

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 158 – GOVERNMENT SECRETARIAT : TRANSPORT AND HOUSING BUREAU (TRANSPORT BRANCH)

Subhead 000 Operational expenses

Members are invited to recommend to Finance Committee the creation of the following permanent post in the Transport Branch of the Transport and Housing Bureau with immediate effect upon approval of the Finance Committee –

1 Administrative Officer Staff Grade C
(D2) (\$164,500 - \$179,850)

to be offset by the deletion of the following permanent post –

1 Assistant Director of Marine
(D2) (\$164,500 - \$179,850)

PROBLEM

We need to rationalise the grading of the Principal Assistant Secretary for Transport and Housing (Transport)10 (PAS(T)10) post currently ranked at Assistant Director of Marine (AD of M) (D2) level in Division 5 of the Transport Branch of the Transport and Housing Bureau (THB(TB)) by re-grading it to a permanent Administrative Officer Staff Grade C (AOSGC) (D2) post to provide pertinent policy support for the development of the logistics and port industries in Hong Kong.

/PROPOSAL

PROPOSAL

2. We propose to re-grade the PAS(T)10 post, by creating a permanent AOSGC post to be offset by deleting the existing AD of M post in Division 5 of THB(TB).

JUSTIFICATION

Organisation of Division 5

3. Division 5 of THB(TB) is responsible for formulating policies, as well as implementing proposals and measures, to promote and consolidate Hong Kong's role as an international maritime centre, a leading port and a regional logistics hub. The division is headed by an Administrative Officer Staff Grade B (AOSGB) (D3), titled Deputy Secretary for Transport and Housing (Transport)5 (DS(T)5), who is underpinned by three directorate officers comprising two Principal Assistant Secretaries (D2) and a Chief Assistant Secretary (D1). The two Principal Assistant Secretaries, titled PAS(T)10 and PAS(T)11¹, are currently filled by officers at AOSGC rank and the Chief Assistant Secretary, titled CAS(T), is filled by an officer at Principal Marine Officer (PMO) (D1) rank. The organisational chart of Division 5 of THB(TB) is at Enclosure 1.

Encl. 1

4. The three directorate officers under DS(T)5 (i.e. PAS(T)10, PAS(T)11 and CAS(T)) each takes charge of one major policy area. Broadly speaking, PAS(T)11 assists DS(T)5 in policy matters relating to maritime development, including enhancing Hong Kong's role as an international maritime centre, driving the development of high value-added maritime services and supporting the Hong Kong Maritime and Port Board (HKMPB) and its Committees. CAS(T) assists DS(T)5 in supporting HKMPB's Promotion and External Relations Committee, as well as facilitating the operation of the local vessel trade.

Roles of PAS(T)10

5. PAS(T)10 assists DS(T)5 in policy matters pertaining to the development of the logistics and port industries. For example, in view of the rapid development of high value-added third party logistics over the past years,

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¹ PAS(T)11 is a supernumerary AOSGC post created from 27 November 2015, on a time-limited basis up to 31 March 2020.

we need to make available suitable sites for the development of modern logistics, with a view to maintaining Hong Kong's position as a preferred regional logistics hub. PAS(T)10 also assists DS(T)5 in facilitating industry development through various initiatives supported by the Hong Kong Logistics Development Council (LOGSCOUNCIL)². The initiatives include organising overseas missions to promote Hong Kong's logistics services and supporting manpower training programmes that would help nurture young talents for the logistics sector. To enhance the handling capacity and efficiency of the Kwai Tsing Container Terminals, and hence the throughput of the Hong Kong Port, THB(TB) conducted a comprehensive review in 2015 to identify ways to provide additional port back-up land. PAS(T)10 assists DS(T)5 in taking forward the recommendations of the review by making available six pieces of port back-up sites totalling about 18 hectares for container terminal use. In addition, PAS(T)10 is responsible for housekeeping the Marine Department (MD) and taking forward legislative proposals to enhance marine safety, as well as to fulfil Hong Kong's international obligations by incorporating international conventions endorsed by the International Maritime Organization and the International Labour Organization into local legislation. The job description of PAS(T)10 is at Enclosure 2.

Encl. 2

Need for a Permanent AOSGC Post

6. When a supernumerary AOSGC post was first created in 2002 by holding against the AD of M post to accommodate an AOSGC in undertaking duties of the PAS(T)10 post, the arrangement was envisaged to be a short-term one for meeting temporary operational needs, and this arrangement has been kept under regular review.

7. The practical experience is that given the expanding portfolio of Division 5 over the years, and the breadth, nature and complexity of work outlined above, the effective discharge of these duties requires intensive and long-term policy and legislative input from a directorate officer with administrative and management experience. There is a confirmed need for the post to be filled permanently by an AOSGC who has the requisite experience in policy administration in formulating and implementing policies and strategies, as well as engaging a broad range of stakeholders on issues straddling several policy portfolios including trade facilitation, inter-modal transportation network,

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2 LOGSCOUNCIL was established on 11 December 2001 to provide a forum for the government and industry stakeholders to formulate initiatives to spur the further development of the local logistics sector. It advises the Government on all aspects of sustaining and enhancing Hong Kong's position as a regional logistics hub to facilitate the flow of cargoes through Hong Kong and the provision of value-added services for those cargoes.

air cargo handling, etc. Furthermore, legislative work to enhance marine safety requires considerable administrative and policy input by an AOSGC.

8. We have been maintaining dialogue with management of MD in respect of the re-grading proposal. The Hong Kong Marine Department Local Professional Officers' Association and the Marine Officers Association³ were recently consulted and they raised no objection to the re-grading proposal with the understanding that the job nature and circumstances of the AD of M post had changed significantly since the last incumbent from MD occupied the post in 2002.

9. The proposed AOSGC post to be re-graded from the AD of M post will keep the post title of PAS(T)10.

ALTERNATIVES CONSIDERED

10. We have carefully examined the directorate support within Division 5 and consider that the duties taken up by PAS(T)10, which involves formulating relevant policies and strategies to enhance the competitiveness of the logistics and port industries, fall squarely within the scope of an AOSGC. We have also carefully examined the possibility of reinstating the AD of M post. Given that the core competencies required of the PAS(T)10 post are not most commensurate with the expertise of officers of the Marine Officer grade and the Surveyor of Ship grade under MD, re-grading the PAS(T)10 post to an AOSGC post is hence both functionally justified and practicably feasible.

FINANCIAL IMPLICATIONS

11. The proposed creation of a permanent AOSGC (D2) post, to be offset by deletion of a permanent AD of M (D2) post, is cost neutral.

PUBLIC CONSULTATION

12. We have consulted the Panel on Economic Development on 24 April 2017 on the staffing proposal. Members generally supported the proposal.

/BACKGROUND

³ Members of the two staff unions are officers of the Marine Officer and Surveyor of Ship grades. The two grades are the feeder grades of MD's directorate officers.

BACKGROUND

13. To oversee the planning and development of port facilities, as well as to serve the then Hong Kong Port Development Board (HKPDB)⁴, a Port Development Board Division was established in 1990 in the then Economic Services Branch. The Port Development Board Division was headed by an AOSGB (D3), and supported by an AD of M (D2). The major duties of the AD of M were to assist, at a technical level, in port planning, development and management through examining and monitoring Hong Kong's port cargo forecasts and container terminal throughput. A Lantau Port Office, headed by a PMO (D1), was created in 1993 within the Port Development Board Division to explore the feasibility and need for the development of port facilities in Lantau. In 1998, the scope of work of the Port Development Board Division was expanded to cover the promotion of Hong Kong's maritime services. The Division, with the same strength of directorate staff, was retitled as Port and Maritime Board Division.

14. In 2001, the Government sought to strengthen Hong Kong's role as a preferred regional logistics hub, as well as a base for integrating service providers for global supply chain, and subsequently established a Logistics Development Section to support the development of the logistics industry in Hong Kong. The Logistics Development Section was tasked to assist in formulating policy, coordinating policy inputs and developing action programmes relating to logistics development, and providing secretariat support to LOGSCOUNCIL. As the expanded scope of work required considerable policy input in mapping out the long-term needs of the logistics industry (including assessing its manpower needs, future development direction, the adoption of e-logistics, etc.) which go beyond technical marine and port matters the AD of M was originally tasked with, it was more appropriate for an AOSGC to head the Logistics Development Section. A supernumerary AOSGC post held against the AD of M post was hence created under delegated authority in March 2002 to accommodate the AOSGC deployed to fill the AD of M post. The AOSGC oversaw new initiatives and policy matters pertaining to logistics development while the PMO was tasked to deal with on-going initiatives relating to port development and maritime services. This arrangement of deploying an AOSGC to take up duties of the AD of M post by creating supernumerary AOSGC post has continued after the transfer of the logistics development portfolio to THB(TB) on 1 July 2007 for meeting operational needs.

/ESTABLISHMENT

⁴ HKPDB was established on 1 April 1990 to serve as a platform coordinating views and efforts of the public and private sectors relating to port development. It oversaw the port development strategy and port facility planning with a view to maintaining the competitiveness of the Hong Kong Port.

ESTABLISHMENT CHANGES

15. The current proposal will not result in any changes in the establishment of THB(TB). For Members' reference, the establishment changes in THB(TB) for the past two years are as follows –

Establishment (Note)	Number of Posts			
	Existing (as at 1 October 2017)	As at 1 April 2017	As at 1 April 2016	As at 1 April 2015
A	20+(5)	20+(5)	20 + (5)	20
B	57	55	53	47
C	121	117	111	108
Total	198+(5)	192+(5)	184 + (5)	175

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

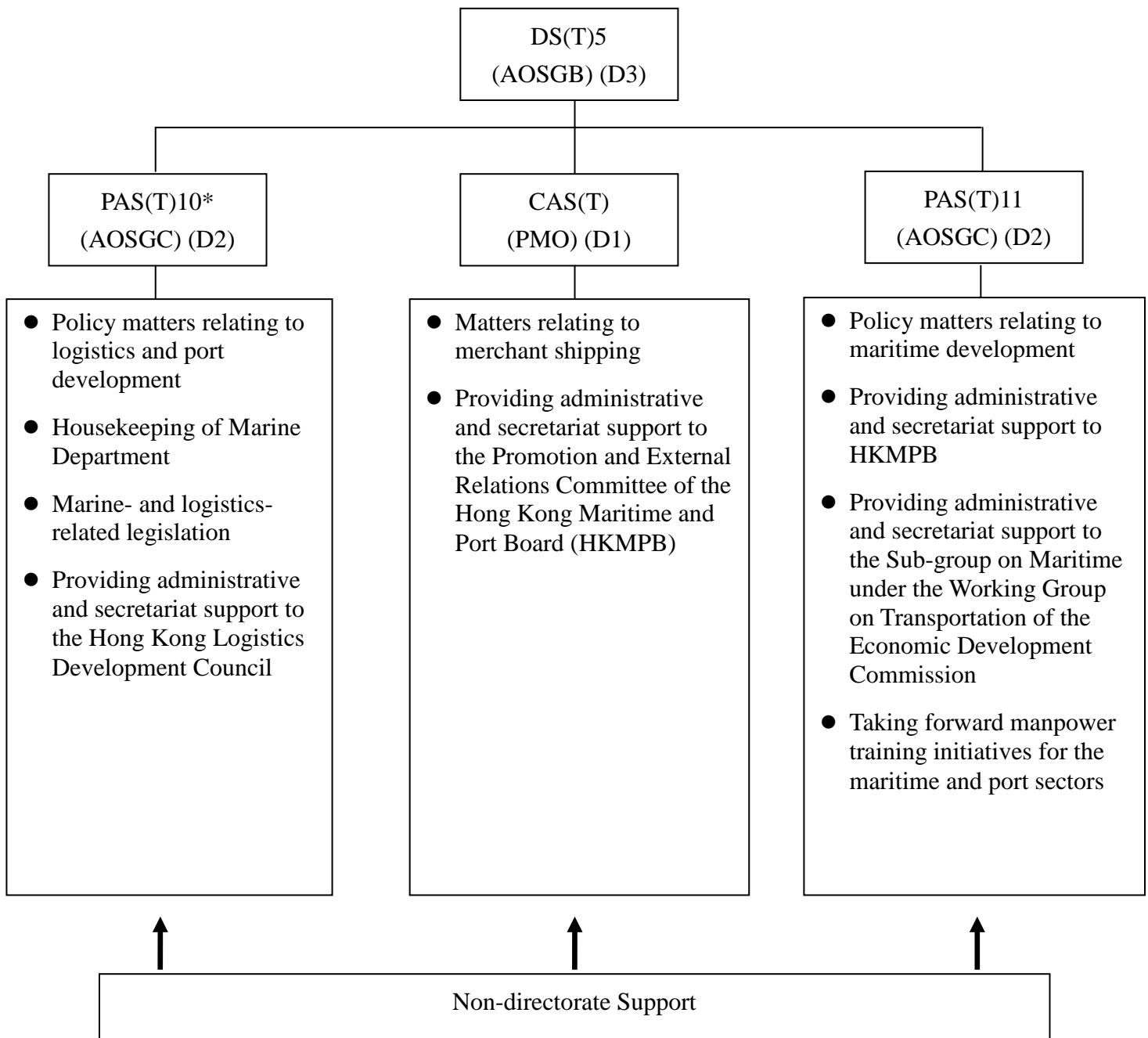
CIVIL SERVICE BUREAU COMMENTS

16. The Civil Service Bureau supports rationalising the grading of PAS(T)10 post by the proposed creation of a permanent AOSGC (D2) post offset by deletion of a permanent AD of M (D2) post in Division 5 of THB(TB). The grading and ranking of the proposed post are considered appropriate having regard to the level and scope of responsibilities.

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

17. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the permanent directorate post is appropriate.

**Organisational Chart of Division 5 of the
Transport Branch of the Transport and Housing Bureau**



Legend

AOSGB - Administrative Officer Staff Grade B
AOSGC - Administrative Officer Staff Grade C
PMO - Principal Marine Officer

DS(T) - Deputy Secretary for Transport and Housing (Transport)
PAS(T) - Principal Assistant Secretary for Transport and Housing (Transport)
CAS(T) - Chief Assistant Secretary for Transport and Housing (Transport)

Remarks

* Post proposed to be re-graded from Assistant Director of Marine to AOSGC

**Job Description for the Post of
Principal Assistant Secretary for Transport and Housing (Transport) 10**

Rank : Administrative Officer Staff Grade C (D2)

Responsible to : Deputy Secretary for Transport and Housing (Transport) 5
(D3)

Main Duties and Responsibilities –

1. To provide policy input to matters relating to logistics development and impacting the competitiveness of the logistics trade, as well as to oversee the implementation and promotion of related initiatives, with a view to strengthening Hong Kong's role as a preferred regional logistics hub and supply chain base.
2. To provide administrative and secretariat support to the Hong Kong Logistics Development Council and its subcommittees in implementing various initiatives to facilitate industry development in the areas of manpower training, support for small- and medium-sized enterprises, the application of information technology, marketing and promotion, etc.
3. To provide policy input to matters relating to port development with a view to enhancing the port's handling capacity, including following up on the recommendations of the "Proposals for Enhancing the Use of Port Back-up Land in Kwai Chung".
4. To take forward legislative proposals to implement marine-related international conventions into local legislation, as well as other marine legislation to enhance navigation safety.
5. To housekeep the Marine Department, including providing policy input in taking forward the department's initiatives.
