

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

- HEAD 152 – GOVERNMENT SECRETARIAT : COMMERCE AND
ECONOMIC DEVELOPMENT BUREAU (COMMERCE,
INDUSTRY AND TOURISM BRANCH)**
- HEAD 144 – GOVERNMENT SECRETARIAT : CONSTITUTIONAL
AND MAINLAND AFFAIRS BUREAU**
- HEAD 138 – GOVERNMENT SECRETARIAT : DEVELOPMENT
BUREAU (PLANNING AND LANDS BRANCH)**
- HEAD 156 – GOVERNMENT SECRETARIAT : EDUCATION BUREAU**
- HEAD 137 – GOVERNMENT SECRETARIAT : ENVIRONMENT
BUREAU**
- HEAD 147 – GOVERNMENT SECRETARIAT : FINANCIAL SERVICES
AND THE TREASURY BUREAU (THE TREASURY
BRANCH)**
- HEAD 139 – GOVERNMENT SECRETARIAT : FOOD AND HEALTH
BUREAU (FOOD BRANCH)**
- HEAD 53 – GOVERNMENT SECRETARIAT : HOME AFFAIRS
BUREAU**
- HEAD 141 – GOVERNMENT SECRETARIAT : LABOUR AND
WELFARE BUREAU**
- HEAD 151 – GOVERNMENT SECRETARIAT : SECURITY BUREAU**
- HEAD 158 – GOVERNMENT SECRETARIAT : TRANSPORT AND
HOUSING BUREAU (TRANSPORT BRANCH)**
- HEAD 142 – GOVERNMENT SECRETARIAT : OFFICES OF THE
CHIEF SECRETARY FOR ADMINISTRATION AND
THE FINANCIAL SECRETARY**

Subhead 000 Operational expenses

/Members

Members are invited to recommend to Finance Committee –

- (a) the creation of the following non-civil service positions under the Political Appointment System with effect from 1 April 2008 –

under Head 53, Head 137, Head 138, Head 139, Head 141, Head 144, Head 147, Head 151, Head 152, Head 156 and Head 158

11 Deputy Directors of Bureau
(one for each of the above Heads)
(at 65% to 75% of the remuneration for a Director of Bureau)

11 Political Assistants to Directors of Bureau
(one for each of the above Heads)
(at 35% to 55% of the remuneration for a Director of Bureau)

under Head 142

1 Political Assistant to Chief Secretary for Administration
(at 35% to 55% of the remuneration for a Director of Bureau)

1 Political Assistant to Financial Secretary
(at 35% to 55% of the remuneration for a Director of Bureau)

- (b) the remuneration packages for politically appointed officials at the ranks of Deputy Director of Bureau and Political Assistant to Director of Bureau.

/PROBLEM

PROBLEM

We need to further develop the Political Appointment System by creating two additional layers of political appointment positions, namely Deputy Directors of Bureau and Political Assistants to Directors of Bureau.

PROPOSAL

2. We propose –
 - (a) to create 24 non-civil service positions under the Political Appointment System. These 24 positions comprise one position of Under Secretary at the rank of Deputy Director of Bureau and one position of Political Assistant to Director of Bureau in each policy bureau (except the Civil Service Bureau (CSB)), and one position each of Political Assistant to Chief Secretary for Administration and Political Assistant to Financial Secretary (both at the rank of Political Assistant to Director of Bureau); and
 - (b) to set remuneration packages as described in paragraphs 10, 13 and 14 below, for politically appointed officials at the ranks of Deputy Director of Bureau and Political Assistant to Director of Bureau.

JUSTIFICATION

3. In July 2006, we issued a consultation document on the further development of the Political Appointment System proposing that two additional layers of political appointment positions be created, namely Deputy Directors of Bureau and Assistants to Directors of Bureau. The consultation period ended in November 2006.

4. Many respondents are supportive of the direction set out in the consultation document. More specifically, they share the need for further development of the Political Appointment System by creating two additional layers of political appointees, on the grounds that this will –

- (a) pave the way for further democratic development and facilitate the grooming of all-round talents in public affairs;
- (b) enable the Government to have a wider spectrum of expertise for better governance; and

/(c)

- (c) enhance the political capacity of the governing team in the pursuit of people-based and effective governance.

Those holding different views generally refer to the adequacy of support from the civil service, the extra cost the proposals will incur, the absence of universal suffrage, and/or the adverse implications the proposal may bring to the civil service. We have set out the different arguments and our response in Chapter 3 of the Report on Further Development of the Political Appointment System, which was published on 17 October 2007 and sent together with the Legislative Council (LegCo) Brief to all LegCo Members on the same day.

5. In the light of the views received, we recommend proceeding with the proposal that one position of Deputy Director of Bureau¹ and one position of Political Assistant to Director of Bureau (Political Assistant)² should be provided for each policy bureau, except the CSB³.

Responsibilities of the new political appointees

6. We have refined the job description for the Deputy Directors of Bureau to underline the fact that they are expected to assist the Directors of Bureau in handling a full range of political responsibilities (including the handling of LegCo business). The Director of Bureau or the Deputy Director of Bureau will normally attend regular meetings of the relevant LegCo panel.

7. We have also strengthened the job description for the Political Assistants to make it clear that they will take up various aspects of political liaison work. The recommended job descriptions for the two new layers of political positions are set out in Enclosures 1 and 2 respectively.

Encls. 1
& 2

/Appointment

¹ “Deputy Director of Bureau” (副局長) is the rank title. The position title in English will be “Under Secretary”. Both the rank and position titles in Chinese will be “副局長”.

² The title of “Political Assistant to Director of Bureau” (局長政治助理) will be used, instead of the previous title of “Assistant to Director of Bureau” (“局長助理”) so as to highlight the political nature of the work of occupants of these political positions, and to better differentiate their role from that of the existing Administrative Assistants to Directors of Bureau (“局長政務助理”).

³ Unlike the other Directors of Bureau, during the temporary absence of the Secretary for the Civil Service (SCS), the Permanent Secretary for the Civil Service will exercise the powers and perform the duties of the SCS. This reflects the unique arrangement for the position of the SCS, having regard to the nature of his work. In view of this and the fact that the bulk of the work of the CSB relates to the management of the civil service, we do not consider it necessary for the CSB to have a Deputy Director of Bureau and a Political Assistant to assist the SCS as in the case for other Directors of Bureau.

Appointment mechanism

8. The Chief Executive (CE) will chair an Appointment Committee to consider nominations and appointments of potential candidates to fill the new political positions, and assess and consider the suitability of these candidates for the positions at the two additional layers. The Appointment Committee will also give advice on the remuneration package recommended for individual appointees (see paragraph 13 below). The Appointment Committee will comprise the Secretaries of Department, the relevant Director(s) of Bureau, and the Director of CE's Office.

Appointment authority

9. All Deputy Directors of Bureau and Political Assistants will be appointed and removed by the CE on the advice of the Appointment Committee. The term of appointment of the Deputy Directors of Bureau and Political Assistants, as stated in their employment contracts, will not exceed the term of office of the incumbent CE⁴.

Remuneration package

10. Upon joining the Government, the Deputy Directors of Bureau and Political Assistants may be offered remuneration at the following points –

Deputy Directors of Bureau

- | | | |
|--|---|---|
| <input type="checkbox"/> 65%
<input type="checkbox"/> 70%
<input type="checkbox"/> 75% | } | of the remuneration for a Director of Bureau ⁵ |
|--|---|---|

(i.e. currently \$193,775 - \$223,585 per month)

Political Assistants

- | | | |
|--|---|--|
| <input type="checkbox"/> 35%
<input type="checkbox"/> 40%
<input type="checkbox"/> 45%
<input type="checkbox"/> 50%
<input type="checkbox"/> 55% | } | of the remuneration for a Director of Bureau |
|--|---|--|

(i.e. currently \$104,340 - \$163,960 per month)

/11.

⁴ Under Article 46 of the Basic Law, the term of office of the CE of the Hong Kong Special Administrative Region (HKSAR) shall be five years.

⁵ The approved cash remuneration for Director of Bureau is \$298,115 per month (since 1 July 2007). This figure is adopted as the basis for calculating the remuneration for Deputy Directors of Bureau and Political Assistants.

11. It should be made clear that, as with the Secretaries of Department and Directors of Bureau, these officials under the Political Appointment System are not civil servants and their remuneration packages are not linked to those of the civil service. However, by way of general reference, the remuneration for a Deputy Director of Bureau is broadly equivalent to the remuneration of a D4 to D6 civil servant on agreement terms with all allowances and end-of-contract gratuity encashed, whereas that for a Political Assistant is broadly equivalent to the remuneration of a senior professional (MPS 45 - 49) to D2 civil servant on agreement terms with all allowances and end-of-contract gratuity encashed.

12. We need to ensure that public money is well spent. At the same time, we need to offer a competitive remuneration package which can reflect the level of responsibility for these positions. We consider that the proposed ranges of remuneration are about right, and it is appropriate to set the remuneration at the respective ranges, so that the Government may offer remuneration commensurate with the experience of the candidates concerned.

13. The remuneration for individual appointees will be determined by the CE on the advice of the Appointment Committee, having regard to the recommendation of the Principal Official to whom these appointees will report. In the middle of each term of government, the remuneration for the Deputy Directors of Bureau and Political Assistants will be reviewed (mid-term review) and may be adjusted within the above-mentioned ranges⁶. The Appointment Committee will conduct the review and may recommend a revision to the CE for approval.

14. In addition to cash remuneration, the Deputy Directors of Bureau and Political Assistants should also be eligible for annual leave of 22 days per annum (subject to a maximum accumulation limit of 22 days), medical and dental benefits and Mandatory Provident Fund contribution by the Government, on the same basis as those provided to Principal Officials.

Private Offices of the Secretaries of Department

15. We recognise that there is a practical need to provide additional support for the Chief Secretary for Administration (CS) and the Financial Secretary (FS) for carrying out work with political content, and consider it appropriate to

/create

⁶ For the Deputy Directors of Bureau and Political Assistants serving the third term HKSAR Government, the mid-term review will take place around December 2009.

create one position each of Political Assistant to CS and Political Assistant to FS, at the rank of Political Assistant to Director of Bureau, to strengthen the support to them. However, we do not propose to create any political position under the Secretary for Justice, for whom the reinforcement of professional support would be more appropriate, given the nature of his portfolio.

Encl. 3 16. The job description for the Political Assistants to CS/FS is set out in Enclosure 3. It has been drawn up based on the job description for Political Assistants to Directors of Bureau, with necessary modifications. The same appointment, remuneration and other arrangements as Political Assistants to Directors of Bureau, as set out in paragraphs 8 to 14 above, should apply to the Political Assistants to CS/FS.

FINANCIAL IMPLICATIONS

17. The proposal will entail the creation of 24 additional political positions, comprising 11 positions at the rank of Deputy Director of Bureau and 13 at the rank of Political Assistant. The full year additional financial implications for these 24 positions will range from \$41,855,340 to \$55,090,980 per annum.

18. In addition, each Deputy Director of Bureau will be supported by a Senior Personal Secretary⁷. The proposal will therefore necessitate the creation of 11 additional non-directorate posts at a notional annual salary cost at mid-point of \$4,202,220 and a full annual average staff cost of \$5,902,000, including salaries and staff on-cost.

19. If necessary, these political positions will be filled in phases. It is important that these new positions be filled by individuals of the right calibre. The exact amount of additional staff cost involved will depend on the number of political positions filled and the actual remuneration offered to individual political appointees within the range proposed. We will include sufficient provision in the 2008-09 Estimates to meet the cost of the proposals. The new positions will not be created at the expense of the civil service establishment.

/CONSULTATION

⁷ Departmental transport for Deputy Directors of Bureau, and secretarial support for Political Assistants, will be provided from within resources currently available to relevant policy bureaux/offices.

CONSULTATION WITH LEGISLATIVE COUNCIL PANEL

20. We consulted the LegCo Panel on Constitutional Affairs on the proposals contained in this paper on 23 October 2007. Some Members expressed support for the proposals, as the proposals could enhance the support to the CE and his team of Principal Officials in undertaking political work, complement constitutional development of Hong Kong, and facilitate the grooming of all-round talents in public affairs. Some Members indicated that they would not support the proposals and questioned the case to develop the Political Appointment System further before the election of the CE by universal suffrage.

BACKGROUND

21. The CE indicated in the Policy Address on 10 October 2007 his hope that two additional tiers of political appointment positions could be created as soon as possible. In this regard, the Government published the Report on Further Development of the Political Appointment System on 17 October 2007 to set out the views received from the public, and the Government's proposed way forward after taking into account these views.

Constitutional and Mainland Affairs Bureau
November 2007

Job description
Deputy Directors of Bureau

- Title of Positions** : Under Secretary
- Rank** : Deputy Director of Bureau (non-civil service rank)
- Responsible to** : The relevant Director of Bureau

Main Duties and Responsibilities

Assisting Directors of Bureau in –

Leadership and Strategies

- (a) setting policy objectives and priorities, formulating policy and legislative initiatives to achieve agreed objective and priorities, scheduling the roll-out of these policies and legislation, and mapping out overall strategies to secure public support for these initiatives;
- (b) coordinating with other bureaux/departments on cross-bureau issues requiring political input to ensure that the objective and priorities of the Government are achieved;

LegCo business and Political liaison

- (c) handling LegCo business and strengthening the working relationship with LegCo by –
 - (i) deputising for Directors of Bureau in their absence;
 - (ii) attending the main meetings of LegCo as assigned by Directors of Bureau to respond to motion debates and LegCo questions, and handling legislative work;
 - (iii) attending committee, subcommittee and panel meetings of the LegCo as assigned by Directors of Bureau to explain and defend the Government's policy decisions and exchange views with Members;
 - (iv) maintaining regular liaison with Members of the LegCo 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; and

- (v) scheduling 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) attending public forums and other functions to explain and defend proposals and decisions made by the political team and to answer questions from LegCo Members, stakeholders and the public;
- (e) maintaining close contact with the media for the purpose of enabling the media to be aware of the policy thinking of the Government; and
- (f) maintaining close contact with other stakeholders, such as District Councils, political parties/groups, community organisations as well as business, professional and other bodies, and gauging public sentiment and establishing community-wide rapport on government policies and decisions.

Job description
Political Assistants to Directors of Bureau

- Title of positions** : Political Assistant to Director of Bureau
- Rank** : Political Assistant to Director of Bureau
(non-civil service rank)
- Responsible to** : The relevant Director of Bureau and Deputy
Director of Bureau

Main Duties and Responsibilities

Rendering support to Directors of Bureau and Deputy Directors of Bureau by –

Strategies and Political Advice

- (a) providing advice from the political perspective for consideration by Directors of Bureau and Deputy Directors of Bureau;
- (b) contributing to formulation of policy and legislative initiatives, as well as assisting in mapping out overall strategies by giving inputs with a political viewpoint;
- (c) advising on submissions to LegCo and other publications, highlighting any aspect which they consider has political implications, and handling sensitive political points according to the direction of Directors of Bureau and Deputy Directors of Bureau;
- (d) drafting speeches, media statements and other articles, as directed by the Directors of Bureau or the Deputy Directors of Bureau;

Political liaison

- (e) providing advice on the handling of invitations and correspondence from political parties/groups to Directors of Bureau and Deputy Directors of Bureau;
- (f) assessing from time to time the need for lobbying political parties/groups in dealing with LegCo business and providing advice to Directors of Bureau and Deputy Directors of Bureau accordingly;

- (g) liaising with members of political parties/groups, District Councils, community organisations as well as business, professional and other bodies at the instruction of Directors of Bureau and Deputy Directors of Bureau to brief them on issues under the purview of the Directors of Bureau, listen to their views on issues of concern, and solicit their support for the Government policies concerned;
- (h) liaising with the media according to the direction of the Directors of Bureau and Deputy Directors of Bureau to convey the Government's position on issues and policies concerned; and
- (i) monitoring views from interest groups and the general public on policy issues concerned and assessing the political implications.

Job description
Political Assistant to CS/Political Assistant to FS

Title of positions : Political Assistant to CS/Political Assistant to FS

Rank : Political Assistant to Director of Bureau
(non-civil service rank)

Responsible to : CS or FS, as the case may be

Main Duties and Responsibilities

Rendering support to CS/FS in coordinating cross-cutting political issues by –

Strategies and Political Advice

- (a) providing advice from the political perspective for consideration by CS/FS;
- (b) contributing to formulation of policy and legislative initiatives, as well as assisting in mapping out overall strategies by giving inputs with a political viewpoint;
- (c) advising on submission to LegCo and other publications, highlighting any aspect which they consider has political implications, and handling sensitive political points according to the direction of CS/FS;
- (d) drafting speeches, media statements and other articles, as directed by CS/FS;

Political liaison

- (e) providing advice on the handling of invitations and correspondence from political parties/groups to CS/FS;
- (f) assessing from time to time the need for lobbying political parties/groups in dealing with LegCo business and providing advice to CS/FS accordingly;
- (g) liaising with members of political parties/groups, District Councils, community organisations as well as business, professional and other bodies at the instruction of CS/FS to brief them on issues under the purview of CS/FS, listen to their views on issues of concern, and solicit their support for the Government policies concerned;

/(h)

- (h) liaising with the media according to the direction of CS/FS to convey the Government's position on issues and policies concerned ; and
- (i) monitoring views from interest groups and the general public on policy issues concerned and assessing the political implications.
