

**For discussion
on 8 February 2006**

EC(2005-06)13

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 142 – GOVERNMENT SECRETARIAT : OFFICES OF THE CHIEF SECRETARY FOR ADMINISTRATION AND THE FINANCIAL SECRETARY

Subhead 000 Operational expenses

Members are invited to recommend to the Finance Committee the creation of the following permanent post in the Secretariat to the Commission on Strategic Development within the Central Policy Unit with immediate effect –

1 Administrative Officer Staff Grade C
(D2) (\$110,000 - \$116,800)

PROBLEM

The Central Policy Unit (CPU) needs to strengthen the Secretariat to the Commission on Strategic Development (CSD) to provide necessary support to the expanded CSD chaired by the Chief Executive (CE).

PROPOSAL

2. Head, CPU proposes to create one permanent directorate post of Administrative Officer Staff Grade C (AOSGC) (D2), designated as Assistant Secretary to the CSD to strengthen the Secretariat to the CSD with immediate effect.

/JUSTIFICATION

JUSTIFICATION

Role and Structure of the Commission on Strategic Development

3. The CSD was set up in February 1998 with the following terms of reference –

- (a) to advise the CE on Hong Kong's long-term development needs and goals; and
- (b) to conduct reviews and studies on Hong Kong's economy, human resources, education, housing, land supply, environmental protection and relations with the Mainland to ensure that Hong Kong's resources are well-used, and that Hong Kong keeps up with world trends in competitive terms, and to maintain the vitality of economic development.

4. At that time, the CSD comprised no more than 13 non-official members and two official members, viz. the Chief Secretary for Administration (CS) and the Financial Secretary (FS). There were no committees, sub-committees or working groups.

5. A Secretariat comprising seven officers, i.e., one Administrative Officer Staff Grade B (AOSGB) (D3), designated as Secretary to the CSD, one Government Town Planner (GTP) (D2) and five supporting non-directorate administrative, executive, clerical and secretarial grade officers, has been created in the CPU to support the operation of the CSD. This Secretariat reports directly to Head, CPU and operates independently of the rest of the CPU. The organisation structure of the CSD Secretariat is at Enclosure 1.

Encl. 1

6. In his Policy Address on 12 October 2005, the CE announced that he looked upon the CSD as the most important advisory body, and would substantially expand its membership by inviting talent from different fields. The expanded CSD would provide a platform for all sectors of the community to explore with the Government major issues pertaining to our long-term development. It would be able to gauge a wide range of community views, thereby laying the foundation for formulating specific policies, and making the process more scientific and transparent, backed up by enhanced public participation and acceptance.

/7.

7. Appointments to the expanded CSD were announced on 15 November 2005. Altogether 152 non-official and four official members have been appointed to serve on its four committees, viz. Executive Committee, Committee on Governance and Political Development, Committee on Social Development and Quality of Life, and Committee on Economic Development and Economic Cooperation with the Mainland. The first two committees are chaired by the CE and the other two by the CS and the FS respectively. The terms of reference of the four committees, each with 35 to 40 members, are at Enclosure 2.

Encl. 2

8. Each committee will meet about once every two months, not including informal group discussions or ad hoc working groups that may be organised on a need basis. This means that there will be about 24 committee meetings chaired by the three most senior officials of the Hong Kong Special Administrative Region Government each year.

9. The increase in membership of the CSD, the setting up of four committees with specific terms of reference, and the Commission becoming the most important advisory body to the CE entail significantly increased workload of greater complexity and importance. The Secretariat to the CSD will need to be beefed up at the directorate level, in order to support effectively the operation of the expanded CSD.

Need for a Permanent Administrative Officer Staff Grade C (D2) Post

10. At present, the Secretary to the CSD is supported at the directorate level by a GTP (D2). The latter's primary input lies in the professional aspects of global, regional and Mainland development trends as well as demographic issues which impact on Hong Kong. The job description of the GTP post is at Enclosure 3. The expanded CSD and the much increased frequency of meetings will involve additional work, particularly those of an administrative nature. As the CSD has over 150 high powered and influential members, we consider that the Secretary to the CSD needs one more directorate officer to assist him/her in discharging the following duties –

Encl. 3

- (a) undertaking policy researches and analysis, preparing papers to present strategic issues for consideration by the committees;
- (b) overseeing the studies instigated by the committees,
- (c) organising the logistics of the four committees and keeping proper records of committee meeting;

/(d)

- (d) coordinating within and outside of the Government on issues for discussion by the committees; and
- (e) handling publicity and public relations for the committees.

11. Given the wide range and complexity of the work involved, and the status and importance of the CSD, we consider that such work call for dedicated and additional support at the directorate officer (D2) level in the Secretariat to the CSD. For instance, the incumbent of the post will have to oversee additional research or studies commissioned by the CSD and to monitor their progress. Moreover, in view of the breadth of strategic issues deliberated by the expanded CSD, we need an additional directorate officer at D2 level to coordinate and liaise with relevant parties in preparing discussion papers and reports for the CSD. These tasks require a high level of analytical and intellectual capability. In addition, the incumbent of the D2 post should be able to coordinate the input of various organisations both within and outside the Government in a systematic and timely manner. We therefore propose to create a permanent post of Assistant Secretary to the CSD at the rank of AOSGC (D2). The job description of the proposed post is at Enclosure 4. The Director of Administration has created under delegated authority a supernumerary post of AOSGC (D2) in the Secretariat to the CSD with effect from 12 October 2005 for six months following the CE's Policy Address to assist in setting up the expanded CSD including matters relating to the appointment of over 150 members. The supernumerary post will lapse on 12 April 2006.

Encl. 4

Non-directorate Establishment of the Secretariat to the CSD

12. The non-directorate supporting staff in the Secretariat to the CSD will be increased from five to 11 to cope with the increase in workload. The additional staff include one Senior Administrative Officer, one Senior Official Languages Officer, one Executive Officer I, one Personal Secretary I, one Clerical Officer and one Assistant Clerical Officer. They will provide general support services including general research support work, logistic arrangements for meetings and briefings, administration support service, handling general enquiries and complaints, etc.

13. The proposed organisation chart of the expanded Secretariat to the CSD is at Enclosure 5.

Encl. 5

/Alternatives

Alternatives

14. The first alternative is to maintain the status quo by not providing any additional staff at the directorate level. We believe that this will result in inadequate support for the expanded CSD. We have considered the feasibility of redeploying other directorate staff within the CPU to take on the new duties. While such redeployment has been resorted to to cover temporary staffing shortfalls, we consider that the proper functioning of the expanded CSD has to be provided for on a more permanent basis. Another consideration is that the basic work of the CPU, in terms of policy research, collection and analysis of community feedback and research support for Pearl River Delta and Pan-Pearl River Delta development has been stepped up in recent years and the existing directorate staff are already fully engaged in these duties. We need to ensure that the CPU's main work proceed in parallel with the expansion of the CSD.

FINANCIAL IMPLICATIONS

15. The additional notional annual salary cost of the proposed AOSGC (D2) post at mid-point is \$1,360,800, and its full annual average staff costs, including salaries and staff on-cost is \$2,026,000. As for the additional non-directorate staff of the Secretariat to CSD, the notional annual mid-point salary cost and full annual average staff cost, including salaries and staff on-cost are \$2,805,360 and \$4,147,000 respectively.

ESTABLISHMENT CHANGES

16. The establishment changes under Head 142 - Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary in the past two years are as follows –

Establishment (Note)	Number of Posts			
	Existing (as at 1 January 2006)	As at 1 April 2005	As at 1 April 2004	As at 1 April 2003
A	32 + (3)@	32 + (1)	26 + (2)	26 + (3)
B	99	93	80	81
C	361	360	347	366
Total	492 + (3)*	485 + (1)#	453 + (2)	473 + (3)

/Note

Note :

- A - ranks in the directorate pay scale or equivalent
- B - non-directorate ranks the maximum pay point of which is above MPS Point 33 or equivalent
- C - non-directorate ranks the maximum pay point of which is at or below MPS Point 33 or equivalent
- () - number of supernumerary directorate posts
- @ - The supernumerary post created under delegated authority mentioned in paragraph 11 above is not included. As at 1 January 2006, there is one unfilled directorate post.
- * - The increase over 1 April 2005 is mainly due to the creation of posts for the Secretariat to the Commission on Poverty.
- # - The increase over 1 April 2004 is mainly due to the cost neutral redeployment of posts from the Commerce, Industry and Technology Bureau and the Financial Services and the Treasury Bureau upon setting up of the Economic Analysis and Business Facilitation Unit under FS' Office with effect from 1 June 2004 following transfer of responsibilities.

CONSULTATION WITH LEGISLATIVE COUNCIL PANEL

17. We consulted the Legislative Council Panel on Public Service on this proposal on 16 January 2006. A few members of the Panel have expressed concerns about the justifications for the proposal. They considered that it was more appropriate to create non-directorate posts, such as research officer and secretarial posts to undertake the required duties of policy research and analysis, organising the logistics of the four committees and keeping proper records of committee meetings given the Commission was being supported by two directorate officers. Moreover, it was not justified to create at this stage additional posts on a permanent basis given that the functions of the Commission might change after the expiry of the current term of office of the CE and members of the Commission in 2007.

18. On the first point, we are already planning to increase non-directorate posts to support the expanded CSD, as explained in paragraph 12 above. We consider that the additional non-directorate posts alone will not be sufficient to cope with the new workload. The CSD involves a wide spectrum of community participation. Its work is important and deserves a level of support commensurate with its mission. For the reasons given in paragraphs 10 and 11 above, and in view of the additional workload after CSD's expansion and the setting up of its four committees, the new D2 post proposed is therefore needed to maintain the quality of support rendered to the CSD. We consider that a total of three directorate posts to service four separate committees of over 40 members each, meeting bimonthly in full session plus other working groups to be a modest provision. This assessment has taken into account the respective terms of reference of the committees and experience from the first and second rounds of meetings.

19. On the second point, the expanded CSD is a government initiative to address strategic issues, the need for which is widely recognised. It is a standing policy for appointments to Government's advisory bodies to be made on a time-limited basis. Given the strategic and long-range nature of the issues addressed by the expanded CSD, it is necessary to provide proper secretariat support to the CSD by creating the proposed additional D2 post to handle the additional workload. Under normal circumstances, we will provide permanent posts for consultative bodies. This is crucial in providing continuity in the work of CSD, notwithstanding possible changes in its membership in future. We accept, of course, that staff resource must be monitored carefully to match the task at hand and we undertake to review staffing needs if the nature of the work of the CSD changes in any significant manner in the future.

CIVIL SERVICE BUREAU COMMENTS

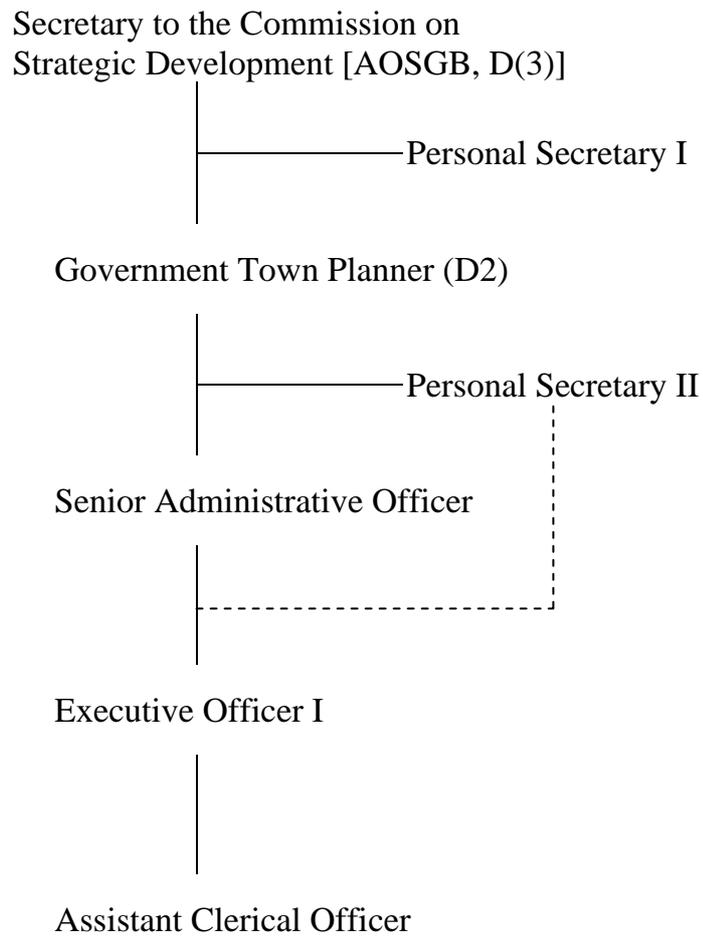
20. The Civil Service Bureau considers the proposed staffing proposal contained in this paper functionally justified. The grading and ranking of the post to be created are considered appropriate having regard to the level and scope of responsibilities required.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

21. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the post would be appropriate if the proposal was to be implemented.

Central Policy Unit
January 2006

**Organisation Chart of the
Secretariat to the Commission on Strategic Development**



(A total of 7 officers)

Terms of Reference

Executive Committee

- to advise the CE on Hong Kong's long-term development needs and goals; and
- to conduct reviews and studies of Hong Kong's economy, human resources, education, housing, land supply, environmental protection and relations with the Mainland to ensure that Hong Kong's resources are well-used, and that Hong Kong keeps up with world trends in competitive terms, and to maintain the vitality of economic development.

Committee on Governance and Political Development

- to advise the CE on the direction and strategy of political development and enhancing the quality of governance; and
- to conduct studies on political development and governance issues of strategic importance.

Committee on Social Development and Quality of Life

- to advise the CE on the direction and strategy of social development to enhance the quality of life in Hong Kong, including social harmony, environment and health, education and public welfare, transport, arts and culture, population, etc.; and
- to conduct studies on major social development issues of strategic importance.

Committee on Economic Development and Economic Cooperation with the Mainland

- to advise the CE on the direction and strategy to enhance the economic development and competitiveness of Hong Kong, to explore the commercialisation of creative ideas and opportunities for exchanges among creative talent, and to foster closer regional cooperation between Hong Kong and the Mainland with particular reference to the Pearl River Delta (PRD) and the Pan-PRD; and
- to conduct studies on economic development issues of strategic importance.

Job description
Government Town Planner (Commission on Strategic Development)

Post title : Government Town Planner (Commission on Strategic Development)

Responsible to : Secretary to the Commission on Strategic Development

Rank : Government Town Planner (D2)

Major duties and responsibilities –

- (a) assisting the Secretary to the Commission in preparing consultancy briefs and papers to facilitate the commissioning of consultancy projects initiated by the Commission;
- (b) assisting the Secretary to the Commission in monitoring the progress of consultancy projects and provide steer to consultants, on planning related issues in particular;
- (c) assisting the Secretary to the Commission in preparing study briefs and research papers on global, regional and Mainland development trends with significant impact on Hong Kong's development;
- (d) assisting the Secretary to the Commission in liaising with government bureaux and departments, and other organisations in providing inputs regarding strategic development issues;
- (e) assisting in liaising with interested parties outside the Government, in respect of the studies initiated by the Commission; and
- (f) undertaking any specific tasks as directed by the Secretary to the Commission.

Job description
Assistant Secretary to the Commission on Strategic Development

Post title : Assistant Secretary to the Commission on Strategic Development

Responsible to : Secretary to the Commission on Strategic Development

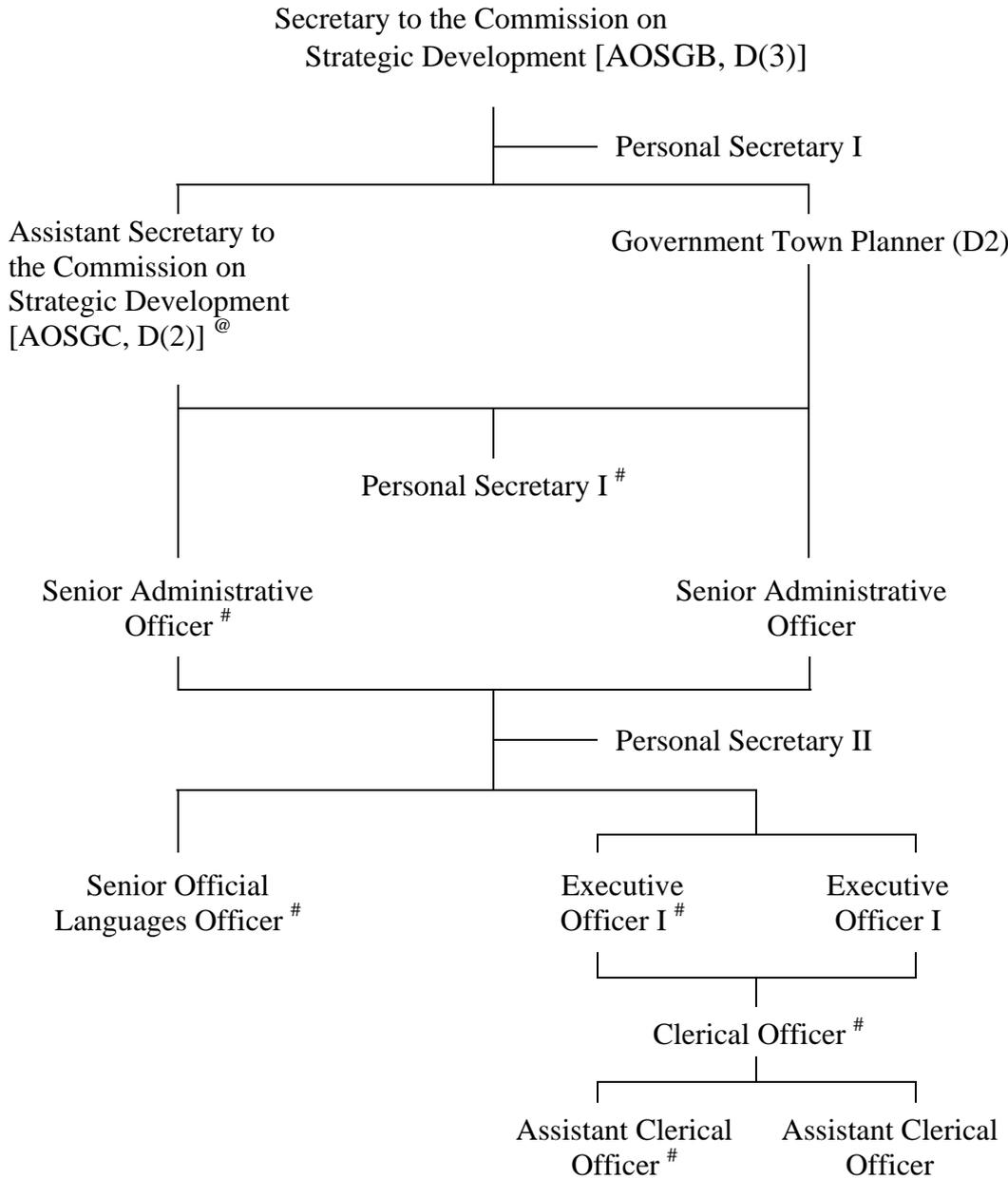
Rank : Administrative Officer Staff Grade C (D2)

Major duties and responsibilities –

The Assistant Secretary to the Commission on Strategic Development is the deputy to the Secretary to the Commission and is responsible for -

- (a) undertaking policy research and analysis as directed by the Commission and its committees;
- (b) coordinating and preparing papers for the Commission's committees, following up their advice and recommendations, and preparing reports on the work of the Commission and its committees;
- (c) providing secretariat and other support services to the Commission's committees, including the logistics of meetings and record keeping, etc.;
- (d) liaising with government bureaux and departments and other organisations in coordinating issues for discussion by the Commission's committees and in following up their advice and recommendations;
- (e) handling public relations with other organisations, in particular the media, and publicity on the Commission and its committees; and
- (f) assisting the Secretary to the Commission in administering the Secretariat to the Commission.

Proposed Organisation Chart of the Expanded Secretariat to the Commission on Strategic Development



(A total of 14 officers)

Legend

- AOSG Administrative Officer Staff Grade
- @ Directorate post proposed for creation
- # Non-directorate posts proposed for creation