recruitment freeze to the civil service. Of the 583 posts, around 150 are to fill newly created posts and the remaining 433 are to fill vacancies in established posts. Detailed breakdown is as follows –

Rank	To fill vacancies in established posts	To fill newly created posts	Total no. of posts
Police Inspector and Police Constable	230	-	230
Immigration Officer and Immigration Assistant	around 80	around 150	230
Station Officer, Fireman and Ambulanceman	70	-	70
Assistant Officer II	30	-	30
Administrative Officer	20	-	20
Senior Operations Officer	3	-	3
Total	433	150	583