

ITEM FOR FINANCE COMMITTEE

RECOMMENDATIONS OF THE ESTABLISHMENT SUBCOMMITTEE

Advice sought

Encl. Members are invited to approve the recommendations of the Establishment Subcommittee (ESC) which last met on 16 June 2004. A summary of the ESC recommendations is at the Enclosure. The relevant ESC papers have previously been forwarded to all Members and are therefore not enclosed.

2. Subject to approval of the recommendations in this Finance Committee Agenda Item (FCai), the up-to-date position of the directorate establishment, covering civil servants, officers in the Independent Commission Against Corruption (ICAC) and Judicial Officers (JO), will be as follows –

	Permanent	Supernumerary	Total
Position including posts approved by Members on 14 May 2004			
Civil Servants	1 329	29	1 358
ICAC officers	14	-	14
JO	170	-	170
Sub-total	1 513	29	1 542
Changes subject to approval of this FCai			
Civil Servants			
Item EC(2004-05)8	-3	-	-3
Item EC(2004-05)9	-21	1	-20

/Other

	Permanent	Supernumerary	Total
Other change to date			
Number of supernumerary posts lapsed	-	-3 ^{Note 1}	-3
Total	1 489	27	1 516

Summary of changes approved in the 2003-04 Legislative Council (LegCo) session^{Note 2} and since January 2002

3. Assuming that the recommendations in this FCai are approved, there would be a net reduction of 49 posts on directorate establishment^{Note 3} within the 2003-04 LegCo session alone. Together with other changes approved since January 2002, the directorate establishment would have been trimmed by 106 posts (or 6.5%), as summarised below –

- (a) Change in directorate establishment in 2003-04 LegCo session (net deletion of 49 posts) –

	Permanent	Supernumerary	Total
Civil servants	-44	-5	-49
ICAC officers	-	-	-
JO	-	-	-
Total	-44	-5	-49

/(b)

^{Note 1} (a) One post of Chief Engineer (D1) in Highways Department lapsed on 1 May 2004.
 (b) One post of Government Land Agent (D2) in Lands Department lapsed on 10 June 2004.
 (c) One post of Chief Systems Manager (D1) in Transport Department lapsed on 22 June 2004.

^{Note 2} Changes in directorate establishment include posts approved to be created/deleted, supernumerary posts lapsed/to be lapsed and adjustment of posts to accommodate civil servants seconded to other public bodies up to 21 July 2004 which is the end of the 2003-04 LegCo session.

^{Note 3} Three posts of one Administrative Officer Staff Grade B (D3), one Deputy Principal Government Counsel (DL2) and one Chief Engineer (D1) in Environment, Transport and Works Bureau (Works Branch) will lapse on 6 July 2004.

- (b) Cumulative change in the directorate establishment approved since January 2002 (net deletion of 106 posts) –

	Permanent	Supernumerary	Total
(i) As at January 2002			
Civil servants	1 374	59	1 433
ICAC officers	14	-	14
JO	170	1	171
Sub-total	1 558	60	1 618
(ii) As at 25 June 2004			
Civil servants	1 305	27	1 332
ICAC officers	14	-	14
JO	170	-	170
Sub-total	1 489	27	1 516
(iii) As at 21 July 2004 (Further change between 26 June and 21 July 2004)			
Civil servants	1 304	24	1 328
ICAC officers	14	-	14
JO	170	-	170
Sub-total	1 488	24	1 512
Total (iii) - (i)	-70	-36	-106

4. Bureaux and departments will continue their conscious efforts to contain and reduce the size of directorate establishment through reorganisation and redeployment, as appropriate. Where justified on the merits of individual cases, however, bureaux and departments may need to seek to create new directorate posts or extend the tenure of specified supernumerary directorate posts. The Administration hopes that these requests will be considered on their own merits and seen in the context of the Administration's demonstrated on-going efforts to contain the size of the directorate establishment.

**Summary of the Recommendations of the Establishment Subcommittee
discussed at its meeting on 16 June 2004**

EC Item No.	Head of Expenditure	Recommendation
EC(2004-05)8	HEAD 47 – INFORMATION TECHNOLOGY SERVICES DEPARTMENT HEAD 55 – GOVERNMENT SECRETARIAT : COMMERCE, INDUSTRY AND TECHNOLOGY BUREAU (COMMUNICATIONS AND TECHNOLOGY BRANCH)	<p>To recommend to Finance Committee the following to facilitate the merging of the Information Technology Services Department and the information technology-related divisions of the Commerce, Industry and Technology Bureau (Communications and Technology Branch) to form a new entity entitled Office of the Government Chief Information Officer in the Commerce, Industry and Technology Bureau with effect from 1 July 2004 –</p> <p>(a) the creation of the following new grade and rank –</p> <p>Government Chief Information Officer (D6) (\$162,650)</p> <p>to be offset by the deletion of the following rank –</p> <p>Director of Information Technology Services (D5) (\$154,150);</p> <p>(b) the creation of the following four new permanent posts under Head 47 Information Technology Services Department (to be retitled as Government Secretariat : Office of the Government Chief Information Officer) –</p> <p>1 Government Chief Information Officer (D6) (\$162,650)</p> <p>1 Administrative Officer Staff Grade B (D3) (\$127,900 - \$135,550)</p> <p>2 Administrative Officer Staff Grade C (D2) (\$113,520 - \$120,553)</p>

EC Item No.	Head of Expenditure	Recommendation
EC(2004-05)8 (cont'd)		to be offset by the deletion of the following seven permanent posts – <i>Information Technology Services Department</i> 1 Director of Information Technology Services (D5) (\$154,150) 1 Assistant Director of Management Services (D2) (\$113,520 - \$120,553) (with effect from 1 September 2004) 1 Chief Systems Manager (D1) (\$95,623 - \$101,458) <i>Commerce, Industry and Technology Bureau (Communications and Technology Branch)</i> 1 Administrative Officer Staff Grade B (D3) (\$127,900 - \$135,550) 3 Administrative Officer Staff Grade C (D2) (\$113,520 - \$120,553); (c) adjustments to the ceiling placed on the total notional annual mid-point salary value of all non-directorate posts in the permanent establishment of the following Heads of Expenditure in 2004-05 – <i>Head 47</i> an increase from \$261,768,000 by \$8,368,188 to \$270,136,188 <i>Head 55</i> a decrease from \$26,522,000 by \$8,368,188 to \$18,153,812; and (d) redistribution of responsibilities among certain directorate posts in the Information Technology Services Department and the Commerce, Industry and Technology Bureau (Communications and Technology Branch).

EC Item No.	Head of Expenditure	Recommendation
EC(2004-05)9	HEAD 62 – HOUSING DEPARTMENT	<p>To recommend to Finance Committee the following to implement a reorganisation of the Housing Department by phases –</p> <p>(a) the deletion of the following 21 permanent posts –</p> <p>with immediate effect</p> <p>1 Administrative Officer Staff Grade C (D2) (\$113,520 - \$120,553)</p> <p>3 Assistant Director of Housing (D2) (\$113,520 - \$120,553)</p> <p>1 Principal Management Services Officer (D1) (\$95,623 - \$101,458)</p> <p>1 Chief Structural Engineer (D1) (\$95,623 - \$101,458)</p> <p>1 Chief Housing Manager (D1) (\$95,623 - \$101,458)</p> <p>1 Chief Building Services Engineer (D1) (\$95,623 - \$101,458)</p> <p>1 Chief Architect (multi-disciplinary) (D1) (\$95,623 - \$101,458)</p> <p>by 31 March 2005</p> <p>1 Deputy Director of Housing (D4) (\$145,150 - \$149,600)</p> <p>2 Assistant Director of Housing (D2) (\$113,520 - \$120,553)</p> <p>1 Chief Quantity Surveyor (D1) (\$95,623 - \$101,458)</p> <p>1 Chief Estate Surveyor (D1) (\$95,623 - \$101,458)</p>

EC Item No.	Head of Expenditure	Recommendation
EC(2004-05)9		by 31 March 2006
(cont'd)		1 Senior Assistant Director of Housing (D3) (\$127,900 - \$135,550)
		1 Assistant Director of Housing (D2) (\$113,520 - \$120,553)
		2 Chief Housing Manager (D1) (\$95,623 - \$101,458)
		1 Chief Estate Surveyor (D1) (\$95,623 - \$101,458)
		1 Chief Maintenance Surveyor (D1) (\$95,623 - \$101,458)
		1 Chief Planning Officer (D1) (\$95,623 - \$101,458);
		(b) the creation of the following permanent post by 31 March 2006 –
		1 Deputy Director of Housing (D4) (\$145,150 - \$149,600)
		to be offset by deletion of the following permanent post –
		1 Senior Assistant Director of Housing (D3) (\$127,900 - \$135,550);
		(c) the creation of the following supernumerary post with immediate effect until 31 March 2006 –
		1 Assistant Director of Housing (D2) (\$113,520 - \$120,553);
		(d) the retention of the following supernumerary post for three years with effect from 15 July 2004 –
		1 Assistant Director of Housing (D2) (\$113,520 - \$120,553); and
		(e) the revision and redistribution of duties and responsibilities among the remaining directorate staff of the Department.