# Legislative Council Panel on Public Service

## Creation of a Principal Economist Post in the Economic Analysis and Business Facilitation Unit, Financial Secretary's Office

The Government's response to the motions passed at the meeting on 20 November 2017

#### **PURPOSE**

This note sets out the Government's response to the two motions passed at the Panel meeting on 20 November 2017 regarding the creation of a permanent Principal Economist Post in the Economic Analysis and Business Facilitation Unit ("EABFU") under the Financial Secretary's Office (at <u>Annex</u>).

#### RESPONSE TO THE FIRST MOTION

2. EABFU has all along been actively recruiting talents with outstanding academic background. As at end-November 2017, more than 80% of the members in the Economist Grade held a Master degree or even higher. For the proposed post in particular, the same arrangement will be adopted as with all other directorate posts at promotion rank in the Government. The department concerned would conduct a promotion exercise in accordance with the established guidelines and procedures of the civil service, to identify the most suitable officer(s) among the eligible officers for promotion to the rank concerned, based on selection criteria such as character, ability, and experience, as well as any qualifications prescribed for the promotion Nonetheless, if sufficient number of candidates cannot be rank. identified for promotion to the rank concerned, the Government would consider other filling arrangements in accordance with the established mechanism, such as open recruitment. In fact, EABFU had in the past conducted open recruitment in accordance with the above established mechanism to recruit professionals with private sector experience and academic research background to take up posts at promotion ranks.

### RESPONSE TO THE SECOND MOTION

- 3. The Government conducts manpower projections ("MPs") from time to time to assess the broad trends in the future manpower demand and supply of the local economy at the macro level. traditional economic sectors, the Government also conducts studies and projections on the labour demand from "strategic sectors" that are of paramount importance or have great potential for further development, and provides them for stakeholders' reference. EABFU has all along been participating in the relevant work and rendering the necessary economic analysis and technical support in the process. The results of the most recent round of MP (i.e. Manpower Projection to 2022) are available on the Labour and Welfare Bureau ("LWB")'s website (http://www.lwb.gov.hk/report/mp2022 en.pdf). According to projections therein, the average annual growth rates in manpower requirements for financial services, innovation and technology, and cultural and creative sectors are projected at 2.2%, 1.7% and 1.3% respectively during the projection period<sup>1</sup>, higher than that of 0.9% growth in the overall manpower demand.
- 4. As for the emerging industries now under formation in the new economy, there is a certain degree of difficulty in rendering the respective labour demand forecasts in the absence of adequate and reliable statistics and information. Nevertheless, the Government will extensively consult businesses, trade associations and academia as well as collect their qualitative views for analysis while conducting MP.

The projection period of MP2022 covered 2012 to 2022. Given the actual 2012 figures for the Innovation and Technology and Cultural and Creative sectors were not yet available when the manpower requirement projections were being compiled, the projection period for these two sectors covered 2011 to 2022.

5. A new round of the exercise, Manpower Projection to 2027, has formally kicked off, and the main results are expected to be released by EABFU will continue to actively participate in the mid-2019. inter-departmental working group led by the LWB, and render data analysis and technical support as required by the relevant bureaux and departments. In addition, the Commission on Human Resources Planning ("CHRP") under the chairmanship of the Chief Secretary for Administration, which will start operating in early next year, will be responsible for co-ordinating and taking forward policies on human resources in a holistic manner, with a view to fostering Hong Kong's development into a more diversified economy. EABFU will also provide the economic analysis and technical support as required by the CHRP.

Economic Analysis and Business Facilitation Unit Financial Secretary's Office 11 December 2017 **Motions passed at Panel on Public Service meeting** on 20 November 2017 regarding

"Creation of a Principal Economist Post in the Economic Analysis and Business Facilitation Unit, Financial Secretary's Office"

FIRST MOTION

"Given that the Government's proposed addition of a permanent Principal

Economist (D2) post in the Economic Analysis and Business Facilitation

Unit under the Financial Secretary's Office is mainly to enhance Hong

Kong's international competitiveness and strengthen the research effort

on new economic growth drivers, this Panel therefore urges the

Government to expeditiously hire from outside the Government an

economic professional with higher education qualifications to lead the

Economic Analysis and Business Facilitation Unit and take up the

Government's proposed new post, and at the same time strengthen its

effort to hire economic talents from the private sector for the

enhancement of relevant policy research and economic analysis."

Moved by: Hon Mrs Regina IP LAU Suk-yee, GBS, JP

**SECOND MOTION** 

"After the Government's creation of a permanent Principal Economist

post in the Economic Analysis and Business Facilitation Unit ('EABFU'),

this Panel urges EABFU to formulate and project at a macro level the

detailed forecasts on manpower demand arising from different industries

under the new economy of Hong Kong"

Moved by: Dr Hon CHIANG Lai-wan, JP