

## **ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE**

**HEAD 158 – GOVERNMENT SECRETARIAT:  
ENVIRONMENT, TRANSPORT AND WORKS BUREAU  
(ENVIRONMENT AND TRANSPORT BRANCH)**

**HEAD 159 – GOVERNMENT SECRETARIAT:  
ENVIRONMENT, TRANSPORT AND WORKS BUREAU  
(WORKS BRANCH)**

**Subhead 000 Operational expenses**

Members are invited to recommend to Finance  
Committee –

**under Head 158**

(a) the creation of the following permanent posts –

1 Administrative Officer Staff Grade A1  
(D8) (\$181,700)

(with effect from 1 July 2003)

1 Administrative Officer Staff Grade B  
(D3) (\$128,365 - \$136,015)

(with immediate effect)

/(b) .....

(b) the deletion of the following permanent posts –

2 Administrative Officer Staff Grade A1  
(D8) (\$181,700)

(with effect from 1 July 2003)

**under Head 159**

(c) the deletion of the following permanent post –

1 Principal Executive Officer  
(D1) (\$98,595 - \$104,615)

(with effect from 1 November 2003)

**PROBLEM**

Two supernumerary directorate posts, the Permanent Secretary for the Environment, Transport and Works (Environment and Transport) (PSET) and the Deputy Secretary for the Environment, Transport and Works (Environment and Transport)E2 (DS(E)2) in the Environment and Transport Branch (E&T Branch) of the Environment, Transport and Works Bureau (ETWB), will lapse on 1 July and 23 June 2003 respectively. These two senior directorate posts are essential to the normal functioning of ETWB. On the other hand, there is no need to retain two permanent directorate posts for the former Secretary for the Environment and Food (SEF) and Secretary for Transport (S for T) as there is no longer a functional need for these posts. There is also no longer a need to retain both of the two permanent directorate Principal Executive Officer (PEO) posts to take care of the resource management duties of the bureau, subsequent to the streamlining of procedures in providing supporting services in the bureau.

**PROPOSAL**

2. The Secretary for the Environment, Transport and Works (SETW) proposes to create a permanent post of PSET (Administrative Officer Staff Grade A1 (AOSGA1)) (D8) with effect from 1 July 2003 and a permanent post of DS(E)2 (Administrative Officer Staff Grade B (AOSGB)) (D3) with immediate effect.

3. On the other hand, SETW proposes the deletion of two permanent AOSGA1 (D8) posts for the former SEF and the former S for T with effect from 1 July 2003, and the deletion of a permanent PEO (D1) post for the Principal Executive Officer (Works) Resource Management (PEO(W)RM) with effect from 1 November 2003.

## JUSTIFICATION

### **Permanent Secretary for the Environment, Transport and Works (Environment and Transport) (PSET) (AOSGA1) (D8)**

4. In respect of the environment and transport portfolios of ETWB, SETW is underpinned by the PSET who assists her in formulating policies and in ensuring the smooth, timely and effective implementation of approved policies and programmes. On 1 July 2002, a Permanent Secretary for the Environment, Transport and Works (Environment) (PSE) (AOSGA1) (D8) post and a Permanent Secretary for the Environment, Transport and Works (Transport and Works) (PSTW) (AOSGA1) (D8) post were created under delegated authority from the Finance Committee (FC) on a supernumerary basis for 12 months and held against the vacant permanent posts of ex-SEF (AOSGA1) (D8) and ex-Secretary for Works (S for W) (AOSGA1) (D8) respectively. In August 2002, Members were informed (vide LC Paper No. CB(1) 2389/01-02(01)) that following a review of the organization and division of work within ETWB, PSE had assumed policy responsibility for the transport portfolio in addition to the environment portfolio. At the same time, PSTW had become responsible for the works portfolio. The two Permanent Secretaries have subsequently been re-designated as PSET and Permanent Secretary for the Environment, Transport and Works (Works) (PSW).

5. The supernumerary post of PSET will lapse on 1 July 2003. As the head of the E&T Branch of ETWB, PSET is the key person to assist SETW in formulating, co-ordinating and implementing environment and transport policies. PSET also has to steer and co-ordinate with the executive departments under her purview to achieve timely and effective implementation of agreed policies and programmes. SETW proposes to create the PSET post on a permanent basis in view of the long-term operational need for this key post. The job description of the post is at Enclosure 1. Upon the creation of the PSET post on a permanent basis, the permanent ex-SEF post will no longer be needed and can be deleted.

Encl. 1

**/Deputy .....**

**Deputy Secretary for the Environment, Transport and Works (Environment and Transport)E2 (DS(E)2) (AOSGB) (D3)**

6. The Environment Sub-branch of the E&T Branch is currently organized into two divisions, each headed by a Deputy Secretary (DS), as follows –

- (a) Environment Division 1, under the charge of an AOSGB (D3), who fills a permanent post designated as Deputy Secretary for the Environment, Transport and Works (Environment and Transport)E1 (DS(E)1). The post holder is responsible to PSET for discharging policy work on water quality, sewerage, energy efficiency, waste management, international environmental issues, and environmental management and education; and
- (b) Environment Division 2, under the charge of an AOSGB (D3), who fills a supernumerary post designated as DS(E)2. The post holder is responsible to PSET for discharging policy work on air quality, cross-boundary environmental issues, noise control, environmental impact assessment and nature conservation.

7. On 23 June 2000, FC approved vide EC(2000-2001)11 the creation of the supernumerary AOSGB (D3) post, designated as Deputy Secretary (C) (DS(C)) in the then Environment and Food Bureau (EFB) initially for a period of three years until 22 June 2003 to co-ordinate at DS level the implementation of the Administration's comprehensive programme of measures to improve air quality and to co-ordinate cross-boundary environmental issues. Upon the implementation of the accountability system on 1 July 2002, the supernumerary DS(C) post came under the Environment Sub-branch of ETWB and was re-designated as DS(E)2. SETW has reviewed the continual need for the post and proposes the creation of the DS(E)2 post on a permanent basis in view of Government's long-term commitment to air quality improvement, noise pollution control and nature conservation.

8. Since the supernumerary post was created in June 2000, DS(E)2 has been overseeing a comprehensive programme to improve roadside air quality through reducing motor vehicle emissions. The measures in the programme that have been implemented include –

- (a) replacing diesel taxis with ones that are run on liquefied petroleum gas (LPG);

/(b) .....

- (b) introducing ultra low sulphur diesel;
- (c) increasing the fixed penalty on smoky vehicles;
- (d) enhancing the smoky vehicle spotter programme;
- (e) tightening the emission standards of newly registered vehicles; and
- (f) retrofitting pre-Euro light diesel vehicles with emission reduction device.

The measures have proved to be effective. Compared to 1999, the average concentrations of respirable suspended particulates and nitrogen oxides, the two major pollutants in the air at the street level, had dropped by 19% and 16% respectively in 2002. The number of incidents in which the Air Pollution Index was exceeded and the number of smoky vehicles had also been reduced by about 40% and 70% respectively.

9. Improving the air quality of Hong Kong is a long-term task. There is a need for DS(E)2 to continue to work towards the objective. In addition to seeing through the implementation of the remaining measures in the programme to reduce motor vehicle emissions, DS(E)2 will continue to work in collaboration with the Guangdong Provincial Government on a programme to improve air quality of the Pearl River Delta Region. Following the completion of the joint study carried out by the Hong Kong Special Administrative Region Government and the Guangdong Provincial Government, the two Governments reached a consensus in April 2002 to reduce, on a best endeavour basis, by 2010 the emissions of the four major pollutants in the ambient air by such levels as would enable the two places to meet their current Air Quality Objectives. In this regard, he is overseeing a scheme to reduce the emissions of volatile organic compounds (VOC) from paints, printing processes and consumer goods containing VOC and work related to reducing emissions of particulate, sulphur dioxide and nitrogen oxide emissions from power plants. He is also co-ordinating a joint study with the Guangdong authorities to examine the feasibility of introducing an emissions trading pilot scheme between power plants in Hong Kong and Guangdong. A lot of work has to be done in order to achieve the targets set for 2010.

10. Other than overseeing the air pollution portfolio and co-ordinating cross-boundary environmental issues, the subjects of noise pollution, environmental impact assessment and nature conservation have also been added to the responsibilities of DS(E)2 so as to relieve the pressure on DS(E)1 such that the latter could give due attention to other high priority policy matters including landfill charging; management of municipal solid waste, construction waste, chemical waste and clinical waste; and the Harbour Area Treatment Scheme. The additional duties for

/DS(E)2 .....

DS(E)2 are important and require the continuous attention at DS level on a long-term basis. The most immediate task is that ETWB plans to embark on a public consultation exercise on the review of the nature conservation policy in the middle of 2003 with the objective, as committed in the 2003 Policy Agenda, of promulgating a more comprehensive nature conservation policy. In the area of environmental impact assessment, the major infrastructure projects now on the drawing board, including the Hong Kong Pearl River West Link and other planned tourism-related developments – all of which are of great importance to Hong Kong's continued economic development – would generate a great deal of work for the Environment Sub-branch of ETWB in the coming years. There is also increasing demand for enhanced co-ordination at the bureau level to ensure that environmental concerns are incorporated at the early planning stage of major policy or development proposals.

- Encl. 2 11. The job description for the DS(E)2 post is at Enclosure 2. The incumbent is currently supported by a team of staff comprising one Administrative Officer Staff Grade C, three Senior Administrative Officers, one Administrative Officer, one Chief Executive Officer, one Environmental Protection Officer and one Executive Officer I.

**The post of ex-Secretary for Transport (S for T) (AOSGA1) (D8)**

12. The vacant permanent ex-S for T post has since 1 July 2002 been held against by the supernumerary post of Permanent Secretary for Economic Development and Labour (Labour) (PSL) (AOSGA1) (D8), which was created for 12 months under delegated authority from FC. As proposed in EC(2003-04)7, the PSL post would be created on a permanent basis with effect from 1 July 2003, whereupon the ex-S for T post will no longer be needed and can be deleted.

**Principal Executive Officer (Works) Resource Management (PEO(W)RM) (PEO) (D1)**

13. The amalgamation of the environment side of the former EFB, TB and WB to form the ETWB on 1 July 2002 has paved the way for streamlining various administrative and support functions within the new Bureau. As part of the streamlining exercise, the resource management (RM) units under the E&T Branch and the Works Branch each headed by one PEO (designated as Principal Executive Officer (Environment and Transport) Resource Management and PEO(W)RM) have been combined since December 2002 as one RM Section under the E&T Branch to perform all the resource management functions of the whole bureau. In the light of

/operational .....

operational experience since then, SETW found that there is further room for streamlining the workflow and making better use of manpower resources. SETW therefore proposes to put the RM Section under the charge of one PEO and to delete the other PEO post. SETW proposes to delete the PEO(W)RM post on 1 November 2003 when the incumbent would have completed the various major tasks in hand. These include the review on the Staff Resource Model for capital works projects, assessment of the proposal to outsource the transport services of the Water Supplies Department and scrutiny of the manpower plans of the departments under ETWB's purview with a view to achieving the target of reducing the civil service establishment to around 160 000 by 2006-07 as committed in the 2003 Policy Address.

- Encl. 3 14. The proposed organization chart of the ETWB is at Enclosure 3.

### FINANCIAL IMPLICATIONS

15. The proposed changes in directorate posts will bring about savings in the notional annual salary cost at mid-point as follows—

	<b>Notional annual salary cost at mid- point \$</b>	<b>No. of Posts</b>
Creation of permanent posts		
AOSGA1 (D8)	2,180,400	1
AOSGB (D3)	1,585,680	1
Sub-total (a)	3,766,080	2
Deletion of permanent posts		
AOSGA1 (D8)	4,360,800	2
PEO (D1)	1,217,520	1
Sub-total (b)	5,578,320	3
Net savings (b) – (a)	1,812,240	1

The net savings in full annual average staff cost, including salaries and staff on-cost is \$2,991,000.

**/BACKGROUND .....**

## BACKGROUND INFORMATION

16. With the implementation of the accountability system from July 2002, the environment side of the former EFB was amalgamated with the former TB and WB to become ETWB. The new Bureau is responsible for the following major policy areas –

- (a) environmental protection and nature conservation;
- (b) development of the transport infrastructure;
- (c) provision of transport services;
- (d) traffic management;
- (e) public works programme;
- (f) water supply; and
- (g) slope safety and flood prevention.

17. The 2003 Policy Agenda has included a host of new and ongoing initiatives under SETW's purview in particular in the area of sustaining environmentally responsible development. Besides ongoing initiatives ranging from further reducing motor vehicle emissions to promoting the wider application of renewable energy, there are six new initiatives in the areas of emissions trading, landfill charging, waste recycling and reduction, nature conservation, water conservation and development of a land use, transport and environment strategy under the Hong Kong 2030 study to guide the long-term development of Hong Kong.

18. Under the accountability system implemented in July 2002, two AOSGA1 (D8) posts of PSE and PSTW were created under delegated authority from FC on a supernumerary basis for 12 months and held against the vacant permanent posts of ex-SEF and ex-S for W. The Administration has undertaken not to extend these supernumerary posts beyond 30 June 2003 without the endorsement of the Establishment Subcommittee and the approval of FC. As there are no major changes in the duties of PSW who is now in charge of the Works Branch of ETWB when compared with those of the former S for W before July 2002, the permanent AOSGA1 post of ex-S for W has been re-designated as PSW. The supernumerary DS(E)2 post was created on 23 June 2000 for a period of three years to head a new Division in the then EFB to handle air quality and cross-boundary environmental issues.

## ESTABLISHMENT CHANGES

19. The establishment changes in the Environment, Transport and Works Bureau for the last two years are as follows –

**/Establishment .....**



Establishment (Note)	Number of posts			
	as at 1 May 2003	as at 1 April 2003	as at 1 April 2002	as at 1 April 2001
<b>(i) Environment Sub-branch</b>				
A	5*+(1)	5*+(2)	5*+(1)	5*+(1)
B	12	12	14	14
C	14	14	22	22
<b>Sub-total</b>	<b>31+(1)</b>	<b>31**+(2)</b>	<b>41+(1)</b>	<b>41+(1)</b>
<b>(ii) Transport Sub-branch</b>				
A	14***	14***	15***	15***
B	31	31	33	32
C	44	44	68	73
<b>Sub-total</b>	<b>89</b>	<b>89**</b>	<b>116</b>	<b>120</b>
<b>(iii) Works Branch</b>				
A	21+(3)	21+(3)	20+(3)	20
B	60	60	60	56
C	146	146	145	141
<b>Sub-total</b>	<b>227+(3)</b>	<b>227**+(3)</b>	<b>225<sup>#</sup>+(3)<sup>#</sup></b>	<b>217</b>
<b>Total of (i) + (ii) + (iii)</b>				
A	40+(4)	40+(5)	40+(4)	40+(1)
B	103	103	107	102
C	204	204	235	236
<b>Grand total</b>	<b>347+(4)</b>	<b>347+(5)</b>	<b>382+(4)</b>	<b>378+(1)</b>

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 posts
- \* – includes the ex-SEF post
- \*\* – the decrease of 10 posts and 27 posts in the Environment and Transport Sub-branches respectively as at 1.4.2003 was due to the centralization of bureau administration and other support services under the Works Branch for the whole ETWB. 34 posts previously providing common support services to the former Planning and Lands Bureau and Works Bureau were transferred from Works Branch to Planning and Lands Branch on 1.4.2003 as two new heads of expenditure have been created for these two branches respectively.
- \*\*\* – includes the ex-S for T post
- # – the net increase of 11 posts in Works Branch as compared with its establishment as at 1 April 2001 was mainly due to the establishment of the Industry Review Division in July 2001.

/CONSULTATION .....

**CONSULTATION WITH LEGISLATIVE COUNCIL PANELS**

20. We will consult the Legislative Council Panels on Transport and Environmental Affairs on 23 and 26 May 2003 respectively.

**CIVIL SERVICE BUREAU COMMENTS**

21. The Civil Service Bureau is satisfied that the staffing proposal contained in this paper is functionally justified. The grading and ranking of the proposed posts are appropriate, having regard to the level and scope of responsibilities required.

**ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE**

22. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the posts would be appropriate if the posts were to be created.

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Environment, Transport and Works Bureau  
May 2003

**Proposed Job Description for  
Permanent Secretary for the Environment, Transport and Works  
(Environment and Transport)**

**Rank :** Administrative Officer Staff Grade A1 (D8)

**Main Duties and Responsibilities –**

Responsible to the Secretary for the Environment, Transport and Works for the following main duties -

- (1) assisting SETW to formulate, coordinate and implement environment and transport policies;
- (2) supporting SETW in explaining policies, in securing support of the public and Legislative Council (LegCo), and in dealing with LegCo businesses;
- (3) steering and coordinating with executive departments including the conservation arm of the Agriculture, Fisheries and Conservation Department, the Environmental Protection Department, the Highways Department and the Transport Department, to achieve timely and effective implementation of agreed policies and programmes;
- (4) housekeeping of the Kowloon-Canton Railway Corporation and the Mass Transit Railway Corporation Limited;
- (5) acting as the Controlling Officer of Head 158 – Government Secretariat: Environment, Transport and Works Bureau (Environment and Transport Branch) and ensuring the cost-effective use of financial and human resources through re-engineering, re-organizing and re-focusing of the executive departments; and
- (6) managing civil servants and other staff in the Environment and Transport Branch of ETWB.

**Job Description for  
Deputy Secretary for the Environment, Transport and Works  
(Environment and Transport) E2**

**Rank:** Administrative Officer Staff Grade B (D3)

**Main Duties and Responsibilities –**

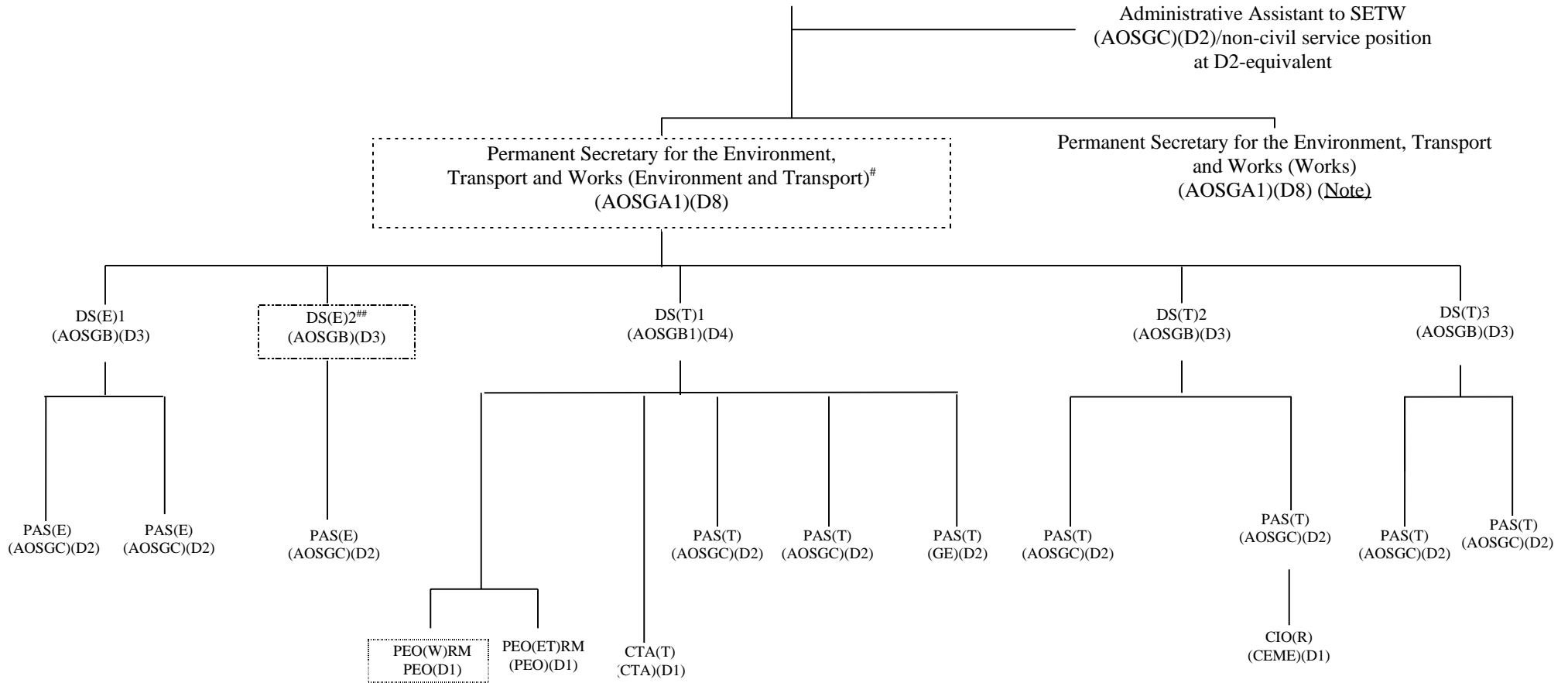
Responsible to the Permanent Secretary for the Environment, Transport and Works (Environment and Transport) for the policies and programmes relating to air quality, noise control, cross-boundary environmental issues, nature conservation, and environmental impact assessment. Main duties include -

- (1) to implement the comprehensive vehicle emission reduction programme, including coordination of inter-departmental effort in implementing the programme and negotiation with other stakeholders;
- (2) to explain and disseminate government policies and measures relating to the vehicle emission reduction programme to the Legislative Council and other concerned community organizations, and lobby for their support;
- (3) to coordinate the Hong Kong Special Administrative Region Government's effort in cross-boundary environmental cooperation and liaise with relevant Guangdong authorities on this front including coordinating work relating to improving regional air quality;
- (4) to formulate policy proposals and oversee the implementation of other clean air measures;
- (5) to oversee the operation of Environmental Impact Assessment (EIA) Ordinance in particular EIA of key projects to ensure better coordination between the Environmental Protection Department and other government bureaux and departments;
- (6) to oversee the operation of Noise Control Ordinance to ensure better coordination between EPD and other government bureaux and departments and the implementation of amendments to Noise Control Ordinance; formulate and oversee the implementation of policies to address traffic noise at existing roads; oversee other noise-related policies such as noise standard of vehicles;

- (7) to oversee the review of the existing nature conservation policy and measures;
- (8) to oversee the formulation and implementation of policies and programmes in relation to nature conservation including designation of country and marine parks, protection of endangered species and conservation of biodiversity; and
- (9) other duties assigned by PSET and SETW.

**Proposed Organization Chart of the Environment, Transport and Works Bureau  
(Environment and Transport Branch)**

Secretary for the Environment, Transport and Works



**Legend**

SETW	Secretary for the Environment, Transport and Works	PEO	Principal Executive Officer
DS	Deputy Secretary	RM	Resource Management
PAS	Principal Assistant Secretary	GE	Government Engineer
AOSGA1	Administrative Officer Staff Grade A1	CTA	Chief Treasury Accountant
AOSGB1	Administrative Officer Staff Grade B1	CIO(R)	Chief Inspecting Officer (Railways)
AOSGB	Administrative Officer Staff Grade B	CEME	Chief Electrical and Mechanical Engineer
AOSGC	Administrative Officer Staff Grade C	E	Environment
		T	Transport
		W	Works



Proposed creation of a permanent AOSGA1 post

Proposed creation of a permanent AOSGB post

Proposed deletion of PEO post in Works Branch

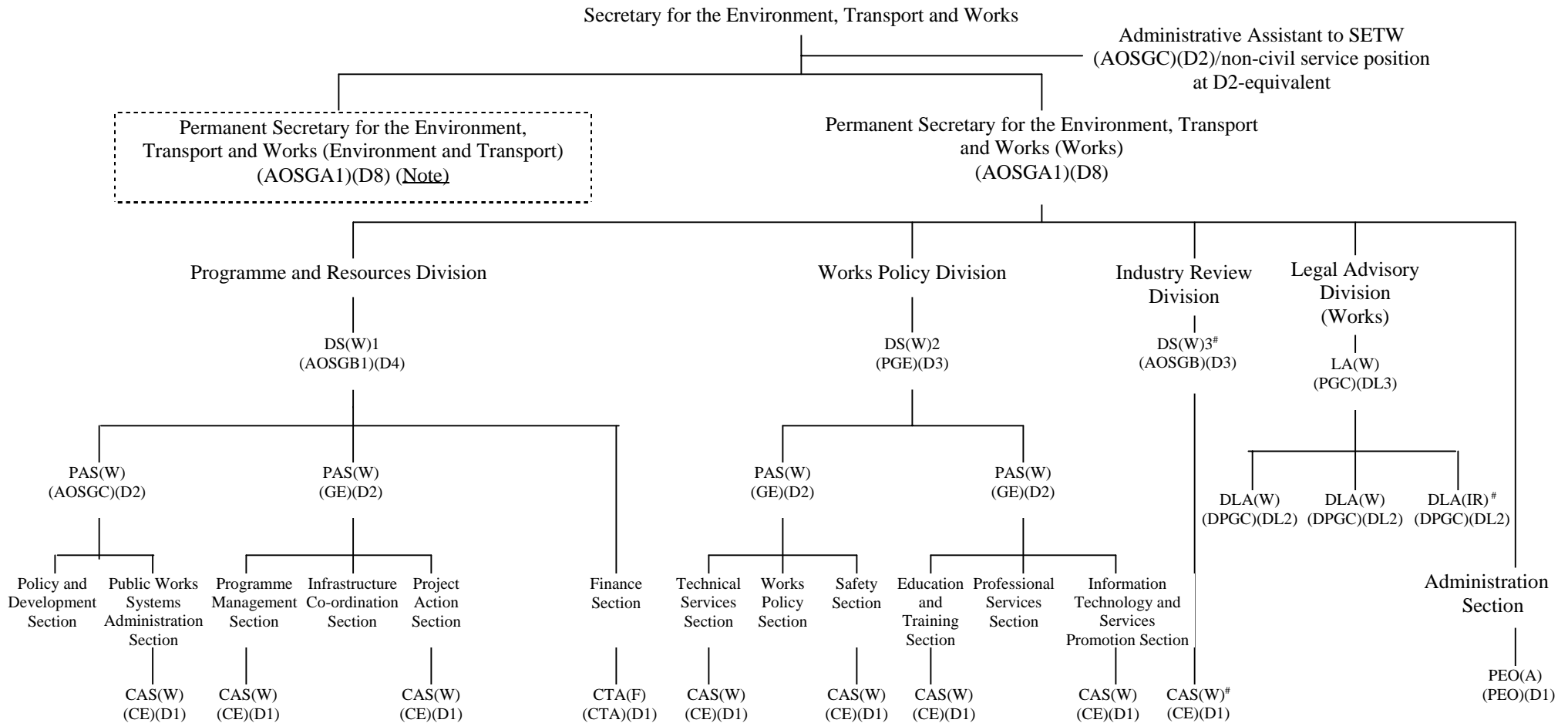
# Supernumerary Directorate Post created up to 30.6.2003

## Supernumerary Directorate Post created up to 22.6.2003

**Note**

See separate sheet for organization under the Permanent Secretary for the Environment, Transport and Works (Works)

## Proposed Organization Chart of the Environment, Transport and Works Bureau (Works Branch)



**Legend**

SETW Secretary for the Environment, Transport and Works  
 DS Deputy Secretary  
 LA Legal Advisor  
 PAS Principal Assistant Secretary  
 DLA Deputy Legal Advisor  
 IR Industry Review  
 CAS Chief Assistant Secretary

AOSGA1 Administrative Officer Staff Grade A1  
 AOSGB1 Administrative Officer Staff Grade B1  
 AOSGB Administrative Officer Staff Grade B  
 AOSGC Administrative Officer Staff Grade C  
 PGE Principal Government Engineer  
 GE Government Engineer  
 CE Chief Engineer

PGC Principal Government Counsel  
 DPGC Deputy Principal Government Counsel  
 PEO Principal Executive Officer  
 RM Resource Management  
 CTA Chief Treasury Accountant  
 A Administration  
 F Finance  
 W Works

   Proposed creation of a permanent AOSGA1 post  
 # Supernumerary Directorate Posts created up to 5.7.2004  
Note See separate sheet for organization under the Permanent Secretary for the Environment, Transport and Works (Environment and Transport)