Annual Report for 2003/04

1. General

1.1 The Council was elected on 9 June 2003 at the 24th Annual General Meeting. It was my great honour to be re-elected as the Chairman. During this term, six Council meetings were held to discuss and administer the affairs of our Association. There were also meetings and liaison with other staff associations concerning affairs affecting the common interests of the staff side.

1.2 We maintained regular dialogue with PSETW(W), DCE and DWS on professional issues and grade management matters. Close contacts were also made with our Hon. Advisers, the Hon. Ir Dr. Raymond HO Chung-tai and Ir Dr. LAU Ching-kwong to exchange views concerning the engineering profession and the civil service.

1.3 There are many concerns and uncertainties surrounding us nowadays. The Council has devoted much effort to tackle the major issues such as pay level adjustment, employment opportunity of Civil Engineering Graduates/Contract Engineers & Assistant Engineers, CED/TDD merger, reporting mechanism under the Land (Miscellaneous Provisions) (Amendment) Ordinance and Public Private Partnership plan for the Shatin Water Treatment Works. We have received many valuable feedbacks and suggestions from members on these issues.

Our Association for the first time conducted a survey to gauge the level of satisfaction of our members and civil engineer grade colleagues towards their present job conditions and work environment. P.O. Box 28515, Gloucester Road Post Office, Wan Chai, Hong Kong.

With the assistance of the Liaison Office of Central People's Government in HKSAR, our Association organized a maiden and very fruitful visit to the Pearl River Delta cities.

2. <u>Civil Service Issues</u>

Pay Level Adjustment

2.1 In November 2003, the Administration issued the Progress Report on the Development of an Improved Pay Adjustment Mechanism for the Civil Service. It put forward general ideas on the application of pay level survey findings in the 2^{nd} quarter of 2004 for consultation before embarking on the survey field work in the 4^{th} quarter of 2004, and aimed to present detailed proposals on the application issue in the 2^{nd} quarter of 2005.

2.2 Our Association feels that the Administration is attempting to foster a different interpretation of the relevant provisions of the Basic Law that the reference to pre-1997 pay conditions of civil servants refers to 'level' rather than the actual dollar value. Our Association has serious concern with this stragegy of the Administration. We sounded out our views through the Hong Kong Senior Government Officers Association (HKSGOA) and will continue to work in collaboration with the HKSGOA to safeguard the pay conditions of the civil service.

Private Sector Involvement in the Provision of Public Services

2.3 In November 2003 and responding to HKIE's proposals to the Government, our Association wrote to the Financial Secretary expressing our disagreement to the privatization of public corporations. Unless success has been well-proven, we are afraid that privatization could turn out to be detrimental to the provision of quality public services. We also cannot support any measures which will put the career and livelihood of the civil servants, including the 900 strong members of our Association, at risk.

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Staffing Requirement of Civil Engineer Grade

2.4 In January this year we wrote to the Financial Secretary to express our views on the long-term staffing requirement of the civil engineer grade. We understand the Government's need to reconcile the long term staffing requirement with the financial realities, but the need to secure the delivery of quality public service, ensure succession planning, and tackle the unemployment situation of the civil engineering profession must also be taken into consideration. However, we have not received any responses from the Administration so far.

Land (Miscellaneous Provisions) (Amendment) Ordinance 2003

2.5 In January 2004, our Association received requests for assistance from many of our members regarding their concerns over the "draft reporting procedures against contraventions by public officers" under the Land (Miscellaneous Provisions) (Amendment) Ordinance. Together with other staff associations, we had the opportunity to meet the representatives of ETWB in February 2004 to express our views and concerns.

2.6 With an open-minded and understanding attitude, ETWB had much toned down the draft procedures and our members should feel less concerned now. It is to our understanding that although the Ordinance has been implemented on 1.4.2004, the procedures are yet to be finalized.

<u>CED/TDD Merger</u>

2.7 On 15 July 2003, Council Members of the Civil Engineering Department Government Local Geotechnical Engineers' Association and this Association were invited to meet DCE and D of TD. We were informed of the CED/TDD merger. We were assured that the Chief Executive's proposed 10% staff cut by 2006/07 was not the management's consideration when formulating the merger, and redeployment of staff would be arranged, with no forced redundancy. We reiterated our stance that the Administration should appreciate P.O. Box 28515, Gloucester Road Post Office, Wan Chai, Hong Kong.

the importance of keeping dialogue with the staff side and taking staff 's concern into consideration before any decision affecting their wellbeing is made. We requested that the Administration would maintain high transparency with any merger proposals.

2.8 On 5 November 2003, we met DCE & D of TD's representatives again and were informed of the merger details. We were pleased to see that the merger, although not welcomed by all the staff affected, had proceeded reasonably smooth with the minimal deletion of posts and redeployment of staff. We will see the birth of a new department soon.

Engineers' Satisfaction Survey

2.9 In January 2004, we conducted a survey on the satisfaction of our members and civil engineer grade colleagues on a number of aspects namely the work, the department, Government's governance, job security, promotion prospect, career development, performance appraisal system and future of our young engineers.

2.10 According to the survey results, the morale of our members and civil engineer grade colleagues is at its record low. They have two very major concerns, viz "promotion prospect" and "future of young engineers". We forwarded the findings to both DEC and DWS. In May 2004, we had a discussion with representatives of DCE and exchanged views on these concerns. Afterwards, we submitted the "Major Concerns and Proposed Solutions" to DCE for consideration.

2.11 Our proposed solutions include launching another leavingservice scheme, deferring the 160,000 civil servants target by two years, confirming time-limited/supernumerary posts if last for more than a few years, releasing maintenance funds under one line vote arrangement to absorb the non civil-service contract engineers, confirming the status of the "3+3" engineers, effecting the Selection Board and Promotion Board's recommendations immediately, regrading the multi-disciplinary posts in ETWB, etc. 3. <u>Civil Engineering Graduates (CEGs) and Contract Assistant</u> Engineers/Engineers (CAEs/Es)

3.1 Despite the joint effort of our Hon. Adviser, Ir Dr. Raymond HO and the Association, the future of our young engineers remains bleak. In the last couple of years, it was sad to see many young talented engineers left the Government with disappointment.

3.2 The long term manpower plan with a view to reducing the civil service fleet to the target of 160,000 by 2006-07 as set by the Chief Executive has worsen the situation. Not only the CEGs and CAEs/Es, the job security of the "3+3" Es is also at stake.

3.3 We know the constraints faced by the Government. But we do not want to see the situation whereby the non-civil service contract colleagues are sacrificed for keeping the employment of the "3+3" engineers. We sincerely hope that the Administration can sympathetically consider the employment prospect of our young engineers and come up with an encouraging solution.

4. Public Private Partnership for Shatin Water Treatment Works

4.1 Our Association learned that the Administration is planning to adopt the Public Private Partnership (PPP) approach for the renewal and operation of the Shatin Water Treatment Works. We do not rule out the potential advantages of the PPP approach since there have been successful PPP cases overseas. However, there are also failure cases irrespective of how stringent the performance specification or monitoring mechanism is said to be.

4.2 We agree that PPP may be a means to finance and operate new and less critical public services in view of the fiscal constraint and freezing of civil service recruit. But for existing and important public services like water supply, we have reservation to the

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adoption of the PPP approach. As the Water Supplies Department has been delivering an effective and quality service so far, the status quo should be kept without hasty changes. The PPP approach will also create a threat of unemployment to the loyal civil servants. Our Association objects to any approach that will affect the job security of the civil servants until and unless their interest is safeguarded.

4.3 Our Association is also concerned with the top management's attempt to suppress the staff side's actions on this subject matter. We always believe that representatives of staff side should have the right to express their views freely and openly.

4.4 On 17 May 2004, we had an opportunity to meet PSETW (Works), Ir Y C LO, and his Deputy Secretary, Mr. K K Kwok, to discuss this PPP proposal. We had a very frank and open discussion. At the meeting, we were assured that there would be thorough consultation with the staff side and there would definitely be no forced retirement/redundancy.

5. Liaison Office of Central People's Government in HKSAR

5.1 We have maintained regular and close dialogue with the Liaison Office of Central People's Government in the last 12 months through various sports and social functions. Both sides aim to promote networking and foster a closer link between us.

5.2 In October 2003, our Vice Chairman, Ir LAU Wing-kam, represented the Association to join a staff unions' visit to Beijing. This visit enhanced both the communication and understanding between the HKSAR Government staff unions and the Central Government.

5.3 In November 2003, with the assistance of the Liaison Office, we organized our maiden visit to the Zhu San Jiao (Pearl River

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Delta) cities. The visit was very fruitful as it enhanced the Association's understanding of the recent developments and labour union functions on the Mainland. The Council plans to organize similar visits in future.

5.4 In April 2004, our Immediate Past Chairman, Ir Martin CHEUNG, represented the Association to join a delegation led by the Hon. CHENG Yiu-tong to visit Beijing for the May 1st Labour Day event. Amongst all the activities, the delegation was delighted to have the opportunity to meet the state leaders.

6. HKIE Activities

6.1 The Annual General Meeting (AGM) of the HKIE has been scheduled on 24 June 2004 (Thursday). The election for Elected Ordinary Members (EOM) for the 2004/05 session will be held on the same day. The Council appeals to all members to show your support by attending the AGM and casting your votes.

6.2 Our Council Member, Ir LAM Kin Chung, will run for the election for EOM in partnership with Ir Paul PANG of Buildings Department and Ir LEE Kin Wah of Mott Connell Limited. Ir LAM, who is also the Chairman of Civil Engineering Department Local Geotechnical Engineers' Association, has been participating actively in the activities of the staff associations. Your Council appeals to all members for your strongest support to Ir LAM and his partners.

7. Membership Drive

Given the present economic climate and uncertainties, we need a strong and united Association to cope with the instability surrounding our profession today. The strength of the Association depends very much on its membership strength. Once again, I P.O. Box 28515, Gloucester Road Post Office, Wan Chai, Hong Kong.

appeal to members to encourage more fellow engineers to join our Association to boost our representative power. Please contact the Hon. Secretary at <u>st.ip@housingauthority.gov.hk</u> or your department's representative in Council for membership application.

8. End-Pieces

8.1 The Council is delighted to see the election of our respectable Hon. President, Ir Peter CHAN Pak-fong, as Chairman of HKSGOA. We will continue to work closely with HKSGOA on all civil service matters.

8.2 This is the second term of my office as your Chairman. I wish to thank you for your support and advice during the past year. It is gratifying to have a group of dedicated and devoted Council Members working for the well-being of our Association. Finally, I wish the incoming Council every success in the year ahead.

By Order of the Council

(Ir Stephen CHU Kin-hong) Chairman 11 June 2004