

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 retention of the following supernumerary post in the Secretariat to the Commission on Strategic Development within the Central Policy Unit for a period of three years, from 1 July 2009 to 30 June 2012 –

1 Administrative Officer Staff Grade C
(D2) (\$122,700 - \$130,300)

PROBLEM

The existing supernumerary post of Administrative Officer Staff Grade C (AOSGC) (D2) in the Central Policy Unit (CPU) as Assistant Secretary to the Commission on Strategic Development (CSD) will lapse on 1 July 2009. In anticipation of the increasing complexity and the substantial workload of the CSD, the CPU needs to retain the supernumerary post to provide adequate directorate support to sustain the efficient and effective operation of the CSD.

PROPOSAL

2. Head, CPU proposes to retain one supernumerary AOSGC post in the CPU as Assistant Secretary to the CSD for a period of three years, from 1 July 2009 to 30 June 2012.

/JUSTIFICATION

JUSTIFICATION

Substantial Workload and Complexity of Work in the CSD Secretariat

3. The CSD is an important, high-level advisory body to the Government personally chaired by the Chief Executive (CE), with 66 non-official members and four official members including the Chief Secretary for Administration (CS) and the Financial Secretary (FS), Director of Chief Executive's Office (D,CEO) and Head, CPU. The CSD holds regular meetings to discuss important issues relevant to the long-term development of Hong Kong. It has also set up four task groups to study specific issues with strategic significance, including attracting talents, supporting the family in helping its disadvantaged members, national education, and constitutional development.

4. To support the efficient and effective operation of the Commission and its task groups, the CSD Secretariat is responsible for initiating and conducting in-depth policy researches as well as preparing discussion papers on various strategic issues pertaining to the long-term development of Hong Kong. The work of the CSD Secretariat is complex and the workload is substantial. From 1 July 2007 to 30 April 2009, the CSD and its task groups have held 20 meetings, seven workshops, and eight informal meetings. During the same period, the CSD Secretariat has processed a total of 43 papers for discussion by the CSD including reports of three task groups, as well as 42 written submissions from members expressing their views on strategic issues of their concern. Issues discussed by the CSD and its task groups in the past 22 months include the opportunities and challenges of Hong Kong's long-term development, Hong Kong's relationship with the Mainland, economic development of the northeast region of the Mainland and opportunities for future cooperation with Hong Kong, strengthening Hong Kong's role as a bridge in the cooperation between the Mainland and the Association of Southeast Asian Nations, promoting employment in Hong Kong, the Government's Policy Address and Budget, attracting talents, national education, helping the disadvantaged families and constitutional development. A full list of issues discussed at the CSD and its task groups is at Enclosure 1. Detailed statistics on the CSD meetings held and documents issued are at Enclosure 2.

Encl. 1

Encl. 2

5. To raise the community's awareness of the CSD's discussion and maintain the transparency of the Commission's work, the Secretariat publishes press releases outlining issues to be discussed before the CSD meetings, and arranges media briefings after each meeting to inform the public of the gist of discussion. All agenda, discussion papers and summaries of views expressed at the CSD meetings are made available to the public through the CSD website.

/Task

Task Force on Economic Challenges

6. In response to the global financial tsunami, the CE established the Task Force on Economic Challenges (TFEC) in October 2008 to continually monitor and assess the impact of the financial tsunami and propose specific options for the Government and business community to address the challenges. As the Secretary to the CSD also serves as the Secretary to the TFEC, the CSD Secretariat has been providing secretariat support to the TFEC, including conducting researches, preparing discussion papers, and providing logistical support to the meetings. The CSD Secretariat also assists in gathering and consolidating views from the public for the TFEC's consideration through monitoring of written submissions and organisation of discussion sessions. At its fourth meeting on 3 April 2009, TFEC members identified six economic areas¹ which Hong Kong enjoys clear advantages and agreed to explore how they can be further developed. In this regard, the Secretariat assists in arranging a series of focus group discussions with the participation of relevant stakeholders in April and May 2009. As at 30 April 2009, the TFEC has held four meetings and seven discussion sessions. The Secretariat has processed over 120 public submissions for the TFEC's consideration.

Future Tasks of the CSD

7. The current term of the CSD will end on 30 June 2009. Looking ahead, the CSD will continue to operate in its existing structural format with a membership size broadly comparable to the current level. It will also remain an important advisory body to the CE and a platform for the Government and various sectors of the community to jointly discuss various long-term strategic issues from a macro perspective. In addition to the Commission's on-going responsibilities detailed in paragraphs 4 to 5 above, we expect that in view of the growing importance of regional development to the long-term development of Hong Kong, the CSD will, in the coming term, step up its efforts in studying and discussing issues central to the subject, such as regional cooperation, the National 12th Five-Year Plan, the development of Pearl River Delta Region, and cooperation between Hong Kong and Guangdong. The in-depth discussion of these subjects by the CSD are planned with a view to enabling Hong Kong to have greater involvement in both regional economic planning and national strategic positioning, and to identifying economic opportunities for Hong Kong in keeping with the Pan Pearl River Delta Region's efforts to upgrade its industries. The CSD Secretariat will assist the CSD's deliberations in these important issues by organising additional focused discussion sessions with experts, initiating policy research studies, and possibly commissioning studies and organising field trips or visits to aid the discussion process.

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¹ The six economic areas are testing and certification; medical services; innovation and technology; cultural and creative industries; environmental industry; and educational services.

8. In the light of the above, we see a continued need to provide adequate support for the CSD Secretariat to sustain its efficient and effective operation. We therefore propose to retain the supernumerary AOSGC post of the Assistant Secretary to the CSD for three years from 1 July 2009 to 30 June 2012 to support the aforementioned work of the new-term CSD. The proposed period tallies with the remaining term of the current Government, and is deemed appropriate to render sufficient directorate support to the CSD Secretariat to help sustain its efficient and effective operation as well as to support the aforementioned work of the CSD.

Encl. 3 9. The job description of the Assistant Secretary to the CSD is at Enclosure 3.

Alternatives Considered

Encl. 4 10. The CSD is currently served by a dedicated team led by the Secretary to the CSD at the rank of Administrative Officer Staff Grade B (AOSGB) (D3) with support at the directorate level by the Assistant Secretary to the CSD (supernumerary AOSGC) (D2) and a Government Town Planner (GTP) (D2). The Secretary to the CSD heads the CSD Secretariat and supervises all the operations of the Secretariat. As deputy to the Secretary to the CSD, the Assistant Secretary to the CSD is responsible for overseeing the planning and preparation for meetings of the CSD and its task groups. He assists the Secretary to the CSD in undertaking and coordinating complex policy researches, preparing papers for discussion at meetings of the CSD and its task groups, liaising with and providing support to the CSD members and overseeing the administration of the CSD Secretariat. The GTP, on the other hand, provides support to the Secretary to the CSD as well as the Head, CPU, from a professional and technical perspective, in studying the global, regional and Mainland development trends which have significant impact on Hong Kong. He also undertakes and oversees in-depth researches on strategic social, demographic, economic and regional development issues, in addition to collaborating with the work of the CPU on socio-economic development on the Mainland. The job description of the GTP is at Enclosure 4.

11. Given the enormity of the workload taken up by the Assistant Secretary to the CSD and the GTP, as well as the Secretary to the CSD who is tasked to support the operation of both the CSD and the TFEC, it is operationally not possible for either the GTP or Secretary to the CSD to take up the duties of the Assistant Secretary to the CSD without seriously and adversely affecting the effective discharge of their own duties. As mentioned in previous paragraphs, the work of the CSD Secretariat is expected to be increasingly complex and remain heavy as a result of the social and economic challenges ahead. On top of the internal social and economic issues of Hong Kong, the CSD will be occupied with

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more studies and research work in such areas as the National 12th Five-Year Plan, the development of Pearl River Delta Region, cooperation between Hong Kong and Guangdong, and cooperation with regional economies which are crucial to the long-term development of Hong Kong. These are uncharted and complex areas. The retention of the supernumerary post of AOSGC is therefore crucial to enable the CSD to have the manpower at the appropriate level to examine the said issues in details, and to ensure the effective discharge of the existing duties of the CSD Secretariat. If this supernumerary post could not be retained, the support and service to the CSD at the directorate level would be substantially weakened, to the detriment of the efficient and effective operation of the CSD.

12. We have also reviewed whether the Research Director (RD), another directorate staff at D2 level in the CPU but not working for the CSD Secretariat, could take up part of the duties of the Assistant Secretary to the CSD. Since RD is fully occupied with duties such as those related to the Policy Address and the CPU Part-time Members' Programme², it is not operationally possible for RD to take up the duties of the Assistant Secretary to the CSD either.

13. Having critically reviewed the workload of the other directorate staff at D2 level within the CPU, i.e. the GTP and the RD, as well as the Secretary to the CSD who is at D3 level, we have concluded that they have no capacity to absorb the duties of the Assistant Secretary to the CSD without adversely affecting the effective discharge of their own duties.

Non-directorate staffing support for CSD Secretariat

14. To provide general support including logistical arrangements for meetings, general research work, administrative support, and handling general enquiries, the CSD Secretariat is staffed by 11 non-directorate supporting staff, namely two Senior Administrative Officers, two Executive Officers I, three Personal Secretaries I, one Personal Secretary II, one Clerical Officer and two Assistant Clerical Officers. The existing organisation chart of the CSD Secretariat is at Enclosure 5.

Encl. 5

FINANCIAL IMPLICATIONS

15. The additional notional annual salary cost of the proposed supernumerary AOSGC post at mid-point is \$1,518,000; and its full annual average staff cost, including salaries and staff on-cost, is \$2,144,000. We will absorb the

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² The CPU consults regularly some 40 part-time Members drawn from different sectors to provide advice on policy matters.

additional expenditure from within CPU's existing provision in 2009-10 and will include the necessary provision in the draft Estimates of subsequent years to meet the costs of this proposal.

PUBLIC CONSULTATION

16. We consulted the Legislative Council Panel on Public Service on this proposal on 20 April 2009. Some Members were supportive of the proposal, as the CSD was an effective mechanism for the CSD members, who came from different sectors of the community, to raise their views directly to the most senior level of the Government, and that the proposed extension of the supernumerary AOSGC post was necessary to provide adequate support for the CSD to discharge its functions effectively.

17. However, some Members had reservation on the proposal. They questioned the representativeness of the CSD, which was appointed by the Administration. They took the view that the Commission's work overlapped with that of other bureaux and departments (B/Ds), and that the workload of the CSD did not justify the secretariat's establishment at the directorate level.

18. We explained to Members at the meeting that the CSD provided a forum for all sectors of the community to explore with the Government major issues pertaining to the long-term development of Hong Kong. It served to gauge a wide range of the community's views on various strategic issues straddling different policy areas at an inception stage to facilitate the subsequent formulation of relevant government policies. Relevant B/Ds were highly involved in the CSD's work, particularly in the discussion of subjects under their purviews. They had taken into account views expressed by the CSD members in the process of policy formulation.

19. As for justifying the current level of directorate support for the CSD, we explained that the complexity of the CSD's work, especially in the coming years, required substantial support at the directorate level. The Administration considers it operationally necessary to retain the supernumerary post to ensure effective and efficient support for the CSD.

BACKGROUND

20. In his Policy Address on 12 October 2005, the CE stated that he looked upon the CSD as the most important advisory body to the Government. Chaired by the CE, the CSD consists of a total of 66 non-official members and four official

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members (CS, FS, D,CEO and Head,CPU). Members of the CSD come from a broad range of sectors including the academia, the commercial sector, the professional sector, the media, think tanks, the welfare sector and political parties. Encl. 6 The terms of reference of the CSD are at Enclosure 6.

21. In order to provide the CSD with effective and efficient support, the CSD Secretariat has been strengthened at the directorate level with the provision of one supernumerary post of AOSGC as Assistant Secretary to the CSD since May 2006 (vide EC(2006-07)2) which was extended for two years in July 2007 (vide EC(2007-08)3). The supernumerary post will lapse on 1 July 2009. The Administration has critically reviewed the work of the CSD Secretariat in the light of actual operational experience. In anticipation of the increasing complexity and the substantial workload of the CSD, the Administration considers it essential to retain the post in order to maintain a high quality service to the CSD.

ESTABLISHMENT CHANGES

22. The establishment changes under Head 142 – Government Secretariat: Offices of the CS and the FS in the past two years are as follows –

Establishment (Note)	Number of posts			
	Existing (as at 1 May 2009)	As at 1 April 2009	As at 1 April 2008	As at 1 April 2007
A	29 + (1) [#]	29 + (1)	29 + (1)	32 + (4)
B	96	96	92	100
C	342	342	350	369
Total	467 + (1)	467 + (1)	471 + (1)	501 + (4)

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 post created with the approval of Establishment Subcommittee and Finance Committee; supernumerary posts created under delegated authority are not included.

as at 1 May 2009, there was no unfilled directorate post.

CIVIL SERVICE BUREAU COMMENTS

23. The Civil Service Bureau supports the proposal which is necessary to provide continued directorate support for the CSD Secretariat. The grading and ranking of the post 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

24. As the post is proposed on a supernumerary basis, its retention, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

Central Policy Unit
May 2009

**List of Issues Discussed by the Commission on Strategic Development
and its Task Groups
(from 1 July 2007 to 30 April 2009)**

Commission on Strategic Development

1. An overview of the opportunities and challenges of Hong Kong's long-term development
2. Strategic issues that may be discussed at future meetings
3. Hong Kong's relationship with the Mainland
4. Economic development of the northeast region of the Mainland and opportunities for future cooperation with Hong Kong
5. Strengthening Hong Kong's role as a bridge in the cooperation between the Mainland and the Association of Southeast Asian Nations
6. An overview of promoting employment
7. 2008-09 Policy Address consultation
8. 2008-09 Budget consultation
9. 2009-10 Budget consultation
10. Healthcare reform consultation
11. Report of the Task Group on Attracting Talent
12. Report of the Task Group on National Education
13. Report of the Task Group on Supporting the Family in Helping its Disadvantaged Members

/Task

Task Group on Attracting Talents

1. Policies and practices for attracting talents
2. Policies and practices of selected economies in attracting talents
3. Initial thoughts on enhancing the admission of talents to Hong Kong
4. Initial findings of the questionnaire survey on Mainland students studying in local tertiary institutions

Task Group on Constitutional Development

1. Method for electing the Chief Executive in 2012 – size and composition of the Election Committee and the nominating arrangements
2. Method for forming the Legislative Council in 2012

Task Group on National Education

1. National education in Hong Kong
2. Promotion of national education in schools
3. Promotion of national education outside schools
4. National identity and national education in France, the United States and Australia

Task Group on Supporting the Family in Helping its Disadvantaged Members

1. Policies and practices for alleviating poverty
2. Asset building of low-income family – supporting early childhood development and nurturing of children after school
3. Initial thoughts on supporting low-income families
4. Macro-issues related to adopting a family perspective in helping its disadvantaged members – “A Cross-National Comparison of Family Policy”
5. Initial findings of “A Study on International Experience of Selected Countries in Supporting the Low-income Family in Helping Its Members and Their Applicability to Hong Kong”

**Statistics on the Number of Meetings Held,
Discussion Papers Issued and Submissions Received by
Commission on Strategic Development (CSD) and its Task Groups**

Table 1 Statistics on Meetings Held
(from 1 July 2007 to 30 April 2009)

Title	Number of Meetings	Number of Workshops	Number of Special Consultative Sessions/ Informal Meetings
CSD	6	1	3
Task Group on Attracting Talents	3	1	1
Task Group on Constitutional Development	4	1	--
Task Group on National Education	3	3	1
Task Group on Supporting the Family in Helping its Disadvantaged Members	4	1	3
Total	20	7	8

Table 2 Statistics on Discussion Papers and Submissions
(from 1 July 2007 to 30 April 2009)

Title	Number of Discussion Papers Issued	Number of Written Submissions Received from CSD Members
CSD	14	26
Task Group on Attracting Talents	8	--
Task Group on Constitutional Development	6	11
Task Group on National Education	7	3
Task Group on Supporting the Family in Helping its Disadvantaged Members	8	2
Total	43	42

Job description
Assistant Secretary to the Commission on Strategic Development

Rank : Administrative Officer Staff Grade C (D2)

Responsible to : Secretary to the Commission on Strategic Development (AOSGB) (D3)

Major Duties and Responsibilities –

As the deputy to the Secretary to the CSD, the Assistant Secretary to the CSD is responsible for the following duties –

- (a) to support the Secretary to the CSD in mapping out the direction of discussion and proposing topics of strategic importance for the CSD's discussion with a view to enhancing the long-term international competitiveness and socio-economic development of Hong Kong;
- (b) to coordinate and prepare papers for the CSD, follow up their advice and recommendations, and prepare reports on the work of the CSD task groups;
- (c) to undertake and coordinate policy researches and analyses as directed by the CSD;
- (d) to provide secretariat and other support services to the CSD, including the logistics of meetings and record keeping, etc.;
- (e) to prepare briefs and speeches for the Chairman of the CSD;
- (f) to liaise and coordinate with government bureaux and departments and other organisations on issues for discussion by the CSD and follow up their advice and recommendations;
- (g) to handle publicity arrangements for the CSD and ensure transparency of the work of the CSD;
- (h) to monitor and process public submissions to the Task Force on Economic Challenges;
- (i) to monitor the implementation of the 207 specific measures proposed at the "Economic Summit on China's 11th Five-Year Plan and the Development of Hong Kong"; and
- (j) to assist the Secretary to the CSD in overseeing the administration of the Secretariat to the Commission.

Job description
Government Town Planner (Commission on Strategic Development)

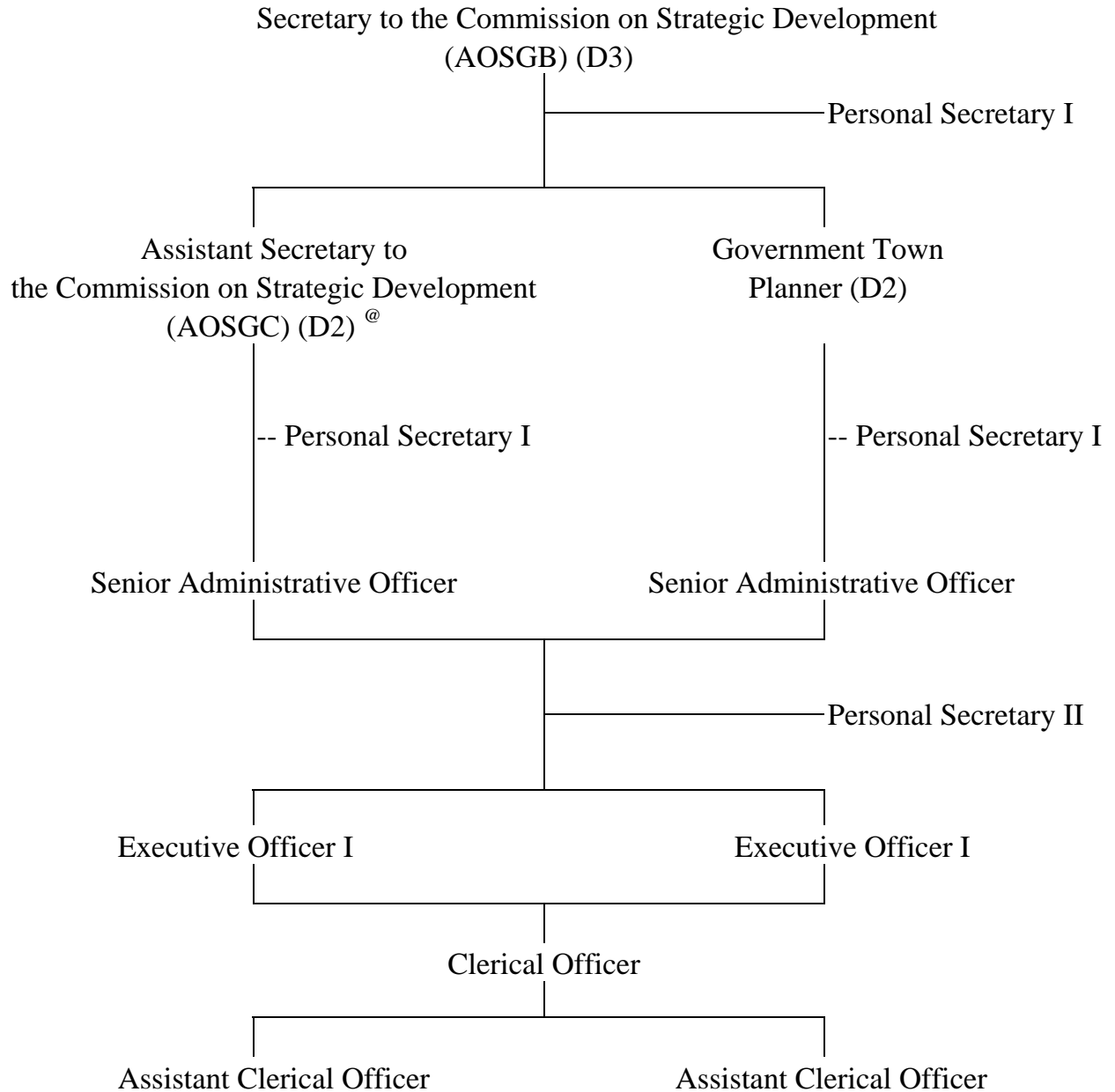
Rank : Government Town Planner (D2)

Responsible to : Secretary to the Commission on Strategic Development (AOSGB) (D3)

Major Duties and Responsibilities –

- (a) To undertake policy researches and analyses in relation to population policy, Mainland-related development, and other strategic development issues;
- (b) to provide expert and professional inputs in preparing discussion papers for the CSD, follow up their advice and recommendations, and prepare reports;
- (c) to assist the Secretary to the CSD in preparing study briefs and research papers on global, regional and Mainland development trends with significant impact on Hong Kong's development;
- (d) to assist the Secretary to the CSD in liaising with government bureaux and departments, and other organisations in providing inputs regarding strategic development issues;
- (e) to assist in liaising with interested parties outside the Government, in respect of the studies initiated by the CSD;
- (f) to assist the Secretary to the CSD in preparing consultancy briefs and papers to facilitate the commissioning of consultancy projects initiated by the CSD;
- (g) to assist the Secretary to the CSD in monitoring the progress of consultancy projects and provide steer to consultants; and
- (h) to undertake any specific tasks as directed by the Secretary to the CSD.

**Existing Organisation Chart of the
Secretariat to the Commission on Strategic Development**
(as at 30 April 2009)



(A total of 14 officers)

Legend

AOSGB Administrative Officer Staff Grade B

AOSGC Administrative Officer Staff Grade C

@ Existing supernumerary post proposed for retention

Commission on Strategic Development

Terms of Reference

1. To advise the Chief Executive on Hong Kong's long-term development needs and goals with particular reference to the direction and strategy of social, economic and political developments for Hong Kong;
2. to conduct reviews and studies on Hong Kong's long-term strategic development issues such as a progressive view of development, alleviating poverty through job creation, raising the quality of life, optimising demographic structure, enhancing governance and promoting political development, etc., with a view to enhancing the international competitiveness and the socio-economic development of Hong Kong; and
3. to form task groups or working groups as and where necessary to study specific strategic issues for consideration of the Commission.
