

LCQ6: Arrangements for extending service of staff of subvented organisations

Following is a question by the Hon Edmund Wong and a reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (July 12):

Question:

The Government announced in 2015 the adoption of a package of proposals to extend the service of civil servants, including raising the retirement age of newly-appointed civil servants in civilian grades to 65 starting from June 1, 2015, and introducing the Post-retirement Service Contract Scheme starting from November 2015. Regarding the relevant arrangements for subvented organisations, will the Government inform this Council:

(1) whether it has promoted the introduction of measures by subvented organisations to raise the retirement age of new recruits to 65; if so, whether it knows the situation of subvented organisations' implementation of such measures; if it has not, of the reasons for that, and whether it has found any staff succession problems in such organisations;

(2) as the Chief Executive announced in the 2017 Policy Address that serving civil servants in civilian grades who joined the Government between June 1, 2000, and May 31, 2015, would be allowed to choose to retire at the age of 65, whether the Government has promoted the introduction of the same measure by subvented organisations; if so, whether it knows the number of staff who joined such organisations during the aforesaid period and chose to retire at the age of 65 in each of the past three years; if it has not, of the reasons for that; and

(3) whether it has promoted the introduction of post-retirement service contract schemes by subvented organisations; if so, whether it knows the number of staff employed through the relevant schemes in each of the past three years; if it has not, of the reasons for that?

Reply:

President,

There is currently no statutory retirement age in Hong Kong. The Government of the Hong Kong Special Administrative Region (The Government) and some large private companies have stipulated the retirement age in the employment contracts, which is an administrative and/or contractual arrangement.

Having co-ordinated the input from the Civil Service Bureau, the

Education Bureau (EDB) and the Health Bureau (HHB), I give the reply to the question raised by the Member on behalf of the Government as follows:

To respond to the demographic challenges arising from an ageing population and a shrinking workforce while allowing greater flexibility for bureaux/departments (B/Ds) to be equipped with the necessary manpower, the Government has implemented a package of measures for extending the service of civil servants. The Government has raised the retirement age of new recruits who joined the Government on or after June 1, 2015, to 65 for civilian grades and 60, regardless of ranks, for disciplined services grades. The Government also launched in July 2018 the option for serving civil servants who joined the Government between June 1, 2000, and May 31, 2015, to choose to retire at the age of 65 (for civilian grades) or 60 (for disciplined services grades, regardless of ranks). In addition, B/Ds may, taking into account factors such as their overall manpower situation, operational needs, and succession arrangement, flexibly employ various measures for extending the service of civil servants (including the Post-retirement Service Contract Scheme, final extension of service and the adjusted further employment mechanism) to retain experienced civil servants reaching their retirement age to meet the manpower demand and operational needs.

For the private market, the Labour Department has been promoting to employers through diversified publicity activities the adoption of "employee-oriented" good human resources management and elderly-friendly employment practices, such as extending the working age of employees, so as to enable the elderly employees to continue working if they are willing to.

As regards subvented organisations, being the employers of their respective staff members, they will formulate their own human resources policies and management measures, including terms of employment and retirement policies, taking into consideration factors such as resources, overall manpower situation, as well as actual and operational needs. In response to the manpower development needs of their respective sectors or subvented organisations, B/Ds may consider whether to encourage subvented organisations under their purview to suitably adjust the retirement policies. I will now illustrate the general practice of subvented organisations under the three areas which account for the largest portions of government expenditure, namely social welfare, education and medical services, as examples.

Concerning the area of social welfare, the Social Welfare Department (SWD) provides subventions and subsidies to non-governmental organisations (NGOs) for operating welfare services, and enters into agreements with the NGOs concerned. Subject to their compliance with the service agreement and relevant statutory requirements, NGOs may employ suitable personnel to provide relevant services based on their actual operational needs and human resources policies. The SWD does not stipulate the retirement age, qualifications and conditions for appointment etc of the employees of service operators, and does not collect such information or data.

Regarding the area of education, the EDB has all along been closely

monitoring the manpower situation of teachers in public sector schools with timely and appropriate measures taken to ensure the quality of education and smooth operation of schools. Among them, the teachers and principals within the staff establishment of government schools are civil servants. Therefore, the retirement age of teachers and principals who joined on or after June 1, 2015, has been raised to 65. As for teachers in aided schools, the EDB has reviewed the relevant policies and regulations regarding their retirement age, including considering the extension of retirement age for newly-joined teachers in aided schools from 60 to 65. Since the demand for teachers involves many uncertain factors such as changes in the school-aged population and socio-economic development, the EDB needs to consider the long-term teacher manpower needs involved in the relevant policies and latest social conditions, as well as to balance multiple factors. The operation of schools is smooth in general and schools have sufficient qualified teachers to take up the teaching duties. Aided schools may submit an application to the EDB for extension of service of teachers and principals beyond the retirement age according to existing mechanism, if the incumbent teacher or principal is about to retire but the school cannot find a replacement after making every reasonable effort. With the declining school-aged population, the demand for teachers is expected to decrease correspondingly. The EDB will continue to monitor the situation and review when necessary according to the actual situation.

As for medical services, the Hospital Authority (HA) formulates suitable human resources policies according to its actual needs. In the light of ageing population and shrinking labour force and with reference to the Government's employment policy, the HA has raised the retirement age to 65 for new recruits commencing employment on or after June 1, 2015, to support long-term manpower needs.

For employees joining before June 1, 2015, the HA has implemented the Policy of Extending Employment Beyond Retirement to re-employ suitable retired/retiring staff for addressing manpower shortage and succession gaps in the HA. Main features of the policy include early engagement of retiring staff to ascertain their commitment of extending employment after retirement through suitable screening. The policy also provides flexibility for retirees to choose the timing and duration of further employment up to age 65. Retirees may also consider various employment options such as part-time employment or locum employment according to their own plans.

In accordance with the relevant agreement with the HHB and legislation, the Prince Philip Dental Hospital (PPDH) is responsible for the provision of facilities for the training of dentists and other persons in professions supplementary to dentistry. The PPDH may devise its human resources policy according to its operational needs. The retirement age is 65 for staff employed on or after July 1, 2015, while that for staff who joined before July 1, 2015, is 60 (without an option for extending the retirement age to 65).