

NOTE FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

Overall directorate establishment position

Introduction

This paper provides Members with an overview of the directorate establishment position and informs Members of the planned creation and deletion of civil service directorate posts in the 2005-06 legislative session.

Background

2. At the joint meeting of the Panel on Public Service and Panel on Constitutional Affairs on 21 November 2005, Members requested the Administration to provide an information paper to the Establishment Subcommittee (ESC) before its meeting on 7 December 2005 setting out details of the directorate posts to be created and/or deleted in the 2005-06 and 2006-07 legislative sessions, including the number and ranking of the directorate posts concerned, purpose of the creation and reasons for not deleting the same number of posts.

Containing the size of the civil service establishment

3. In recent years, as part of our ongoing programme to improve the efficiency and cost-effectiveness of the public service, the Administration has been making efforts to contain the civil service establishment and to reduce it wherever practicable. As a result, the civil service establishment has been reduced from about 198 000 in early 2000 to about 164 000 as at 31 October 2005 (the strength as at 31 October 2005 was about 157 000). In reducing the civil service establishment, we have reviewed both directorate and non-directorate posts in all grades and ranks, identifying areas of savings based on functional and efficiency consideration. We are mindful that the deletion of posts should not lead to a top-heavy structure in bureaux/departments.

4. Since January 2002, the Administration has proposed to the ESC/Finance Committee (FC) a net deletion of 71 permanent and 33 supernumerary directorate posts, covering civil servants, officers in the Independent Commission Against Corruption (ICAC) and Judges and Judicial Officers (J&JOs). Details are set out below –

	Permanent	Supernumerary	Total
(a) As at January 2002			
Civil servants	1 374	59	1 433
ICAC officers	14	-	14
J&JOs	170	1	171
	1 558	60	1 618
(b) As at 18 January 2005 ^{Note 1}			
Civil servants	1 304	22	1 326
ICAC officers	14	-	14
J&JOs	170	-	170
	1 488	22	1 510
(c) As at 31 October 2005			
Civil servants	1 303	27	1 330
ICAC officers	14	-	14
J&JOs	170	-	170
	1 487	27	1 514
Changes since January 2002 (i.e. (c) minus (a))			
Civil servants	-71	-32	-103
ICAC Officers	-	-	-
J&JOs	-	-1	-1
Total	-71 ^{Note 2}	-33	-104

This clearly demonstrates the Administration's efforts in containing the size of the directorate establishment. In fact, the number of directorate posts is less than 1% of that of the total establishment in the civil service.

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Note 1 As per ECI(2004-05)5 which was the position shown in the Legislative Council Background Brief LC paper No. FC60/04-05 discussed at the informal FC meeting of 15 April 2005.

Note 2 Including seven posts in the Housing Department to be deleted by 31 March 2006 and one post in Geneva Economic and Trade Office to be deleted on 1 April 2006.

5. While we will continue the drive to identify savings and optimize the use of staffing resources, the need to create new posts including directorate posts, where justified on a case by case basis, cannot be precluded. A rigorous vetting system is already in place to scrutinize proposals relating to directorate establishment. Each case for creation of directorate posts has to be vetted by no less than six entities – the relevant policy bureau, the two resource bureaux (i.e. the Civil Service Bureau and the Financial Services and the Treasury Bureau), the relevant Legislative Council panel, the ESC and the FC. Independent advisory bodies on civil service salaries and conditions of service are also consulted on the appropriate grading and ranking of the proposed posts. The current system of checks and balances has worked well and ensures that posts are created judiciously.

6. On the other hand, where circumstances have changed and the functional need of a post ceases to exist, the post will be deleted. This is borne out by **the net deletion of 71 permanent and 33 supernumerary directorate posts since January 2002** mentioned in paragraph 4 above.

Forecast of civil service directorate proposals in the 2005-06 legislative session

7. To staff the new initiatives set out in the 2005-06 Policy Address and Agenda and other ongoing initiatives, there is a need to create additional directorate posts. On the other hand, posts whose functional needs have ceased to exist will also be proposed to the ESC/FC for deletion. As for now, based on the current assessment provided by bureaux, it is forecast that in the 2005-06 legislative session, the Administration will put forward proposals to –

(a) create 13 new permanent directorate posts (excluding upgrading/downgrading, transfer of posts, etc.) and delete seven permanent directorate posts as set out in Enclosure 1; and

(b) extend three supernumerary directorate posts, create four new supernumerary directorate posts and delete two supernumerary directorate posts. Also, nine supernumerary directorate posts will lapse in the 2005/06 legislative session and will not be extended. Details are provided in Enclosure 2.

Encl. 1

Encl. 2

Based on the above forecast, there will be **a net creation of six permanent directorate posts but a net reduction of seven supernumerary directorate posts in the 2005-06 legislative session.** However, it must be emphasized that **these figures are assessment at the current time and have not included any submissions from bureaux/departments which may arise in the course of the year as proposals take shape or unforeseeable circumstances arise, resulting in creation or deletion of posts.**

8. As for the 2006-07 legislative session, we do not have any forecast of directorate proposals at this stage as much would depend on what initiatives are to be included in the 2006-07 Policy Address.

Unfilled directorate posts

9. Based on the returns from bureaux, as at 31 October 2005, there were 21 unfilled directorate posts in government departments (excluding ICAC Officers and J&JOs). Of these unfilled posts, seven are considered to be no longer needed and are included in the forecast at Enclosure 1 for deletion, one will be upgraded, two will be filled shortly, two are required to preserve the promotion prospects of civil servants working in the Hong Kong Monetary Authority and nine are still under review.

Civil Service Bureau
Financial Services and the Treasury Bureau
November 2005

Current Forecast of Creation/Deletion of Civil Service Permanent Directorate Posts in the 2005-06 Legislative Session

A. Permanent directorate proposals

Bureau/ Department	Purpose	Rank	Creation	Deletion	Others (e.g. upgrading, downgrading, transfer)
Chief Executive's (CE) Office	Reorganisation of CE's Office to enable CE to discharge his duties properly in providing effective governance.	Administrative Officer Staff Grade A (D6) Information Coordinator (D4)/ Non-civil service position at D4-equivalent	1 1		
Constitutional Affairs Bureau (CAB)	To strengthen liaison with the Mainland and to facilitate exchanges and co-operation with provinces/regions in various aspects - (a) establishment of Mainland Affairs Liaison Office (b) establishment of Shanghai Economic and Trade Office (ETO) (c) establishment of Chengdu ETO	Administrative Officer Staff Grade C (D2) Administrative Officer Staff Grade B (D3) Administrative Officer Staff Grade C (D2)	2 1 1		
Beijing Office	(d) adjustment of the functions and coverage of Beijing Office with the setting up of the Mainland Affairs Liaison Office in CAB, the establishment of two new ETOs in Chengdu and Shanghai and extension of service scope of the Guangdong ETO	Administrative Officer Staff Grade A (D6) Administrative Officer Staff Grade A1 (D8) (downgrading of post)			1 -1

Bureau/ Department	Purpose	Rank	Creation	Deletion	Others (e.g. upgrading, downgrading, transfer)
CAB Commerce, Industry and Technology Bureau (CITB)	(e) transfer of Guangdong ETO from CITB to CAB	Administrative Officer Staff Grade B (D3) Administrative Officer Staff Grade B (D3)			1 -1
Offices of the Chief Secretary for Administration and the Financial Secretary (CS' & FS' Offices) Department of Justice Information Services	To provide flexibility for filling existing directorate civil service posts in the private offices of CS, FS and Secretary for Justice under the Accountability System	Administrative Officer Staff Grade C (D2)/ Non-civil service position at D2-equivalent Administrative Officer Staff Grade C (D2) Administrative Officer Staff Grade C (D2)/ Non-civil service position at D2-equivalent Administrative Officer Staff Grade C (D2) Administrative Officer Staff Grade C (D2)/ Non-civil service position at D2-equivalent Administrative Officer Staff Grade C (D2)			2 -2 1 -1 2 -2
CS' & FS' Offices (Central Policy Unit)	To strengthen the secretarial support for the expanded Commission on Strategic Development	Administrative Officer Staff Grade B1 (D4) Administrative Officer Staff Grade B (D3) (<i>upgrading of post</i>) Administrative Officer Staff Grade C (D2)	1		1 -1

Bureau/ Department	Purpose	Rank	Creation	Deletion	Others (e.g. upgrading, downgrading, transfer)
Health, Welfare and Food Bureau (HWFB)	Reorganisation plan to enhance food safety and veterinary public health control, and integration of nature conservation with environmental protection functions: HWFB Department of Food Safety, Inspection and Quarantine	Administrative Officer Staff Grade A1 (D8) Controller, Centre for Food Safety (D4) Deputy Director of Health (D3) Administrative Officer Staff Grade C (D2) Principal Medical and Health Officer (D1)	1 1 2		1 -1
Government Laboratory	Functional need ceases to exist	Chief Chemist (D1)		-1	
Hong Kong Monetary Authority (HKMA)	Deletion of vacant civil service directorate posts whose functional duties have been taken up by HKMA staff	Commissioner of Banking (D6) Deputy Commissioner of Banking (D3) Deputy Secretary (Monetary Affairs) (D3) Assistant Commissioner of Banking (D2)		-1 -2 -1 -2	
Buildings	Conversion of 2 Assistant Director posts from single-discipline to bi-discipline	Government Building Surveyor/Government Structural Engineer (D2) Government Building Surveyor (D2)			2 -2

Bureau/ Department	Purpose	Rank	Creation	Deletion	Others (e.g. upgrading, downgrading, transfer)
Immigration	To make permanent a supernumerary post to provide dedicated support at the directorate level to plan, manage and coordinate information technology (IT) related activities in Immigration Department (see the deletion of a supernumerary Chief Systems Manager post in Enclosure 2)	Chief Systems Manager (D1)	1		
Home Affairs Bureau	To permanently redeploy Deputy Secretary (2) post to Culture and Sport Division to oversee the Bureau's portfolio for recreation and sports.	Administrative Officer Staff Grade B (D3) Administrative Officer Staff Grade B (D3)			1 -1
Leisure and Cultural Services	To provide a Deputy Director to head the Administration Branch, and to coordinate and follow up on the Policy Address on the empowerment of District Councils in the management of the department's district leisure and cultural facilities To provide professional input on finance management, contract management and subvention management; and to conduct value for money studies To delete the Assistant Director (Administration) post	Administrative Officer Staff Grade B (D3) Assistant Director of Accounting Services (D2) Senior Principal Executive Officer (D2)	1		1 -1
Total			13	-7	

B. Staffing requirement under review which may result in submission to ESC

Bureau/ Department	Purpose	Remarks
CITB	Strengthening Hong Kong's representation in Europe, including setting up a new ETO	Details being worked out by CITB.

Current Forecast of Creation/Deletion of Civil Service Supernumerary Directorate Posts in the 2005-06 Legislative Session

A. Supernumerary directorate proposals

Bureau/ Department	Purpose	Rank	Creation	Deletion/ Lapse	Extension
CS' & FS' Offices	Advanced deletion of a supernumerary post in Hong Kong Guangdong Cooperation Coordination Unit, following the establishment of the Mainland Affairs Liaison Office (see Enclosure 1)	Administrative Officer Staff Grade B (D3)		-1	
CS' & FS' Offices (Administration Wing)	For the Tamar Development project	Administrative Officer Staff Grade C (D2)	1		
Financial Services and the Treasury Bureau (Financial Services Branch)	For rewrite of the Companies Ordinance	Administrative Officer Staff Grade B (D3)	1		
		Administrative Officer Staff Grade C (D2)	1		
Companies Registry		Deputy Principal Solicitor (DL2)/Non-civil service position at DL2-equivalent	1		

Bureau/ Department	Purpose	Rank	Creation	Deletion/ Lapse	Extension
Immigration	To make permanent a supernumerary post to provide dedicated support at the directorate level to plan, manage and coordinate IT related activities in Immigration Department (see the creation of a permanent Chief Systems Manager post in Immigration Department in Enclosure 1)	Chief Systems Manager (D1)		-1	
Economic Development and Labour Bureau	For the Hong Kong Disneyland	Administrative Officer Staff Grade C (D2)		-1	
Trade and Industry	For the 6 th Ministerial Conference of the World Trade Organization	Administrative Officer Staff Grade B1 (D4) Administration Officer Staff Grade C (D2)/ Non-civil service position at D2- equivalent		-1 -2	
Housing	Divestment of the Housing Authority's retail and car-parking facilities	Assistant Director of Housing (D2)		-1	
Transport	For comprehensive pedestrian facilities	Chief Engineer (D1)		-1	
Highways	For major highways projects	Government Engineer (D2) Chief Engineer (D1)		-1 -2	

Bureau/ Department	Purpose	Rank	Creation	Deletion/ Lapse	Extension
Environment, Transport and Works Bureau	For overseeing the possible merger of MTR Corporation Limited and the KCRC	Administrative Officer Staff Grade B (D3)			1
		Administrative Officer Staff Grade C (D2)			1
Transport	For overseeing the implementation of Transport Information System	Chief Engineer (D1)			1
Total			4	11	3

B. Staffing requirement under review which may result in additional supernumerary directorate posts

Bureau	Purpose
Housing, Planning and Lands Bureau	For West Kowloon Cultural District Development
