

## **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 Finance Committee the creation of the following two supernumerary directorate posts in the Chief Secretary for Administration's Private Office with effect from the date of approval by Finance Committee until 30 June 2022 –

1 Administrative Officer Staff Grade B  
(D3) (\$191,300 - \$208,800)

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

### **PROBLEM**

We need dedicated directorate staff to lead and manage the Human Resources Planning and Poverty Coordination Unit (HRPPCU), which is to be set up under the Chief Secretary for Administration's Private Office (CSPO), with effect from the date of approval by Finance Committee (FC) up to 30 June 2022.

### **PROPOSAL**

2. We propose that two supernumerary posts of one Administrative Officer Staff Grade B (AOSGB) (D3) and one Administrative Officer Staff Grade C (AOSGC) (D2) be created as Head and Deputy Head of HRPPCU respectively with effect from the date of approval by FC until 30 June 2022.

**/JUSTIFICATION.....**

## JUSTIFICATION

3. The Chief Executive (CE) stated in her election and elaborated in her inaugural 2017 Policy Address that the Government should take up new roles, including the role of a ‘facilitator’. In taking up this role, the Government should be visionary, scrutinise existing policies and measures pursuant to policy objectives, remove obstacles for our industries, strengthen coordination and cooperation across government bureaux and departments, and provide ‘one-stop’ consultation and coordination services as far as practicable, with a view to maximising the benefits for the community.

4. As the most senior principal official after CE, the Chief Secretary for Administration (CS) plays a key role in the coordination of policy formulation and implementation, particularly on major policy areas straddling different policy portfolios. CS directly oversees and coordinates two important policy portfolios, namely population policy and poverty alleviation. He personally chairs two high-level committees to steer and drive policy formulation and implementation of measures in these areas. CE has also tasked CS to chair a new Human Resources Planning Commission (HRPC) to enhance Hong Kong’s human capital to meet our evolving development needs and maintain Hong Kong’s competitiveness.

5. In the last term of Government, a small team named Policy and Project Coordination Unit (PPCU) was set up under CSPO on a time-limited basis to assist CS in policy and project coordination work. Specifically, PPCU assists in government-wide coordination in policy formulation, in particular on the policies, strategies and action plans relating to poverty alleviation and population policy; provides secretariat support to the Steering Committee on Population Policy (SCPP), the Commission on Poverty (CoP) and some of its task forces; and provided first-stop and one-stop inter-bureau/departmental consultation and coordination service to facilitate the implementation of land development and other special projects meeting the Government’s specific policy objectives. PPCU satisfactorily achieved its intended objectives and rendered effective and timely support in coordinating bureaux and departments in drawing up policies, strategies and implementation plans for population policy and poverty alleviation.

**/Establishment .....**

**Establishment of HRPPCU**

6. In line with CE's new style of governance and having regard to the experience in the last-term Government in policy co-ordination under CS' leadership on the important subjects on population policy and poverty alleviation, we propose to establish HRPPCU under CSPO to assist CS in –

- (a) achieving cross-bureau and cross-sector coordination in policy review and formulation on the policies, strategies and action plans related to human resources planning, population policy and poverty alleviation, including coordinating studies and researches pertaining to these policies;
- (b) providing secretariat support to HRPC and CoP, as well as their task forces and working groups; and
- (c) coordinating cross-bureau and cross-sector efforts in enhancing the availability and accessibility of information, stakeholder engagement, societal engagement and publicity campaigns on human resources planning, population policy and poverty alleviation.

7. Similar to PPCU, the new HRPPCU will be a time-limited set-up to lapse on 1 July 2022, co-terminous with the current term of the Government.

8. HRPPCU will provide essential support on coordination work in human resources planning, population policy and poverty alleviation as set out in paragraphs 9 to 19 below.

***Human Resources Planning***

9. In her Election Manifesto and 2017 Policy Address, CE sets out the strategic direction for Hong Kong to develop a high value-added and more diversified economy, and emphasises that talent is the most important element in driving this development. In this connection, CE announced the setting up of HRPC, under the chairmanship of CS. The new HRPC consolidates the resources and efforts of the Government and various sectors, and collectively formulates, examines, coordinates and takes forward policies on human resources to cater for the short-term, medium-term and long-term development needs of Hong Kong. To enhance effectiveness and avoid duplication of work, the new HRPC encompasses and consolidates the functions of SCPP and the Manpower Development Committee chaired by the Secretary for Labour and Welfare (SLW), a non-statutory advisory committee which advised the Government on manpower issues including vocational education, training and retraining, qualifications framework and manpower projection.

10. The new HRPC, which commenced operation on 1 April 2018, is an advisory platform comprising relevant Directors of Bureaux and non-official members of diversified backgrounds to canvass views of different sectors to tackle our human resources challenge. HRPC will focus on the key themes of enhancing the quality of the local workforce, unleashing the potential of the existing population, complementing our existing population and workforce with new sources of human capital, and fostering the exchange of information and data on human resources planning.

11. To achieve the above objective, HRPC will embark on an engagement exercise with stakeholders from various trades, sectors and industries through a series of focus group discussions to tap advice and gauge views on the future work, focus and priorities of human resources development and planning in light of the key themes. It will also explore proposals to collate researches and studies to gather more labour force data and information and put in place a platform which integrates information on matters pertaining to human resources planning and market development trends to facilitate people of various ages and backgrounds, such as students, young school leavers, professionals, technicians, mature workers, and retirees to make informed decisions on their career choices, learning pathways and development trajectories. In addition, HRPC will explore how the current talent admission regime could be enhanced. HRPC will also carry out publicity to promote awareness and cross-sector collaboration on its work. The proposed HRPPCU will support CS and HRPC to undertake these work plans.

### ***Population policy***

12. Tackling Hong Kong's imminent demographic challenges of rapidly ageing population and dwindling workforce is a priority task of the Government. CS leads SCPP comprising the relevant Directors of Bureaux and department heads to take forward this important mission.

13. Having examined thoroughly the population trends and public views gathered from an extensive public engagement exercise completed in early 2014, SCPP proposed that the objective of the population policy should be 'to develop and nurture a population that will continuously support and drive Hong Kong's socio-economic development as Asia's world city, and engender a socially inclusive and cohesive society that allows individuals to realise their potential, with a view to attaining quality life for all residents and families'. In pursuance of the population policy objective, SCPP published in January 2015 a package of population policy strategies and initiatives covering a wide range of areas of ensuring sustainability in Hong Kong's development strategy, unleashing the

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potential of the local labour force by encouraging mature persons to work and extending the retirement age for new civil service recruits, enhancing the quality of home-grown talents, attracting foreign talents and creating a family-friendly environment, etc. Relevant bureaux and departments have put in place all the initiatives announced in 2015.

14. Looking ahead, CS will continue to oversee the implementation of these initiatives and steer the population policy. HRPPCU will support CS to coordinate progress update and review of the implementation of the ongoing population policy initiatives. It will also help coordinate and collate the updates of population projections and relevant data sets to keep in view the main and economic challenges brought about by our ageing population. HRPPCU will arrange stakeholders' engagement from time to time for CS and other relevant bureaux/departments (B/Ds) in furthering the population policy.

15. In light of the current-term Government's great emphasis on nurturing talent, which is the most important element in Hong Kong's continued development, we will focus more on manpower-related areas in pursuing the population policy with a view to enhancing both the quantity and quality of our human capital to meet the evolving needs for our future social and economic developments. The work of SCPP has laid a good foundation for the new HRPC to fulfil its mission.

### ***Poverty Alleviation***

16. CoP was re-instated in December 2012 to serve as a policy platform for deliberation on poverty alleviation policies, with particular emphasis on the tripartite partnership amongst the community, the business sector and the Government. Under CS' chairmanship, CoP now comprises 18 non-official members from different sectors, including the Legislative Council, trade unions, academia, business sector and welfare organisations as well as four ex-officio members, namely SLW, Secretary for Education, Secretary for Food and Health and Secretary for Home Affairs. There are four task forces under CoP, namely the Youth Education, Employment and Training Task Force, the Special Needs Groups Task Force, the Community Care Fund Task Force and the Social Innovation and Entrepreneurship Development Fund Task Force, each of which has specific areas of focus. CoP task forces are joined by over 50 co-opted members to deliberate fully on policies and measures concerning specific aspects of poverty alleviation and to manage the two poverty alleviation-related funds.

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17. CoP plays an important role in advising the Government on its work in tackling poverty, including the unprecedented move of setting the first official poverty line and its annual updates, advising on the design of the Low-income Working Family Allowance and its subsequent enhancements, and undertaking the public consultation on ‘Retirement Protection Forging Ahead’. CoP also assisted in the deliberation of a series of initiatives to tackle poverty and support the disadvantaged, which include facilitating the integration of ethnic minorities into the community, promoting employment of persons with disabilities, strengthening support services for students with special education needs and other disadvantaged groups, enhancing upward mobility of young people with grassroots background, and furthering the work of the Community Care Fund and social innovations. To promote tripartite collaboration in poverty alleviation efforts, CoP and its task forces rolled out major societal engagement campaigns in the past few years, namely, the ‘Bless Hong Kong’ territory-wide poverty alleviation campaign in 2014 and two upward mobility campaigns targeting youths from disadvantaged backgrounds, i.e., the ‘Future Stars’ Programme in 2013 and ‘Life Buddies’ mentoring scheme in 2015. CE also chairs the annual CoP Summit to engage participants from various sectors of the community and members of the public to discuss poverty alleviation issues.

18. CE has set out in her first Policy Address that the Government will continue to devote resources to poverty alleviation as well as support for the disadvantaged in order to build a caring and inclusive society. In our efforts in improving people’s livelihood, including poverty alleviation work, the Government should adhere to four principles when formulating policies: pro-child, pro-family, pro-work and pro-user. We should further promote tripartite cooperation among the Government, the community and business sector to make Hong Kong an inclusive society and enhance cross-sector and cross-profession collaboration in our service provisions. While CS will continue to lead poverty alleviation work and CoP, CE will chair the annual CoP Summit to take stock of the outcome of the efforts made and interact with stakeholders.

19. Based on the achievements of CoP in the past four years or so, HRPPCU will support CS and CoP to continue the ongoing commitments and projects. The first CoP Summit of this term of Government was held in March 2018 where CE, CS and CoP members interacted with stakeholders and members of the public on poverty alleviation strategies and measures. In preparing for the new term of CoP commencing on 1 July 2018, HRPPCU will also assist in reviewing CoP’s structure and work priorities with a view to re-calibrating its functions and focuses to better support the vision and principles in poverty alleviation of the current-term Government.

**/Substantial .....**

**Substantial Workload and Complexity of Coordination Work**

20. Taking into account the nature, scope and complexity of these broad subjects of human resources planning, population policy and poverty alleviation, the new HRPPCU will be a multi-disciplinary team to provide support in taking forward these important policy subjects. Drawing reference to the organisation of PPCU set up in the last-term Government, the new HRPPCU, with a total strength of 12 civil servants, will be led by an AOSGB officer and underpinned by an AOSGC officer as Deputy Head.

***Unit Head***

21. Having regard to the breadth, depth and complexity of the issues pertaining to HRPC and CoP, we propose that the Head of HRPPCU be pitched at AOSGB (D3) level to provide the competence, management skills and experience required by the job. The Head will report to CS direct, and will lead the multi-disciplinary team to provide CS with the necessary policy and coordination support in driving cross-bureau and cross-sector efforts and collaboration for human resources planning, population policy and poverty alleviation. In particular, the Head will have to consolidate inputs from B/Ds and critically analyse statistics, studies and researches coordinated by HRPPCU to draw up recommendations for consideration by CS, HRPC and CoP. Leading the common secretariat for both commissions, the Head will also liaise closely with their members, stakeholders in different industries and sectors, and senior officials in relevant B/Ds.

***Deputy Head***

22. We propose that the Deputy Head of HRPPCU be pitched at AOSGC (D2) level, as the Deputy Head has to underpin the Head in a wide range of duties and act in the latter's capacity in his/her absence. In particular, the Deputy Head will be responsible for providing secretariat support to the two commissions, drafting research and discussion papers, and assisting the Head in monitoring the implementation progress of the initiatives and the delivery of policy objectives agreed by the two commissions.

***Non-directorate Establishment***

23. In addition to the Head and Deputy Head, HRPPCU will have a multi-disciplinary staff of ten non-directorate civil service posts, comprising two Administrative Officers, one Senior Economist, one Senior Statistician, one Statistician and five executive and supporting staff.

Encls. 1 & 2      24.            The job descriptions of the Head and Deputy Head of HRPPCU are at  
 Encl. 3            Enclosures 1 and 2, and the proposed organisation chart of HRPPCU is at  
 Enclosure 3. The tenure of HRPPCU will be co-terminous with the Fifth Term  
 Government, i.e., until 30 June 2022.

### ALTERNATIVES CONSIDERED

25.            We have considered the alternative of assigning individual policy bureaux to take up different policy subjects. However, given the nature, scope and interfacing of the subjects which do not fall squarely into any particular portfolio, it would be very difficult and undesirable for a single bureau to fully and effectively take up the coordination of subjects of such a wide span and complexity on its own. The assigned bureaux would no doubt request additional manpower to handle the coordination duties.

26.            Currently, there are only two directorate officers in CSPO. They are the Administrative Assistant and the Press Secretary to CS. Both of them are fully occupied with duties in relation to running CSPO, managing CS' official engagements and media/press arrangements. There is simply no scope for them to take up additional duties of such a scale and nature.

### FINANCIAL IMPLICATIONS

27.            The proposed creation of two supernumerary directorate posts will bring about an additional notional annual salary cost at mid-point of \$4,526,400 as follows –

	Notional annual salary cost at mid-point \$	No. of posts
<b>Supernumerary posts</b>		
AOSGB (D3)	2,431,800	1
AOSGC (D2)	2,094,600	1
<b>Total</b>	<u>4,526,400</u>	<u>2</u>

The additional full annual average staff cost, including salaries and staff on-cost, is \$6,446,000.

28.            For the ten non-directorate civil service posts mentioned in paragraph 23 above, the additional notional annual salary cost at mid-point is \$7,343,820 and the full annual average staff cost, including salaries and staff on-cost, is \$9,564,000.



29. We have included sufficient provision in the draft Estimates of 2018-19 to meet the cost of this proposal, and will reflect the resources required in the Estimates of subsequent years.

## PUBLIC CONSULTATION

30. We consulted the Panel on Manpower of the Legislative Council on 16 January 2018. Members considered it necessary for the Government to co-ordinate the review and formulation on the policies, strategies and action plans related to human resources planning, population and poverty alleviation, and gave suggestions on the work of the HRPPCU. The majority of members supported the creation of the proposed two supernumerary posts.

## ESTABLISHMENT CHANGES

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

Establishment (Note)	Number of posts		
	Existing (as at 1 April 2018)	As at 1 April 2017	As at 1 April 2016
A	25 + (1) <sup>#</sup>	30 + (4)	29 + (3)
B	94	127	124
C	359	396	391
<b>Total</b>	<b>478 + (1)</b>	<b>553 + (4)</b>	<b>544 + (3)</b>

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 2018, there were four unfilled directorate posts in the Policy Innovation and Co-ordination Office.

## CIVIL SERVICE BUREAU COMMENTS

32. The Civil Service Bureau supports the proposed creation of the two supernumerary directorate posts, namely one AOSGB and one AOSGC with effect from the date of approval by Finance Committee until 30 June 2022. The grading and ranking of the proposed posts are considered appropriate having regard to the level and scope of responsibilities required.

/ADVICE .....

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

33. As the two directorate posts are proposed on a supernumerary basis, their creation, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

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Chief Secretary for Administration's Private Office  
April 2018

**Job Description**  
**Head, Human Resources Planning and**  
**Poverty Coordination Unit**  
**Chief Secretary for Administration's Private Office**

**Rank** : Administrative Officer Staff Grade B (D3)

**Responsible to** : Chief Secretary for Administration (CS)

**Major Duties and Responsibilities –**

1. Provide support to CS in government-wide coordination in formulating, implementing and monitoring the progress of policies, measures and initiatives in respect of human resources planning, population policy and poverty alleviation.
2. Oversee the provision of secretariat support to the Human Resources Planning Commission (HRPC) and the Commission on Poverty (CoP), both chaired by CS, and coordinate follow-up actions by the relevant bureaux/departments.
3. Assist HRPC in coordinating projections, studies and researches pertaining to human resources planning to facilitate CS and HRPC to evaluate policy options; and coordinating initiatives to enhance the availability and accessibility of manpower data, resources and information on the development opportunities and needs.
4. Assist HRPC and CoP in formulating strategies to foster tripartite partnership among the Government, the community and business sector through campaigns and engagement events, and maintaining liaison with stakeholders including Members of the Legislative Council, business chambers or associations in different industries and sectors, non-governmental organisations, media and the public.
5. Conduct review on the structure, work priorities and directions of CoP to better support the Government in preventing and alleviating poverty.
6. Formulate plans for publicity on the work of HRPC and CoP.

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**Job Description**  
**Deputy Head, Human Resources Planning and**  
**Poverty Coordination Unit**  
**Chief Secretary for Administration's Private Office**

**Rank** : Administrative Officer Staff Grade C (D2)

**Responsible to** : Head, Human Resources Planning and Poverty Coordination Unit (Head)

**Major Duties and Responsibilities –**

1. Assist the Head in providing secretariat support to the Human Resources Planning Commission (HRPC) and the Commission on Poverty (CoP), including coordinating and preparing research and discussion papers for both commissions, and following up on their advice and recommendations.
2. Assist the Head in monitoring the progress of implementing policies and measures by relevant bureaux/departments pertaining to human resources planning, population policy and poverty alleviation, and working out practical solutions to the problems identified.
3. Assist the Head in coordinating projections, studies and researches pertaining to human resources planning; coordinating initiatives to enhance the availability and accessibility of data and information pertaining to human resources planning; and reviewing existing relevant policies and measures.
4. Oversee the implementation of the youth upward mobility programmes under CoP, namely, the 'Future Stars' Programme and 'Life Buddies' Mentoring Scheme.
5. Formulate work plans for public engagement campaigns and publicity on the work of HRPC and CoP, and assist the Head in engaging relevant stakeholders.
6. Perform other duties as assigned by the Head.

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**Proposed Organisation Chart of the  
Human Resources Planning and Poverty Coordination Unit of the  
Chief Secretary for Administration's Private Office**

