Submission by Cathay Pacific Airways to Legislative Council Panel on Constitutional Affairs on "Re-organization of the Government Secretariat"

We would like to express Cathay Pacific's support for the Chief Executive-elect's proposals for the structure of the Government Secretariat. In particular, we welcome the CE-elect's plans to place responsibility for the Aviation portfolio within the new Commerce and Industries Bureau (CIB), under the supervision of the new Deputy Financial Secretary.

The central role that aviation plays in the development of Hong Kong's economy has long been acknowledged. That this role relates to the HKSAR's position in the global economy was recognised in the Basic Law, Article 128 of which charged the Government with the "maintenance of the status of Hong Kong as a centre of international and regional aviation."

International aviation issues are most similar in substance to trade issues, and we therefore believe that the aviation portfolio should be administered by the team responsible for Hong Kong's overall foreign trade policies, alongside departments such as the Economic and Trade Offices and Invest Hong Kong. Successful airlines are, in effect, part of the export economy. Roughly 70% of Cathay Pacific's revenues are in fact generated overseas.

Closer to home, aviation is intimately connected with various other sectors of the HK economy, such as maritime transport, logistics and tourism. Therefore we welcome the creation of the Maritime, Aviation, Logistics and Tourism Branch within the CIB, which can deal with aviation in the broader context of Hong Kong's economic development.

With regard to the creation of a Deputy Financial Secretary position, we think this will help with the creation of coordinated economic policy and lead to efficient and expeditious decision-making. The DFS will be able to look at a number of interrelated areas that straddle different policy bureaux and provide a holistic policy approach.

International aviation issues being very specialised, knowledge and experience in them is important in managing the aviation portfolio successfully. We hope that the talents and experience of Administrative Officers who have worked on the aviation portfolio in the past can be retained despite the reorganisation.

Thank you for giving us the opportunity to comment on proposed changes to the Government Secretariat that should further strengthen the aviation sector and the Hong Kong economy in general. We are happy to provide further input if that is desired.

Cathay Pacific Airways 14 May 2012