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# Effective Governance

## Preamble

We will work to provide a sound foundation through effective governance to maintain and further develop Hong Kong's position as a world city of Asia. We are determined to maintain the rule of law in Hong Kong and will continue to take forward our constitutional development in accordance with the Basic Law. We will restore our fiscal balance to foster an environment conducive to continued economic growth and success. We are committed to maintaining a small but responsive and accountable government, and a permanent, meritocratic, professional, politically neutral and clean civil service.

## New Initiatives

*We will:*

- Implement the next wave of e-government programme, with the new vision to use information technology to provide customer-centric services that promote an accessible, accountable and efficient government and contribute to Hong Kong's achievement as a leading digital city.
- Develop a Works Project Information Standard to facilitate the electronic exchange of public works project data and the reliability of electronic communications among stakeholders.
- Fund higher education institutions to undertake public policy research, through earmarked grants to be administered by the Research Grants Council.

## Ongoing Initiatives

*We are:*

- Continuing with the development of an improved civil service pay adjustment mechanism in 2005-06 so that it will meet our established policy to maintain a clean, stable and efficient civil service and will also be considered as fair and reasonable by the community. The exercise will include the conduct of a pay level survey, review of the annual pay trend survey and developing a better mechanism to facilitate both upward and downward pay adjustments in future. We have just completed an extensive consultation on the methodology of the proposed pay level survey and the application of the survey results. We shall proceed with the survey field work in early 2005.
- Going to consult staff on the proposals on the review of civil service allowances after the Court of Final Appeal has delivered judgment on the appeal in respect of the Public Officers Pay Adjustment Ordinance. We seek to ensure that the continued payment of allowances is fully justified and compatible with present day circumstances.
- Facilitating the maintenance of a lean and efficient civil service and reduction of the civil service establishment to about 160 000 by 2006-07 by providing the necessary staff management tools to assist bureaux and departments to achieve staff savings.
- Continuing to provide civil servants with training and development opportunities. New elements will be introduced into our senior executive development programmes. More national studies programmes will be rolled out. We shall also continue to enhance the variety and content of the training materials on our e-learning portal, and promote wider use of e-learning, as part of our endeavours to fortify a culture of continuous learning in the civil service. We shall

encourage staff at all levels to pursue learning through an expanded sponsorship scheme.

- Continuing to maintain and enhance the morale of the civil service through wider consultation between management and staff at all levels, and encourage fuller use of the commendation system to recognise and motivate exemplary performance.
- Reinforcing actions taken to manage staff who do not measure up, through enhancing the deterrence of our disciplinary system against misconduct and further streamlining the procedures for removing under-performers, whilst sustaining efforts to further improve efficiency and productivity in the civil service.
- Reviewing the policy on the post-retirement employment of civil servants to ensure that the policy will continue to contribute to public confidence in the integrity and impartiality of the civil service. We aim to draw up proposals in March 2005.
- Making suitable preparations for the review on the roles, functions and composition of District Councils, taking into account the experience of the operation of the second term District Councils. We will consult the public in the review process.
- Reviewing the issues involved in the existing system of advisory and statutory bodies, and exploring practical ways to streamline its structure and enhance its functions.
- Reviewing the arrangements for rural elections in the light of experience gained in 2003.
- Implementing the existing gambling policy and regulating authorised gambling activities conducted by licensed operators.
- Working closely with the Football Betting and Lotteries Commission to ensure proper regulation of authorised football betting and lotteries.

- Continuing discussions with the Mainland and other jurisdictions on bilateral co-operation in criminal matters relating to Mutual Legal Assistance, Surrender of Fugitive Offenders, and Transfer of Sentenced Persons, and in reciprocal enforcement of judgments in civil matters.
- Continuing to take forward constitutional development after 2007 and collating views from the community on how the methods for the selection of the Chief Executive in 2007 and for forming the Legislative Council in 2008 may be changed in accordance with the Basic Law and the Decision of the Standing Committee of the National People's Congress of 26 April 2004. The Constitutional Development Task Force will continue to consult the public and hopes that around mid-2005 a consensus will emerge from among the community to enable legislative work to proceed thereafter.
- Continuing to facilitate the implementation of 'One Country, Two Systems' and to demonstrate its success; and to facilitate the promotion of public awareness and understanding of the Basic Law.
- Participating actively in Pan-Pearl River Delta (PPRD) regional co-operation to implement the PPRD Regional Co-operation Framework Agreement signed in June 2004 with the governments of the various provinces and regions in the PPRD region.
- Examining the feasibility of adopting Public-Private-Partnership for the in-situ re-provisioning of the Sha Tin Water Treatment Works and related services.
- Enhancing the efficiency and service quality of the Electrical and Mechanical Services Trading Fund by using its investment in information technology, installing an Enterprise Resource Planning corporate computer system, and setting up e-portals for major clients.
- Targetting the Architectural Services Department to achieve the overall outsourcing to 68% for the delivery of new projects in the coming year under its re-engineering programme.

- Monitoring the performance of the new Customer Care and Billing System for over 2.6 million customers of the Water Supplies Department in improving operational efficiency and customer service.
- Achieving effective communication with the general public and the media by publicising on the web-site of the Water Supplies Department updated information on the Water Mains Replacement and Rehabilitation projects.
- Continuing our efforts to restore fiscal balance, bring public expenditure down to 20% of GDP or below, and reduce Government's operating expenditure to \$200 billion by 2008-09, reviewing our tax base and continuing to implement the asset sale and securitisation programme.
- Taking active steps to introduce a new type of passport featuring biometric capability in 2006-07 to tie in with the first tide of applications for renewal of HKSAR passport valid for 10 years from July 1997.
- Taking steps to implement a pilot facial recognition system at control points to facilitate the verification of identity of suspect arrivals upon their entry.
- Putting into effect, through legislation and other means, the revised Forty Recommendations of the Financial Action Task Force on Money Laundering to further enhance our anti-money laundering and counter-terrorist financing regime.
- Introducing legislative amendments to enhance the capacity of law enforcement agencies to combat terrorism and transnational organised crimes.
- Continuing to seek long-term solutions to address the problems of overcrowding and outdated facilities in our penal institutions.

- Issuing the Smart ID Card in phases starting from mid-2003 to enhance security, facilitate boundary crossing, and provide other valued-added services.
- Providing a legal basis for the existing police complaints system by making the Independent Police Complaints Council a statutory body.
- Continuing to work on the implementation of Article 23 of the Basic Law.
- Promoting understanding of the rule of law in and outside Hong Kong and considering reforms to improve the legal system.
- Promoting transparency in the area of public prosecutions and implementing practical steps to avoid miscarriages of justice.
- Liaising with our justice partners to enhance the quality of criminal justice and taking of measures to secure a better deal for victims of crime and witnesses.
- Continuing the Bilingual Law Information System to provide easy access to our bilingual laws of Hong Kong and improving the standard of government lawyers in respect of bilingualism in law.