

**Extract minutes of meeting of LegCo Members' meeting
with Eastern District Council members on 8 June 2000**

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II. Matters relating to the remuneration for District Council (DC) members and the accountable allowance

2. Mr SALAROLI pointed out that since the establishment of DCs on 1 January 2000, DC members had undertaken heavier responsibilities, and the public also had a higher expectation of DC members. However, the honorarium and accountable allowance currently received by DC members were insufficient for them to meet various expenses and employ qualified assistants to assist them in discharging their duties as DC members. Furthermore, the application for payment of the monthly accountable allowance of \$10,000 was subject to a number of restrictions. Hence, he requested that the honorarium of DC members should be increased and the restrictions on the use of the accountable allowance removed so that DC members could more effectively use the allowance to meet the expenses incurred in the discharge of their duties. Mr CHUNG Shu-kun added that if a DC member did not set up his office in a public housing estate, the monthly accountable allowance of \$10,000 would be insufficient for him to rent a shop space as an office, not to mention hiring a qualified assistant. The sum would only be sufficient for employing two part-time staff members. He said that since DC members had to meet local residents frequently, offices were very important to them. He therefore considered that the accountable allowance should be increased to \$25,000 a month.

3. Mr IP Chiu-shing said that the procedures for claiming the accountable allowance were very complicated. For instance, electricity bills for offices were issued on a monthly basis and insurance premiums for assistants were paid on an annual basis. But when DC members applied for such allowance, they had to provide the daily averages of such expenses. As such, DC members and the DC secretariats had to undertake extra accounting work. He did not understand why the expenses of mutual aid committees of public housing estates could be reimbursed on a bill by bill basis, while the application procedures for reimbursement of expenses incurred by DC members were so complicated. Mr IP said that he had been requesting for improvement to such procedures since 1991. He urged the Administration to improve the reimbursement system as soon as possible.

4. Mr Frankie LO supported the views of Mr SALAROLI, Mr CHUNG Shu-kun and Mr IP Chiu-shing. He said that a computer plus a printer now cost more than \$10,000 and the allowance of \$10,000 was indeed insufficient. While DC members were dedicated to serving the community, the majority of them found it difficult to meet the expenses incurred in the discharge of their duties. As representative government had changed from a three-tier structure to

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a two-tier one and DCs were vested with greater responsibilities, he queried why DC members' honorarium and accountable allowance were not increased in proportion to their duties. He also queried why the accountable allowance should be subject to so many restrictions in its use. He suggested that the Finance Committee of LegCo should properly address this matter. The Convenor agreed that this matter should be reviewed.

5. Regarding the system for DC members to apply for payment of the accountable allowance, Mr Gary CHENG said that in the past, LegCo Members were required to produce receipts to support half of the amount of entertainment and travelling expense reimbursement and no receipts were required for the other half. At present, no receipt was required for reimbursement of all such expenses. As the amount of allowance for DC members was relatively small, he opined that the claim system in respect of their allowance should also be in line with that adopted for LegCo Members. Regarding the proposal for an increase in the honorarium for DC members, Mr Gary CHENG also agreed that a review should be conducted.

6. Mr Andrew WONG said that the Government should provide offices to both DC members and LegCo Members, especially those who were directly elected. Mr WONG further said that the Government should be responsible for paying expenses such as rent, water and electricity charges, as well as expenses relating to the installation of computers. The daily expenditure of their offices should also not be covered by the allowance. If this practice was adopted, directly-elected members would not be required to handle problems associated with the setting up and winding up of their offices at the beginning and at the end of their term of office.

7. Miss Christine LOH said that the Government's efforts to upgrade information technology (IT) support for DC members and LegCo Members were not adequate. She was of the view that apart from providing computer hardware, the Government should also provide software and Internet services to both DC members and LegCo Members. The Convenor agreed that the Government should provide the said IT services to DC members and LegCo Members.

8. Ms TING Yuk-chee suggested that the Government should follow the practice of the former municipal councils and provide offices to DC members at the parks, markets and other public facilities under the management of the Government.

LegCo Secretariat 9. The Convenor agreed that the issues and suggestions raised by DC members would be referred to the relevant LegCo Panels for follow-up.

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