

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 creation of the following supernumerary post in the Secretariat to the Commission on Strategic Development within the Central Policy Unit with immediate effect up to 30 June 2007 –

1 Administrative Officer Staff Grade C
(D2) (\$110,000 - \$116,800)

PROBLEM

The Central Policy Unit (CPU) needs to strengthen the Secretariat to the Commission on Strategic Development (CSD) to provide necessary support to the expanded CSD and its four committees chaired by the Chief Executive (CE), the Chief Secretary for Administration (CS) and the Financial Secretary (FS).

PROPOSAL

2. Head, CPU proposes to create one supernumerary directorate post of Administrative Officer Staff Grade C (AOSGC) (D2), designated as Assistant Secretary to the CSD to strengthen the Secretariat to the CSD with immediate effect up to 30 June 2007.

/JUSTIFICATION

JUSTIFICATION

Role and Structure of the Commission on Strategic Development

3. The CSD was set up in February 1998 with the following terms of reference –

- (a) to advise the CE on Hong Kong's long-term development needs and goals; and
- (b) to conduct reviews and studies on Hong Kong's economy, human resources, education, housing, land supply, environmental protection and relations with the Mainland to ensure that Hong Kong's resources are well-used, and that Hong Kong keeps up with world trends in competitive terms, and to maintain the vitality of economic development.

4. At that time, the CSD comprised no more than 13 non-official members and two official members, viz., the CS and the FS. There were no committees, sub-committees or working groups. A Secretariat comprising seven officers, i.e., one Administrative Officer Staff Grade B (AOSGB) (D3), designated as Secretary to the CSD, one Government Town Planner (GTP) (D2) and five supporting non-directorate administrative, executive, clerical and secretarial grade officers, was created in the CPU to support the operation of the CSD. This Secretariat reported directly to Head, CPU and operated independently of the rest of the CPU.

5. In his Policy Address on 12 October 2005, the CE announced that he looked upon the CSD as the most important advisory body, and would substantially expand its membership by inviting talent from different fields. The expanded CSD would provide a platform for all sectors of the community to explore with the Government major issues pertaining to our long-term development. It would be able to gauge a wide range of community views, thereby laying the foundation for formulating specific policies, and making the process more scientific and transparent, backed up by enhanced public participation and acceptance.

6. Appointments to the expanded CSD were announced on 15 November 2005. There are presently 153 non-official and four official members serving on its four committees, viz., Executive Committee, Committee

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on Governance and Political Development, Committee on Social Development and Quality of Life, and Committee on Economic Development and Economic Cooperation with the Mainland. The first two committees are chaired by the CE and the other two by the CS and the FS respectively. The terms of reference of the four committees, each with 35 to 40 members, are at Enclosure 1.

7. The committees hold regular meetings about once every two months. In between these regular meetings, the committees may, as and when necessary, organise informal meetings or workshops to provide members with more opportunities to discuss and explore topical issues in-depth. This means that there will be about 24 committee meetings chaired by the three most senior officials of the Hong Kong Special Administrative Region Government and about the same number of informal meetings or workshops organised by the Secretariat each year. Since the expansion of the Commission in November 2005 and up to the end of April 2006, the Secretariat to the CSD has already organised three workshops and one informal meeting for the four committees, and will organise at least three more workshops in the coming three months on the important strategic issues relating to population policy, review of the role, functions and structure of District Councils and the political appointment system. Members of the four committees consider the setting up of working groups and the convening of more workshops necessary for the effective operation of the CSD. The Secretariat expects to organise or convene more workshops or informal meetings outside the formal committee meetings, regardless of whether specific working groups are to be formed or not.

8. The increase in the membership of the CSD, the setting up of four committees with specific terms of reference, and the Commission becoming the most important advisory body to the CE entail a significant increase in workload, both in terms of complexity and volume. Our working experience since November 2005 has clearly demonstrated that such workload is beyond the capacity of the manpower of the original Secretariat, and there is an urgent and genuine need to augment the Secretariat at various levels. Starting from 1 April 2006, six additional non-directorate posts have been created in the Secretariat. Incumbents of these posts are providing the essential general support services including general research support work, logistics for meetings and briefings, administration support service, handling of general enquiries and complaints, etc. To effectively support the operation of the expanded CSD, it is also necessary to reinforce the Secretariat at the directorate level.

/Need

Need for a Supernumerary Administrative Officer Staff Grade C (D2) Post

Encl. 2 9. At present, the Secretary to the CSD is supported at the directorate level by a GTP (D2). The latter's primary input lies in the professional aspects of global, regional and Mainland development trends as well as demographic issues that affect Hong Kong. The job description of the GTP post is at Enclosure 2. The expanded CSD and the much increased frequency of meetings to discuss a wide spectrum of strategic issues involve additional work of both political and administrative nature. Moreover, the CE has made it clear that the nature of CSD's work requires a more interactive approach involving frequent and direct exchanges between members and the Secretariat. This gives rise to an additional dimension to the Secretary's duties, and hence the need to give him appropriate directorate support. With over 150 high powered and influential members in the Commission, the Secretary to the CSD needs one more directorate officer to assist him in discharging the following duties –

- (a) undertaking policy researches and analyses, and preparing papers to present strategic issues for consideration by the committees;
- (b) overseeing the studies instigated by the committees;
- (c) organising the logistics of the four committees and keeping proper records of committee meetings, workshops and informal meetings;
- (d) coordinating with parties within and outside the Government on issues for discussion by the committees;
- (e) interacting with members through various media with a view to incorporating their ideas for consideration by the committees; and
- (f) handling publicity and public relations for the committees.

10. During its current term, the CSD will deal with complex topics ranging from our international competitiveness, the design of a universal suffrage system, population policy, income inequality/social mobility and creation of employment opportunities. Given the wide range and complexity of the work involved, and the status and importance of the CSD, we consider that such work calls for dedicated and additional support at the directorate (D2) level in the Secretariat. In view of the breadth of strategic issues that the expanded CSD will tackle, the additional directorate officer will need to coordinate and liaise with relevant parties in conducting researches and preparing discussion papers and reports for the Commission. Specific issues include, for example, Hong Kong's international competitiveness, Hong Kong's role in international community and external affairs, development of high value-added logistics industry in Hong Kong,

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electoral arrangements for the selection of the CE and the formation of the Legislative Council, etc. These tasks require an officer with vast policy formulation experience in the Government as well as a high level of analytical and intellectual capability. We therefore propose to create a post of Assistant Secretary to the CSD at the rank of AOSGC (D2). The duty list of the proposed post is at

Encl. 3

11. We took the view that the proposed post of Assistant Secretary to the CSD should be created on a permanent basis. It has always been our policy to review the justification for staff resources periodically in response to changing needs and circumstances, even if the posts were provided on a permanent basis. At earlier meetings of the Legislative Council Panel on Public Service and the Establishment Subcommittee, some Members considered that, as the current term of the CSD would expire on 30 June 2007, only a time-limited post should be created. We have therefore re-examined our proposal and are prepared to accept the suggestion that the proposed post of Assistant Secretary to the CSD be created on a supernumerary basis with immediate effect until 30 June 2007. As soon as circumstances permit a definitive position to be taken with the future CSD, we will consider making further recommendations to the Finance Committee/ Establishment Subcommittee on the longer term directorate support required by the Secretariat.

12. The proposed organisation chart of the Secretariat to the CSD is at

Encl. 4

Alternatives

13. The first alternative is to maintain the status quo by not providing any additional staff at the directorate level. We believe that this will result in inadequate support for the expanded CSD. The GTP post, as explained in paragraph 9 above, is mainly to provide professional inputs to the work of the CSD. We have considered the feasibility of redeploying other directorate staff within the CPU to take on the new duties. While such redeployment has been resorted to cover temporary staffing shortfalls, we consider that the proper functioning of the expanded CSD has to be provided for on an on-going basis. Another consideration is that the basic work of the CPU, in terms of policy research, collection and analysis of community feedback and research support for Pearl River Delta and Pan-Pearl River Delta development, has been stepped up in recent years and the existing directorate staff are already fully engaged in these duties. Further internal staff redeployment would not be possible, without affecting the normal duties of the CPU.

/FINANCIAL

FINANCIAL IMPLICATIONS

14. The additional notional annual salary cost of the proposed AOSGC (D2) post at mid-point is \$1,360,800, and its full annual average staff cost, including salary and staff on-cost, is \$2,026,000.

ESTABLISHMENT CHANGES

15. The establishment changes under Head 142 - Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary in the past two years are as follows –

Establishment (Note)	Number of Posts		
	Existing (as at 1 April 2006)	As at 1 April 2005	As at 1 April 2004
A	32 +(2) @	32 + (1)	26 + (2)
B	96	93	80
C	366	360	347
Total	494 + (2)*	485 + (1)#	453 + (2)

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

@ - As at 1 April 2006, there were two unfilled directorate posts.

* - The increase over 1 April 2005 is mainly due to the creation of posts for the Secretariat to the Commission on Poverty and the Secretariat to the CSD, partly offset by deletion of posts for Hong Kong Guangdong Cooperation Coordination Unit.

- The increase over 1 April 2004 is mainly due to the cost neutral redeployment of posts from the Commerce, Industry and Technology Bureau and the Financial Services and the Treasury Bureau upon setting up of the Economic Analysis and Business Facilitation Unit under FS' Office with effect from 1 June 2004 following transfer of responsibilities.

Remark:

The Finance Committee approved on 7 April 2006 the creation of one supernumerary AOSGC(D2) post to provide support in taking forward the Tamar development project.

/CONSULTATION

CONSULTATION WITH LEGISLATIVE COUNCIL

Panel on Public Service

16. We consulted the Legislative Council Panel on Public Service on 16 January 2006 on an earlier proposal of creating a permanent directorate post of AOSGC (D2). A few Members of the Panel expressed concerns about the justifications for the proposal. They considered that it was more appropriate to create non-directorate posts, such as research officer and secretarial posts to undertake the required duties of policy research and analysis, organise the logistics of the four committees and keep proper records of committee meetings given that the Commission was being supported by two directorate officers. They did not consider it justified to create at this stage additional posts on a permanent basis given that the functions of the Commission might change after the expiry of the current term of office of the CE and members of the Commission in June 2007. One Member supported the staffing proposal in principle to provide the necessary support to the expanded CSD. However, the need for the post on a long-term basis should be reviewed having regard to any changes in workload of the Secretariat to the CSD upon the expiry of the current term of office of the CSD members on 30 June 2007.

Establishment Subcommittee

17. The Establishment Subcommittee discussed at its meeting on 8 February 2006 the proposal of creating a permanent directorate post of AOSGC (D2). A few Members expressed concerns about the justifications for the proposal. They shared the concern of some Members of the Legislative Council Panel on Public Service and considered it more appropriate to provide additional manpower at the non-directorate level. They were also of the view that given the uncertainty over the status of the CSD in the long run, the Administration should consider the creation of a supernumerary directorate post at this stage. One Member appreciated the importance of the CSD and looked forward to its contributions to the strategy and policy formulation for the long-term development of Hong Kong. He supported the proposal of strengthening the directorate support in the Secretariat but considered that a supernumerary post was more appropriate given the uncertain status of the CSD beyond June 2007.

18. As explained above, we consider it necessary to strengthen directorate support in the Secretariat in order to enable it to cope effectively with the new workload. Addressing strategic issues which are crucial to our long-term developments, the CSD deserves a level of support commensurate with its mission. For the reasons given in paragraphs 9 and 10 above, and in view of the additional

/workload

workload after CSD's expansion and the setting up of its four committees, the proposed D2 post is genuinely needed. We consider a total of three directorate posts to service four separate committees of 35 to 40 members each, meeting bimonthly plus other workshops and engaged in frequent interaction to be a reasonable provision. This assessment has taken into account the respective terms of reference of the committees and experience from three rounds of meetings held since November 2005.

CIVIL SERVICE BUREAU COMMENTS

19. The Civil Service Bureau considers the proposed staffing proposal in this paper functionally justified. The grading and ranking of the post to be created are considered appropriate having regard to the level and scope of responsibilities in question.

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

20. As the directorate post is proposed on a supernumerary basis, its creation, 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
April 2006

Terms of Reference

Executive Committee

- to advise the CE on Hong Kong's long-term development needs and goals; and
- to conduct reviews and studies of Hong Kong's economy, human resources, education, housing, land supply, environmental protection and relations with the Mainland to ensure that Hong Kong's resources are well-used, and that Hong Kong keeps up with world trends in competitive terms, and to maintain the vitality of economic development.

Committee on Governance and Political Development

- to advise the CE on the direction and strategy of political development and enhancing the quality of governance; and
- to conduct studies on political development and governance issues of strategic importance.

Committee on Social Development and Quality of Life

- to advise the CE on the direction and strategy of social development to enhance the quality of life in Hong Kong, including social harmony, environment and health, education and public welfare, transport, arts and culture, population, etc.; and
- to conduct studies on major social development issues of strategic importance.

Committee on Economic Development and Economic Cooperation with the Mainland

- to advise the CE on the direction and strategy to enhance the economic development and competitiveness of Hong Kong, to explore the commercialisation of creative ideas and opportunities for exchanges among creative talent, and to foster closer regional cooperation between Hong Kong and the Mainland with particular reference to the Pearl River Delta (PRD) and the Pan-PRD; and
- to conduct studies on economic development issues of strategic importance.

Job description
Government Town Planner (Commission on Strategic Development)

Post title : Government Town Planner (Commission on Strategic Development)

Responsible to : Secretary to the Commission on Strategic Development

Rank : Government Town Planner (D2)

Major duties and responsibilities –

- (a) assisting the Secretary to the Commission in preparing consultancy briefs and papers to facilitate the commissioning of consultancy projects initiated by the Commission;
 - (b) assisting the Secretary to the Commission in monitoring the progress of consultancy projects and providing steer to consultants, on planning related issues in particular;
 - (c) assisting the Secretary to the Commission in preparing study briefs and research papers on global, regional and Mainland development trends with significant impact on Hong Kong's development;
 - (d) assisting the Secretary to the Commission in liaising with government bureaux and departments, and other organisations in providing inputs regarding strategic development issues;
 - (e) assisting in liaising with interested parties outside the Government, in respect of the studies initiated by the Commission; and
 - (f) undertaking any specific tasks as directed by the Secretary to the Commission.
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Job description
Assistant Secretary to the Commission on Strategic Development

Post title : Assistant Secretary to the Commission on Strategic Development

Responsible to : Secretary to the Commission on Strategic Development

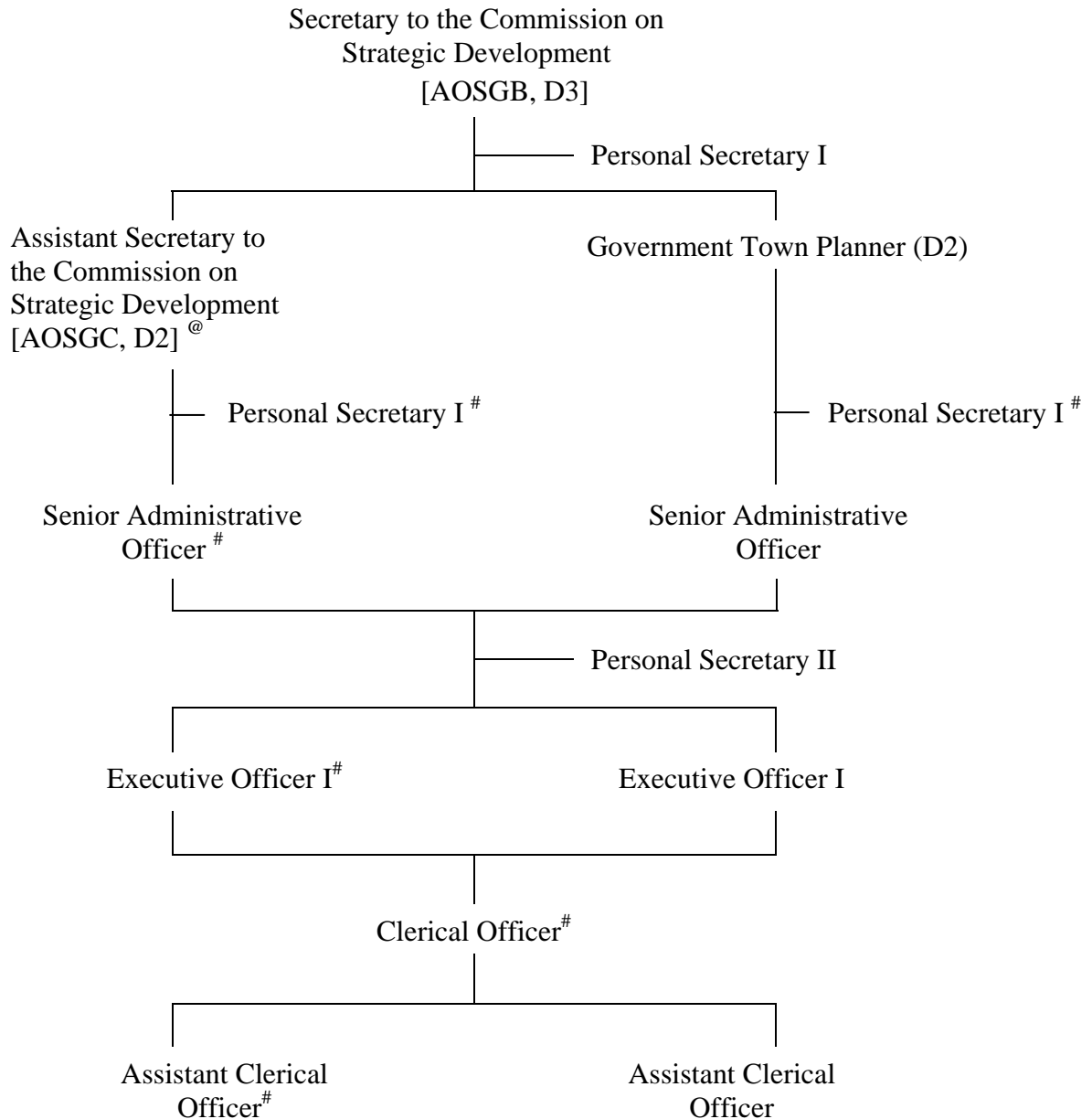
Rank : Administrative Officer Staff Grade C (D2)

Major duties and responsibilities –

The Assistant Secretary to the Commission on Strategic Development is the deputy to the Secretary to the Commission and is responsible for -

- (a) undertaking policy research and analysis as directed by the Commission and its committees and overseeing the studies instigated by the committees;
- (b) coordinating and preparing papers for the Commission's committees, following up their advice and recommendations, and preparing reports on the work of the Commission and its committees;
- (c) providing secretariat and other support services to the Commission's committees, including the logistics of meetings and record keeping, etc.;
- (d) liaising with government bureaux and departments and other organisations in coordinating issues for discussion by the Commission's committees and in following up their advice and recommendations;
- (e) handling public relations with other organisations, in particular the media, and publicity on the Commission and its committees; and
- (f) assisting the Secretary to the Commission in administering the Secretariat to the Commission.

**Proposed Organisation Chart of the
Secretariat to the Commission on Strategic Development**



(A total of 14 officers)

Legend

AOSGC Administrative Officer Staff Grade C

@ Supernumerary directorate post proposed for creation

Non-directorate posts created on 1 April 2006