

(Paper for the meeting at the Complaints Division of the Legislative Council
on 3 January 2000)

Feasibility Study on Corporatisation of the Survey and Mapping Office, Lands Department

Corporatisation

It has always been the Government's objective to improve the efficiency of public services. There are certain government activities which are commercial or semi-commercial in nature. However, the service providers are often constrained by government rules and procedures which limit their freedom to exploit the market potential and to meet the changing market demand in a timely manner. This hinders the development of more efficient and cost effective services.

2. As we enter into the 21st century, we must make sure that we are providing services that meet modern day requirements and take full advantage of modern technology and techniques. In order to achieve greater efficiency and cost effectiveness in providing public services, the Government has been exploring corporatisation as a means to provide better services in appropriate cases.

Feasibility study on corporatisation of the Survey and Mapping Office

3. The Business and Services Promotion Unit (BSPU), Financial Secretary's Office is charged with the responsibility for identifying suitable candidates for corporatisation. As part of this work, BSPU commissioned a feasibility study on corporatisation of the Survey and Mapping Office (SMO) in August 1999. We believe that with the development of modern survey technology, the SMO has the potential to operate in a more business-like environment in order to provide better services to its customers, who include both Government departments and private sector.

4. The feasibility study focussed on an analysis of the financial viability and the costs and benefits of corporatising the SMO. Staffing arrangement was not included in the scope of the study. The consultants completed a draft report in October 1999. We have been examining carefully the findings and recommendations of the study.

5. We fully understand the staff's concern about the outcome of the study and the future of the SMO. We also realise that the successful implementation of any structural and organisational changes would require the understanding and support of staff. We are prepared to share with staff the result of the study and will carry out an extensive staff consultation exercise as early as possible when the Administration has formed an initial view on the way forward for the SMO.

Communication with staff

6. The SMO management has explained to staff the progress of the study through various channels. These included regular meetings with all staff associations in the SMO, special briefings and through SMO's internal newsletter. The SMO management will continue to maintain a close dialogue with staff on the development of the subject.

7. Various staff unions in the SMO have recently written to us expressing their concerns about the subject. In our response to them, we explained the background to the feasibility study and our willingness to share with staff the result of the study at an opportune time.

Business and Services Promotion Unit/
Financial Secretary's Office
Lands Department

December 1999