

All change as Macleod moves up

THE promotion of Hamish Macleod to Financial Secretary will lead to far-reaching changes within the Government, and not only as far as personnel are concerned. FANNY WONG reports.

SPECULATION was rife over who would replace Sir Piers Jacobs as Financial Secretary from the moment the Government started looking for a suitable candidate.

Many in the civil service, as well as the Governor, Sir David Wilson, agreed with the argument that someone from the private sector would be ideal, especially after the good example set by one former Financial Secretary, Sir John Bremridge.

But the head-hunting ended in disappointment and Sir David, who has been equally open-minded about choosing an insider, finally decided the civil service would have to provide a replacement.

Over the past year different names have been floated within the Government, with the Secretary for the Treasury, Mr Hamish Macleod, emerging as the strongest contender among his colleagues, Mr John Yaxley, Mrs Anson Chan and Mr John Chan Cho-chak.

Mr Macleod's promotion won't only affect his own policy area, the Treasury. The consequential changes elsewhere are huge.

Finding replacements for Mr Macleod and a number of top officials who are to retire within the next 12 months will

lead to a new round of musical chairs.

The impact will be far-reaching, especially in the line-up of policy chiefs responsible for the controversial Port and Airport Development Strategy (PADS).

The Government could have minimised this by introducing fewer changes. But it is now obvious that the intention is more than just to fill vacated posts - fresh thinking in some policy areas is also on the cards.

The planned changes will involve all the PADS-related policy secretaries - both the Secretary for Works, Mr Kenneth Kwok Wai-kai, and the Secretary for Planning, Environment and Lands, Mr Graham Barnes, are due to retire later this year.

On top of that, the Chief Secretary, Sir David Ford, is also seeking to redeploy the Secretary for Transport, Mr Michael Leung Man-kin and the Secretary for Economic Services, Mrs Anson Chan.

Observers may be wondering why the Government wants the shake-up at a time when the implementation of the PADS projects has entered a critical phase.

But a closer look at the blueprint for personnel changes and other related proposals, shows that the new team - yet to be

finalised by the Chief Secretary - may be a logical step.

Financing and implementation of the multi-billion-dollar PADS scheme will be crucial in the coming years.

Given the size and the implications of the projects, it is no surprise that PADS will continue to be a main area of responsibility for the Financial Secretary.

With his background in the Finance Branch, Mr Macleod has been intimately involved in financing the scheme and is well aware of all the controversies surrounding it.

During his brief tenure in the Treasury, Mr Macleod has demonstrated his skills as a prudent manager of public finances and no doubt he will still be taking care of that thorny problem in his new post.

An obvious choice to succeed him and strengthen the financial team would be someone with a similar background. Mr Leung, who served in the branch for a few years, has the added advantage of extensive knowledge of PADS through his present role as Transport Secretary.

From the start Mr Leung has been involved in the planning of the transport side of the infrastructural plan and is well aware of the political sensitivities and implications surrounding the projects.

Known as a tough and unswerving administrator who doesn't hesitate to say no to unreasonable request for funds, Mr Leung looks an ideal candidate to head the Treasury.

There may be trepidation over the prospect of redeploying Mrs Chan who has been with the Economic Services Branch for a long time and, like Mr Leung, has been heavily involved in the PADS scheme since its inception. But the Economic Services Branch's role in PADS is to diminish.

One of Mrs Chan's key responsibilities is the planning and construction of the new airport. But the majority of the work will be handed over to new bodies following the Government's proposal to set up a new department, the New Airport Projects Co-ordination Office, directly responsible to the Chief Secretary, as well as the establishment of the Airport Authority.

Releasing Mrs Chan at the end of the year will not be considered a disruptive move.

She has also been with the branch for about four years and is due for a new posting. As a capable administrator, Mrs Chan could have easily assumed any other policy portfolio. One current possibility is for her to replace Mr Yaxley as the Commissioner of the Government's London Office.

Insiders consider having a Chinese as the London Office's chief is long overdue. So the eloquent Mrs Chan is emerging as an ideal candidate for the post which is set at secretary level.

Mr Macleod's promotion and the retirement of others have brought not only the opportunity for injecting fresh ideas into the different policy areas but also the chance for young talented officers to move further up the hierarchy to allow them to assume a greater role in the run-up to 1997.

A typical example is high

flyer Donald Tsang Yam-kuen, the Chief Secretary's right-hand man.

Deemed a capable troubleshooter, Mr Tsang, at the age of 46, is already heading for a policy secretary post.

But before that it has been decided that he should accumulate some experience in running a key government department.

At present, Hongkong has a relatively young civil service - the majority of the policy chiefs are in their late 40s or early 50s.

A quick glance at the year's promotion list for administrative officers, who are groomed to take top directorate postings in the Government, confirms this and highlights a problem for the 187,000-strong civil service - a lack of experience.

There is no doubting the availability of talented young administrators such as Mr Tsang. But it remains to be seen what will be the implications on the Government machinery of such rapid rejuvenation.