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Establishment Subcommittee of the Finance Committee

**Minutes of the 4th meeting
held at Conference Room A
on Wednesday, 3 May 2006, at 8:30 am**

Members present:

Hon LI Fung-ying, BBS, JP (Chairman)
Hon KWONG Chi-kin (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon CHEUNG Man-kwong
Hon SIN Chung-kai, JP
Hon WONG Yung-kan, JP
Hon Howard YOUNG, SBS, JP
Hon Abraham SHEK Lai-him, JP
Hon WONG Kwok-hing, MH
Dr Hon KWOK Ka-ki
Hon WONG Ting-kwong, BBS
Hon Patrick LAU Sau-shing, SBS, JP

Members absent:

Dr Hon David LI Kwok-po, GBS, JP
Hon MA Lik, GBS, JP

Non-Subcommittee Member attending:

Hon Alan LEONG Kah-kit, SC

Public Officers attending:

Miss Amy 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)
Miss Yvonne CHOI, JP	Permanent Secretary for Commerce, Industry and Technology (Commerce and Industry)
Mr Philip YUNG, JP	Deputy Secretary for Commerce, Industry and Technology (Commerce and Industry)
Miss Viola CHAN	Principal Executive Officer, Commerce and Industry Branch
Mr Raymond TAM	Secretary to the Commission on Strategic Development
Mr Patrick CHAN Chi-king Ms Annie CHOI	Research Director, Central Policy Unit Deputy Secretary for the Environment, Transport and Works (Transport)
Mr LAU Ka-keung, JP	Deputy Commissioner for Transport
Mr TSANG King-man	Assistant Commissioner for Transport
Ms Esther LEUNG	Deputy Secretary for Home Affairs
Ms Anissa WONG, JP	Director of Leisure and Cultural Services
Mr Patrick CHAN Nim-tak	Deputy Director of Leisure and Cultural Services

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 (1)1
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Mr Frankie WOO	Legislative Assistant (1)2

Action

The Chairman drew members' attention to the information paper No. ECI(2006-07)1 provided by the Administration on the changes in directorate establishment approved since 2002. According to the Administration, the changes arising from the four proposals to be considered at the meeting, if endorsed, would result in a net increase of one permanent post and one supernumerary post.

EC(2006-07)1 Proposed reorganization of the Overseas Economic and Trade Offices of Government Secretariat in Europe and setting up of a new Office in Berlin and consequential changes in directorate establishment to strengthen Hong Kong's representation in Europe with effect from 1 July 2006

2. The Chairman informed members that the Panel on Commerce and Industry was consulted on the proposal at the meeting on 21 February 2006.

3. Given the geo-political and economic developments in Europe and the significance of the European Union as Hong Kong's third largest trading partner, Mr WONG Ting-kwong said that Members of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) supported the Administration's proposal to establish a new Economic and Trade Office (ETO) in Berlin to be responsible for promoting economic and trade relations in the eastern part of Europe and to reorganize the deployment of resources in the ETOs in Europe.

4. The item was voted on and endorsed.

EC(2006-07)2 Proposed creation of one supernumerary post of Administrative Officer Staff Grade C (D2) in the Central Policy Unit under the Offices of the Chief Secretary for Administration and the Financial Secretary of Government Secretariat with immediate effect up to 30 June 2007 to strengthen the Secretariat to the Commission on Strategic Development

5. The Chairman recapped that the staffing proposal to create a permanent post of Administrative Officer Staff Grade C (AOSGC) (D2), designated as Assistant Secretary to the Commission on Strategic Development (CSD) to strengthen the Secretariat of the CSD, had been considered at meetings of the Panel on Public Service and the Establishment Subcommittee (ESC) on 16 January 2006 and 8 February 2006 respectively. Taking into account Members' views expressed at the aforesaid meetings, the Administration withdrew the item and resubmitted its revised proposal for creation of a supernumerary AOSGC post with immediate effect up to 30 June 2007, in line with the current term of office of the CSD members.

6. Mr CHEUNG Man-kwong reiterated that Members of the Democratic Party (DP) considered that the operational requirements of the expanded CSD did not justify the creation of an additional directorate post, given that the CSD Secretariat was only required to service 24 meetings a year and the fact that it was already supported by two directorate officers. Notwithstanding the Administration's revision of the proposal for the creation of a supernumerary AOSGC post, Mr CHEUNG said that Members of DP remained unconvinced of the justifications for providing additional directorate support to CSD and therefore would not support the current staffing proposal.

7. In response, the Secretary to CSD (Secy to CSD) explained that the Administration had taken on board members' earlier comment that only a time-limited post should be created as the current term of CSD would expire on 30 June 2007 and had put forward the revised proposal for creation of a supernumerary AOSGC post for ESC's consideration today. Secy to CSD further explained that the estimate of 24 meetings serviced by the CSD Secretariat annually represented only the basic workload level in respect of regular meetings of the four committees under CSD. The workload of the CSD Secretariat, as shown from the operational experience in the past three months, far exceeded the estimated number of regular meetings. By way of illustration, Secy to CSD advised that since January 2006, 12 meetings had been arranged by the CSD Secretariat, with an average of about one meeting in every two weeks. Apart from the frequency of meetings, there was an increased requirement on quality of service provided by the CSD Secretariat given the breadth and complexity of the strategic topics to be tackled by CSD in the current term. To facilitate members' discussion at the meetings, the CSD Secretariat would need to coordinate and liaise with relevant parties in conducting researches and preparing discussion papers and reports before the meetings. Given the complexity and the quality required of the work involved, the Administration considered that such work called for dedicated and additional support at the directorate level for the CSD Secretariat.

8. Pointing out that other bureaux/departments would not normally be provided with such extensive directorate support for the operation of a committee secretariat, Mr CHEUNG Man-kwong maintained his view that the provision of additional directorate support to the CSD Secretariat unjustified.

9. Mr Alan LEONG said that Members of the Civic Party (CP) considered that in examining the merits of a staffing proposal, both quantity and quality of work performed should be taken into account. Members of CP did not consider the staffing proposal worth supporting given the unsatisfactory quality of the discussion papers prepared by the CSD Secretariat so far, which generally overlooked public expectations on the long-term development of Hong Kong. Mr LEONG cautioned that without a fundamental change to the mode of operation of the CSD Secretariat, the performance of CSD in the current term could hardly meet the expectations of the public and the legislature.

10. Secy to CSD said that some Members of CP had actively participated in discussions at meetings of CSD as members. He pointed out that the expanded CSD was a platform for all sectors of the community to explore with the Government major issues pertaining to Hong Kong's long-term development. While there might be dissenting views on different issues, particularly at the initial stage of discussion, the Administration looked forward to identifying a generally accepted overall direction for policy formulation through in-depth discussions at CSD meetings in the longer term.

11. Mr Howard YOUNG said that Members of the Liberal Party (LP) supported the Administration's proposal. Noting that the original proposal for creation of a permanent AOSGC post to provide support to the expanded CSD was included in

the Administration's paper on the forecast of creation/deletion of directorate post in the 2005-06 legislative session (ECI(2005-06)06) and that the Administration had revised its proposal to creation of a supernumerary post in response to members' earlier comments, Mr YOUNG was of the view that additional directorate support to the CSD Secretariat should be provided to facilitate the work of the expanded CSD. As the additional directorate post would be created on a supernumerary basis up to 30 June 2007, Mr YOUNG was concerned about the Administration's plan for further assessing the operational requirement of the CSD Secretariat having regard to the role and function of CSD beyond its current term. Mr YOUNG was of the view that the Administration should take a definitive position with the future CSD well before the expiry of its current term to prevent unnecessary disruption to CSD's operation.

12. Secy to CSD responded that as announced in his Policy Address on 12 October 2005, the Chief Executive (CE) looked upon CSD as the most important advisory body and therefore expanded its membership substantially by inviting talent from different fields. While the role and functions of the future CSD beyond its current term would be decided by the new CE after the coming CE election in March 2007, the four committees established under CSD had formulated work plans on topics for discussion in the coming year. He assured members that the Administration would take heed of the operational experience of the expanded CSD in the current term for CE's consideration and decision before the end of the current term of CSD.

13. Noting the additional information on the workload of CSD and the creation of the AOSGC post on a supernumerary basis in the current proposal, Mr KWONG Chi-kin expressed support to the proposal. He opined that it would be unfair to the Administration if an important advisory body like CSD would not be provided with the required manpower resources to support its operation. Nevertheless, Mr KWONG pointed out that the effectiveness of CSD in the coming year in providing constructive advice and facilitating policies formulation for the long term development of Hong Kong would be crucial for Members' decision on whether continued support should be given to CSD.

14. Ir Dr Raymond HO said that Members of The Alliance supported the current proposal for creation of a supernumerary post as this was a positive response of the Administration to members' request. Ir Dr HO however reiterated his earlier comment about the absence of talents of some professional sectors in the membership of CSD.

15. Expressing support of Members of DAB to the revised proposal for creation of a time-limited post in line with the current term of CSD, Mr WONG Ting-kwong remarked that Legislative Council (LegCo) Members as well as the community at large expected CSD to make contributions to the long-term development of Hong Kong.

16. Secy to CSD thanked members for their support. He assured members that the CSD Secretariat would make every effort to facilitate the work of CSD, with

a view to meeting public expectations on the effectiveness of CSD as a platform for all sectors of the community to provide their views on major issues pertaining to the long-term development of Hong Kong.

17. The item was voted on and endorsed.

EC(2006-07)3 Proposed retention of one supernumerary post of Chief Engineer (D1) in Transport Department for a period of two years from 22 June 2006 to 21 June 2008 to oversee the implementation of the Transport Information System and Traffic Control and Surveillance Systems, as well as the development of information technology applications under the Intelligent Transport Systems Strategy

18. The Chairman informed members that the Panel on Transport was informed of the present proposal vide an information paper issued on 20 March 2006.

19. Mr CHEUNG Man-kwong said that Members of DP appreciated the need for extension of the supernumerary Chief Engineer post for two years to oversee the implementation of the Transport Information System (TIS) project. As the delay in implementation of the project was caused by problems encountered by the previous contractor, whose contract had been terminated as a result, Mr CHEUNG said that Members of DP considered that the Administration should actively examine the feasibility of recovering any financial losses from the contractor concerned through legal proceedings. Mr CHEUNG was of the view that to be fair to taxpayers and the Government, the contractor concerned should be liable to pay the Government for the losses. Mr WONG Ting-kwong also sought information on the losses suffered by the Government as a result of the termination of the TIS contract and the additional cost involved for re-tendering, if any.

20. In response, the Deputy Secretary for the Environment, Transport and Works (Transport) (DS(T)) advised that the Administration was taking forward the re-tendering of the contract for early implementation of the TIS project, while separately seeking the advice of the Department of Justice on whether or not legal actions could be taken against the previous contractor. She explained that as only partial payment had been made to the previous contractor, which had been recovered by the amount of performance bond held by the Government, direct financial loss arising from the termination of the contract was minimal. The major consequence of the termination was the delay in the implementation of TIS. She assured members that the Administration was taking forward the re-tendering of the contract with a view to completing the project within the 18 months contract period.

21. Noting that the re-tendering of the TIS contract was underway, Mr Patrick LAU enquired about the estimated cost for the new contract. DS(T) responded that the Administration expected that the new TIS contract would be awarded in mid 2006 and the estimated cost would likely be within the \$63.8 million project cost for TIS approved by the Finance Committee in June 2001.

22. In response to Mr WONG Ting-kwong's enquiry on the expected improvements to traffic flow on major roads to be brought about by TIS, DS(T) advised that TIS was a computerized system which integrated transport and traffic data into a common, structurally formatted central database to enable information sharing and data analysis in an efficient manner. The efficient provision of traffic information through TIS would facilitate traffic management as well as public transport users and motorists for pre-trip planning. Nevertheless, it would be difficult for the Administration to quantify in a scientific manner the percentage increase in capacity of major roads as a result of TIS.

23. Mr SIN Chung-kai supported the Administration's initiatives for the development of information technology (IT) applications under the Intelligence Transport Systems Strategy. He was however disappointed with the passive attitude of Government bureaux in making the IT applications available to the market. He quoted the example of the request of telecommunication service providers for the provision of traffic information from the Government for development of value-added services to their mobile phone users. Despite his repeated efforts to liaise with various policy bureaux, namely the Environment, Transport and Works Bureau (ETWB), the Commerce, Industry and Technology Bureau and the Financial Service and the Treasury Bureau (FSTB), no decision had yet been made on the fee chargeable to the service providers for the provision of the required information. He therefore questioned the usefulness of developing the IT applications if such applications could not be widely used by the public.

24. In reply, the Deputy Secretary for Financial Services and the Treasury (Treasury) explained that she noted that FSTB, ETWB and the Transport Department (TD) were working in collaboration on the request of the telecommunication service providers. While she did not have detailed information in hand regarding the progress in this regard, she undertook to bring Mr SIN's views to the attention of the officers concerned in FSTB. DS(T) added that the relevant bureaux had jointly derived a proposed fee-charging arrangement in this regard and would finalize the arrangement in consultation with the telecommunication service providers concerned in due course.

25. Pointing out that TD had been providing real-time traffic information to the television companies for broadcasting free of charge, Mr SIN Chung-kai queried the Administration's rationale for charging the telecommunication service providers for the provision of similar information.

26. The Deputy Commissioner for Transport (DC for T) explained that the free provision of traffic information for television broadcasting as part of the news programmes was a service to the public. As to the provision of traffic information to telecommunication service providers for development of value-added services to their mobile service users, DC for T advised that the Administration's view was that as the service providers concerned intended to charge their customers for the use of such information, it would be appropriate to consider imposing a fee on them in accordance with the "users pay" principle. At the request of Mr SIN, the

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Administration undertook to provide, before the relevant meeting of the Finance Committee, information on the rationale for deciding whether a fee should be charged for the provision of traffic information to private sector service providers and its proposal on the fee-charging arrangement for telecommunication service providers for provision of such information.

27. On the policy of charging private sector service providers for the use of traffic information, Dr KWOK Ka-ki suggested the Administration to consider operating TIS on commercial principles so that additional revenue could be generated in this respect, which might be used for further enhancement of the system. In reply, DS(T) advised that in examining the fee charging policy for provision of information under TIS, the Administration had to strike a balance between the provision of free traffic information as a public service and the provision of such information to private sector service providers for development of value-added services to their customers at a cost. She assured members that the Administration would take forward the issue in a prudent manner, with a view to striking a proper balance between the two factors.

28. Mr WONG Ting-kwong was concerned whether effective means for disseminating traffic information collected through TIS were in place to provide the public with real-time traffic information, in particular during emergency situation so as to prevent the recurrence of serious traffic congestion similar to that on 9 May 2005. In response, DC for T advised that one of the key services to be provided under TIS was the Intelligent Road Network (IRN), which would provide up-to-date information on traffic directions, turning movements at road junctions and stopping restrictions, etc. The relevant information would mainly be made available to the public through the Internet on TD's website. Private sector service providers might also make use of IRN to provide value-added service to individual road users.

29. Ir Dr Raymond HO expressed support of the Members of The Alliance to the staffing proposal. Pointing out that motorists would be unable to obtain real-time traffic information through the Internet during their trips, Ir Dr HO requested that apart from project management, the Chief Engineer/Intelligent Transport (CE/iT) (i.e. the supernumerary post proposed to be retained) could explore alternative means for disseminating traffic information collected through TIS, so that members of the public could get the maximum benefit from the traffic information.

30. In reply, DC for T said that in addition to project management, input of CE/iT would also be required for other intelligent transport initiatives of TD, including the development of IT applications to facilitate the dissemination of emergency traffic information to the public. CE/iT would make reference to the latest overseas developments in this regard (for example the trend for overseas car manufacturers to install devices in motor vehicles for dissemination of real-time traffic information to drivers during their journeys), and introduce new IT applications to TIS, where appropriate.

31. To encourage the use of public transport services, Ir Dr Raymond HO suggested the Administration consider providing public transport information to passengers, by installing devices like touch-screen terminals at bus stops, so that the public could readily retrieve information on the bus routes and fees at the stops. Mr Howard YOUNG said that Members of the LP supported the staffing proposal. In addition, Mr YOUNG suggested the Administration to explore the feasibility of providing information on the arrival time for the next bus at bus stops (in particular at stops located away from the city centre) to facilitate passengers' decisions on the mode of transport for their trips. DS(T) thanked Ir Dr HO and Mr YOUNG for their suggestions and undertook to examine the feasibility of these suggestions outside the context of the current TIS project.

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32. Dr KWOK Ka-ki said that he had no objection to the retention of the supernumerary CE/iT post but was concerned how the retention of the post could ensure the smooth implementation of the project. DS(T) explained that with the experience gained in the previous contract, the incumbent CE/iT could facilitate the timely implementation of the project by providing professional advice and direction, in close liaison with the senior management of the new contractor, to ensure mutual understanding of the requirements, availability of resources and timely resolution of problems, if any. She stressed that the professional knowledge of CE/iT in the implementation requirements of TIS as well as his profound experience in the development of IT applications would be crucial to his project management work under the new contract.

33. The item was voted on and endorsed.

EC(2006-07)4 Proposed creation of one permanent post of Assistant Director of Accounting Services (D2) in Leisure and Cultural Services Department to oversee the Finance and Supplies Division; and downgrading of one permanent post from the Senior Principal Executive Officer (D2) to Principal Executive Officer (D1) to undertake the duties of the Departmental Secretary with immediate effect

34. The Chairman informed members that the Panel on Home Affairs was consulted on the proposal at its meeting on 7 April 2006.

35. Noting that the proposed Assistant Director (Finance) (AD(F)) post would oversee the finance and supplies matters in the Leisure and Cultural Services Department (LCSD), Dr KWOK Ka-ki was concerned about the Administration's policy on creating directorate posts dedicated to departmental financial management. Dr KWOK doubted whether the current proposal would set a precedent for other bureaux/departments to create additional directorate posts.

36. In reply, the Deputy Secretary for the Civil Service advised that while similar directorate posts had been created in the Education and Manpower Bureau and the Social Welfare Department, the provision of directorate support for financial

management in individual departments would not set a precedent for other bureaux/departments. She stressed that each and every staffing proposal from bureaux/departments would be examined in detail against their operational need and the job description of the proposed post. The requirement for resources management in the bureaux/departments concerned would be taken into account in scrutinizing proposals for creation of directorate posts dedicated to financial management.

37. Responding to Dr KWOK Ka-ki's concern about the justification of the proposed AD(F) post, the Director of Leisure and Cultural Services (DLCS) assured members that the proposal was made in a prudent manner. Given the multi-faceted operation of LCSD which not only included sports and cultural promotion, but also major event organization, subvention management and management of contracts for provision of services such as cleaning and security, prudent financial control would be necessary to ensure that the department's operating expenditure budget (\$4.9 billion for 2006-07) was well spent. For a department with a complex financial structure and an annual recurrent budget of such scale, it was considered operationally justified to have an experienced professional at D2 level to serve as the departmental finance manager. DLCS further explained that the major responsibilities of the proposed AD(F) post included strategic financial management, subvention management, contract management, value-for-money studies, development of financial management and information systems, and management of internal audit.

38. Dr KWOK Ka-ki was concerned about the estimated amount of savings to be achieved through the supervision of AD(F) on the finance and supplies functions of LCSD and sought information on the expected improvements in cost-effectiveness and/or operational efficiency to be achieved. In this connection, Dr KWOK also referred to a recent case of improper use of resources by a sports organization and enquired whether the work of AD(F) in subvention management would facilitate the monitoring of subventions to sports and arts organizations.

39. In response, DLCS said that it was expected that AD(F) would assist the departmental management to enhance the operational efficiency as well as cost-effectiveness of LCSD through his professional monitoring of departmental expenses. DLCS advised that improvement in cost-effectiveness had been achieved through business process re-engineering and prudent control of expenses such that LCSD was able to trim down its operating expenses despite the increased service demand for management of some 60 new facilities completed since 2000. While pointing out that LCSD did not provide any subvention for the programme organized by the sports organization referred to by Dr KWOK above, DLCS advised that established rules were in place for subvented organizations to comply with in the expenditure control of their subvented programmes. The AD(F) would be responsible for managing and monitoring the subventions to sports and arts organizations, including expenditure control and auditing of the financial statements submitted by the organizations concerned, to ensure the effective use of subvention funds.

40. Ir Dr Raymond HO said that Members of The Alliance supported in principle the proposal. Nevertheless, noting the proposed downgrading of the Assistant Director (Administration) (AD(A)) post ranked at Senior Principal Executive Officer (D2) to a Departmental Secretary (DS) post ranked at Principal Executive Officer (D1), Ir Dr HO was concerned about the impact on the progress of the 139 leisure and cultural services projects left behind by the ex-Municipal Councils (ex-MC). Pointing out that the slow progress of the outstanding projects might be related to problems in departmental administration, Ir Dr HO queried whether downgrading the AD(A) post would further affect the effectiveness of departmental administration and delayed the schedule of project delivery as a result. Mr Abraham SHEK was also concerned whether the implementation of the outstanding ex-MC projects would be further delayed if the staffing proposal was approved.

41. DLCS stressed that the Administration fully appreciated public demand for leisure and cultural facilities and had been following up the 139 outstanding ex-MC projects on a continual basis, through regular consultation with the respective District Councils (DCs) and taking into account factors such as service needs and availability of land. She assured members that the downgrading of the AD(A) post would not have any adverse impact on the progress of the ex-MC projects, given that the Deputy Director (Leisure Services), underpinned by LCSD officers responsible for the planning and implementation of capital works projects, would oversee the planning strategies and policies of such projects in the department. On the latest position of the ex-MC projects, DLCS advised that 19 had been completed, 12 were deferred or deleted after consultation with DCs, over 15 were under construction and about 20 were planned for construction in 2007 and 2008. Responding to Ir Dr HO's further enquiry on the position of the 74 ex-MC projects which would be subject to further review, DLCS said that these projects were kept under regular review in consultation with DCs. According to the outcome of the latest review, 21 projects had been identified for priority planning whereas the remaining projects would be subject to regular review with DCs. She advised that the Administration would report the progress of the outstanding ex-MC projects to the LegCo Subcommittee to Follow Up the Outstanding Leisure and Cultural Services Projects of the Former Municipal Councils on a regular basis. At the request of Mr Abraham SHEK, DLCS undertook to provide an information paper setting out the progress of the outstanding ex-MC projects, in particular, the progress and implementation schedule of the priority projects announced in the CE's Policy Address in January 2005 before the relevant Finance Committee meeting.

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42. Mr WONG Kwok-hing said that LegCo Members of the labour constituency would not support the staffing proposal given that the AD(F) post would be responsible for contract management and hence facilitating outsourcing of public services, which they had expressed clear opposition to. Mr Abraham SHEK expressed similar concern about the possible increase in outsourcing public services to contract service providers with the creation of the AD(F) post.

43. Mr James TIEN said that Members of LP had expressed support to the current staffing proposal at the meeting of the Panel on Home Affairs on

7 April 2006. In examining the justification of the proposal, Mr TIEN pointed out that Members of LP also referred to the forecast of creation/deletion of directorate posts in the 2005-06 session provided to ESC in November 2005 (ECI(2005-06)6). Mr TIEN noted with concern that under the original forecast of LCSD, one AOSGB(D3) post was proposed to be created as the Deputy Director to head the Administration Branch, and to coordinate and follow up on the Policy Address on the empowerment of DCs in the management of the department's district leisure and cultural facilities. While the creation of a Deputy Director post had not been pursued in the current proposal, Mr TIEN questioned about the arrangement for taking forward the above-mentioned initiative in the Policy Address. Referring to the Consultation Document on "Review on the role, functions and composition of District Council" issued by the Administration in April 2006, Mr TIEN pointed out that the Administration had proposed that, within the limits of the existing statutory powers and resources of the executive departments, DCs could take up responsibility of management of some district facilities, such as libraries and swimming pools. In this connection, he asked whether and how the participation of DCs in the management of leisure and culture facilities, if implemented, would have impact on the functions and workload of the AD(F) post.

44. DLCS explained that after further examination of the operational requirements, the original forecast of creating a Deputy Director post ranked at AOSGB (D3) responsible for administration had been revised to the current proposal of a DS post ranked at Principal Executive Officer (D1). In fact, this demonstrated that the Administration was committed to putting forward any directorate staffing proposal in a prudent manner. As to the impact of participation of DCs in the management of district leisure and cultural facilities, DLCS advised that the Administration had clearly stated in its consultation document that the empowerment of DCs in management of district facilities would not have any impact on the financial resources of government departments. While the workload of AD(F) was likely to increase given the monitoring and analysis of financial information for the perusal of DC Members following the participation of DCs in the management of district leisure and cultural facilities, the functions and scope of responsibilities of AD(F) would not be affected in general.

45. Responding to Mr James TIEN's further enquiry on whether the additional demand from DCs arising from their participation in management of district leisure and cultural facilities had been taken into account in working out the current proposal, DLCS advised that the workload of LCSD in management of facilities was not expected to reduce following the involvement of DCs in the function. LCSD staff would continue to be responsible for the day-to-day management duties having regard to the advice of the DCs. As such, additional staffing resources would be required in particular at the frontline operation level so as to better support the need for greater and more extensive communication and interaction with DCs.

46. The item was voted on and endorsed.

47. The Subcommittee was adjourned at 9:50 am.

Council Business Division 1
Legislative Council Secretariat
17 May 2006