

# *Organizational Restructuring in Taiwan's New Special Municipalities*

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On December 25, 2010, Taiwan's new administrative structure with five special municipalities (Taipei, Xinbei, Taichung, Tainan and Kaohsiung) and 17 counties and county-level cities will become reality. From January 1, 2011, Taoyuan County with its more than two million inhabitants will also gain the higher status of quasi-special municipality. These "five plus one" metropolitan areas will all have to face restructuring problems that come with their new status as special or quasi-special municipality. Taipei is not an exception, although its jurisdictional scope and status have not changed.

First of all comes the issue of appointing additional political deputy mayors. Article 55 of the *Land Government Act* stipulates that special municipalities with more than 2.5 million inhabitants may appoint one more deputy mayor. Following the status change all special municipalities but Tainan, which has a population of less than 2.5 million people, may appoint three political deputy mayors to positions equivalent to Grade 14 in the civil service.

Taipei, for example, will get one more deputy mayor. Of course, the media and the public focus their attention on "who" will

assume this new position. What looks like a simple organizational issue has implications for the city government's original way of getting things done. The question is how the tasks that used to be overseen or carried out by two political deputy mayors will be split among three. The problem does not stop there. A three-way division of responsibilities will be completely different from the current administrative situation in Xinbei, Taichung and Kaohsiung, and then again the situation may also greatly differ from city to city. But we need some more time for observation before we decide how to go about restructuring so that the organizational and functional adjustments achieve optimal operation of the respective city governments.

Second comes the problem of setting up "level-1 units." Article 55 of the *Local Government Act* states that apart from the heads of the department of budget, accounting and statistics, personnel, police, and government ethics, who shall be appointed and dismissed in accordance with specific acts on personnel administration, the other heads of level-1 units in the special municipality government or subordinate level-1 agencies shall hold positions equivalent to Grade 13

and shall be appointed and dismissed by the mayor. Moreover they shall present their work reports during the regular sessions of the special municipality council (see Article 48 of the Law). And then, the fact that the governments of the previously existing special municipalities (Taipei and Kaohsiung) had level-1 agencies, but not internal level-1 units, might necessitate new organizational reforms in line with the law. For instance some units that were originally structured like agencies (such as the secretary general's office, the personnel department, and the department of budget, accounting and statistics) do theoretically not need to have an agency structure. But it is not yet decided whether they should be transformed into level-1 units within the special municipality government.

Following the same logic, some special municipalities or quasi-special municipalities might have to set up departments of agriculture (such as Xinbei, Taichung, Tainan, Kaohsiung or Taoyuan County), whereas Taipei does not require such an organizational setup given that the city's agricultural affairs are shrinking markedly. On the other hand some of them already think about implementing or planning mass rapid transit (MRT) systems, although they don't or don't yet need an MRT system. Therefore there will be clear differences when

it comes to establishing departments of MRT systems or MRT corporations as statutory organizations. In fact there will be a host of similar problems. Taipei and Kaohsiung both have municipal universities, city-run zoos and other educational and community institutions. Should Xinbei, Taichung, Tainan or Taoyuan follow their example? Should the new special municipalities Xinbei, Taichung and Tainan take over national senior and vocational high school as well as hospitals under the Department of Health and, following the law, change them into municipal senior high schools and municipal hospital? These are important questions that organizational restructuring must address.

Third, towns and villages under special municipalities must change their names to "district." And later on they must even merge further in line with the law (as quasi-special municipality, Taoyuan County does not face this problem). To elaborate, village and township offices within a special municipality will become district offices, while village and town councils will be scrapped in accordance with the law. The administrative areas of districts of special municipalities created under Article 7-1 of the *Local Government Act* will be further merged in line with relevant laws. Therefore the borders of special municipality "districts"

will be redrawn so that at the present stage we will have the problem of organizational adjustment of district administrations. Should trash collection for example be taken over by the environmental protection department? Should funeral and interment services be handled by the department of civil affairs? In the future the district offices will probably also be further consolidated. Between 2010 and 2014 the heads of some districts may be recruited by government agencies as important personnel, while village or township representatives may serve on the respective district advisory committee. But this is only a transitional stopgap measure.

Finally not only special municipality governments or their subordinate agencies must undergo organizational restructuring, the total number of councilors sitting on special municipality councils will also be adjusted in accordance with the law. For instance, Article 33 of the *Local Government Act* stipulates that the total number of councilors elected from districts shall not exceed 55 in special municipalities where the total population minus the indigenous population is not more than two million; if the population exceeds two million, the total number of district councilors shall not exceed 62. Furthermore, as for indigenous councilors, in special municipalities where the plains indigenous

population exceeds 2,000, there shall be a certain number of councilors elected by the plains indigenous population. In special municipalities where the mountain indigenous population exceeds 2,000 or if there were mountain indigenous townships prior to the change into a special municipality, there shall be councilors elected by the mountain indigenous population. But when the total number of councilors of a special municipality or quasi-special municipality is increased, the council's administrative organization must also be expanded.

To sum things up, in the course of organizational restructuring after the elections, the five new special municipalities will face several inevitable phenomena such as “functional adjustment” or “functional expansion,” “organizational expansion” or “organizational enlargement,” “agency consolidation” or “personnel transfer” as well as “upgrading of civil servant positions” so that special municipalities or quasi-special municipalities will have to address the following new questions in the wake of restructuring: Will they have enough fiscal resources? Will they be able to raise the efficiency and quality of their citizen services while dealing with the above mentioned phenomena? **BT**