

**THE HONG KONG GENERAL CHAMBER OF COMMERCE**  
**ACCOUNTABILITY SYSTEM FOR PRINCIPAL OFFICIALS**

*May 2002*

The Hong Kong General Chamber of Commerce (HKGCC) comments on the proposed new system of accountability for principal officials in the HKSAR Government:

1. On April 17 this year, the Chief Executive, Mr Tung Chee Hwa, presented the framework of his new accountability system for principal officials to the Legislative Council.
2. The aim is to implement the new system on July 1 this year.
3. The stated objectives of the system are: to strengthen accountability of principal officials; ensure better response to community needs; enhance co-ordination in policy formulation; strengthen co-operation between the Executive and the Legislature; ensure effective implementation of policies and provide quality services to the public.
4. The HKGCC believes the proposed new accountability system is a needed, useful, and beneficial restructuring of the SAR Administration, and time is of essence if the implementation is to start on July 1.
5. The HKGCC supports the new system in the belief that it should help ensure the more effective and efficient implementation of the policies of the SAR Chief Executive, Mr Tung Chee Hwa, in his second term in office.
6. The HKGCC believes the system should also enhance transparency, clarify lines of responsibility within the executive tier of the administration, and enable the machinery of Government to operate more smoothly and effectively.

***Better Decision-making, More Responsive Government***

7. Handled properly, with appropriate appointments to the new positions, it should also help make the government more responsive to community needs and thereby increase Hong Kong people's confidence in the government.
8. By having principal officials directly appointed by, and responsible to, the Chief Executive the new system should ensure his programmes for the SAR's future growth and development are completed and achieve the goals originally expected of them

***Complementing the Civil Service***

9. The HKGCC sees the new system as complementing the role of the HKSAR Civil Service.

10. Throughout Hong Kong history, the Civil Service has been the cornerstone of policy implementation and the proposed accountability system should not be seen as a criticism of their performance.
11. The Civil Service performed well during Mr Tung's first term, but the HKGCO believes it is unfair to expect them to be universally comfortable with policy promotion, or to "think outside the box" after years of working in a methodical and disciplined culture.
12. The new system should, therefore, be seen as complementing their good work, rather than a criticism of past performance. At the same time, we must ensure that there are mechanisms in place to protect the morale stability and welfare the civil service.
13. The HKGCC believes the new system will shift political responsibility for policies to the new principal officials who will take the primary role in not only ensuring Government policies are implemented, but in explaining and defending them before LegCo and to the public as well.
14. By firmly drawing the line between those responsible for initiating public policy and those responsible for implementing it, the role of career Civil Servants should be made clearer.

#### ***Communications Enhanced***

15. The HKGCC further believes that communication within the administration would be enhanced under the new system, particularly between the respective policy areas and where government programmes involve the decisions of several different bureaux or departments.
16. This should speed up their implementation and lead to greater effectiveness and efficiency within the administration.

#### ***High Calibre Appointments***

17. Having recognised these benefits, the HKGCC is nevertheless aware that the ultimate success of the new system will depend very largely on the calibre of people appointed under it and exactly how it is managed to ensure principal officials are held accountable and responsible for their decisions.
18. The HKGCC believes the new principal officials will have to be appointed on merit and bring to their respective jobs outstanding expertise, communication skills and management experience, as well as a commitment to the Chief Executive's policy direction and a willingness to offer creative and diverse opinions to him.

19. It is only then that there can be a thorough airing and examination of new policies and their speedy and correct implementation. If these principal officials fail in their duties or the implementation of policies, they will have to answer why.

*Criticisms Misplaced*

20. There are some in the community who have criticised the proposed system as establishing a new elite or inner power group for the Chief Executive, for potentially by-passing the Legislative Council, for being undemocratic, or for being likely to make things more politically difficult of the Civil Service.

21. The HKGCC believes these criticisms are misplaced, as the new system will actually result in a new group with fresh ideas and the mandate to move ahead with policy initiatives, once they have been approved by the Chief Executive.

*Greater Transparency*

22. Finally, the HKGCC believes the greater transparency of the new accountability system will also mean that new appointees are likely to be more politically responsive rather than less, especially being directly answerable to the Chief Executive for their actions.

23 As well as enhancing responsibility and transparency across the spectrum, the new system should ensure the Administration will be able to more easily get things done, with fewer bottlenecks, greater co-ordination between departments and better follow through on all policy decisions.

24. They will also be more in touch with the community's needs and sentiments.

25. The HKGCC is of the view that the vast majority of members of the local business community believe this new proposal is an improvement on Hong Kong's governance"