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Hon Andrew Wong Wang-fat, JP
Chairman
Panel on Constitutional Affairs
Legislative Council
Legislative Council Building
8 Jackson Road
Central, Hong Kong

**LegCo Panel on Constitutional Affairs
System of accountability for principal officials**

Thank you for your letter of 10 July 2001.

The review on the system of accountability of principal officials is on-going. The exercise involves important and complex issues which need to be carefully thought through and the implications thoroughly assessed.

We note that one of the recommendations made in the Panel's Report on the Development of the Political System of the HKSAR was that the Administration should consider implementing a more flexible contract system. With this in mind, we are seeking to gather information on remuneration practices locally and in overseas governments and to tap the wisdom of expertise outside government on how a suitable remuneration package should be formulated in the event an option is adopted to appoint them outside the civil service system. We have invited proposals from a number of consultancy firms and expect that the consultancy study would be completed towards the end of the year.

We are aware that the Panel has scheduled two special meetings on 27 August and 3 September to discuss the accountability system. We would brief the Panel on new developments at these meetings.

(Michael M Y Suen)
Secretary for Constitutional Affairs