

Legislative Council Panel on Public Service

Employment Situation of Non-Civil Service Contract Staff

Purpose

This paper updates Members on the employment of non-civil service contract (NCSC) staff.

Background

2. The NCSC Staff Scheme, introduced in 1999, aims at providing Permanent Secretaries and Heads of Departments (hereafter shortened as HoDs) with a flexible means of employment to respond more promptly to changing operational and service needs of Bureaux/Departments/Offices (hereafter shortened as B/Ds) which may be time-limited, seasonal, or subject to market fluctuations; or which require staff to work less than conditioned hours; or which require tapping the latest expertise in a particular area; or where the mode of service delivery is under review or likely to be changed. The terms of employment of NCSC staff are separate and different from those of civil servants. HoDs may determine the employment package of their NCSC staff having regard to the work involved, the labour market and other relevant considerations, provided the terms offered are overall speaking no less favourable than those prescribed under the Employment Ordinance (Cap. 57) and no more favourable than those applicable to civil servants in comparable civil service ranks or with comparable levels of responsibilities where they exist.

Replacement of NCSC Positions by Civil Service Posts

3. The Civil Service Bureau (CSB), jointly with B/Ds, conducted a special review on the employment situation of NCSC staff in 2006. We advised Members in December 2006 that the review had identified some 4 000 NCSC positions which would gradually be replaced by civil service posts as the work involved should more appropriately be performed by civil servants. As at 30 June 2011, about 3 660 such positions have been phased

out upon expiry of the employment contracts of the concerned NCSC staff and the recruitment of replacement civil servants. We expect that most of the remaining NCSC positions will be phased out in the coming two financial years.

4. Since the 2006 review, B/Ds have identified another 1 110 NCSC positions which involved work that should more appropriately be carried out by civil servants. So far, about 695 positions have been phased out and replaced by civil service posts. B/Ds will keep their employment of NCSC staff under regular review and, where appropriate, seek to replace NCSC positions with civil service posts.

5. As a general practice, when B/Ds identify specific NCSC positions for phasing out, the concerned staff are advised well in advance so that they may plan and make future arrangements in good time. B/Ds also provide employment assistance to outgoing NCSC staff where necessary. We welcome interested NCSC staff to apply for civil service jobs. Towards this end, B/Ds have put in place arrangements to ensure that information relating to open recruitment to civil service vacancies is drawn to the attention of their serving NCSC staff.

6. The Government's recruitment policy is to select the most suitable persons for the specified civil service vacancies through an open, fair and competitive process. For this reason, it is not our policy to appoint NCSC staff automatically to the civil service. Since relevant working experience is one of the factors taken into account in the recruitment of civil servants, we consider NCSC staff who meet the basic entry requirements of specific civil service ranks should generally enjoy a competitive edge over other applicants because of their working experience in the Government. To ensure the prudent use of public funds, offers of appointment to the civil service are made to the successful applicants at the entry pay of the concerned ranks. Under our existing policy, incremental credit for relevant working experience may only be granted where there is recruitment difficulty and where there is a specific need to recruit persons with relevant working experience.

Position of NCSC Staff as at 30 June 2011

7. The number of NCSC staff employed by B/Ds varies from time to time having regard to their changing service and operational requirements.

As at 30 June 2011, there were 14 818 full-time¹ NCSC staff employed by B/Ds. A breakdown of the employment situation by B/Ds is at **Annex A**. The number is typically higher during the summer season when more NCSC staff are employed to enhance support at aquatic venues. As shown in **Annex B**, the majority (about 69%) of them were employed for less than five years as at 30 June 2011. As shown in **Annex C**, most (about 89%) were employed on contracts of less than two years. As shown in **Annex D**, the majority (about 65%) received monthly pay in the range of \$8,000 to \$15,999. A breakdown of the reasons for employing NCSC staff by the nine largest NCSC staff-user B/Ds are provided in **Annex E**. These nine B/Ds together employed some 66% (or 9 799) full-time NCSC staff as at 30 June 2011. A brief analysis of the situation in each of these B/Ds is provided in the ensuing paragraphs.

(I) Leisure and Cultural Services Department (LCSD)

8. LCSD employed 2 153 full-time NCSC staff. Around 61% were employed mainly to meet service needs which were time-limited or seasonal in nature, for example, seasonal lifeguards and filtration plant room operators for aquatic venues. Another 36% were employed mainly to provide various services where the mode of service delivery was, at the time the employment contracts were entered into, under review or likely to be changed. These include the governance of public museums and mode of service delivery at public libraries. In February 2010, the Administration decided that the mode of delivery of public museum services should remain unchanged, i.e. continue to be provided by LCSD. For public libraries, after staff consultation, LCSD decided in November 2011 to adopt a mixed mode, i.e. deploying civil servants of both Clerical and Cultural Services Assistant grades in delivering frontline and support services in public libraries, augmented by more automation and self-service as well as engagement of part-time non-civil service staff at peak hours. Accordingly, the Department is gradually phasing out the relevant NCSC positions upon the recruitment of the replacement civil servants and the expiry of the employment contracts of concerned NCSC staff. The remaining 3% NCSC staff were employed mainly in work that required the tapping of expertise in the market from time to time (e.g. providing support to various information technology projects, supporting publicity work and public relations activities) or in work that should more appropriately be performed by civil servants as identified in the 2006 special review. The positions occupied by the latter will be gradually replaced by civil service posts.

¹ "Full-time" means the employment is on a "continuous contract" as defined by the Employment Ordinance, namely an employee who works continuously for the same employer for four weeks or more, with at least 18 hours in each week.

(II) *Hongkong Post (PO)*

9. PO employed 2 103 full-time NCSC staff. About 48% worked less than the conditioned hours required of civil servants and undertook sorting and loading/unloading of mails. The remaining 52% were mainly engaged to undertake operational, marketing, sales and over-the-counter work, which fluctuated according to changes in market demand from time to time. As an illustration, mail volume increased by about 7% in Q3 of 2008 (over the same period in 2007) and dropped by about 3% in Q3 of 2010 (over the same period in 2009) due to the changes in the global and local economies. PO suitably adjusted the number of NCSC staff employed in the light of business volume and the prevailing operational need.

(III) *Electrical and Mechanical Services Department (EMSD)*

10. EMSD employed 1 631 full-time NCSC staff. Around 87% were employed to deliver services under the Department's trading fund arm (e.g. ad hoc or time-limited consultancy work, project management, maintenance, etc.) which fluctuated according to changes in market demand. The remaining 13% were employed mainly as apprentices for training purpose on a time-limited basis, in collaboration with the Vocational Training Council.

(IV) *Education Bureau (EDB)*

11. EDB employed 1 170 full-time NCSC staff. Around 72% were employed by government schools under the school-based management initiative. Under this initiative, government schools, as with aided schools, need the flexibility to hire the appropriate mix of supporting staff to dovetail with their operational needs at different times. Another 24% NCSC staff were employed to support various time-limited education reform initiatives (e.g. language support projects, implementation of the new academic structure for senior secondary education, school construction and improvement projects, etc.). The remaining 4% were employed mainly to provide services where the long-term need or the mode of service delivery was under review, or tap market expertise (e.g. planning, implementation and evaluation of the Basic Competency Assessment Project).

(V) *Department of Health (DH)*

12. DH employed 839 full-time NCSC staff. Around 76% were employed to meet ad hoc and time-limited service requirements (e.g. health

surveillance measures at immigration control points, Health Care Voucher Scheme, various healthcare projects, etc.). Another 10% were employed mainly to deliver services which were under review, including registration and enforcement work related to proprietary Chinese medicines and Chinese medicines traders. The remaining 14% were employed mainly in work that should more appropriately be performed by civil servants as identified in the 2006 special review. These positions will be gradually replaced by civil service posts.

(VI) *Student Financial Assistance Agency (SFAA)*

13. SFAA employed 615 full-time NCSC staff. Some 60% were employed to undertake work which would undergo fundamental process re-engineering upon the implementation of a new integrated information technology system, the funding of which was approved by the Finance Committee of the Legislative Council in May 2010. The system will be installed in phases with the first phase scheduled for completion in 2013-14. SFAA will review and determine the manpower requirement and preferred complement of staff under the new integrated information technology system. Another 40% NCSC staff were employed to cope with time-limited or seasonal peaks of work (e.g. the seasonal influx of applications under various student financial assistance schemes, clearance of the backlog of default payments, etc.).

(VII) *Census and Statistics Department (C&SD)*

14. C&SD employed 463 full-time NCSC staff. All of them were employed to meet time-limited service needs, and the majority was engaged for providing support to and conducting statistical surveys and duties related to these surveys (e.g. 2011 Hong Kong Population Census, 2009/2010 Household Expenditure Survey).

(VIII) *Registration and Electoral Office (REO)*

15. REO employed 413 full-time NCSC staff. They were employed mainly to meet the time-limited service needs relating to the four elections² held/to be held in 2011 and 2012 (e.g. voter registration, reviewing election forms, identifying polling stations, handling of complaints, updating election manuals, etc.).

² The four elections are District Council election in November 2011, Election Committee Subsectors election in December 2011, Chief Executive election in March 2012 and Legislative Council election in September 2012.

(IX) Buildings Department

16. BD employed 412 full-time NCSC staff. Some 88% were employed to meet time-limited service needs, and the majority was engaged for supporting the implementation of various building safety initiatives and Operation Building Bright project, the service need of which is expected to end in March 2014. The remaining 12% NCSC staff were mainly employed to handle water seepage complaints where the mode of delivery of service was under review.

Advice Sought

17. Members are invited to note the information in this paper.

Civil Service Bureau
November 2011

Annex A**Employment of Full-time NCSC Staff
by Bureau/Department/Office
(Position as at 30.6.2011)**

Bureau/Department/Office	Number of NCSC Staff
Agriculture, Fisheries and Conservation Department	296
Architectural Services Department	33
Buildings Department	412
Census and Statistics Department	463
Chief Executive's Office	8
Chief Secretary and Financial Secretary's Office (including the Efficiency Unit)	377
Civil Aviation Department	21
Civil Engineering and Development Department	106
Civil Service Bureau	1
Commerce and Economic Development Bureau	31
Companies Registry	90
Constitutional and Mainland Affairs Bureau	10
Correctional Services Department	7
Customs and Excise Department	15
Department of Health	839
Department of Justice	62
Development Bureau	39
Drainage Services Department	78
Education Bureau	1 170
Electrical and Mechanical Services Department	1 631
Environment Bureau	5
Environmental Protection Department	122
Financial Services and the Treasury Bureau	54
Fire Services Department	85
Food and Environmental Hygiene Department	320
Food and Health Bureau	14
Government Flying Service	14
Government Laboratory	24
Government Logistics Department	48
Government Property Agency	9
Highways Department	33
Home Affairs Bureau	35
Home Affairs Department	375
Hong Kong Observatory	20
Hong Kong Police Force	113
Hongkong Post	2 103
Immigration Department	122
Information Services Department	16

Bureau/Department/Office	Number of NCSC Staff
Inland Revenue Department	172
Innovation and Technology Commission	58
Intellectual Property Department	11
Invest Hong Kong	57
Judiciary	140
Labour and Welfare Bureau	23
Labour Department	144
Land Registry	137
Lands Department	230
Legal Aid Department	7
Leisure and Cultural Services Department	2 153
Marine Department	18
Office of the Government Chief Information Officer	19
Office of the Telecommunications Authority	97
Official Receiver's Office	50
Planning Department	38
Radio Television Hong Kong	349
Rating and Valuation Department	67
Registration and Electoral Office	413
Security Bureau	16
Social Welfare Department	294
Student Financial Assistance Agency	615
Television and Entertainment Licensing Authority	41
Trade and Industry Department	93
Transport and Housing Bureau	6
Transport Department	174
Treasury	52
University Grants Committee Secretariat	26
Water Supplies Department	117
Total	14 818

**Employment of Full-time NCSC Staff
(Position as at 30.6.2011)**

Length of Continuous Service*

Length of continuous service	No. of NCSC Staff (and percentage to total)	
Less than 3 years	7 592	(51.2%)
3 years to less than 5 years	2 664	(18.0%)
5 years or more	4 562	(30.8%)
Total	14 818	(100%)

* "Continuous service", as used in this Annex, included service in the same NCSC position, as well as service in different NCSC positions in the same department but without a break in service.

**Employment of Full-time NCSC Staff
(Position as at 30.6.2011)**

Contract Duration

Length of current contract	No. of NCSC Staff (and percentage to total)	
< 1 year	3 930	(26.5%)
1 - < 2 years	9 259	(62.5%)
2 - \leq 3 years	1 629	(11.0%)
Total	14 818	(100%)

**Employment of Full-time NCSC Staff
(Position as at 30.6.2011)**

Salary Range

Monthly Salary	No. of NCSC Staff (and percentage to total)	
\$30,000 or above	1 289	(8.7%)
\$16,000 - \$29,999	2 301	(15.5%)
\$8,000 - \$15,999	9 681	(65.3%)
\$5,000 - \$7,999	1 121	(7.6%)
Others*	426	(2.9%)
Total	14 818	(100%)

- * They were paid on an hourly rate and hence their monthly salary varied according to the number of hours actually worked. 422 of them worked in Hongkong Post.

Leisure and Cultural Services Department

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	1308
(2)	To meet service needs where the mode of delivery of the service is under review or likely to be changed	783
(3)	To tap the latest expertise in the market	35
(4)	To undertake work that should more appropriately be performed by civil servants as identified in the 2006 Special Review ^(Note)	27
Total :		2153

Note:

The NCSC positions concerned will be phased out having regard to the end-date of the existing employment contracts and the lead-time for filling the replacement civil service posts.

Hongkong Post

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that require staff to work less than the conditioned hours required of civil servants	1001
(2)	To meet service needs that are subject to market fluctuation	1102
Total :		2103

Electrical and Mechanical Services Department

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	215
(2)	To meet service needs that are subject to market fluctuation	1412
(3)	To tap the latest expertise in the market	4
Total :		1631

Education Bureau

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	282
(2)	To meet service needs that require staff to work less than the conditioned hours required of civil servants	6
(3)	To meet service needs where the mode of delivery of the service is under review or likely to be changed	27
(4)	To tap the latest expertise in the market	11
(5)	To meet the unique operational needs in government schools under school-based management initiatives	840
(6)	To undertake work that should more appropriately be performed by civil servants as identified in the 2006 Special Review ^(Note)	4
Total :		1170

Note:

The NCSC positions concerned will be phased out having regard to the end-date of the existing employment contracts and the lead-time for filling the replacement civil service posts.

Department of Health

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	639
(2)	To meet service needs that require staff to work less than the conditioned hours required of civil servants	10
(3)	To meet service needs where the mode of delivery of the service is under review or likely to be changed	81
(4)	To undertake work that should more appropriately be performed by civil servants as identified in the 2006 Special Review ^(Note)	109
Total :		839

Note:

The NCSC positions concerned will be phased out having regard to the end-date of the existing employment contracts and the lead-time for filling the replacement civil service posts.

Student Financial Assistance Agency

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	245
(2)	To meet service needs where the mode of delivery of the service is under review or likely to be changed	368
(3)	To undertake work that should more appropriately be performed by civil servants as identified in the 2006 Special Review ^(Note)	2
Total :		615

Note:

The NCSC positions concerned will be phased out having regard to the end-date of the existing employment contracts and the lead-time for filling the replacement civil service posts.

Census and Statistics Department

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	463
Total :		463

Registration and Electoral Office

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	412
(2)	To undertake work that should more appropriately be performed by civil servants as identified in the 2006 Special Review ^(Note)	1
Total :		413

Note:

The NCSC positions concerned will be phased out having regard to the end-date of the existing employment contracts and the lead-time for filling the replacement civil service posts.

Buildings Department

Reasons of employment		No. of Full-time NCSC staff as at 30.6.2011
(1)	To meet service needs that are time-limited or seasonal in nature	363
(2)	To meet service needs where the mode of delivery of the service is under review or likely to be changed	49
Total :		412