

立法會
Legislative Council

LC Paper No. ESC35/04-05
(These minutes have been
seen by the Administration)

Ref : CB1/F/3/2

Establishment Subcommittee of the Finance Committee

**Minutes of the 6th meeting
held at the Legislative Council Chamber
on Thursday, 9 June 2005, at 9:00 am**

Members present:

Hon LI Fung-ying, BBS, JP (Chairman)
Hon KWONG Chi-kin (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Dr Hon David LI Kwok-po, GBS, JP
Hon CHEUNG Man-kwong
Hon WONG Yung-kan, JP
Hon WONG Kwok-hing, MH
Hon MA Lik, JP
Dr Hon KWOK Ka-ki
Hon Patrick LAU Sau-shing, SBS, JP

Members absent:

Hon James TIEN Pei-chun, GBS, JP
Hon Margaret NG
Hon Bernard CHAN, JP
Hon SIN Chung-kai, JP
Hon Howard YOUNG, SBS, JP
Hon Abraham SHEK Lai-him, JP
Hon WONG Ting-kwong, BBS

Public Officers attending:

Miss Elizabeth TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)
Miss Jennifer MAK, JP Mr Alfred FOK	Deputy Secretary for the Civil Service Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Tony LI	Principal Assistant Secretary for Commerce, Industry and Technology (Communications and Technology)
Mr Eddie CHEUNG	Acting Deputy Secretary for Commerce, Industry and Technology (Communications and Technology)
Ms Lorna WONG, JP	Commissioner for Television and Entertainment Licensing
Mr Chris WARDLAW	Deputy Secretary for Education and Manpower
Mrs Alice LEUNG	Principal Assistant Secretary for Education and Manpower

Clerk in attendance:

Ms Rosalind MA	Senior Council Secretary (1)8
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Staff in attendance:

Ms Pauline NG	Assistant Secretary General 1
Ms Guy YIP	Council Secretary
Ms Caris CHAN	Senior Legislative Assistant (1)1
Mr Frankie WOO	Legislative Assistant (1)2

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The Chairman drew members' attention to ECI(2005-06)4 which set out the latest changes in directorate establishment approved since 2002. According to the Administration, the changes arising from the three proposals to be considered at the current meeting, if endorsed, would result in three additional supernumerary posts which were time-limited and would lapse upon completion of the defined tasks.

EC(2005-06)3 Proposed creation of one supernumerary post of Senior Principal Executive Officer (D2) in the Communications and Technology Branch of the Commerce, Industry and Technology Bureau of Government Secretariat for 15 months from October 2005 to December 2006 as Head of the Hong Kong, China Secretariat to support the International Telecommunication Union in organising the TELECOM WORLD 2006 in Hong Kong and delivering a series of host city obligations and services

2. The Chairman informed members that the Panel on Information Technology and Broadcasting (ITB Panel) was consulted on the proposal at its meeting on 9 May 2005.

3. Mr KWONG Chi-kin noted that the Administration had reported to the Finance Committee (FC) at its meeting held on 2 July 2004 the estimated provision of \$5.6 million for civil service staff costs required for hosting the International Telecommunication Union (ITU) TELECOM WORLD 2006 (WORLD 2006). He asked the Administration why staffing proposals were not submitted in July 2004 in one go, and enquired if the present proposal would require additional funding for hosting WORLD 2006.

4. In response, the Principal Assistant Secretary for Commerce, Industry and Technology (Communications and Technology) said that the staffing requirement for the Secretariat to support the ITU in organizing the event, including the supernumerary post under the current proposal to head the Secretariat, had been anticipated when funding approval for the event was submitted to FC. As the proposed supernumerary post was required from October 2005 to December 2006, there was no pressing need for the Administration to submit this staffing proposal in July 2004.

5. The Deputy Secretary for Financial Services and the Treasury (Treasury) (DS(Tsy)) added that while the creation of a new commitment for meeting the costs for Hong Kong to host the WORLD 2006 approved by FC at its meeting on 2 July 2004 did not include provision for salary for civil service staff, the estimated provision in this regard was reported to FC and the provision would be included in the annual Estimates when need arose. As the supernumerary post would be required with effect from October 2005, provision had been included in the 2005-06 Estimates. In line with the established procedures, the Administration now put up the proposal for creation of the supernumerary post for the consideration of the Establishment Subcommittee (ESC) and FC.

6. The item was voted on and endorsed.

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EC(2005-06)4 Proposed creation of a non-civil service position in the Broadcasting Division of the Television and Entertainment Licensing Authority for three years at the equivalent rank of D2

7. The Chairman informed members that the ITB Panel was consulted on the proposal at its meeting on 9 May 2005.

8. Mr MA Lik expressed concern about the responsibilities of the proposed non-civil service position and sought information as to why the incumbent of the existing civil service post could not take up the relevant duties.

9. The Commissioner for Television and Entertainment Licensing (C for TEL) explained that the existing head of the Broadcasting Division was an Assistant Commissioner (AC) ranked at Administrative Officer Staff Grade C (AOSGC) (D2) level. However, rapid technological and market developments in the broadcasting industry called for professional input at the management level of the Television and Entertainment Licensing Authority (TELA) which had grown beyond the capabilities of a general grade officer. The recruitment of non-civil service staff on contract terms was considered an appropriate option for filling the knowledge gaps arising from the changing operating environment of the broadcasting industry. C for TEL said that to ensure the best use of public resources, the incumbent of the proposed post would assume the responsibilities of the existing post of AC(Broadcasting) and also act as Secretary to the Broadcasting Authority (BA). The Acting Deputy Secretary for Commerce, Industry and Technology (Communications and Technology) (DS(CT)) said that the external expert to be engaged would take up duties related to the regulatory functions and the day-to-day management of TELA.

10. Referring to the job description of the proposed post at Enclosure 4 to the paper, Mr WONG Kwok-hing enquired about the responsibilities which could not be taken up by a general grade officer. In response, C for TEL said that except for acting as Secretary to BA, the other seven items in the job description of the proposed post required professional knowledge and experience in excess of the normal capabilities and qualifications of a general grade officer.

11. Mr WONG Kwok-hing queried whether TELA had provided necessary training to develop the potential and professional knowledge of its existing departmental grade staff for their career development. Mr MA Lik expressed similar concerns. Mr MA pointed out that given the Administration's emphasis on the importance for civil servants to enhance their knowledge and work skills, it should provide adequate training to equip serving civil servants with knowledge to meet changing operational needs instead of looking for experts outside the civil

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service.

12. Mr WONG Yung-kan criticized the Administration for its slow response to the changes brought about by technological advancement and failure to provide training to its staff well in advance. This would have adverse impact on the operation of the Government in the long run. Mr WONG enquired about the long-term training plans of TELA for preparing its civil service staff in acquiring the up-to-date skills and knowledge for performing the regulatory functions effectively.

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13. In reply, C for TEL said that training programmes, such as training on competition regulation and overseas training workshops, had been arranged for staff of TELA on an on-going basis to facilitate them in acquiring new knowledge and skills. Nevertheless, with the rapid convergence of broadcasting and telecommunications at the technological and business levels, BA had to reposition its regulatory approach to ensure it was in line with the best practices adopted by comparable regulators overseas. C for TEL pointed out that the external expert to be engaged to head the Broadcasting Division would fill the knowledge gaps in different areas arising from the changing operating environment. This external expert was expected to share his/her knowledge with the departmental grade staff in the Division, hence would provide a direct transfer of knowledge to civil servants. At the request of Mr WONG Kwok-hing, C for TEL undertook to provide supplementary information on the training programmes provided to staff of TELA to upgrade their work skills and knowledge.

14. DS(CT) added that in response to market developments, some jurisdictions, such as the United Kingdom and Australia, had merged or were merging the broadcasting regulator and telecommunications regulator into a unified body to ensure that the regulator had the necessary horizon in discharging its functions in a converging and increasingly complex environment. The Government had already proposed the establishment of a unified regulator by merging Telecommunications Authority (TA) and BA. He pointed out that through the engagement of an external expert, civil servants working in the Broadcasting Division would also benefit from day-to-day collaboration with the expert by acquiring new skills and knowledge through the process.

15. Responding to Mr WONG Yung-kan's further comment that appointment of a training tutor might achieve the purpose of knowledge sharing with TELA staff as well, C for TEL said that while training could be helpful for civil servants to acquire work skills and knowledge, considerable time would be required for them to accumulate experience and integrate the new knowledge acquired. Moreover, the Broadcasting Division was in need of an expert with exposure to unified regulatory set-up to prepare it for the transition to a unified regulator and

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such exposure was not normally available within the civil service in Hong Kong. The Administration therefore considered it beneficial to TELA, its staff and the community as a whole if an external expert could be engaged at the present stage.

16. Mr WONG Kwok-hing, Mr MA Lik and Mr Patrick LAU enquired about the Administration's plan for the non-civil service position after the proposed three-year term. In reply, C for TEL said that the situation would be reviewed near the expiry of the three-year period. There was no plan to delete the AOSGC post or the non-civil service position after the three-year period. Subject to the outcome of the review before the end of the three-year term, the AC(Broadcasting) post might be taken up by an officer of the general grade as under the existing arrangement, or continue to be filled by a contract staff recruited through open recruitment.

17. While not objecting to the creation of the proposed position to engage an external expert for performance of new tasks requiring professional input, Dr KWOK Ka-ki considered that the Administration should have a long-term vision on the staffing arrangement. In this connection, Dr KWOK sought information on the schedule for the proposed merging of BA and TA to form a unified regulator.

18. C for TEL explained that the Administration had planned to conduct public consultation on the proposed merging of TA and BA and the concrete plans would only be available after the completion of the consultation. The Administration considered it prudent to propose creation of the non-civil service position for three years initially to allow flexibility for changes upon the completion of the contract when more experience on the unified regulatory set-up had been acquired and the way forward for the merging would be clear. Responding to Dr KWOK's further enquiry about whether similar work had been carried out by TA concurrently, C for TEL said that TELA and TA were performing different functions under their respective organizational set-up.

19. Noting that the Administration would conduct a consultation on the establishment of a unified regulator and there was no concrete schedule for implementation of the proposal at the present stage, Dr KWOK ka-ki considered that the proposed position would likely be required after three years. Dr KWOK therefore suggested that the Administration offer a longer contract term, for example a five-year contract, to attract more competent candidates in the recruitment. In response, C for TEL said that the three-year contract term was proposed having regard to the normal practice of other public bodies in the employment of contract staff. She pointed out that the proposed duration of the contract was considered reasonable for both the Government as the employer and the employee to allow flexibility for both parties to review the continuity of

service after three years' experience.

20. Given the ranking of the proposed post (at the equivalent rank of D2) and the considerable number of civil servants to be put under the supervision of the incumbent of the post, Mr WONG Kwok-hing doubted whether the proposed creation of a non-civil service position was appropriate. He was concerned whether the arrangement would have any adverse impact on the staffing structure in the Government and on staff management.

21. In reply, C for TEL said that it was not an uncommon practice in government departments to have non-civil service contract staff taking up supervisory duties with civil servants as their subordinates. Problems in staff management had not been identified in this regard.

22. Mr WONG Kwok-hing was concerned that the employment of non-civil service contract staff to take up the position of AC(Broadcasting) would affect the promotional prospect of serving civil servants in TELA and hence affect staff morale. Mr WONG considered the employment of an external expert on non-civil service contract terms undesirable both in terms of the commitment of the staff concerned and the continuity of the post in question. He criticized the proposal of the absence of a long-term vision in staff planning.

23. C for TEL explained that even under the existing arrangement, the AC(Broadcasting) post was occupied by an officer of the Administrative Officer (AO) grade and serving civil servants in TELA who did not belong to the AO grade would not have any chance to be considered for promotion to the post. As a matter of fact, the current proposal would provide better career prospect for serving staff of TELA to advance to the post of AC(Broadcasting), as all qualified individuals, including serving civil servants in TELA, could apply for the position in the open recruitment.

24. Mr Patrick LAU opined that instead of appointing a non-civil service contract staff, the Administration could engage a consultancy firm to provide the professional input required to meet the challenges in competition regulation and technological advancement. Mr LAU pointed out that Mr WONG Kwok-hing's concern about impact on civil service morale and staff management problems could be addressed if a consultancy firm was engaged instead.

25. In response, C for TEL explained that while competition consultants had been engaged to undertake competition investigation and analysis, the day-to-day functions required of the proposed position could only be provided by a full-time employee of TELA.

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26. Noting that one permanent AOSGC (D2) post in the Broadcasting Division would be frozen for the creation of the proposed non-civil service position, Mr CHEUNG Man-kwong queried why the Administration did not propose the recruitment of a civil service contract staff to fill the position instead. In reply, the Deputy Secretary for Civil Service (DS(CS)) explained that as the proposed post required professional knowledge and regulatory experience beyond the capabilities of a general grade officer, the Administration proposed to engage an external expert through open recruitment. According to the established practice in the Government, non-civil service contract staff would be employed for meeting operational needs under similar circumstances where the posts were short-term or subject to review.

27. Mr CHEUNG Man-kwong reiterated that he was also aware of situations where civil service agreement terms were offered to candidates appointed from outside to fill civil service posts. When questioned if this arrangement could be adopted for the proposed position in TELA, C for TEL said that TELA did not have any views on the terms of appointment as long as an external expert could be engaged through open recruitment. In response to Mr CHEUNG, the Administration agreed to consider the offer of civil service agreement terms in the recruitment of the external expert for TELA.

28. Mr CHEUNG Man-kwong also requested to put on record his disagreement with the arrangement of designating AOs as heads/assistant heads of government departments of which the major functions had to be performed by staff with professional qualifications. Mr CHEUNG pointed out that AOs as general grade officers might possess the expertise in policy making and handling political issues but might not have the necessary professional training and experience required to lead the team of professionals in departments like TELA. Hence, Mr CHEUNG urged the Administration, in particular the Civil Service Bureau, to critically examine the operational requirements of the position of AC(Broadcasting) during the review near the expiry of the proposed three-year term and not to make any assumption that the post should be filled by a member of the AO grade in the long run.

29. DS(CS) noted Mr CHEUNG's view and assured members that heads of department were mindful of the importance of reviewing the operational requirements including the expertise needed for all the posts in their departments to keep these up-to-date with the changing circumstances and/or operational needs.

30. The item was voted on and endorsed.

EC(2005-06)5 Proposed creation of two supernumerary posts of Principal Education Officer (D1) in the Education and Manpower Bureau of the Government Secretariat for a period of two years and six months with effect from 1 July 2005 to cope with the additional work arising from the new academic structure

31. The Chairman informed members that the Panel on Education (Education Panel) was consulted on the proposal at its meeting on 3 June 2005.

32. While expressing support to the proposal, Mr CHEUNG Man-kwong pointed out that the Administration had reduced the duration for the two supernumerary posts in the proposal from five years to two years and six months having regard to the views expressed by members of the Education Panel. Mr CHEUNG referred to the preliminary views of FC members at the informal meeting held on 15 April 2005 that the permanent directorate establishment in the civil service should be capped at the level of 1 488 posts and requested the Administration to take this into consideration when submitting proposals for creation of supernumerary posts in the future. Mr CHEUNG was of the view that supernumerary posts lasting for long duration of five or six years would defeat the purpose of capping the level of permanent directorate establishment and should not be proposed until significant improvements in the economy had necessitated the increase in directorate establishment in the future.

33. In response, DS(Tsy) pointed out that the Administration had provided its response to the preliminary suggestions of FC members made at the informal meeting on 15 April 2005 and arrangements had been made for discussion of the subject in another forum. DS(Tsy) nevertheless pointed out that the duration required of proposed supernumerary posts would depend on operational needs of the project/task to be undertaken and it would be impracticable for the Administration to set a strict upper limit on the duration of supernumerary posts proposed. She assured members that the Administration would as usual critically examine the duration required for each supernumerary post and would not propose excessive duration or attempt to use prolonged supernumerary posts to replace the need for putting up proposals for creation of permanent posts.

34. Mr CHEUNG Man-kwong said that while further discussion on the preliminary suggestions of FC members could be carried out, the Administration had to consider the majority view of members, i.e. to cap the directorate establishment of the civil service to 1 488 posts, before it put forward its proposals to ESC and FC.

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35. Noting that the proposed duration of the supernumerary posts had been reduced from five years to two years and six months, Dr KWOK Ka-ki sought confirmation from the Administration whether the additional work arising from the new academic structure (the new Academic Structure for Senior Secondary Education and Higher Education) could be completed within the reduced timeframe.

36. In reply, the Deputy Secretary for Education and Manpower (DS(EM)) explained that the two supernumerary posts would be responsible for the preparation for implementation of the new academic structure, including the implementation of the new senior secondary curriculum and assessment framework and provision of school-based professional support to senior secondary school sector to ensure their smooth transition to the new academic structure. He pointed out that the Administration's initial proposal was to create the two posts for a period of five years in line with the five-year developmental task of implementing the new academic structure in the 2009/10 school year. Nevertheless, having regard to Members' views expressed at the Education Panel meeting on 3 June 2005, the Administration considered it practicable to review the continued need of the posts after two years and six months bearing in mind that the nature of the tasks involved might change over time. DS(EM) however did not consider it appropriate to pre-empt the outcome of the review as to the continued need or otherwise of the posts at this stage.

37. Dr KWOK Ka-ki urged the Administration to make every effort to complete the tasks within the proposed duration of the two posts. In the event that changes in circumstances justified the creation of other supernumerary posts for the implementation of the new academic structure, the Administration could submit its proposals to ESC for consideration separately.

38. The item was voted on and endorsed.

39. The Subcommittee was adjourned at 10:00 am.