

Chief Secretary' speech

Following is the speech by the Chief Secretary for Administration, Mr Donald Tsang, to The International Association of Lions Club District 303 at Kowloon Shangri-La Hotel today (March 18):

Hong Kong's Civil Service: Meeting the Challenges of Change

Mr Chairman, ladies and gentlemen,

First, let me thank you, Mr Chairman, for that typically warm and generous Lions welcome. I thank you also for the invitation to join you today. I think it is entirely appropriate for me to address the question of challenges facing our civil service to members of a club who have chosen a different, but still highly-valued way, of serving their fellow citizens. In that respect we are in the same business: we are committed to the betterment of our community and to the world at large.

Mr Chairman, the civil service - and civil servants- have historically played a unique role in Hong Kong. During the decades of colonial administration, where politics as we know them today were either taboo or conducted under gentlemen's rule the civil service was a beacon of stability. Quietly and without too much fuss, civil servants went about their business of providing services to a not-too-demanding population which, in my boyhood days, was more interested in survival than the fripperies of affluence.

Ah, the good old days. But were they? Those of you in this room who, like me, can remember them will also know that we have come a long way since then -- constitutionally, socially, culturally, politically, economically.

Today, we are once again part of our proud and ancient nation. We have new and stirring challenges ahead of us. History has bestowed on us an extraordinary opportunity to forge a new identity. To leverage

the special characteristics we have created in this place in a generation to build a yet even better life for ourselves and our children. And to contribute to the blossoming of energy, talent, peace and prosperity of our 1.3 billion countrymen and women on the Mainland.

This is the big picture we can see in Hong Kong today so long as we are prepared to look beyond the end of our noses. It's the picture we must keep in proper focus as we battle the trials and tribulations of every day life. That, at least, is the goal I set for myself and the civil service I have had the honour and privilege to lead since May last year.

I don't pretend that the last five years have been easy. They have been difficult, demanding and worrying. They have been especially so for us in the civil service. We had our role to play in ensuring a smooth transition. This was challenge enough. We have also had to manage an unexpected rush of events which have threatened our economy and the prosperity the community has worked so assiduously to build over the last 30 years.

I do of course realise that economic bad times tend to make people impatient and argumentative. And that is understandable because we all have short memories. But I think we should examine our current problems with a sense of proportion.

And look at the context: in the past 30 years, Hong Kong has created a modern miracle. Through our own efforts, we have gone from being a refugee society, when many were crammed into squatter huts clinging to the hillsides. Today, we are a community with a sense of pride and purpose, a sense of belonging. We have capped this by engineering a virtually seamless reunification with our country that many people believed would bring us undone.

In the past 30 years, we have built a great city which stands as a towering monument to the entrepreneurial skills and work ethic of our people. In that time, we have rehoused 1.8 million people; created nine new towns on land reclaimed from paddy fields and the sea, providing many new homes, new jobs, better education and modern recreation for

our people. We have built a magnificent airport. Put in place a brilliant network of roads, flyovers, highways, tunnels, bridges and mass transit railways that whiz commuters in speed and comfort from one end of Hong Kong to another. We have become an international centre for trade, finance, transportation and communications. We have built up a sensible system of social services and medical health care while maintaining a low and simple tax base. For good reason, we like to think of Hong Kong as Asia's world city.

I mention all this not just to blow our trumpet - although heavens above I think we do far too little of that in the past. I do so as a reminder of how far we have travelled, and of how far we have to go.

I also want to make the point that during this time, the civil service has made a signal contribution to all we have achieved. I bow to no one in saluting the hard work and skills of the Hong Kong people in creating our modern miracle. But I believe equally firmly in the role our government played in providing the infrastructure, framework and unobtrusive support and expertise to make all this possible.

And during that time, I have seen our civil service adapt and embrace change to keep pace with and very often stay ahead of rapid change. This is as true of the past five years as it was in earlier times. The difference may be that the change is happening faster both locally and globally. The problems are far more complex. So are the solutions. I cannot recall a time in my 35 years in public life when the spotlight was more searchingly focused on the civil service.

As civil servants, we do not flinch from that. A thick skin is one of our basic job requirements. That is especially so when times are tough. And more so in a changed constitutional environment where an inquisitive - and at times inquisitorial - legislature and free-wheeling media are constantly looking to put the government on the rack.

As I have said, the civil service expects criticism. We expect to be held to account. The administration is constitutionally bound to be so. But I do worry that some ill-judged and unsubstantiated

criticisms of recent times, are causing considerable anguish and perhaps resentment amongst even some of the toughest-skinned of my colleagues. As one commentator put it last week, the civil service, once regarded as one of Hong Kong's most important assets, is now being recast as the secret ingredient in our economic woes. Any examination of the facts will show that there are many different and complex factors which have contributed to the current economic situation. And as the largest single employee group in the SAR, civil servants - and their families - contribute their fair share to domestic consumption and the local economy.

I don't think I'm being hubristic to suggest that over the years the civil service has by and large delivered the goods. But does that mean we are perfect? Of course not. Our institution is comprised of human beings as vulnerable to mistakes as any other. We sometimes come across cases of incompetence and maladministration, which I must admit, made me furious on many occasions. As head of the civil service, I want to see these shortcomings reduced to a minimum or even eliminated. However, I think they are the exception rather than the rule. When they happen, they simply provide me and my colleagues with the incentive to strive even harder for improvement. We are helped in this process because we are part of a solidly-grounded institution that has systems, checks and balances. Most important of all, we have an ethos and a culture designed to minimize mistakes and maximize sound judgement.

And we acknowledge that rising community expectations and the restructuring of the economy demand more and better from us. Quality services are being delivered day in and day out by the many unsung heroes who are working even harder because of downsizing. For example, by the rank and file members of our police force who continue to keep Hong Kong as one of the safest cities in the world. By members of our public health sector who are helping to keep Hong Kong's vital statistics amongst the best in the world in terms of infant mortality, high life expectancy and low smoking prevalence, to name a few. By our immigration staff who, amongst their many duties, handle one of the world's busiest land boundary crossings. And by our commitment to a culture of openness through co-operation with independent watchdogs, such as the Ombudsman, the Audit Commission and the ICAC.

Mr Chairman, as you may be aware, last week I spoke at some length in the Legislative Council on what we are doing - against a background of budgetary constraints - to enhance the efficiency of the public sector while reducing the size of the service. I won't enumerate those measures today. I will, however, sum up our overall aims, as these reforms are an on-going process. And I think the best way of doing this is to look at our vision for the civil service.

It is a vision of modern public service characterised by efficiency and sensitivity to community needs steeped in a culture of service. This is to say, responding quickly to community concerns and achieving results more cost effectively. Service delivery is being streamlined across departments to eliminate fragmentation through the introduction of the one-stop shop approach. We are exploiting new technology to make it easier to connect to a whole range of public services. And we are containing and reducing the size of the civil service through enhanced productivity, rationalising and fast-tracking procedures and encouraging greater use of the private sector.

The policy is paying off. The size of the service has been cut from some 198,000 two years ago to 184,000 today and the numbers are still contracting. We have achieved savings under the enhanced productivity programme of some \$5.4 billion over the last three years. And the process continues. Like the rest of the community, we are tightening our belts and finding new ways to deliver more for less.

But in the midst of all this change, there are some things that have not changed, and must not be allowed to change. This is the notion of an apolitical, professional, career civil service open to men and women of intellect, integrity, commitment and loyalty to the principles of collective responsibility and clean government. That is what we have built up in Hong Kong over many years and decades, and is effectively enshrined in the Basic Law. The civil service is one of the many systems preserved by the Basic Law and an important part of the foundation for maintaining Hong Kong's prosperity and stability.

To those who have been nurtured in this culture, the principles

I have eshoused are not just high-falutin clap trap. They are the embodiment of our commitment to the way the civil service operates - openly, fairly, impartially, without fear or favour. They are the community's safeguard against personal avarice, capricious decision-making and administration driven by political whim or special interests. Like the rule of law, our civil service is grounded in due process.

This places huge responsibilities and exacting standards on civil servants. The acid tests for civil servants are their integrity and loyalty, in both the professional and behavioural sense.

Let me be clear about this. Our system demands intellectual honesty and strict impartially in policy-formulation and decision-making. Public interest is paramount in the search for policies that will meet the balance of interests of the community we serve. This involves rigorous research of the facts and vigorous examination of them up and down the decision-making chain. Officers are expected to marshal facts and argue the conclusions they reach from them. This applies at every level. Yes men and women lead to bad government. They are discouraged and, in some cases, discarded.

But once decisions are taken - at the highest level by the Chief Executive-in-Council - the civil service must rally behind them resolutely so that those decisions are properly presented and effectively implemented. This must be done without question, or hint of public disagreement, no matter what individual civil servants may have argued in the run-up to the decision concerned.

As our political system has evolved, civil servants have had plenty of experience in putting this into practice. Detailed grilling by LegCo members and journalists is a staple diet of our daily lives. That is as it should be, awkward though it can sometimes be.

But this political evolution has shown up a congenital defect in the system. In the days of a somnolent legislature, it was not such a problem for Policy Secretaries - career civil servants - to also be the messengers for political decisions. This has become far more

problematic and less workable in a more politicalized environment. It no longer makes sense for career civil servants on lifetime employment terms to combine the traditional role of non-political professional policy-maker with that of quasi-political 'Minister'. It's an odd mix that is out of place in today's world.

The accountability system to be introduced on July? 1 addresses this conondrum. The details are yet to be finalized. But in essence, principal officials nominated by the Chief Executive will be appointed on contract terms. Each will be responsible for a number of policy areas, and will sit on the Executive Council. This will be a political role akin to Cabinet Ministers in Britain or Cabinet Secretaries in the United States. They will be supported by professional career civil servants, just as they are in the UK and the US and other places with similar systems of government.

To my mind this will lead not only to greater accountability and transparency, but to greater efficiency. It will also liberate career civil servants from the pressures of increasingly political exposure. It will allow them to concentrate more on their traditional roles of policy formulation and executive implementation.

This is not to say that civil servants will no longer tender political advice. Of course they will, just as they do in other comparable systems. They will still be obliged to test their policy ideas against the fundamental criteria of public interest, and advise their Principal Officials accordingly.

The difference is that the political appointees will be responsible for the final decision-taking and marketing of those decisions to the public through the Legislative Council, the press and organizations and individuals affected by the decisions. In doing so, they will be loyally supported by the civil service which would in any event have played a key role in providing the best impartial advice based on rigorous research of the facts and vigorous debate of the policy options.

Mr Chairman, I have tested the patience of your members and guests

with this long speech. But I believe it is of the utmost importance to the community that they understand the changes that are taking place in the civil service, and the even bigger changes yet to come. I also think it is right to repudiate some of the unfair criticisms that have been levelled at my colleagues.

Civil servants don't exist in a vacuum. They are members of the community like everyone else. They, too, worry about education, the environment, the delivery of public services, the state of the economy, the quality of life in our city. All these are common worries. They take pride in their work. They expect and welcome criticisms and ideas that help them do their job better. Our civil service is still one of our most precious assets and the whole community will be the worse off if it is undermined. The civil service has always provided stability, continuity, certainty, honesty and integrity. It still does.

Thank you.

End/Monday, March 18, 2002

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