

CHAPTER 3

THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION

GENERAL REVENUE ACCOUNT

GOVERNMENT SECRETARIAT

Security Bureau

GOVERNMENT DEPARTMENT

Immigration Department

**The planning and use of
manpower at immigration control points**

THE PLANNING AND USE OF MANPOWER AT IMMIGRATION CONTROL POINTS

Contents

	Paragraphs
SUMMARY AND KEY FINDINGS	
PART 1: INTRODUCTION	
Audit review	1.1 - 1.2
Immigration clearance at control points	1.3 - 1.4
Border Division, Airport Division and Harbour Division	1.5 - 1.8
Immigration Control Automation System	1.9 - 1.10
Staff establishment and passenger volume	1.11
Performance pledge on immigration clearance	1.12 - 1.13
PART 2: PASSENGER VOLUME AND MANPOWER REQUIREMENTS	
Changes in passenger volume and staff establishment at control points	2.1 - 2.3
Manpower requirements for Hung Hom Control Point	2.4 - 2.10
Audit observations on manpower requirements for Hung Hom Control Point	2.11 - 2.20
Audit recommendations on manpower requirements for Hung Hom Control Point	2.21
Response from the Administration	2.22
Manpower requirements for Airport Control Point	2.23 - 2.31
Audit observations on manpower requirements for Airport Control Point	2.32 - 2.44
Audit recommendations on manpower requirements for Airport Control Point	2.45
Response from the Administration	2.46 - 2.47

Paragraphs

PART 3: CHANNEL SUPERVISION AND SECONDARY EXAMINATION OF PASSENGERS

Duties relating to channel supervision and secondary examination	3.1 - 3.4
Audit observations	3.5 - 3.18
Audit recommendations	3.19
Response from the Administration	3.20

PART 4: LONG-TERM REDEPLOYMENT OF STAFF OF HARBOUR DIVISION

Redeployment of staff of the Special Operations Section of the Harbour Division	4.1
Audit observations	4.2 - 4.3
Audit recommendations	4.4
Response from the Administration	4.5

Appendix A: Staff establishment of the Border Division, Airport Division and Harbour Division as at 1 April 1999

Appendix B: Passenger volume handled at control points in 1998-99

Appendix C: Percentage of passengers cleared within the pledged standard waiting time of 30 minutes during the period 1996 to 1998

Appendix D: Additional posts created for the Hung Hom Control Point

Appendix E: Comparison between the estimated and actual average daily number of passengers and average daily number of pairs of through-trains at the Hung Hom Control Point

Appendix F: Audit's calculation of ICO and CS posts for the Hung Hom Control Point

Appendix G: Additional posts created for the Airport Control Point

Appendix H: Audit's calculation of ICO and CS posts for the Airport Control Point

Appendix I: Acronyms and abbreviations

THE PLANNING AND USE OF MANPOWER AT IMMIGRATION CONTROL POINTS

Summary and key findings

A. **Introduction.** One of the main areas of work of the Immigration Department (Imm D) is to perform immigration clearance at control points. The objectives of immigration clearance are, among others, to prevent the entry of undesirable persons and the departure of persons wanted for criminal offences, and to facilitate the movement of tourists, business visitors and local residents. The Border Division, the Airport Division and the Harbour Division of the Imm D are responsible for immigration control operations at Hong Kong's land, air and sea control points respectively (paras. 1.1, 1.3 and 1.5).

B. In 1999-2000, the financial provision for immigration control operations is \$1,011.6 million, which accounts for 46.5% of the Imm D's total financial provision. As at 1 April 1999, the Border Division, the Airport Division and the Harbour Division had a staff establishment of 1,012, 824 and 580 respectively (paras. 1.4 and 1.11).

C. **Audit review.** Audit has recently conducted a review to examine whether the planning of manpower at immigration control points is effective and whether the manpower at control points is used efficiently and effectively (para. 1.2). The audit findings are summarised in paragraphs D to J below.

D. **Changes in passenger volume and staff establishment.** In examining the changes in passenger volume and staff establishment at various control points, Audit noted that the Imm D had overestimated the expected passenger volume and hence the manpower requirements for the Hung Hom Control Point and the Airport Control Point. From 1996 to 1998, the staff establishment at the Hung Hom Control Point and the Airport Control Point increased by 60% and 30% respectively, notwithstanding that the passenger volume at these control points decreased by 20% and 13% respectively. Audit also noted that, from 1996 to 1998, the staff establishment at the Lo Wu Control Point and the Lok Ma Chau Control Point increased by 4% and 36% respectively, while the passenger volume at these control points increased by 38% and 72% respectively. The Imm D was able to cope with the increase in passenger volume at these control points by redeploying staff from other control points (paras. 2.1 to 2.3).

E. **Manpower requirements for Hung Hom Control Point.** In December 1997, the Kowloon-Canton Railway Corporation completed an extension project of the Kowloon Station in Hung Hom. For the handling of an anticipated increase in passenger volume, 43 additional posts were created for the Hung Hom Control Point. In assessing the additional manpower requirements, the Imm D had estimated that in 1998, the Hung Hom Control Point would have a daily average of 9,983 passengers. However, in 1998, the actual average daily number of passengers at the Hung Hom

Control Point was only 3,961. The passenger volume was overestimated by 152% (paras. 2.5, 2.6, 2.11 and 2.12).

F. The passenger volume at the Hung Hom Control Point had decreased by 48%, from 2.81 million in 1993 to 1.45 million in 1998. Audit considers that the Imm D should have given due consideration to the decreasing trend of passenger volume when assessing the manpower requirements for the Hung Hom Control Point. According to Audit's assessment, 23 of the 43 additional posts created for the Hung Hom Control Point were surplus to requirement. The annual staff cost of these 23 posts was about \$13.4 million in 1998-99. The Imm D had redeployed the staff surplus to requirement at various stages to share the heavy workload at the Lo Wu Control Point (paras. 2.7, 2.14 and 2.18).

G. **Manpower requirements for Airport Control Point.** In July 1998, the Hong Kong International Airport was relocated from Kai Tak to Chek Lap Kok. To cope with the anticipated upsurge in passenger volume and the expanded area for passenger clearance operations at the new airport, a total of 184 additional posts were created for the Airport Control Point. In assessing the additional manpower requirements, the Imm D had estimated that in 1998-99, the Airport Control Point would have a passenger volume of 26.67 million. However, in 1998-99, the actual passenger volume at the new airport was only 20.61 million. The passenger volume was overestimated by 29.4% (paras. 2.23, 2.27 and 2.32).

H. Audit considers that the Imm D could have avoided overestimating the passenger volume and hence the manpower requirements for the Airport Control Point, if due consideration had been given to the significant decrease in the number of visitors to Hong Kong and the impact of the Asian financial turmoil in the second half of 1997. According to Audit's assessment, 130 of the 184 additional posts created for the Airport Control Point were surplus to requirement. The annual staff cost of these 130 posts was about \$66.4 million in 1998-99. The Imm D had redeployed the surplus staff resources to, among other duties, meet the new performance pledge of the Airport Control Point of clearing 92% of passengers within 15 minutes, and reinforce other offices or control points (paras. 2.29, 2.35 and 2.38).

I. **Channel supervision and secondary examination of passengers.** Immigration Control Officers (ICOs) of the Immigration Assistant grade performing passenger clearance duties at clearance counters are supervised by Channel Supervisors (CSs) of the Immigration Officer grade. The main duties of a CS comprise channel supervision and field controlling behind the clearance counters, and secondary examination of doubtful passengers away from the clearance counters. The existing manning ratio of CSs is one CS to six ICOs. The actual number of CSs overseeing ICOs behind the clearance counters can vary considerably throughout the operating hours because a large number of the CSs are required to perform the secondary examination duties. Audit considers that such variation can impair the effectiveness of the CSs in discharging their duties of channel supervision and field controlling (paras. 3.2 to 3.4 and 3.18).

J. **Long-term redeployment of staff of Harbour Division.** The Special Operations Section (SOS) of the Harbour Division was set up in January 1984 for carrying out arrival examination and

clearance of Vietnamese refugees, ship searching and providing other operational support. Audit observed that since the second half of 1994, 81 out of 98 staff of the SOS had been redeployed to other divisions for more than four years. Audit considers that it is necessary to examine whether the posts originally created for the SOS are still required (paras. 4.1 to 4.3).

K. Audit recommendations. Audit has made the following major recommendations that the Director of Immigration should:

- (a) critically assess the actual manpower requirements for the Hung Hom Control Point, in the light of the latest passenger volume and the new level of through-train service (first and second insets of para. 2.21);
- (b) critically assess the actual manpower requirements for the Airport Control Point, in the light of the latest passenger/tourist statistics and the new performance pledge on passenger waiting time (third inset of para. 2.45);
- (c) consider creating posts incrementally, instead of doing so in one-go, if changes in passenger volume and economic circumstances are difficult to predict and a large number of posts are involved (second inset of para. 2.45);
- (d) redefine the role of the CSs so that they will perform only channel supervision and field controlling duties, and designate separate posts for discharging the secondary examination duties (para. 3.19(a) and (b));
- (e) determine, in conjunction with the Security Bureau, an appropriate manning ratio for channel supervision and field controlling duties, and the manpower requirements for secondary examination duties (para. 3.19(c));
- (f) review the operations and reassess the manpower requirements of the SOS (first and second insets of para. 4.4); and
- (g) redeploy, on a temporary basis, the staff surplus to requirement at a control point to other control points or offices which require additional manpower. If such redeployment is on a permanent basis, the posts surplus to requirement should be deleted and full justifications should be provided for the creation of additional posts for other control points or offices (third inset of para. 2.21, fourth inset of para. 2.45 and third inset of para. 4.4).

L. Response from the Administration. The Director of Immigration has agreed with most of the audit recommendations.

PART 1: INTRODUCTION

Audit review

1.1 The Immigration Department (Imm D) is responsible for two main areas of work, namely:

- the control and facilitation of people moving in and out of Hong Kong by land, air and sea; and
- the documentation of local residents (including the processing of applications relating to Chinese nationality law and claims to right of abode under the Basic Law), the issue of identity cards and travel documents, and the registration of births, deaths and marriages.

1.2 Audit has recently conducted a review of the Imm D's work on the control and facilitation of people moving in and out of Hong Kong by land, air and sea. The audit objectives were to examine:

- whether the planning of manpower at immigration control points (hereinafter referred to as "control points") by the Imm D is effective; and
- whether the Imm D's manpower at control points is used efficiently and effectively.

Immigration clearance at control points

1.3 The Imm D examines every person at control points upon his entry into or exit from Hong Kong by land, air and sea. The objectives of immigration clearance at control points are:

- to exercise control over legal immigration;
- to prevent the entry of undesirable persons and the departure of persons wanted for criminal offences;
- to facilitate the movement of tourists, business visitors and local residents; and

— to process cross-boundary vehicular traffic to and from the Mainland.

1.4 In 1999-2000, the financial provision for immigration control operations is \$1,011.6 million, which accounts for 46.5% of the Imm D's total financial provision of \$2,176.1 million.

Border Division, Airport Division and Harbour Division

1.5 The Border Division, the Airport Division and the Harbour Division of the Imm D are responsible for immigration control operations at Hong Kong's land, air and sea control points respectively.

1.6 The Border Division is responsible for immigration control operations at the boundary between Hong Kong and the Mainland. There are five control points at the boundary, namely Lo Wu, Hung Hom, Lok Ma Chau, Man Kam To and Sha Tau Kok. The Lo Wu Control Point handles passengers conveyed by the Kowloon-Canton Railway (KCR). The Hung Hom Control Point handles passengers who take through-trains running between Hong Kong and the Mainland. The three road-crossing control points at Lok Ma Chau, Man Kam To and Sha Tau Kok handle vehicular traffic and passengers who travel to and from the Mainland by tourist coaches and cars.

1.7 The Airport Division is responsible for immigration control of passengers travelling through the Hong Kong International Airport at Chek Lap Kok.

1.8 The Harbour Division provides immigration clearance service to people travelling through the port of Hong Kong. The Division operates the Macau Ferry Terminal Control Point and the China Ferry Terminal Control Point which handle passengers travelling to and from Macau and the Mainland respectively (Note 1).

Immigration Control Automation System

1.9 In the early 1990s, the Imm D revamped most of its processes by using information technology and office automation. A communication network was installed to link up all immigration offices and control points. Daily operations relating to immigration clearance, issue of

Note 1: *The majority of the passengers at the Macau Ferry Terminal Control Point are travelling to and from Macau while about 5% of them are travelling to and from the Mainland. The majority of the passengers at the China Ferry Terminal Control Point are travelling to and from the Mainland while about 8% of them are travelling to and from Macau.*

travel documents and identity cards, and registration of births, deaths and marriages are now computerised.

1.10 An Immigration Control Automation System (ICAS) has been used since September 1995 at all control points. This system speeds up the clearance of passengers travelling on Hong Kong identity cards or other machine-readable documents, maintains a database of passenger movement records and responds promptly to enquiries made by law enforcement agencies regarding movements of criminals and undesirable persons.

Staff establishment and passenger volume

1.11 As at 1 April 1999, the Border Division, the Airport Division and the Harbour Division had a staff establishment of 1,012, 824 and 580 respectively. A breakdown of the staff establishment (into uniformed staff and civilian staff) and a summary of the passenger volume handled at the control points in 1998-99 are shown in Appendices A and B respectively.

Performance pledge on immigration clearance

1.12 The Imm D is committed to providing an efficient and courteous service to the public while at the same time maintaining effective immigration control. The Imm D first made its performance pledges in December 1992. Since then, performance pledges have been published every year.

1.13 The Imm D's performance pledge on immigration clearance at control points (except the Airport Control Point) is to clear 92% of passengers within a standard waiting time of 30 minutes. The Imm D stated that the standard waiting time might not be achievable during certain peak hours or festive seasons. As can be seen from Appendix C, the Imm D was able to achieve its performance pledge on immigration clearance at all control points in the past three years. Since October 1998, a new performance target has been set for the Airport Control Point to clear 92% of passengers within a standard waiting time of 15 minutes. The Airport Control Point has been able to achieve the new performance target consistently since its introduction (see paragraphs 2.39 and 2.40 below).

PART 2: PASSENGER VOLUME AND MANPOWER REQUIREMENTS

Changes in passenger volume and staff establishment at control points

2.1 According to a post-implementation review conducted by the Imm D in April 1996, the commissioning of the ICAS in September 1995 had resulted in manpower savings of 33 posts for the Border Division, 60 posts for the Airport Division and 18 posts for the Harbour Division. In order to ascertain the workload handled by the control points after the implementation of the ICAS, Audit has examined the changes in passenger volume and staff establishment at various control points.

2.2 Audit noted that from 1996 to 1998:

- the staff establishment at the Hung Hom Control Point and the Airport Control Point increased by 60% and 30% respectively, notwithstanding that the passenger volume at these control points decreased by 20% and 13% respectively;
- there was no change in staff establishment at the Macau Ferry Terminal Control Point, the China Ferry Terminal Control Point and the Man Kam To Control Point, notwithstanding that the passenger volume at these control points decreased by 20%, 14% and 20% respectively (Note 2); and
- the staff establishment at the Lo Wu Control Point and the Lok Ma Chau Control Point increased by 4% and 36% respectively and the staff establishment at the Sha Tau Kok Control Point did not change, while the passenger volume at these control points increased by 38%, 72% and 8% respectively. The Imm D was able to cope with the increase in passenger volume at these control points by redeploying staff from other control points of the Border Division, the Airport Division and the Harbour Division.

The changes in passenger volume and staff establishment are shown in Table 1 below.

Note 2: *Audit noted that a staffing review of the Harbour Control Points, completed by the Management Services Agency in November 1998, proposed a net deletion of 19 posts at the Macau Ferry Terminal Control Point and 20 posts at the China Ferry Terminal Control Point. At the end of September 1999, the Imm D was still taking action on this matter. As for the Man Kam To Control Point, the Imm D commented that tailback of the Mainland-bound traffic, due to sluggish intake of vehicles on the Mainland side, remained a problem. The Imm D therefore considered that the present manning level of the vehicle kiosks and passenger counters at the Man Kam To Control Point should be maintained.*

Table 1
Changes in passenger volume and
staff establishment at control points for the period 1996 to 1998

Control point	Passenger volume			Staff establishment			Changes in passenger volume		Changes in staff establishment	
	1996	1997	1998	1996	1997	1998				
	(a)		(b)	(c)		(d)	(b)-(a)		(d)-(c)	
	(million)			(number)			(million)	(%)	(number)	(%)
Border Division										
Lo Wu	47.98	56.30	66.11	476	476	497	18.13	38%	21	4%
Hung Hom	1.81	1.55	1.45	72	115	115	(0.36)	(20%)	43	60%
Lok Ma Chau	8.08	10.75	13.93	149	203	203	5.85	72%	54	36%
Man Kam To	4.17	3.98	3.35	131	131	131	(0.82)	(20%)	—	—
Sha Tau Kok	1.72	1.80	1.86	54	54	54	0.14	8%	—	—
Sub-total	63.76	74.38	86.70	882	979	1,000	22.94	36%	118	13%
Airport Division										
Airport	23.48	21.77	20.49	633	642	826	(2.99)	(13%)	193	30%
Sub-total	23.48	21.77	20.49	633	642	826	(2.99)	(13%)	193	30%
Harbour Division										
Macau Ferry Terminal	13.31	11.10	10.71	198	198	198	(2.60)	(20%)	—	—
China Ferry Terminal	7.40	6.92	6.39	165	165	165	(1.01)	(14%)	—	—
Sub-total	20.71	18.02	17.10	363	363	363	(3.61)	(17%)	—	—
Total	107.95	114.17	124.29	1,878	1,984	2,189	16.34	15%	311	17%

Source: Imm D's records

Note: The passenger statistics of Lok Ma Chau, Man Kam To and Sha Tau Kok vehicular control points included passengers and drivers of vehicles.

2.3 Audit examined the justifications for the 60% increase in staff establishment at the Hung Hom Control Point and the 30% increase at the Airport Control Point despite the decreases in passenger volume. Audit's examination revealed that the expected passenger volume, and hence the manpower requirements for these two control points, were overestimated by the Imm D (see paragraphs 2.4 to 2.22 below for the Hung Hom Control Point and paragraphs 2.23 to 2.46 below for the Airport Control Point).

Manpower requirements for Hung Hom Control Point

Hung Hom Control Point

2.4 The Hung Hom Control Point is located at the KCR's Kowloon Station in Hung Hom. It operates daily from 7:15 a.m. to 9:00 p.m. for handling through-train passengers travelling to and from the Mainland. At present, there are eight pairs of through-trains running daily between the Kowloon Station and various cities in the Mainland.

Extension project for the Kowloon Station

2.5 In December 1997, the Kowloon-Canton Railway Corporation (KCRC) completed an extension project of the Kowloon Station as part of its effort to enhance the through-train service. With the improved facilities, the KCRC planned to operate more through-trains running between Hong Kong and the Mainland.

2.6 Before the completion of the Kowloon Station extension project, the Hung Hom Control Point had only one combined arrival and departure hall with 18 immigration control counters. When a through-train arrived at the Kowloon Station, all the counters in the hall were used to clear arriving passengers. After the clearance of arriving passengers, the counters were then used immediately for clearing departing passengers. The turnaround time between a pair of arriving and departing through-trains was about 70 minutes. After the completion of the extension project in December 1997, the passenger clearance area at the Kowloon Station was expanded. There are now two separate halls: one for arrival with 26 immigration counters and another for departure with 22 immigration counters. For the handling of an anticipated increase in passenger volume, 43 additional posts were created for the Hung Hom Control Point in December 1997 (see Appendix D).

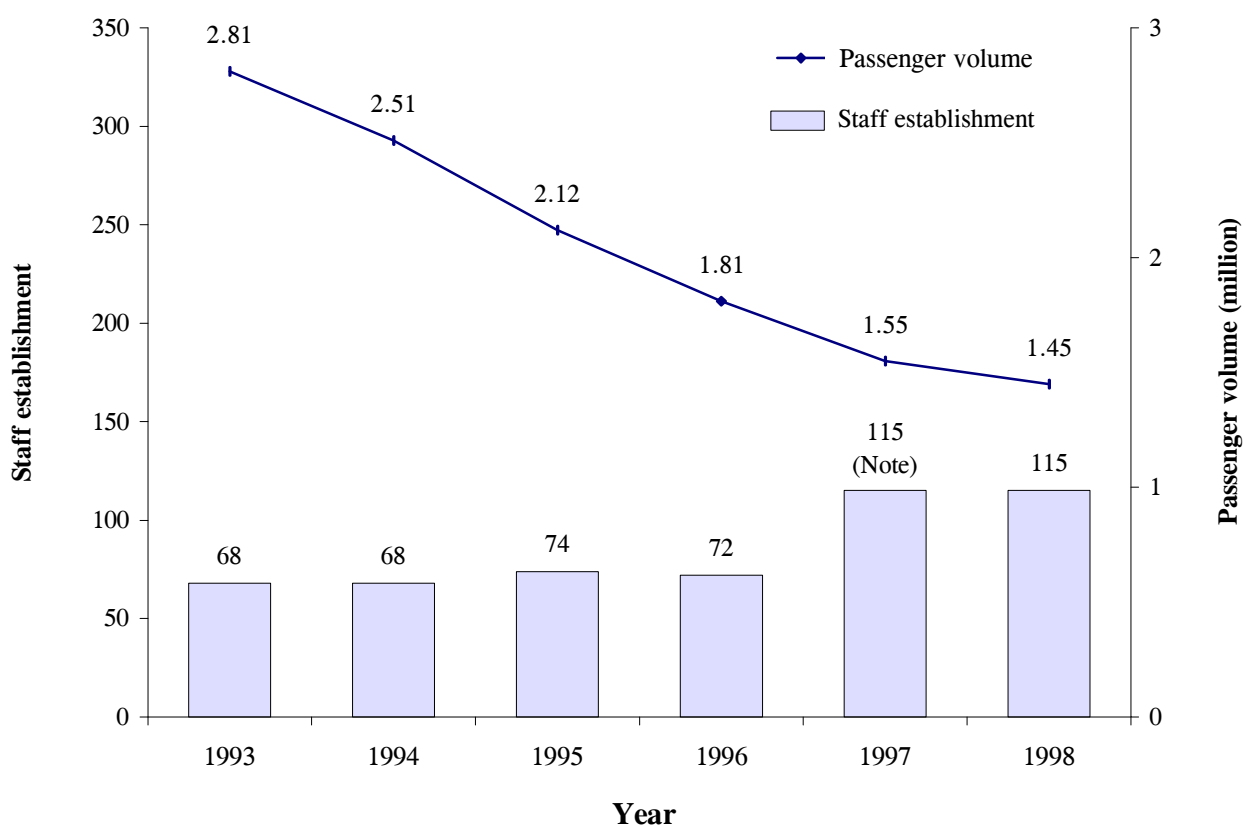
Staff establishment, passenger volume and passenger waiting time

2.7 Audit examined the staff establishment and passenger volume at the Hung Hom Control Point for the period 1993 to 1998. The results of the examination, as shown in Figure 1 below, indicated that the staff establishment had increased by 69%, from 68 in 1993 to 115 in 1998,

notwithstanding that the passenger volume had decreased by 48%, from 2.81 million in 1993 to 1.45 million in 1998. The large increase in staff establishment was mainly due to the creation of 43 additional posts in December 1997.

Figure 1

**Staff establishment and passenger volume
at Hung Hom Control Point for the period 1993 to 1998**



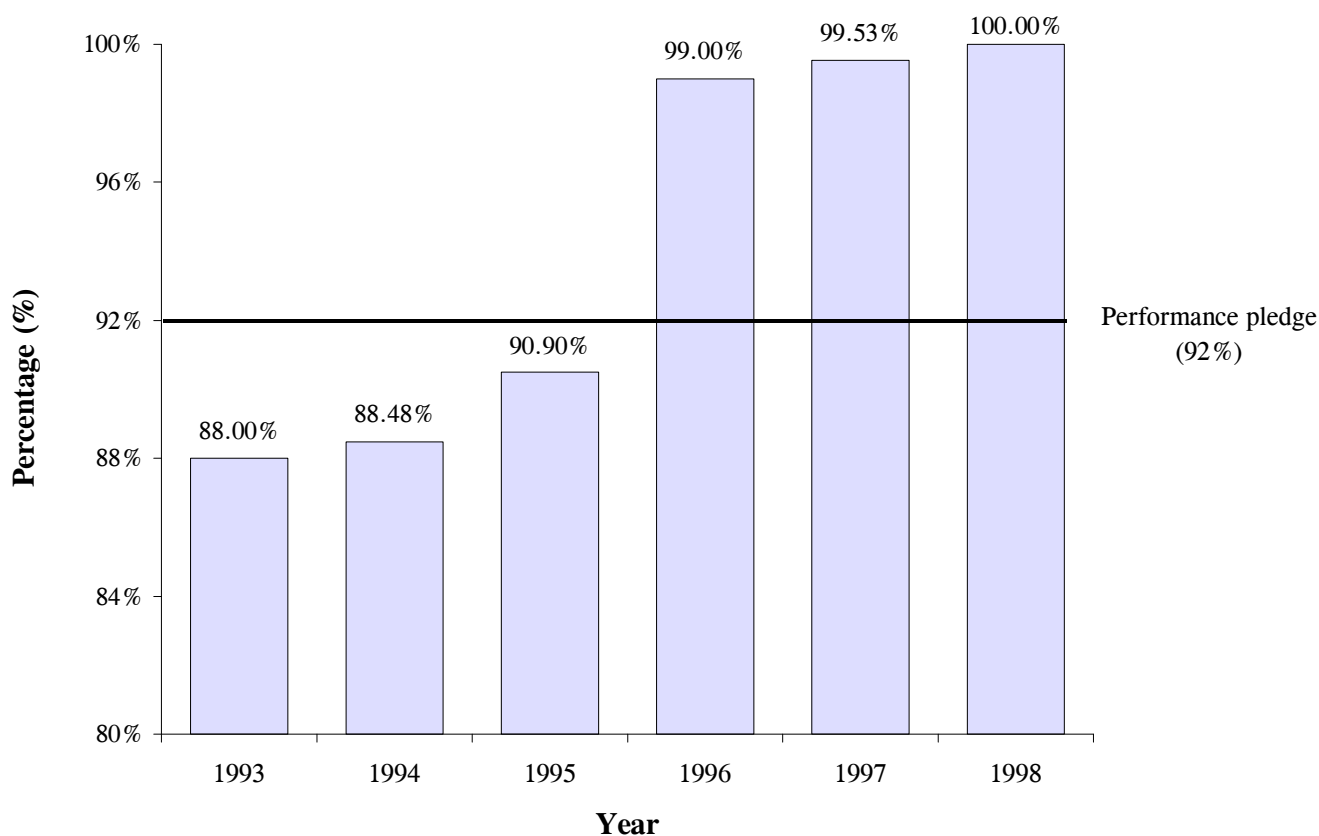
Source: Imm D's records

Note: 43 additional posts were created in December 1997.

2.8 Audit observed that for the years 1993 to 1995, the Hung Hom Control Point had not been able to meet the performance pledge of clearing 92% of passengers within a standard waiting time of 30 minutes. However, since 1996, there had been improvement in service quality in terms of passenger waiting time at the Hung Hom Control Point. This was because, after the implementation of ICAS in September 1995 (see paragraph 1.10 above), the performance indicator had improved to 99% in 1996, 99.53% in 1997 and 100% in 1998 (see Figure 2 below).

Figure 2

**Percentage of passengers
at Hung Hom Control Point cleared within the
standard waiting time of 30 minutes during the period 1993 to 1998**



Source: Imm D's records

2.9 In view of the decreasing trend in passenger volume at the Hung Hom Control Point, Audit has reservations about the need for creating all the 43 additional posts for the Hung Hom Control Point in December 1997. Audit therefore examined the basis for estimating the passenger volume in October 1997.

Imm D's estimation of passenger volume

2.10 In October 1997, based mainly on the KCRC's information on the operation of the through-train service upon the completion of the Kowloon Station extension project, the Imm D made the following assumptions in assessing the manpower requirements for the Hung Hom Control Point:

- at the beginning of 1998, seven pairs of through-trains would be in regular operation on a daily basis, with eight to nine pairs running during peak seasons. The daily number of pairs of through-trains would be increased progressively each year until an hourly arrival and departure schedule was achieved;
- the seven pairs of through-trains per day would have a total maximum passenger capacity of 11,744 (see paragraph 2.11 below);
- the seven pairs of through-trains per day would have an average passenger loading of 85% (see paragraph 2.11 below). Therefore, the average daily number of passengers handled at the Hung Hom Control Point would be 9,983 (i.e. $11,744 \times 85\%$) and the average number of passengers carried by each train would be 713 (i.e. $9,983 \div (7 \text{ trains} \times 2 \text{ trips})$); and
- the immigration counters for clearing departing passengers would be manned throughout the operating hours, i.e. clearance of departing passengers would be carried out independently of train departure schedules.

Audit observations on manpower requirements for Hung Hom Control Point

Passenger volume overestimated

2.11 Audit noted that in April 1997, the KCRC informed the Imm D that in 1998, eight pairs of through-trains would be in regular operation each day with an estimated daily average of 6,200 passengers (see Appendix E). In July 1997, based on an updated business development plan, the KCRC informed the Imm D that in 1998, there would be at least seven pairs of through-trains each day. Depending on the demand, additional carriages could be added to the trains to increase

the daily total maximum passenger capacity to 11,744 (Note 3). Based on a projection of 85% average passenger loading per train made by the Secretary for Security in March 1996 (Note 4), the Imm D had estimated that in 1998, the Hung Hom Control Point would have a daily average of 9,983 passengers.

2.12 Audit found that the Imm D had overestimated the passenger volume at the Hung Hom Control Point. As can be seen from Appendix E, in 1998, the actual average daily number of pairs of through-trains was only six and the actual average daily number of passengers at the Hung Hom Control Point was only 3,961. The Imm D's estimated average daily number of 9,983 passengers was 152% higher than the actual average daily number of passengers.

2.13 As the Imm D overestimated the average daily number of passengers at the Hung Hom Control Point, Audit considers that the provision of the 43 additional posts has exceeded the actual manpower requirements for the Hung Hom Control Point.

Decreasing trend of passenger volume over the years

2.14 Audit considers that the Imm D, when considering the KCRC's business development plan and assessing the manpower requirements for the Hung Hom Control Point, should have given due consideration to the decreasing trend of passenger volume. In view of the continuous decrease in the number of passengers, the actual passenger statistics for the year preceding October 1997, when the submission was made to create the 43 additional posts, should have been used as a basis for assessing the manpower requirements for the Hung Hom Control Point.

2.15 Audit recalculated the manpower requirements for the Hung Hom Control Point, using the passenger volume for the period July 1996 to June 1997. Audit noted that the number of posts proposed for creation would have been reduced, if the actual passenger volume for this period had been considered in assessing the manpower requirements.

2.16 According to Audit's calculation, which followed the approach used by the Imm D for proposing the creation of the additional posts in October 1997, it was not necessary to create 16

Note 3: *The maximum passenger capacity of the seven pairs of through-trains per day was calculated on the following basis:*

$$\begin{aligned} & (5 \text{ trains} \times 820 \text{ maximum passenger capacity per train} \times 2 \text{ trips}) \\ + & (1 \text{ train} \times 504 \text{ maximum passenger capacity per train} \times 2 \text{ trips}) \\ + & (1 \text{ train} \times 1,268 \text{ maximum passenger capacity per train} \times 2 \text{ trips}) \\ = & \underline{\underline{11,744 \text{ passengers}}} \end{aligned}$$

Note 4: *Regarding the projected passenger loading, the Secretary for Security disagreed with the Director of Immigration's assumption of 100% passenger loading for the through-trains. Based on the KCRC's projected passenger volume for the second half of 1997, the Secretary calculated that the average passenger loading per train should be about 70%. However, to allow for a higher passenger loading for some of the trains, it was decided to use an average passenger loading factor of 85% in assessing the manpower requirements.*

additional Immigration Control Officer (ICO) posts (of the Senior Immigration Assistant rank) for passenger clearance and four additional Channel Supervisor (CS) posts (of the Immigration Officer rank) for channel supervision and related duties (see Appendix F).

2.17 Furthermore, according to the Imm D's October 1997 proposal for creating the additional posts, one Shift Commander post (of the Senior Immigration Officer rank) and one Duty Officer post (of the Immigration Officer rank) were required on each shift at both the arrival hall and the departure hall at the Hung Hom Control Point for overseeing the deployment of staff. Based on the number of shifts per day, the number of Shift Commander posts was increased by four, from three to seven, and the number of Duty Officer posts was increased by five, from two to seven. As the passenger volume has been low and each Shift Commander is assisted by a Duty Officer at both the arrival hall and the departure hall, Audit considers that it would be sufficient for only one Shift Commander to oversee both the arrival hall and the departure hall on each shift. Under such an arrangement, three Shift Commander posts could be saved. In this connection, Audit noted that the Imm D had redeployed, from December 1997 to February 1999, three Shift Commanders (i.e. Senior Immigration Officers) from the Hung Hom Control Point to the Lo Wu Control Point (see paragraph 2.20 below).

2.18 **Audit estimated that the annual staff cost of the 23 posts surplus to the requirement of the Hung Hom Control Point (i.e. 16 ICO posts, four CS posts and three Shift Commander posts, as mentioned in paragraphs 2.16 and 2.17 above) was about \$13.4 million in 1998-99. Audit has noted that the staff surplus to requirement at the Hung Hom Control Point have been redeployed at various stages to share the heavy workload at the Lo Wu Control Point (see paragraph 2.20 below).**

Imm D's comments on the low passenger volume

2.19 The Imm D attributed the low passenger volume at the Hung Hom Control Point to:

- the slippage of the completion date of the Guangshen Railway's electrification project from early 1998 to October 1998; and
- the KCRC's revision of its business development plan for the through-train service to tie in with the commissioning of the Guangzhou Metro in June 1999.

In response to Audit's enquiry, the Imm D said that it was informed by the KCRC in early 1999 that the daily schedule for the through-train service would be expanded from the existing six pairs to eight pairs in June 1999 and further to eleven pairs by September 1999 (Note 5). The Imm D also said that since October 1998, there had been a growing trend in passenger volume at the Hung Hom

Note 5: *The through-train service was expanded to eight pairs a day with effect from 28 June 1999. The level of service remained the same at the end of September 1999.*

Control Point, and that the KCRC expected that the passenger volume at the Hung Hom Control Point would increase by 23% in 1999 (Note 6).

2.20 In the meantime, the Imm D has kept the staffing level at the Hung Hom Control Point to the minimum, through shift rostering in accordance with the train schedules and passenger traffic. Since the creation of the 43 additional posts in December 1997, 39 staff at the Hung Hom Control Point (including 16 Senior Immigration Assistants and four Immigration Officers mentioned in paragraph 2.16 above and three Senior Immigration Officers mentioned in paragraph 2.17 above) have been redeployed at various stages to the Lo Wu Control Point.

Audit recommendations on manpower requirements for Hung Hom Control Point

2.21 **Audit has recommended that the Director of Immigration should:**

- estimate the passenger volume realistically, taking into account the recent trend of passenger volume and the new level of through-train service, given that the passenger volume has been used as a basis for the creation of additional posts;
- critically assess the actual manpower requirements for the Hung Hom Control Point, in the light of the latest passenger volume; and
- redeploy, on a temporary basis, the staff surplus to requirement at the Hung Hom Control Point to other control points or offices which require additional manpower. If such redeployment is on a permanent basis, the posts surplus to requirement should be deleted and full justifications should be provided for the creation of additional posts for other control points or offices.

Response from the Administration

2.22 The Director of Immigration has said that:

- (a) prior to 1996, the staffing level of the Hung Hom Control Point was grossly inadequate. The immigration service rendered was below the performance pledge and fell short of public expectation. It is not appropriate to use this staffing level as a reasonable basis for projecting future manning scales;

Note 6: *Notwithstanding the growth in passenger volume at the Hung Hom Control Point since October 1998, the actual average daily number of passengers during the period October 1998 to September 1999 was only 4,556, which was substantially lower than the Imm D's estimation of an average daily number of 9,983 passengers for the creation of additional posts in December 1997.*

- (b) the decreasing trend of passenger volume as from 1994 should not be regarded as a determining factor for the creation of additional posts for the Hung Hom Control Point. It was the drawbacks of the old Kowloon Station and other sub-standard through-train service that had prompted the expansion project of the Kowloon Station. This project aimed at providing a much improved through-train service, so as to regain the market share in the prosperous cross-boundary traffic market. It was reasonable to make projections of the passenger volume on the increased train frequencies and capacities as advised by the KCRC. He is satisfied that the estimation was reached with a sound basis at that point in time;
- (c) the implementation of the Kowloon Station expansion project since October 1998, though delayed, has proved its effect. The average increase in passenger volume for the period October 1998 to July 1999 was 13%, compared with the passenger volume for the corresponding period in the preceding year. After the implementation of phase II of this project on 28 June 1999, there was a substantial growth of more than 30% in passenger volume during the period 28 June 1999 to 19 July 1999, compared with the passenger volume during the period 28 May 1999 to 18 June 1999 (see Note 6 above);
- (d) before the KCRC's expansion plan is fully in place, the Imm D has been making conscientious efforts to redeploy the staff surplus to requirement at the Hung Hom Control Point so as to alleviate congestion problems at the other cross-boundary control points;
- (e) owing to the ever-increasing service demand, the Lo Wu Control Point has been suffering from chronic staff stringency. A staffing review conducted by the Management Services Agency (MSA) in mid-1998 concluded that there was an acute shortfall of staff at the Lo Wu Control Point (Note 7). Lo Wu has survived the ever-growing traffic by relying on flexible redeployment of staff from within the Imm D, particularly from the Hung Hom Control Point and the Airport Control Point; and
- (f) the passenger volume and manpower requirements of the Hung Hom Control Point will be closely monitored and critically reviewed after the full implementation of the KCRC's expansion plan in September 1999.

Manpower requirements for Airport Control Point

Airport Control Point

2.23 In July 1998, the Hong Kong International Airport was relocated from Kai Tak to Chek Lap Kok. The new airport has an initial capacity to deal with up to 35 million passengers a year. With its two runways, it can handle 50 scheduled flights per hour. Presently, there are on average 34 to 37 scheduled flights per hour.

Note 7: *The final report on the staffing review issued by the MSA in July 1999 proposed a creation of 71 posts at the Lo Wu Control Point.*

2.24 At the opening of the new airport in July 1998, the Imm D's Airport Division was moved from Kai Tak to Chek Lap Kok. The total floor area of the immigration premises was expanded by 152% (from 2,042 square metres at Kai Tak to 5,138 square metres at Chek Lap Kok). The number of immigration counters was increased by 24% (from 166 counters at Kai Tak to 206 counters at Chek Lap Kok).

2.25 The new airport is now operating round-the-clock (Note 8). Presently, most arriving or departing passenger flights operate between 6:00 a.m. to midnight. There are only two to three passenger flights arriving at or departing from the new airport between midnight to 6:00 a.m. The daily peak periods in the arrival halls usually fall between 11:00 a.m. and 2:00 p.m. and between 6:00 p.m. and 8:00 p.m. There is no obvious peak period in the departure halls because departing passengers generally present themselves for immigration clearance one hour ahead of flight departure.

2.26 At the new airport, most flights arrive or depart in accordance with flight schedules. Bunching of flights may occur when flight schedules are disrupted by adverse weather conditions or unforeseeable events. However, the flow of passengers is moderated because of the larger buffer area provided and it takes time for the passengers to travel from the aircraft gates to the arrival halls. The problem of bunching is therefore smaller at Chek Lap Kok than at Kai Tak where space was limited.

Staff establishment, passenger volume and passenger waiting time

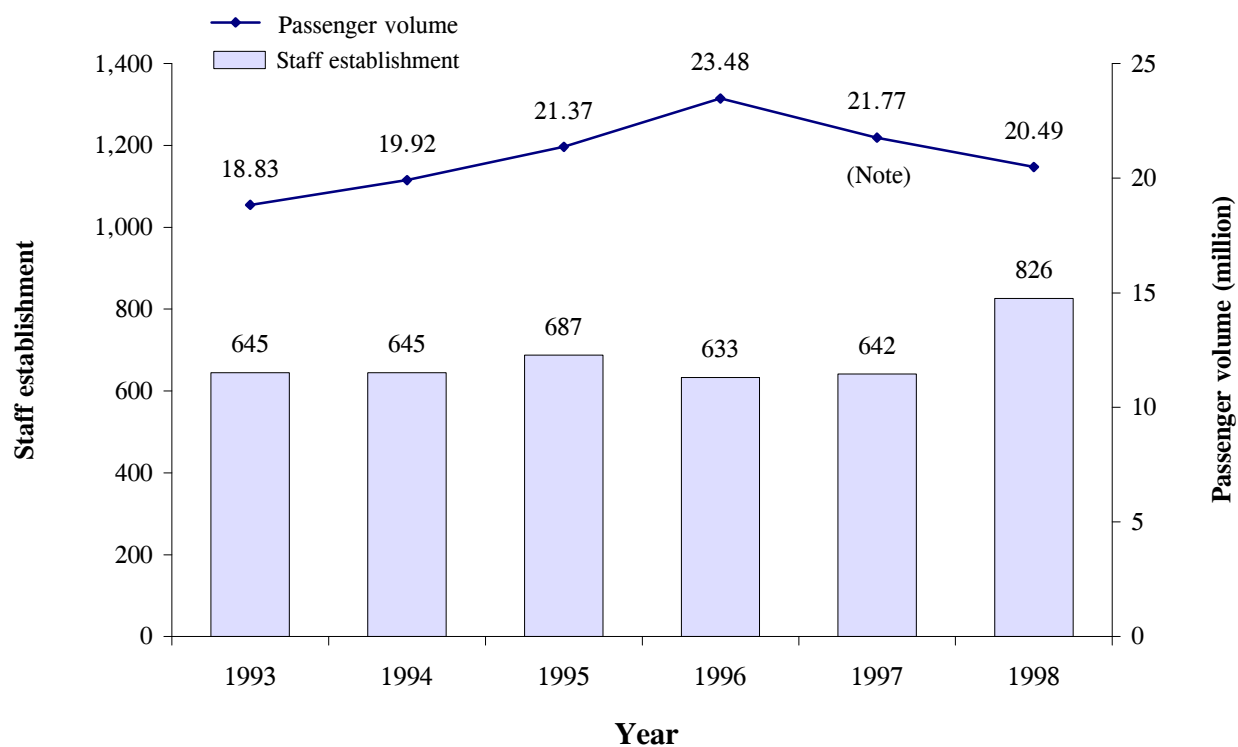
2.27 Audit examined the staff establishment and passenger volume at the Airport Control Point for the period 1993 to 1998. The results of Audit's examination, as shown in Figure 3 below, indicated that:

- the staff establishment at the Airport Control Point was reduced from 687 in 1995 to 633 in 1996, mainly due to the gain in productivity resulting from the implementation of the ICAS in September 1995 (see paragraph 2.1 above). However, in 1998, the staff establishment at the Airport Control Point was increased by 184 (see Appendix G) to cope with the anticipated upsurge in passenger volume and the expanded area for passenger clearance operations at the new airport; and
- the passenger volume at the Airport Control Point had increased continuously up to 1996 when it reached a record high of 23.48 million. However, the passenger volume at the Airport Control Point decreased to 21.77 million in 1997 and further to 20.49 million in 1998 because, following the Asian financial turmoil in the second half of 1997, there was a slowdown in Asia's regional economic growth.

Note 8: *The former airport curfew, between 1:00 a.m. to 6:30 a.m. at Kai Tak, has been lifted.*

Figure 3

**Staff establishment and passenger volume
at Airport Control Point for the period 1993 to 1998**



Source: Imm D's records

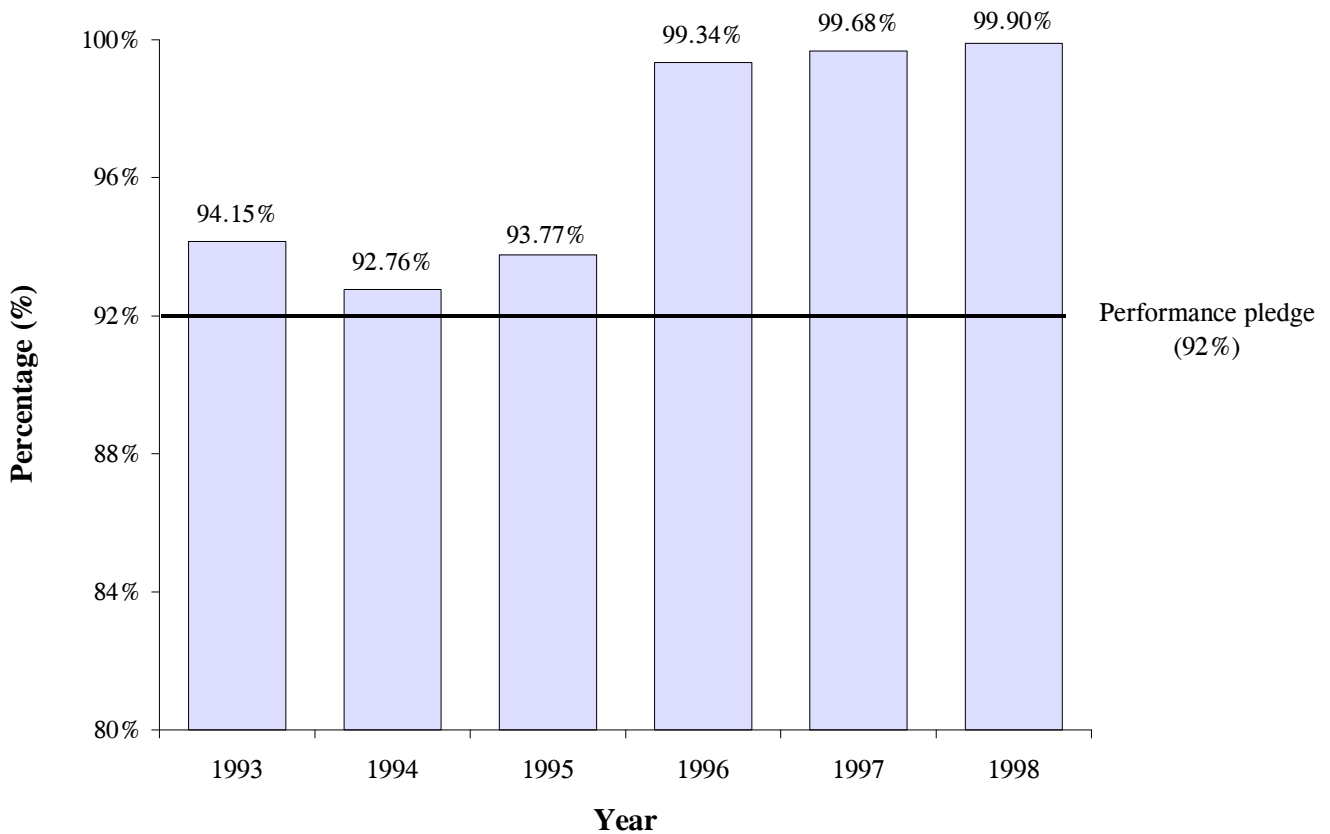
Note: The passenger volume at the Airport Control Point started to decrease from June 1997 onwards when compared with the corresponding months in 1996.

Month	Passenger volume (million)		Change in percentage (%)
	1996 (a)	1997 (b)	
			$(c) = \frac{(b) - (a)}{(a)} \times 100\%$
January	1.72	1.89	9.9%
February	1.92	2.01	4.7%
March	1.88	2.07	10.1%
April	1.93	1.98	2.6%
May	1.72	1.85	7.6%
June	1.90	1.67	(12.1%)
July	2.07	1.67	(19.3%)
August	2.32	1.97	(15.1%)
September	1.85	1.52	(17.8%)
October	2.05	1.70	(17.1%)
November	1.92	1.60	(16.7%)
December	2.20	1.84	(16.4%)
Total	23.48	21.77	(7.3%)

2.28 Audit also observed that the Airport Control Point had achieved the performance pledge of clearing 92% of passengers within a standard waiting time of 30 minutes throughout the period 1993 to 1998. Figure 4 below shows that the actual performance of 99.34% in 1996, 99.68% in 1997 and 99.90% in 1998 was well above the pledge. This indicates that there has been an improvement in service quality in terms of passenger waiting time at the Airport Control Point.

Figure 4

**Percentage of passengers
at Airport Control Point cleared within the
standard waiting time of 30 minutes during the period 1993 to 1998**



Source: Imm D's records

Creation of additional posts for the new Airport Control Point

2.29 Upon the commissioning of the new airport in July 1998, a total of 184 additional posts were created for the Airport Control Point. As can be seen from Appendix G, these included:

- 91 ICOs and nine CSs to cater for the projected increase in passenger volume and the extension of operational hours;
- 14 passenger regulators for regulating serpentine queues; and
- 56 operation staff and 14 administration staff to cater for the anticipated proportional growth in size and complexity of the workload.

Imm D's estimation of passenger volume

2.30 In December 1997, when assessing the additional manpower requirements for the new Airport Control Point, the Imm D estimated that:

- the volume of arriving passengers would increase by 0.32% in 1997-98 and further by 11.51% in 1998-99; and
- the volume of departing passengers would decrease by 0.56% in 1997-98 and would increase by 11.74% in 1998-99.

According to the Imm D's estimation, the total passenger volume would be 26.67 million for 1998-99.

2.31 In the light of the slowdown in Asia's regional economic growth and the resulting decrease in actual passenger volume at the airport in 1997-98, in May 1998, the Secretary for Security suggested to the Director of Immigration that the Director should review the estimated passenger volume at the airport for 1998-99 and revise the proposal for acquiring additional manpower for the Airport Control Point. However, the Director considered that the decrease in passenger volume in 1997-98 was a once-in-a-blue-moon phenomenon and was not representative of the normal passenger traffic. The Director informed the Secretary that:

- the slowdown in tourism would be short-lived;

- the number of scheduled flights would be further increased from 38 to 50 per hour, upon the completion of the second runway;
- with improved air traffic network, enhanced flexibility of the airport and the availability of preferred landing slots for airlines, more flights would choose to use the new airport; and
- the new airport itself was a new attraction to tourists.

Therefore, the Director decided not to change the proposal for the creation of additional posts at the new airport. However, the Director undertook to review the manpower requirements 12 months after the opening of the new airport.

Audit observations on manpower requirements for Airport Control Point

Passenger volume overestimated

2.32 The Imm D estimated that in 1998-99, the Airport Control Point would have a passenger volume of 26.67 million (see paragraph 2.30 above). However, the actual passenger volume in 1998-99 at the new airport was only 20.61 million. The passenger volume was overestimated by 29.4%.

2.33 Audit found that the number of visitors passing through the Airport Control Point decreased by 23.9%, from 15.27 million in 1996-97 to 11.62 million in 1997-98 and further decreased by 2.2% to 11.36 million in 1998-99. The forecast of arriving visitors produced by the Hong Kong Tourist Association in January 1998, as shown in Table 2 below, also indicated that:

- in 1997, the actual total number of visitors entering Hong Kong through all control points decreased by 11.0%, when compared with 1996; and
- in 1998, the number of visitors entering Hong Kong through all control points would increase by 2.3%, when compared with 1997.

Table 2
Forecast of arriving visitors
produced by the Hong Kong Tourist Association in January 1998

	Actual passenger volume			Forecasted passenger volume	
	1996	1997	Change in percentage	1998	Growth (compared with 1997)
	(million)	(million)		(million)	
	(a)	(b)	$(c) = \frac{(b) - (a)}{(a)} \times 100\%$	(d)	$(e) = \frac{(d) - (b)}{(b)} \times 100\%$
Mainland	2.31	2.30	(0.4%)	2.44	6.1%
Taiwan	1.82	1.78	(2.2%)	1.85	3.9%
South and Southeast Asia	1.62	1.50	(7.4%)	1.53	2.0%
Japan	2.38	1.37	(42.4%)	1.33	(2.9%)
USA	0.75	0.80	6.7%	0.84	5.0%
United Kingdom	0.40	0.34	(15.0%)	0.35	2.9%
Others	2.42	2.32	(4.1%)	2.31	(0.4%)
Total	<u><u>11.70</u></u>	<u><u>10.41</u></u>	(11.0%)	<u><u>10.65</u></u>	2.3%

Source: Forecast produced by the Hong Kong Tourist Association in January 1998

Note: The forecasted passenger volume comprised visitors arriving at all control points by different modes of transport. The forecast had taken into account the following factors:

- (a) currency fluctuations in regional markets;*
- (b) economic and political situation of visitor generating countries;*
- (c) competition from regional destinations and the rise of new destinations;*
- (d) changes in air seat capacity between Hong Kong/Mainland and visitor generating countries;
and*
- (e) impact of the opening of the new Hong Kong International Airport.*

2.34 In the 1998 Economic Prospects published by the Financial Services Bureau in February 1998, Audit also noted that the International Monetary Fund had forecasted a slowdown in economic growth for selected economies as shown in Table 3 below.

Table 3
Economic growth forecasts for selected economies
for 1998 made by the International Monetary Fund

	Growth forecast for 1998 made in October 1997	Revised forecast for 1998 made in December 1997	Slowdown in forecasted growth
	(percentage)	(percentage)	(percentage)
USA	2.6%	2.4%	0.2%
UK	2.6%	2.4%	0.2%
Germany	2.8%	2.7%	0.1%
Japan	2.1%	1.1%	1.0%
Republic of Korea	6.0%	2.5%	3.5%
Thailand	3.5%	—	3.5%
Indonesia	6.2%	2.0%	4.2%
Malaysia	6.5%	2.5%	4.0%
Philippines	5.0%	3.8%	1.2%

Source: 1998 Economic Prospects published by the Financial Services Bureau in February 1998

2.35 In view of the findings in paragraphs 2.33 and 2.34 above, Audit considers that the Imm D could have avoided overestimating the passenger volume, and hence the manpower requirements for the Airport Control Point, if due consideration had been given to:

- the significant decrease in the number of visitors to Hong Kong before the commissioning of the new airport in July 1998; and

- the impact of the Asian financial turmoil in the second half of 1997, as well as the subsequent slowdown in Asia's regional economic growth.

2.36 Using the actual passenger volume of 20.75 million for the financial year 1997-98 as a reference (i.e. taking into account the decrease in passenger volume in 1997-98, compared with 1996-97, of 12.75% for arriving passengers and 13.69% for departing passengers), Audit has recalculated the manpower requirements for the Airport Control Point. **According to Audit's calculation, which followed the approach used by the Imm D for proposing the creation of the additional posts in December 1997, it was not necessary to create 91 ICO posts for passenger clearance and nine CS posts for channel supervision and related duties (see the first inset of paragraph 2.29 above). On the contrary, because of the decrease in passenger volume at the Airport Control Point, the calculation shows that nine ICO posts (of the Senior Immigration Assistant rank) and seven CS posts (of the Immigration Officer rank) could have been deleted from the staff establishment (see Appendix H).**

2.37 In view of the significant decrease in passenger volume, Audit also considers that:

- the 14 additional posts of passenger regulator of the Immigration Assistant rank (see the second inset of paragraph 2.29 above) created for regulating serpentine queues would not be necessary because the effects of bunching of flights and passengers have now been reduced at the new airport and the serpentine queuing arrangement is therefore not required; and
- part of the posts for the 56 operation staff and 14 administration staff (see the third inset of paragraph 2.29 above) created for the Airport Control Point would not be necessary since the anticipated proportional growth in size and complexity of the workload at the new airport has not fully materialised.

2.38 Audit estimated that the annual staff cost of the 130 posts (Note 9) surplus to the requirement of the Airport Control Point was about \$66.4 million in 1998-99. Audit noted that the Imm D had already redeployed the surplus staff resources to, among other duties:

- meet the new performance pledge of clearing 92% of passengers within 15 minutes (see paragraph 2.42(c) below);
- process an increasing number of Mainland visitors (see paragraph 2.42(e) and (f) below); and

Note 9: *The 130 posts included the additional 91 ICO posts, nine CS posts, 14 passenger regulator posts created for the opening of the new Airport Control Point in July 1998, and the nine ICO posts and seven CS posts that could have been deleted from the staff establishment, because of the decrease in passenger volume at the Airport Control Point.*

- reinforce other offices or control points, where necessary (see paragraph 2.42(h) below).

Nevertheless, Audit is of the view that it would have been more prudent for the Imm D to adopt an incremental approach for the creation of the posts for the new Airport Control Point, taking into account the additional operational needs and the changes in passenger volume.

New performance pledge on standard waiting time

2.39 In planning the manpower requirements for the Airport Control Point, the performance pledge of clearing 92% of passengers within a 30-minute waiting time was agreed between the Imm D and the Security Bureau. In October 1998, the Chief Executive announced in his Policy Address that steps would be taken to improve the passenger waiting time at the new airport. Accordingly, the Imm D has, since October 1998, set a new performance pledge for the Airport Control Point to clear 92% of passengers within 15 minutes (instead of within 30 minutes).

2.40 The Airport Control Point has been able to achieve the new performance pledge on passenger waiting time consistently since its introduction. In April 1999, the percentage of passengers cleared within a 15-minute waiting time at the Airport Control Point was:

- 93.52% for arriving visitors and 99.98% for arriving residents; and
- 99.98% for departing visitors and 99.87% for departing residents.

2.41 Audit noted that before the relocation of the airport to Chek Lap Kok, the Airport Control Point at Kai Tak had already achieved the performance indicators for the years 1996 and 1997 as follows:

- on average, 80.30% of arriving visitors and 99.08% of departing visitors were cleared within a 15-minute waiting time; and
- all arriving and departing residents were cleared in no more than 15 minutes.

Imm D's comments on creation of additional posts

2.42 In response to Audit's enquiry on the creation of additional posts for the new airport, the Imm D said that:

- (a) mainly due to the increase in immigration accommodation at the new airport, the geographical separation of immigration halls, the abolition of curfew hours and the growth in complexity of cases, the number of staff being deployed had been increased by 50% (from 144 at Kai Tak to 216 at Chek Lap Kok) to cope with the daily operations;

- (b) although there was a 12.71 % decrease in passenger volume in 1998 when compared with 1996, the passenger volume for the periods July to December 1998 and January to March 1999 increased by 2.65% and 2.40% respectively, when compared with the corresponding periods in the preceding year;
- (c) following the Policy Address made by the Chief Executive in October 1998, a new performance standard of clearing 92% of passengers within 15 minutes was set for the new airport. To meet the new performance standard, the number of officers deployed for passenger clearance had been increased by 21.60% (from 463 at Kai Tak to 563 at Chek Lap Kok);
- (d) the Imm D was able to clear within 15 minutes a weighted average of 98.89% of passengers during the period July to December 1998 and 98.68% of passengers during the period January to March 1999. This was an improvement, when compared with 91.77% in 1996, 94.47% in 1997, and 95.73% for the first half of 1998;
- (e) from July to December 1998, the average monthly number of China tour groups was 135 and the average number of tour members arriving by air per month was 2,310. This represented a significant increase, when compared with the respective averages of 17 and 421 for the first half of 1998. These average monthly figures further climbed up to 188 and 3,143 respectively for the period January to March 1999. As the clearance procedures were complex and pre-arrival clearance had to be conducted to shorten the groups' waiting time at the counters, the time involved in processing a tour group member would be longer than that for a normal passenger;
- (f) with effect from 15 October 1998, two-way permit holders from the Mainland were allowed to travel to Hong Kong by air. Extra work such as photocopying of permits, romanisation of names and inscribing the limitation of stay onto the permit copy and keeping of statistics was required for handling these passengers;
- (g) for better customer service, designated counters were set up at both ends of each immigration hall to facilitate the clearance of Hong Kong permanent residents. This involved six additional Senior Immigration Assistants on each shift for the job;
- (h) from July 1998 to March 1999, reinforcement from the Airport Division was provided to other control points and offices on nine occasions, involving a total of 6,615 man-hours; and
- (i) internal training was enhanced. Different courses such as Work Improvement Seminar, Courtesy Seminar and Briefing on System Operational Procedures were conducted to equip the officers with different operational skills with a view to improving the standard of service delivered.

2.43 The Imm D considered that, taking account of the above factors, the additional resources were gainfully deployed. Moreover, subsequent to the opening of the second runway of the new airport in May 1999, the number of scheduled flights per hour would increase and a continual increase in passenger traffic would be anticipated.

2.44 Notwithstanding that the Imm D considered that the additional manpower provided for the new airport had been gainfully deployed, Audit considers that it would have been more prudent and appropriate for the Imm D to create the 184 additional posts (see paragraph 2.29 above) incrementally, taking into account both the additional operational needs and the decrease in passenger volume as a result of the unfavourable regional economic conditions.

Audit recommendations on manpower requirements for Airport Control Point

2.45 Audit has *recommended* that the Director of Immigration should:

- give due consideration to changes in passenger volume and economic circumstances when creating additional posts for the Airport Control Point in future;
- consider creating posts incrementally, instead of doing so in one-go, if changes in passenger volume and economic circumstances are difficult to predict and a large number of posts are involved;
- closely monitor the passenger volume and critically assess the actual manpower requirements for the Airport Control Point, in the light of the latest passenger/tourist statistics and the new performance pledge on passenger waiting time; and
- redeploy, on a temporary basis, the staff surplus to requirement at the Airport Control Point to other control points or offices which require additional manpower. If such redeployment is on a permanent basis, the posts surplus to requirement should be deleted and full justifications should be provided for the creation of additional posts for other control points or offices.

Response from the Administration

2.46 The Director of Immigration has said that:

- (a) he agrees with Audit that as a matter of principle, he will, as far as possible, give due consideration to changes in passenger volume and economic circumstances when creating additional posts for the Airport Control Point in future;

- (b) in forecasting the passenger volume and staffing requirements for the Airport Control Point, the Imm D had relied on relevant available estimates made by various authorities including the Airport Authority, the Civil Aviation Department and the Hong Kong Tourist Association. The global economic recession and its implications on air traffic were unpredictable. As explained in paragraph 2.31 above, it was premature at that point in time to assume that the decline in air traffic would persist;
- (c) he does and will continue to create posts only as and when the need arises. If there are reliable indications that the service demand can be met incrementally, he will appropriately schedule the creation of posts;
- (d) he is currently conducting a review on the implications of the new performance pledge and the recent movement in air traffic volume vis-à-vis the staffing level of the Airport Control Point;
- (e) the Imm D has deployed staff surplus to the requirement of the Airport Control Point to other control points which require additional manpower, for example, the Lo Wu Control Point, so as to cope with the significant growth in cross-boundary passenger traffic without a corresponding increase in staff resources; and
- (f) he does and will continue to periodically review the staffing and service demand levels critically and make short-term or long-term adjustments, as appropriate.

2.47 In response to Audit's recommendations in paragraphs 2.21 and 2.45 above, the **Secretary for the Treasury** has said that:

- since the immigration clearance service is demand-led, she has no problem with the Imm D's redeployment of staff resources among various control points to cope with fluctuations in passenger volume, which is dynamic instead of static. This is in line with the spirit of the devolution of resource management responsibility to Controlling Officers; and
- she will, however, take as reference Audit's observations on the manpower situation at various control points, in assessing the Imm D's overall resource requirement, so as to ensure that the Imm D is providing a cost-effective immigration control service.

PART 3: CHANNEL SUPERVISION AND SECONDARY EXAMINATION OF PASSENGERS

Duties relating to channel supervision and secondary examination

3.1 An effective immigration control system requires frontline ICOs to properly examine passengers and their travel documents for preventing the entry of undesirable persons and the departure of persons wanted for criminal offences. ICOs also need to establish the purpose of visit of arriving visitors before granting them permission of entry into Hong Kong. If the visitor's purpose of visit is in doubt or considered not genuine, the visitor's limit of stay may be shortened or, in blatant cases, permission of entry may be refused.

3.2 Doubtful passengers are subject to secondary examination by CSs. Secondary examination is the process of continuing the examination of a passenger upon referral by an ICO, where the ICO considers that the clearance of the passenger cannot be completed at the clearance counter within the normal time frame. A secondary examination may involve:

- an in-depth interview of the passenger;
- a detailed examination of the passenger's travel document; or
- checks against other related information.

It may take several minutes to several hours depending on the complexity of the case. This part of the report examines how the Imm D deploys its staff for channel supervision and secondary examination of passengers.

Duties of a CS

3.3 ICOs performing passenger clearance duties at the clearance counters are supervised by CSs. The main duties of a CS comprise:

- channel supervision, which includes advising ICOs on their work, monitoring their performance on handling passengers, and deterring any malpractices (such as collusion by spot checking the travel documents of passengers processed by ICOs);

- field controlling, which includes answering passengers' enquiries, handling complaints on the spot, and arranging ICO relief staff for fatigue and meal breaks; and
- secondary examination, which includes handling referrals from ICOs and examining passengers whose identities or purposes of visits are in doubt.

Manning ratio and staff establishment of CS

3.4 The existing manning ratio of CSs is one CS to six ICOs. This manning ratio was set in 1980, with reference to a review completed by the Finance Bureau on the organisation and staffing of the Imm D. Since then, the CS:ICO ratio of 1:6 has been adopted for all control points. As at 1 April 1999, the staff establishment of CSs at control points was 211.

Audit observations

CS:ICO ratio in dispute

3.5 In late 1995, an Airport Consultancy Study on the staffing and operations of the Airport Control Point at Kai Tak found that the number of CSs standing behind the clearance counters and overseeing the ICOs varied considerably throughout the operating hours, mainly because the CSs were required to perform secondary examination duties away from the clearance counters. **The consultants opined that the considerable variation of the CS:ICO ratio at different time slots greatly affected the effectiveness of the CSs in giving advice to the ICOs and in monitoring their performance on handling passengers. The consultants therefore suggested that:**

- **the role of a CS should be redefined to focus on the monitoring of the performance of ICOs on handling passengers; and**
- **secondary examination work should be handled by other Immigration Officers instead of by CSs.**

Based on the redefined role of a CS, the consultants recommended that a CS:ICO ratio of 1:20 could be set.

3.6 The Imm D considered that the CS:ICO ratio of 1:20 recommended by the consultants was unacceptable. In January 1996, the Director of Immigration wrote to the Secretary for Security objecting strongly to the change of the CS:ICO ratio. The Director said that:

- the CS:ICO of 1:6 was practical on the grounds of team management, training, supervision, and appraisal of team members by CSs;
- the change in the CS:ICO ratio would have an adverse impact on corruption prevention and detection; and
- the CS:ICO ratio of 1:6 was considered as a reasonable span of control in a review completed by the Finance Bureau in 1980. The ratio had proved to be effective.

3.7 At a meeting of the Airport Consultancy Study Working Group (Note 10) held in March 1996, the Imm D strongly objected to any move to increase the CS:ICO ratio of 1:6 as well as the notion of separating the CS functions into channel supervision and secondary examination. The Chairman of the Working Group said that:

- a rational basis to determine the appropriate CS:ICO ratio would be to work out the number of Immigration Officers required for conducting secondary examination; and
- the remaining Immigration Officers identified as not required for handling secondary examination could retain their channel supervision role.

The Working Group decided that such a study should be conducted by the consultants together with the MSA.

3.8 The consultants and the MSA completed the study in June 1996. Based on the 1995 data provided by the Imm D, including the caseload for each category of secondary examination and the amount of processing time (minimum, middle or maximum) required for each type of case, the consultants and the MSA calculated the amount of time spent by the Immigration Officers on secondary examination cases and the average daily CS:ICO ratio for channel supervision at the airport. The results of their calculation are summarised in Table 4 below.

Note 10: *The Airport Consultancy Study Working Group was chaired by a Deputy Secretary for Security and comprised representatives from the Security Bureau, the Finance Bureau, the Immigration Department, the Civil Aviation Department and the Management Services Agency.*

Table 4

**CS:ICO ratio for channel supervision
calculated by the consultants and the MSA**

Time spent on secondary examination (Note 1)	CS:ICO ratio for channel supervision (Note 2)		
	Arrival hall	Departure hall	Arrival and departure halls
Minimum	1 : 12.4	1 : 18.6	1 : 14.5
Middle	1 : 14.5	1 : 18.6	1 : 16.0
Maximum	1 : 17.4	1 : 21.7	1 : 19.0

Source: A paper prepared by the consultants in June 1996

Note 1: The time required to process a secondary examination case could vary depending on the nature and complexity of the case. The amount of time spent by the CSs on handling secondary examination cases was calculated with reference to the number of cases processed by the CSs at the Airport Control Point in 1995.

Note 2: The CS:ICO ratio for channel supervision was calculated by dividing the average daily strength of ICOs by the net daily strength of CSs (after deducting the time spent by the CSs on handling secondary examination cases).

3.9 As can be seen from Table 4 above, the CS:ICO ratio for channel supervision (arrival and departure halls), excluding secondary examination, ranged from 1:14.5 to 1:19.0, depending on the amount of time spent on secondary examination cases by the CSs. Therefore, the consultants concluded that the proposed CS:ICO ratio of 1:20 for channel supervision was simply a formal recognition of what had been happening at the Airport Control Point.

3.10 In September 1996, the consultants' recommended CS:ICO ratio of 1:20 was again discussed at a meeting of the Airport Consultancy Study Working Group. However, no agreement was reached.

3.11 In October 1996, the Director of Immigration wrote to the Secretary for Security, commenting on the study completed by the consultants and the MSA. The Director said that:

- (a) although the consultants had pointed out that most of the CSs were handling secondary examination cases during peak hours (the largest CS:ICO ratio sometimes came close to 1:20), it did not follow that it was a rational basis to extend the existing ratio;

- (b) the fundamental fallacy of the consultants' recommendation was that it formalised the inadequacy, instead of providing a solution to rectify the situation; and
- (c) the consultants' recommendation also ignored the basic role of a CS, which was:
 - (i) to check ICOs' performance and quality of work so as to ensure that they were properly performing their duties in accordance with instructions;
 - (ii) to provide ICOs with instant advice at clearance counters so as to ensure a smooth and efficient immigration clearance process, failing which the Imm D's ability to meet the performance pledge would be jeopardised; and
 - (iii) to provide training and counselling.

3.12 The Director of Immigration also said that the corruption prevention element should not be taken lightly. In this connection, the Director had sought the advice of the Director of Corruption Prevention of the Independent Commission Against Corruption (ICAC). In September 1996, the Director of Corruption Prevention commented that:

“From the corruption prevention point of view, we (the ICAC) are concerned that the proposal would over-stretch the manageable span of control currently exercised by CSs over ICOs, who are vulnerable targets for corrupt approaches from doubtful passengers, because ICOs can release doubtful passengers under the pretence of misjudgement, or refrain from logging the passengers' details on computer to make the clearance untraceable. The opportunity of abuse can only be reduced by close supervision and the current ratio of 1:6 is about right.

The proposal would no doubt reduce the number of CSs present in a passenger terminal to one to two officers only. In practice, CSs are often distracted by passenger enquiries, ICO referrals and spot checks on passengers. When this would happen under the circumstances of one CS supervising 20 ICOs, there could hardly be any ICO supervision.”

3.13 Audit noted that after the meeting held in September 1996 (see paragraph 3.10 above), the Airport Consultancy Study Working Group had not taken any further follow-up action on the CS:ICO ratio. However, in May 1999, the Secretary for Security raised the issue again, when commenting on the staffing reviews of the Harbour Control Points and the Lo Wu Control Point completed by the MSA in November 1998 (Note 11).

Note 11: *The staffing reviews of the Harbour Control Points and the Lo Wu Control Point were conducted by the MSA to determine the appropriate staffing level for coping with the service demand.*

New posts proposed for handling secondary examination

3.14 In the MSA's staffing reviews of the Harbour Control Points and the Lo Wu Control Point, the MSA observed that the secondary examination cases handled at the control points had increased both in number and in complexity. The MSA noted that the increase in secondary examination cases was mainly attributable to:

- the tightening up of immigration control over Mainland visitors holding two-way permits because there were increases both in the number of overstayers and in the number of persons involved in vice activities and illegal employment under this category;
- an increase in the number of transitees from the Mainland failing to proceed to overseas after entering Hong Kong; and
- an increase in the number of Hong Kong residents departing for Shenzhen without holding valid travel documents for the purpose of departure clearance.

3.15 In the staffing reviews, the MSA recommended the creation of separate posts, designated as Case Officers (Note 12) at the Immigration Officer rank, to handle the difficult secondary examination cases. The MSA opined that when the Case Officer posts were created, a review should be conducted to ascertain the appropriateness of the CS:ICO ratio of 1:6 because the CSs would be able to spend more of their time on channel supervision.

3.16 In April 1999, the Secretary for Security wrote to the Director of Management Services saying that the current CS:ICO ratio of 1:6 had been in use for a long time and needed to be reviewed in the light of the changes in passenger mix and case complexity. The Secretary considered that:

Note 12: *For Harbour Control Points, namely the Macau Ferry Terminal Control Point and the China Ferry Terminal Control Point, the MSA recommended the creation of one Case Officer post on each of the two day shifts in the arrival hall. The number of Case Officer posts recommended for each of the Harbour Control Points is calculated as follows:*

$$1 \text{ Case Officer post} \times 2 \text{ day shifts} \times 1.35 \text{ (operational reserve)} = \underline{\underline{3 \text{ Case Officer posts}}}$$

For the Lo Wu Control Point, the MSA recommended the creation of three Case Officer posts on each of the 2.57 shifts in the three clearance halls. The number of Case Officer posts recommended for the Lo Wu Control Point is calculated as follows:

$$3 \text{ Case Officer posts} \times 2.57 \text{ shifts} \times 1.35 \text{ (operational reserve)} = \underline{\underline{10 \text{ Case Officer posts}}}$$

- the work of the CSs relating to channel supervision, which was presence behind the clearance counters to deter corruption and malpractices, was relatively fixed; and
- the work relating to the handling of secondary examination cases was variable and in fact had been on the increase.

Therefore, the Secretary said that it would be more appropriate for the MSA to further analyse and quantify the work of the Immigration Officers with a view to recommending:

- a separate CS:ICO ratio for channel supervision duties; and
- manning scales for handling secondary examination cases.

At a meeting held in June 1999, the Security Bureau and the Imm D agreed that the issue of CS:ICO ratio, which was more complex in nature, should be further considered.

Audit's observations on the CS:ICO ratio

3.17 Under the existing CS:ICO ratio of 1:6, the CSs are expected to perform all three duties, namely channel supervision, field controlling and secondary examination (see paragraph 3.3 above). From the immigration control point of view, Audit considers that the fundamental principle to be observed in allocating staff resources for such duties is that there should be adequate staff coverage for each of these duties.

3.18 The main drawback of the existing arrangement is that the actual number of CSs overseeing the ICOs behind the clearance counters can vary considerably throughout the operating hours because a large number of the CSs are required to perform secondary examination duties away from the clearance counters. The Airport Consultancy Study of 1995 pointed out this phenomenon (see paragraph 3.5 above). **Audit considers that such variation in the actual number of CSs behind the clearance counters at different time slots can impair the effectiveness of the CSs in discharging their channel supervision and field controlling duties. This problem is intensified when there is an increase in the number and complexity of secondary examination cases. In this connection, Audit considers that the concept of appointing dedicated officers to handle each of the two important areas of work (i.e. channel supervision and field controlling duties behind the clearance counters and secondary examination duties away from the clearance counters) can provide a solution to this problem.**

Audit recommendations

3.19 **Audit has *recommended* that the Director of Immigration should:**

- (a) **redefine the role of the CSs so that they will perform only channel supervision and field controlling duties;**
- (b) **designate separate posts for discharging the secondary examination duties; and**
- (c) **determine, in conjunction with the Security Bureau:**
 - (i) **an appropriate manning ratio for channel supervision and field controlling duties, taking into account the supervisory and corruption prevention roles of the CSs; and**
 - (ii) **the manpower requirements for secondary examination duties, taking into account the caseload and complexity of cases at individual control points.**

Response from the Administration

3.20 **The Director of Immigration has said that:**

- he agrees that the audit recommendations, as mentioned in paragraph 3.19 above, are worth pursuing with the Security Bureau; and
- the Imm D has in fact been actively negotiating the staffing levels for channel supervision and field controlling duties with the relevant bureaux.

PART 4: LONG-TERM REDEPLOYMENT OF STAFF OF HARBOUR DIVISION

Redeployment of staff of the Special Operations Section of the Harbour Division

4.1 The Special Operations Section (SOS) of the Harbour Division was set up in January 1984 for carrying out arrival examination and clearance of Vietnamese refugees, ship searching and providing other operational support. As at 1 May 1999, the SOS had a staff establishment of 98. In examining the deployment of staff of the Harbour Division, Audit observed that a large number of the staff of the SOS had been redeployed to other divisions.

Audit observations

4.2 Audit observed that, since the second half of 1994, only 17 out of the 98 staff of the SOS had been retained in the Harbour Division. The remaining 81 staff had been redeployed to other divisions of the Imm D for more than four years. In response to Audit's enquiry, the Imm D said that in recent years, the staff of the SOS had largely been redeployed to deal with the following urgent activities which had tight schedules and far-reaching impacts on public interest:

- policy changes stemming from the reunification of Hong Kong with the Mainland;
- the implementation of the Basic Law on the right of abode;
- handling of matters relating to Chinese nationality in Hong Kong;
- opening of new immigration control points at Chek Lap Kok and Tuen Mun Anchorage;
and
- the implementation of Year 2000 compliance project.

4.3 In view of the redeployment of the staff of the SOS to other divisions for a period of more than four years, Audit considers that it is necessary to examine:

- whether the posts originally created for the SOS are still required; and

- whether the functions of the SOS, namely ship searching and providing other operational support, have been properly and adequately carried out by the existing staff of the Section (Note 13).

In this connection, the Imm D informed Audit that the Department was considering to reduce the staff establishment of the SOS.

Audit recommendations

4.4 Audit has *recommended* that the Director of Immigration should:

- review the operations of the SOS to ensure that its functions have been properly and adequately carried out by the existing staff of the Section;
- reassess the manpower requirements of the SOS; and
- if the redeployment of staff surplus to requirement at the SOS to other divisions is on a permanent basis, the posts surplus to requirement at the SOS should be deleted and full justifications should be provided for the creation of additional posts for the other divisions.

Response from the Administration

4.5 The Director of Immigration has said that:

- despite the fact that only 17 out of the 98 staff of the SOS have been retained in the Harbour Division, ship searching, spot checking and other enforcement actions are still strategically carried out within the harbour waters by internal deployment of staff from the Macau Ferry Terminal and China Ferry Terminal Control Points; and
- he will continue to review the staff establishment of the SOS to determine an appropriate staffing level for the control functions and activities at sea in the light of operational requirement. A review of the existing staffing and service levels of the SOS is in hand and the outcome will be ready by the end of 1999-2000.

Note 13: *Audit has noted that at present, the ship searching function is only carried out by one to two teams of staff, each comprising one Immigration Officer, one Senior Immigration Assistant and three Immigration Assistants. These teams conduct ship searching duties with a view to deterring evasion of immigration examination and detecting illegal immigrants on board of vessels or junks.*

Appendix A
(paragraph 1.11 refers)

**Staff establishment of the Border Division,
Airport Division and Harbour Division as at 1 April 1999**

Division	Number of uniformed staff	Number of civilian staff	Total	
			Number	Percentage
Border Division	966	46	1,012	41.9%
Airport Division	784	40	824	34.1%
Harbour Division	539	41	580	24.0%
Total	<u>2,289</u>	<u>127</u>	<u>2,416</u>	<u>100%</u>

Source: Imm D's records

Appendix B
(paragraph 1.11 refers)

Passenger volume handled at control points in 1998-99

Control point	Number of passengers	Number of drivers	Total	
	(million)	(million)	(million)	(%)
Border Division				
Lo Wu	69.47	N.A.	69.47	54.2%
Hung Hom	1.47	N.A.	1.47	1.1%
Lok Ma Chau	8.04	6.44	14.48	11.3%
Man Kam To	0.84	2.52	3.36	2.6%
Sha Tau Kok	1.12	0.76	1.88	1.5%
Subtotal	80.94	9.72	90.66	70.7%
Airport Division				
Airport	20.61	N.A.	20.61	16.1%
Subtotal	20.61	N.A.	20.61	16.1%
Harbour Division				
Macau Ferry Terminal	10.47	N.A.	10.47	8.2%
China Ferry Terminal	6.44	N.A.	6.44	5.0%
Subtotal	16.91	N.A.	16.91	13.2%
Total	118.46	9.72	128.18	100%

Source: Imm D's records

Appendix C
(paragraph 1.13 refers)

**Percentage of passengers cleared within the pledged
standard waiting time of 30 minutes during the period 1996 to 1998**

Control point	1996	1997	1998
Border Division			
Lo Wu	97.20 %	95.86 %	96.79 %
Hung Hom	99.00 %	99.53 %	100.00 %
Lok Ma Chau	92.01 %	93.64 %	96.61 %
Man Kam To	100.00 %	100.00 %	100.00 %
Sha Tau Kok	100.00 %	100.00 %	100.00 %
Airport Division			
Airport	99.34 %	99.68 %	99.90 %
Harbour Division			
Macau Ferry Terminal	96.87 %	98.28 %	97.98 %
China Ferry Terminal	96.96 %	98.05 %	98.33 %

Source: Imm D's records

Appendix D
(paragraph 2.6 refers)

Additional posts created for the Hung Hom Control Point

Post	Number of posts before creation of additional posts	Number of additional posts created	Number of posts after creation of additional posts
ICOs	43	16	59
CSs	7	4	11
Passenger regulators and guards (Note 1)	14	10	24
Operation staff (Note 2)	5	9	14
Administration staff (Note 3)	3	4	7
Total	<u>72</u>	<u>43</u>	<u>115</u>

Source: Imm D's records

Note 1: These mainly included Immigration Assistants who were deployed:

- *to man the north and south ends of the platform to prevent persons from leaving the restricted area and evading immigration control;*
- *to perform duties of regulating passenger flow; and*
- *to man the staff and crew channels.*

Note 2: These mainly included Shift Commanders (of the Senior Immigration Officer rank) and Duty Officers (of the Immigration Officer rank) who were responsible for the daily deployment of CSs, ICOs, platform guards and guards for staff and crew channels.

Note 3: The Administration Unit of the Hung Hom Control Point was responsible for the preparation of biweekly duty rosters, handling of staff matters and compilation of statistical returns.

Appendix E
(paragraphs 2.11 and 2.12 refer)

**Comparison between the estimated and
actual average daily number of passengers and
average daily number of pairs of through-trains at the Hung Hom Control Point**

Year	Average daily number of passengers			Average daily number of pairs of through-trains		
	Estimated by KCRC in April 1997	Estimated by Imm D in October 1997	Actual	Estimated by KCRC in April 1997	Estimated by Imm D in October 1997	Actual
1992	N.A.	N.A.	7,394	N.A.	N.A.	4
1993	N.A.	N.A.	7,688	N.A.	N.A.	5
1994	N.A.	N.A.	6,889	N.A.	N.A.	5
1995	N.A.	N.A.	5,808	N.A.	N.A.	5
1996	N.A.	N.A.	4,941	N.A.	N.A.	5
1997	5,100	N.A.	4,251	7	N.A.	6
1998	6,200	9,983	3,961	8	7	6
1999	7,200	—	4,650 (Note 1)	9	—	8 (Note 2)

Source: Imm D's records and KCRC's forecasts

Note 1: This figure covers the period January 1999 to September 1999.

Note 2: The through-train service was expanded to eight pairs a day with effect from 28 June 1999.

Appendix F
(paragraph 2.16 refers)

**Audit's calculation of
ICO and CS posts for the Hung Hom Control Point**

Post/Rank	Number of posts before creation of additional posts	Number of additional posts created	Number of posts after creation of additional posts	Audit's calculation of posts required	Number of surplus posts
	(a)	(b)	(c) = (a) + (b)	(d)	(e) = (c) - (d)
ICOs					
Senior Immigration Assistants	43	16	59	43	16
CSs					
Immigration Officers	7	4	11	7	4
Total	<u>50</u>	<u>20</u>	<u>70</u>	<u>50</u>	<u>20</u>

Source: Imm D's records

Appendix G
(paragraphs 2.27 and 2.29 refer)

Additional posts created for the Airport Control Point

Post	Number of posts before creation of additional posts	Number of additional posts created	Number of posts after creation of additional posts
ICOs	392	91	483
CSs	71	9	80
Passenger regulators	14	14	28
Operation staff (Note 1)	141	56	197
Administration staff (Note 2)	24	14	38
Total	<u>642</u>	<u>184</u>	<u>826</u>

Source: Imm D's records

Note 1: Operation staff included Shift Commanders, Duty Officers and staff working in Special Operations Team, Airport Intelligence Unit, VIP suite, Apron Clearance Units, detention quarters, staff and crew channels, permit control office, etc.

Note 2: Administration staff included uniformed and civilian staff carrying out office work, staff training and planning, etc.

Appendix H
(paragraph 2.36 refers)

**Audit's calculation of
ICO and CS posts for the Airport Control Point**

Post/Rank	Number of posts before creation of additional posts	Number of additional posts created	Number of posts after creation of additional posts	Audit's calculation of posts required	Number of surplus posts
	(a)	(b)	(c) = (a) + (b)	(d)	(e) = (c) - (d)
ICOs					
Senior Immigration Assistants	178	31	209	169	40
Chief Immigration Assistants	214	60	274	214	60
CSs					
Immigration Officers	71	9	80	64	16
Total	<u>463</u>	<u>100</u>	<u>563</u>	<u>447</u>	<u>116</u>

Source: Imm D's records

Appendix I

Acronyms and abbreviations

CS	Channel Supervisor
ICAC	Independent Commission Against Corruption
ICAS	Immigration Control Automation System
ICO	Immigration Control Officer
Imm D	Immigration Department
KCR	Kowloon-Canton Railway
KCRC	Kowloon-Canton Railway Corporation
MSA	Management Services Agency
SOS	Special Operations Section