



THE HONG KONG
POLYTECHNIC UNIVERSITY

香港理工大學

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4 July 2003

Public Accounts Committee
Legislative Council of Hong Kong SAR
Legislative Council Building
8 Jackson Road
Hong Kong

校董會主席
胡應湘 爵士
Council Chairman
Dr Sir Gordon Y.S. Wu
KCMG, FICE, BSE, DBA, DEng, HonD

Attention: Ms. Miranda Hon, Clerk, Public Accounts Committee

Dear Ms. Hon,

Thank you for your letter dated 25 June 2003 requesting me to provide further information relating to the remuneration of the President of The Hong Kong Polytechnic University (PolyU), as requested by the Public Accounts Committee (PAC). I am pleased to submit the following:

- (1) In approving the proposal to pay the President a monthly Cash Allowance in lieu of housing benefits and leave passage, the President's Personal Affairs Committee (PPAC) did not consider that such arrangement would be an act to pay the President a total 'salary' that is higher than that approved by the Finance Committee (FC) or one that might constitute a breach of the 'no better' principle.

PPAC felt that it exercises reasonable flexibility in providing housing benefit and leave passage to the President at no extra cost to the University and not at the expenses of public fund. Please note that this Cash Allowance is to cover the said benefits which the President is entitled to, and is not a salary per se.

- (2) (A) Following the approval of PPAC, the President's letter of appointment and employment contract had been revised accordingly.
- (B) An extract of the revisions made on the terms and conditions of employment of the President, indicating details before and after the revision is attached, as requested.

Following past practice, the revision had not been submitted to the University Council for its approval. The reason for not having done so has been provided in paragraph (2) of our letter to you dated 24 May 2003. A copy of the said letter is attached herewith for your ready reference.

May I further add, for your information, that at its 34th meeting, the Council has unanimously affirmed our University's position and practice in this regard and that such practice did not breach the provision of section 9(3)(c) of The Hong Kong Polytechnic University Ordinance (Cap. 1075). Lay members of the Council were also informed the details of the President's compensation package at this meeting.

I hope the above is useful to your Committee.

Thank you.

Sincerely yours,

Sir Gordon Y. S. Wu, KCMG FICE
Council Chairman

****Note by Clerk, PAC:***

The revisions made on the terms and conditions of employment of the PolyU President not attached.

See Appendix 34 for the letter of 24 May 2003.

ENCL: