

Legislative Council Panel on Constitutional Affairs

**Further Development
of the Political Appointment System**

Purpose

In his 2005-06 Policy Address, the Chief Executive (CE) announced that the public would be consulted on the proposal to create within the Government a small number of positions dedicated to political affairs. The Administration releases the consultation document (attached) on the proposal today (26 July 2006) for a four-month public consultation which will end on 30 November 2006. This paper introduces the proposal for Members' information.

Background

2. In his inaugural Policy Address delivered in October 2005, while considering that implementation of the Accountability System for Principal Officials represented an important step forward in our constitutional development, the CE acknowledged that the new system of governance was in need of further improvement. He believed that the most pressing need was to strengthen support for Principal Officials to undertake growing political work related to the formulation and implementation of policies, to reach out to the community in a pro-active manner, and to broaden and consolidate public support for the Government. Against this background, the CE proposed that consideration should be given to creating within the Government a small number of positions dedicated to political affairs. Their main duty would be to support the Chief Executive and the Principal Officials in their political work.

The case and overall justifications for further development of Political Appointment System

3. A political appointment system for Principal Officials was introduced in 2002. Its objectives are :

- (a) to enhance the accountability of Principal Officials for their respective policy portfolios;

- (b) to maintain a permanent, professional, meritocratic, honest and politically neutral civil service;
- (c) to select the most suitable persons to take up Principal Official positions to serve the community and to enhance governance;
- (d) to better coordinate the formulation of policies to ensure their effective implementation and provision of quality services to the public;
- (e) to enhance cooperation between the Executive and the Legislature; and
- (f) to enable the Government to better appreciate the aspirations of the community and better respond to the needs of the community.

4. Having reviewed the new system after four years of practical experience, we consider that there is a case for further development of the Political Appointment System by creating new positions in the political tier at different levels. The main reasons are set out below.

(a) **Principal Officials need additional support to meet the demands of people-based governance**

The scope of government business has been growing rapidly in terms of both volume and complexity. On a daily basis, Principal Officials have to deal with official duties, paperwork, make policy decisions, and attend public and internal meetings. These commitments alone already take up much of the time of Principal Officials. Policy proposals also need to be complemented by continuous and conscientious efforts to garner public support in order to secure community acceptance and to ensure smooth implementation. For example, much time and energy is required of Principal Officials to deal with the Legislative Council (LegCo), political parties and the media. The existing political layer of 14 Principal Officials is too thin to cater for the complexity of this task. There are other practical considerations. For example, Principal Officials have no deputies to help them cover for their business in LegCo, if

they are absent from Hong Kong. Principal Officials need stronger support for carrying out political work, so that they will be in a better position to meet the demands of people-based governance.

(b) Additional political appointments will be conducive to maintaining the political neutrality of the civil service

Whilst civil servants should not engage in certain political work such as electioneering activities, traditionally, senior civil servants are involved in other work with political content, such as explaining and defending Government policies and decisions, and lobbying for support in these regard. Indeed, for Administrative Officers in particular, these have been a core part of their jobs. After the introduction of the Political Appointment System, Principal Officials have taken up such political work, with senior civil servants playing a supporting role. At times, however, the small team of Principal Officials cannot effectively cope with the full range of political work, even with the support of civil servants. Additional political appointments are necessary to enhance the capacity of the political team to take on political work with the support of civil servants. This, in turn, will further safeguard the integrity and neutrality of the civil service.

(c) Political positions at different levels of the Government can provide a more comprehensive career path for political talents to pursue

Our constitutional goal as stipulated in the Basic Law is to move steadily towards universal suffrage. At present, Hong Kong is still shaping its electoral systems, political traditions and development of political talent. Within this overall context, it is important that we continue to open up positions in the Government so that Hong Kong will build up a critical mass of political talents at different political tiers. At present, the main avenue for those who wish to pursue a political career is to stand for election and join the District Councils and LegCo. To enable Hong Kong's political talents to gain more complete experience in governance and to complement Hong Kong's

long-term constitutional development, we should provide a new channel for publicly-spirited individuals to acquire practical knowledge of government operations and nurture their political skills. This will also present a more comprehensive career path and provide a greater incentive for individuals who want to serve Hong Kong by entering politics and thus, complement the further development of Hong Kong's electoral system.

Overall Principles for Implementation

5. In pursuing the proposal, the key principles are :
 - (a) the number of additional political appointments should be small. In the interest of stability and continuity, we prefer a more limited political appointment system, complemented by a fully-fledged administrative civil service system from Permanent Secretary down to officers at entry level. Such a permanent civil service structure should remain institutionalised to provide Hong Kong with continuity of public service and to serve the Government of the day;
 - (b) senior civil servants will continue to provide support to Principal Officials. In particular, the Administrative Service will remain the lynchpin of the civil service and will continue to play an important role in governance. Administrative Officers of different ranks will continue to play a central role in policy formulation and handle work with political content in terms of policy explanation, justification and winning over public support; and
 - (c) additional positions of political appointees will not be created at the expense of the civil service establishment.

The Proposals

Creation of the new positions

6. Having considered the above justifications and principles, we propose that the following new positions should be created to strengthen political support to Directors of Bureau:

- (a) Deputy Directors of Bureau¹ ; and
- (b) Assistants to Directors of Bureau.

7. In principle, each Director of Bureau should be assisted by one Deputy Director of Bureau and one Assistant to Director of Bureau, subject to availability of suitable candidates and funding.

8. We have considered whether the positions of “Deputy Chief Secretary for Administration (CS)/Deputy Financial Secretary (FS)/Deputy Secretary for Justice (SJ)” should be created. Our view is that with the current organizational set up of the Administration, there is no immediate functional need for “Deputy CS/FS/SJ”. However, there is a practical need to provide additional support for CS, FS and SJ for carrying out work with political content. As to the number of positions to be created and whether they should be pitched at a level equivalent to the Assistant to Director of Bureau, we will need to keep the matter under review. We will take a view on this aspect after the consultation period.

Responsibilities of the Deputy Directors of Bureau

9. Deputy Directors of Bureau are subordinate to Directors of Bureau and work under the latter’s direction. Specifically, Deputy Directors of Bureau will be responsible mainly for:

- (a) providing political input to Directors of Bureau in setting policy objectives and priorities, formulating policy and legislative initiatives to achieve agreed objectives and priorities, scheduling the roll-out of these policies and legislation, and mapping out overall strategies to secure public support for these initiatives;

¹ “Deputy Director of Bureau” is the rank title. One possible option of the post title for the new political appointee is “Under Secretary”.

- (b) coordinating with other bureaux/departments on cross-bureau issues;
- (c) assisting Directors of Bureau in strengthening the working relationship with LegCo by:
 - (i) attending committee, subcommittee and panel meetings of LegCo as assigned by Directors of Bureau to explain and defend Government's policy decisions and exchange views with Members;
 - (ii) deputising for Directors of Bureau in their absence and attending the main meetings of LegCo to respond to motion debates, responding to LegCo questions and handling legislative work;
 - (iii) maintaining regular liaison with LegCo Members to ensure that the process of policy formulation and implementation benefits from Members' ideas and input, and that Members acquire a fuller understanding of the position taken by the Government;
 - (iv) timetabling and securing the passage of bills, motions and subsidiary legislation as well as public expenditure proposals through LegCo, and delivering the Government's legislative and budgetary programme;
- (d) maintaining close contact with the media for the purpose of enabling the media to be aware of the policy thinking of the Government; and
- (e) maintaining contact with other stakeholders, such as District Councils, political parties/groups, community organizations as well as business, professional and other bodies, and assisting the Directors of Bureau in gauging public sentiment and establishing community-wide rapport on Government policies and decisions.

Responsibilities of Assistants to Directors of Bureau

10. As for Assistants to Directors of Bureau, they report to the Directors of Bureau through the Deputy Directors of Bureau. Their responsibilities will include mainly:

- (a) lining up suitable public and social appointments to assist Directors of Bureau and Deputy Directors of Bureau in reaching out to the community;
- (b) helping out in the networking with various stakeholders and community liaison; and
- (c) preparing political statements and speeches for Directors of Bureau and Deputy Directors of Bureau.

11. The Deputy Directors of Bureau and Assistants to Directors of Bureau, however, should not exercise executive responsibilities (except when a Deputy Director of Bureau is deputising as Director) and they should have no direct line of command vis-à-vis Permanent Secretaries who will, for the purpose of organizational structure and performance appraisal, continue to report direct to the Directors of Bureau concerned.

Remuneration of the new appointees

12. To attract suitable talents, it is considered that there should be some flexibility in the remuneration of the proposed political positions, having regard to the attributes, skills and experience of the selected individuals.

13. For the proposed position of Deputy Director of Bureau, having regard to the suggested responsibilities, we propose that the remuneration should be pitched within a range equivalent to 65% to 75% of the remuneration package approved by the Finance Committee in 2002 for a Director of Bureau². This is

² In June 2002, the Finance Committee approved \$311,900 per month as the remuneration for a Director of Bureau, with adjustment in accordance with the reduction in civil service pay on 1 October 2002 if implemented. The reduction in civil service pay was implemented. Therefore, in October 2002, the remuneration for a Director of Bureau was reduced by 4.42% to \$298,115 per month. This latter figure is adopted as the basis for calculating the remuneration for Deputy Directors of Bureau and Assistants to Director of Bureau.

broadly equivalent to the remuneration of a D4 to D6 civil servant on agreement terms with all allowances encashed.

14. As for Assistants to Directors of Bureau, having regard to the suggested responsibilities, we propose that the remuneration should be pitched within a range equivalent to 35% to 50% of the remuneration package approved by the Finance Committee in 2002 for a Director of Bureau². This is broadly equivalent to the remuneration of a senior professional to D2 civil servant on agreement terms with all allowances encashed.

Other requirements

15. The new appointees should be subject to the relevant local legislation that applies to prescribed public officers, including the Prevention of Bribery Ordinance (Cap. 201) and the Official Secrets Ordinance (Cap. 521). We also propose that the existing Code for Principal Officials which sets out requirements on declaration of interests, disclosure of official information, and acceptance of employment after leaving office etc, should, with any necessary modifications, apply to the new appointees.

No "Revolving Door" Requirement

16. To underline the political neutrality of the civil service, we propose that any serving civil servant, if selected to fill the position of Deputy Director of Bureau or Assistant to Director of Bureau, should resign or retire from the civil service before taking up the appointment.

The Role of the Civil Service

17. The concept of a politically impartial civil service does not mean that civil servants do not or should not engage in work with political content. Certain work with political content (for example explaining policies decided by the Government of the day to political parties and the media, and helping to secure the support of the community and LegCo on government policies) should continue to be undertaken by civil servants in support of the Principal Officials.

18. To complement the creation of the positions of Deputy Director of Bureau and Assistants to Directors of Bureau, the delineation of role and

responsibilities between the political tier and the civil service will need to be clearly spelt out. This is covered in Chapter 4 of the consultation document. With the further development of the Political Appointment System, we need to preserve the well-established system of appointment, promotion, and discipline within the civil service; and to ensure it would not be affected by change in political leadership in the Government or come under the influence of the political tier.³

Financial implications of the proposals

19. On the basis of the current government structure, the total cost of the remuneration package for the proposed Deputy Director of Bureau positions would amount to \$26 million to \$30 million per annum, depending on the terms actually offered to the appointees. The total cost of the remuneration package for the proposed Assistant to Director of Bureau positions would amount to \$14 million to \$20 million per annum, depending on the terms actually offered to the appointees. These additional positions of political appointees will not be created at the expense of the civil service establishment. Resources for providing some supporting staff and office accommodation will also be required. Assuming that a personal secretary⁴ and a motor driver will be provided to each Deputy Director of Bureau and that a personal secretary to each Assistant to Director of Bureau, the annual staff costs will amount to \$11.9 million. New funding will be required for the proposed creation of the political positions and the provision of supporting staff.

Next Steps

20. A press conference will be held in the afternoon of 26 July 2006 to announce the publication of the consultation document. The document will be distributed at District Offices and posted on the website of the Constitutional Affairs Bureau to invite views from the public. The public consultation will last about four months. We will analyse the views collected with a view to announcing the Government's decision on the way forward some time during the first half of 2007. The present thinking is that implementation will not take place before the third term CE assumes office. The actual timing and pace of implementation will be subject to the views collected during public consultation,

³ As Principal Officials are the supervisors of Permanent Secretaries and those civil servants in their private offices e.g. Administrative Assistant, Press Secretary, Personal Assistant and Driver, they will be consulted over the posting plans of these civil servants.

⁴ The assumption is that a Senior Personal Secretary would be provided to a Deputy Director of Bureau and a Personal Secretary I to an Assistant to Director of Bureau.

resource availability, and availability of individuals of the right calibre to fill the new positions.

Constitutional Affairs Bureau
26 July 2006