

HONGKONG

A bureaucratic jigsaw

Attempts are being made to restore order in a civil service which has become unwieldy and prone to internal squabbles

By Mary Lee

Bureaucracy is alive and well throughout Asia. In tiny, overcrowded Hongkong, one finds a microcosm of the problems facing bureaucracies elsewhere, with an important variation: most of the top positions are filled by *gweilos* (foreigners). But even leaving aside the anachronistic colonial appearance of the top rungs, the structure of Hongkong's civil service shows increasing signs of strain largely because, as the late Legislative Councillor Dhun Ruttonjee described it in 1968, it was not planned but "just grew and grew" to meet practical requirements.

At that time, there were about 80,000 public servants. By the end of this year, there will be around 141,000. The annual growth rate over the past 10 years was 5%. The creation of 8,000 new posts in each of the past two years was "certainly needed," according to Financial Secretary Sir Philip Haddon-Cave, but he added: "Increases of this order are rather worrying."

Departmental requests for more staff this year totalled more than 19,000. "In no circumstances could an increase of this magnitude be contemplated," Sir Philip said. Instead, only another 7,714 posts are likely to be created, more than a third of which will be for the police (2,089) and immigration (813) — as a result of the influx of immigrants from China.

But while the financial secretary recognises that not all requests for more staff can be met, he has made it easier for department heads to create new jobs and do away with the present protracted system which requires bids to be submitted through the finance branch, the establishment subcommittee and the finance committee. This procedure also applies when department heads are seeking reallocation of existing posts. Department heads already frustrated by the long wait for approval for more staff have thus not been inclined to check redundancy in their departments.

Moreover, the subcommittee, bogged down by tedious argument and scrutiny of submissions, had also lost control over the growth of departments, said its chairman Unofficial Executive Councillor Lo Tak-shing. The new system, which comes into operation this month, will enable the group to concentrate on major reviews. The worst that can happen, Lo said, would be to return to the present "intolerable" procedure.

Sir Philip and Lo are obviously optimistic that the proposals will not result in the ad hoc growth of departments which Ruttonjee 12 years ago said needed checking. The civil service in the meantime is already tottering like an inverted pyramid: too many people who actually serve the public — nurses,

postal workers, pharmacists among them — are unhappy with pay and working conditions. Since 1978, an increasing number have resorted to industrial action to protest against poor responses from department heads to their complaints.

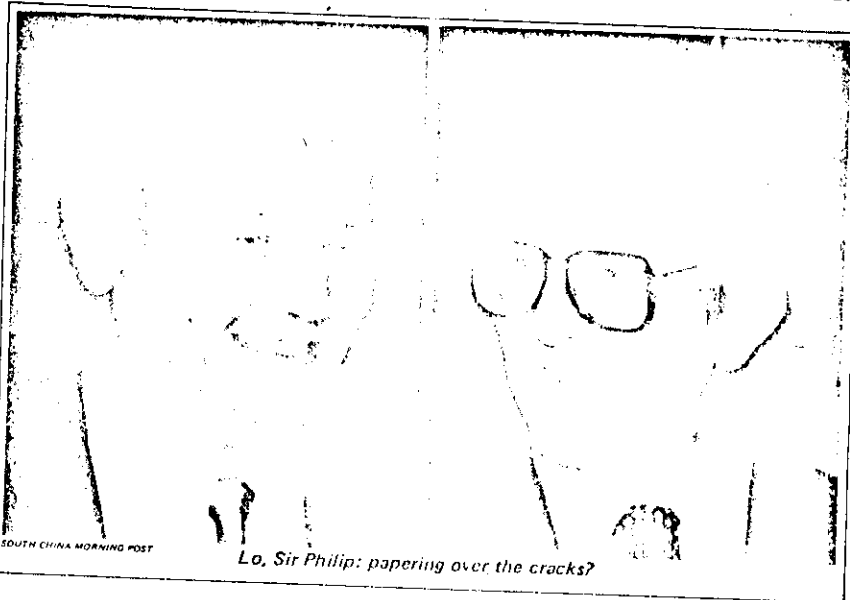
An indication of their assertiveness can be seen from the number of civil service unions — 120 or just under one third of the unions in Hongkong. Civil service unions in fact are the most active and vocal in this Chinese society where workers generally shy away from Western-style labour-management confrontations.

Nurses, in unprecedented action, became textbook Florence Nightingales —

vants taking industrial action had very little effect on public services, assuring himself and his colleagues that such behaviour would not win public sympathy. What he did not say, but must have realised, was that any public hostility civil service unrest caused would eventually be dumped at the door of management.

In January 1979, Governor Sir Murray MacLehose appointed a standing commission on civil service salaries and conditions of service to undertake streamlining and repairing of cracks within the bureaucracy. The commission has been handed the immensely complex task of drawing up a fair wage scale for some 600 grades which are split into 1,200 ranks. It has even sounded out the Singapore Government and the American Chamber of Commerce here for ideas.

In restructuring the 48-point wage scale, it had to bear in mind that the increases for 1979-80, which amount to nearly HK\$409 million (US\$82 million) or 13% more than the original estimate of HK\$3.15 billion, must provide value (in service) for the taxpayer and also at-



Lo, Sir Philip: papering over the cracks?

their daily changing of dressings and linen embarrassed the authorities as it highlighted inadequate hospital resources. Pharmacists, too, stunned the authorities when they revealed, at a press conference, that patients were getting the wrong medicines as a result of under-staffing. They started a go-slow and later went on strike.

Butchers stopped work too, leaving the public with meatless weekends. Postal workers snarled up mail for weeks with a go-slow and police interpreters caused court delays by similar action. Unlicensed hawkers enjoyed uninterrupted trading when the anti-hawker squad abandoned its duties and dental technicians caused distress by refusing to make plates and dentures.

The secretary for the civil service, as management spokesman, maintained that the "small minority" of civil ser-

tract the right people to keep the administrative machinery running efficiently.

However, the two reports which the commission has so far produced on "principles and practices governing pay" are little more than paper over wide cracks. Five months after the second report was published in October, the commission has received some 400 letters contesting its recommendations on the 600 grades from accounting officer to X-ray technician, some 30 from heads of departments (there are 58 departments in the bureaucracy).

The complaints illustrate that it is not a simple matter of paying everyone more. In any case, only 180 ranks received pay increases while another 50 were found to be getting too much and reductions were recommended. Moreover, some staff sought parity with higher grades in other departments. For

instance, the anti-hawker squad felt it should be re-classified as a disciplined force (like the police) because its members risked being beaten up by hawkers.

Assistant registrars — the people who scrutinise applications for the registration of companies, trademarks and patents, land deeds and receivership — sought parity with higher-ranking assistant registrars of trade unions, tribunal officers and land executives. They failed. However, there was a proposal to pay them more, but their specific grade would have to be absorbed into that of executive officers (EOs).

The registrar general (RG), however, saw immediate problems in dropping the grade: the move implied transfer of his skilled "scrutineers" to other departments requiring EOs, who would then be replaced by inexperienced paper-pushers or "generalists." The fact that the RG's department is currently preparing to take over the highly complicated duties of the New Territories Land Office, and also to deal with forthcoming legislation to tighten control of insurance companies, while having to cope with a flood of company registrations caused by China's modernisation, made him even less enthusiastic about the recommendation.

Fortunately, the commission was ready to concede that it may have fumbled, and it is reassessing the situation. "We only took four months to produce the report," said Peter Williams, the commission's secretary-general. "We had to make some very

quick decisions to provide a basic document. Where heads of departments have disputed the grounds for our recommendations, we have been very happy to look at them again. If there are very good reasons to indicate that our first assessments were wrong, we may well review them."

The complaints which flooded the commission's office after it published its 257-page report showed just how unmanageable the civil service had become in the eight years since the last salaries review was commissioned in 1971. Had this new commission not been granted permanent status, the job of reviewing the structure of the bureaucracy would have taken years anyway. The commission had hoped to get on with six other reports after the second was ready. However, it has been forced into a full review of its recommendations much sooner than anticipated. It plans to take a little longer to publish this review, which is scheduled for early 1981.

In the meantime, it still has to carry on preparing a report on the Education Department, whose 38 grades have not been reviewed since 1972 (its structure was so complicated that it was left out of the 1971 salaries commission's ambit). The pay structures of the Independent Commission Against Corruption, and the industrial as well as senior grades, also need examination, and separate reports have to be made.

Williams sympathises with the senior officers who have received the smallest percentage increases over the years, as a result of which these ranks are being at-

tracted over to the better-paying private sector. The medical profession in particular is badly affected. A report on equal rights for women civil servants is also under way. But the most important recommendations will be in the report on the consultative machinery within government, which has broken down. Complaints have generally gone unheeded because of pressure of work while department heads are frequently tied up at meetings.

But the heroic efforts of the commission to knock the pieces of the bureaucratic jigsaw into place still leave a basic problem in the Hongkong civil service: lackadaisical localisation. Too many senior jobs are still held by Britons. Already, the regular demands for localisation are defused, largely by the senior local bureaucrats themselves. Their "union" — the Senior Non-Expatriate Officers' Association — does little more than squabble with the secretary for the civil service for equal perks with the expatriates, like longer leave and better housing. Such blinkered tactics leave the initiative for localisation with the expatriates.

Of the 67 posts in the Government Secretariat, the policy-making body, all but 19 are occupied by expatriates. Even if the government shows real commitment to localisation, it still has to attract the educated elite into the bureaucracy. With its structure already strained by internal cracks, the task of convincing the best Chinese to join or remain in the civil service is just one of several major problems.