

**立法會**  
**Legislative Council**

LC Paper No. AS 185/04-05  
(These minutes have been  
seen by the Administration)

Ref : AM 12/01/19 (Pt 7)

**Subcommittee on Members' Remuneration and  
Operating Expenses Reimbursement**

**Minutes of meeting  
held on Monday, 6 December 2004  
at 4:30 pm in Conference Room B of the Legislative Council Building**

- Members Present** : Hon Patrick Lau Sau-shing, SBS, JP (Chairman)  
Hon Mrs Selina Chow Liang Shuk-ye, GBS, JP  
Hon Cheung Man-kwong  
Hon Howard Young, SBS, JP  
Hon Emily Lau Wai-hing, JP  
Hon Abraham Shek Lai-him, JP  
Hon Tam Heung-man
- Members Absent** : Dr Hon Lui Ming-wah, JP  
Hon Wong Ting-kwong, BBS
- Public Officers Attending** : Ms Chang King-yiu  
Director of Administration (D of Adm)
- Miss Eliza Lee  
Deputy Director of Administration
- Mr David Leung  
Assistant Director of Administration
- Clerk in Attendance** : Mrs Anna Lo  
Principal Council Secretary (Administration) (PCS(A))
- Staff in Attendance** : Mr Ricky C C Fung, JP  
Secretary General (SG)
- Mr Joseph Kwong  
Accountant (ACCT)
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**I. Confirmation of Minutes of the Last meeting held on 11 November 2004**

(LC Paper No. AS 118/04-05)

The minutes of the last meeting held on 11 November 2004 were confirmed.

**II. Level of Office Operation Expenses Reimbursement for LegCo Members**

(LC Paper No. AS 119/04-05 (01)) – Background brief prepared by Legislative Council Secretariat

2. The Chairman welcomed D of Adm and her colleagues to the meeting. D of Adm said that she would convey any views members might have to the Independent Commission on Remuneration for Members of the Executive Council and the Legislature of the HKSAR (Independent Commission).

3. Referring to the established practice that any substantial changes to the remuneration package proposed in a LegCo term should only be implemented in the following term (para 3 of the paper), Ms Emily Lau said that some Members disagreed with such a practice, especially in respect of the reimbursement of operating expenses. She explained that there was a practical need for some Members to have more resources to support their work. Their needs should not be mixed up with the resource requirements of those Members who did not have to set up district office(s). D of Adm replied that the long established practice was to preserve the credibility of the remuneration system. Members of the previous terms of the Legislative Council had no strong views on this. Nonetheless, the Administration was prepared to consider the timeliness issue, if Members had come to a consensus on alternative arrangements, preferably with supporting data or justifications to facilitate the discussion.

4. Noting that some Members might not be able to finance Council work with their own resources, Ms Emily Lau questioned whether data of expenditure in excess of the reimbursement ceilings could fully reflect the need for immediate raising of the reimbursement ceilings. She also asked what kind of data the Administration would take into account in determining the urgency of implementing a change. D of Adm replied that the Independent Commission would consider Members' suggestions and any supporting data that Members might put forward.

*(Ms Emily Lau was elected the temporary Chairman at this point while Mr Patrick Lau attended the voting of the meeting of the Housing Panel.)*

5. In response to the Chairman, ACCT said that data of over-ceiling expenses had been collected since some two years' ago. About six Members had provided such data. He believed that not all Members had reported their over-ceiling expenses because these would not be reimbursed.

6. The Chairman questioned the composition of the Independent Commission, pointing out that its members had no experience of how a directly elected LegCo Member worked. Besides, the information it deliberated on was provided by the Administration. Therefore, it was unconvincing that the Independent Commission could understand the needs of directly elected Members. In response, D of Adm said that the rationales for all the recommendations of the Independent Commission and the information on which the recommendations were made were set out in its report which was published for public information. She said that Members of the previous term of the Legislative Council had come to a consensus that LegCo Members should be entitled to the same remuneration package irrespective of the channel through which they were elected. This consensus formed one of the basic principles for the Independent Commission to determine the remuneration package of LegCo Members in the third term. If Members of the current term had different views on the matter, she undertook to convey them to the Independent Commission for consideration.

7. With regard to the mechanism of appointing members to the Independent Commission, Miss Tam Heung-man opined that directly elected Members and Members elected through functional constituencies, whether current or former ones, should be appointed to the Independent Commission.

8. In response to Members, D of Adm advised the meeting that the term of the current members of the Independent Commission would expire in March 2005.

9. The Chairman pointed out that new Members would be particularly dissatisfied if major changes could only take effect in the following term because the shortage in financial support could not be redressed until four years later. In sharing the Chairman's view, Miss Tam Heung-man said that insufficient funding would hinder Members in serving the public. The present financial resources were insufficient to support two or more district offices for serving an electorate of over

Action

700,000. This deficiency would cause discontent in the electorate. She considered that, where possible, increase in resources should be effected without deferring to the following term.

10. Mr Howard Young supported a review of the resources provided for Members. Nevertheless, he believed that, to avoid giving the impression that Members were fighting for their own benefits, changes should be effected in the following term. The Chairman responded that as far as the reimbursement of operating expenses was concerned, additional resources made available to Members would actually be used for serving the public.

11. D of Adm advised that the Administration was committed to conveying LegCo's views on the remuneration arrangements to the Independent Commission for consideration. In this regard, it might be useful for LegCo to provide the utilization rates for relevant items of reimbursement for the reference of the Independent Commission.

12. In reply to the Chairman, SG said that the Secretariat's research in the past had not dealt with the issue of whether other legislatures had the same practice of deferring changes to legislators' remuneration and reimbursement package to the following term. Further information on this could be collected.

Secretariat

*(Mr Patrick Lau re-took the chair.)*

13. In reply to Ms Emily Lau's question on the number of claims reaching the reimbursement ceilings, ACCT said that, as Members had three months for lodging reimbursement claims, not all claims for the year ended in September 2004 had been submitted. Therefore, a more representative picture would be available only in mid-January 2005.

(Post-meeting note: As at 15 January 2005, 18 Members had claimed Office Operation Expenses Reimbursement in full for the year ended 30 September 2004.)

14. Ms Emily Lau reminded that Members should keep invoices and receipts for their over-ceiling expenses as evidence that the financial resources provided were insufficient. SG responded that a circular had been issued in November 2004 requesting Members to report such over-ceiling expenses to the Secretariat.

15. Miss Tam Heung-man suggested that Members could be invited to indicate the estimated resources required for their work. With such estimates, the level of resources required for the different categories of Members might become more realistic. Mr Cheung Man-kwong opined that it might not be convincing to rely on such estimates to determine the resources to be provided. Undoubtedly, some Members found it difficult to meet their office expenses, even for payments under instalment plans. However, they might not have reported their over-ceiling expenses which would not be reimbursed.

16. Ms Emily Lau queried the fairness of providing the same financial support for directly elected Members and Members elected through functional constituencies (FC Members). She said that some directly elected Members had to serve 1.6 million citizens, way above those served by FC Members.

17. Mr Cheung Man-kwong opined that being an FC Member, he did not feel that differential treatment for Members elected through different channels would be discriminatory. He agreed that directly elected Members needed more resources to serve their much larger constituencies. However, this did not mean that the current resources for FC Members should be reduced because that might involve laying off staff already employed. Miss Tam Heung-man agreed.

18. Mr Abraham Shek said that FC Members could also have district offices, because the service target of FC Members was not restricted to constituents within the corresponding functional constituency.

19. On behalf of Members from the Liberal Party, Mrs Selina Chow expressed the view that they did not agree to have differential treatment for Members elected through different channels. As the funding provided was claimed on a reimbursement basis, an increased reimbursement ceiling for all would suit whoever requiring more resources.

20. Mr Cheung Man-kwong suggested that a separate reimbursement ceiling could be set for FC Members who set up district offices.

### **III. Retirement Benefits for LegCo Members**

(LC Paper No. AS 119/04-05 (02)) – Background brief prepared by Legislative Council Secretariat

21. Ms Emily Lau noted that the Administration had used the Independent Commission as a shield and taken the view that LegCo Members' work was not a job but a kind of public service, and Members should therefore not be entitled to retirement benefits. She found the Administration's explanation incomprehensible. In her view, if legislators' work was not duly recognized as a job, it would be difficult to encourage the younger generation and able people to take up a career as a legislator. She added that some Members had been sitting on LegCo for many years, and yet the Administration still refused to accept the fact that they took up the legislator's role as a career.

22. Mr Howard Young said that even part-time workers were entitled to Mandatory Provident Fund (MPF) contributions. He reiterated his suggestion made in the second LegCo term, namely employee and employer contributions to a provident fund could be funded by Members' remuneration and OOER respectively.

23. Mr Cheung Man-kwong said that many Members had no retirement protection since they gave up their jobs to serve as full-time legislators. He found it unreasonable that legislators were in the only profession that was unprotected by the MPF Schemes Ordinance which they enacted. On behalf of Members belonging to the Democratic Party, he supported the provision of retirement protection for legislators.

24. Mrs Selina Chow opined that the Administration should change its attitude on the provision of retirement benefits for LegCo Members, because the situation had changed both in terms of the demand on and the standards required of Members. For the development of the legislature, it could no longer expect Members to be voluntary workers and maintain the view that the work of a legislator did not constitute a job.

25. Mr Abraham Shek agreed with Mrs Chow. He said that legislators too had to support their families. In the wider public interests and to achieve universal suffrage as stated in the Basic Law, proper recognition should be given to the nature of legislators' work as a job.

Action

26. Members generally agreed that even if some form of retirement protection could not be implemented in the current LegCo term, it was a matter of fairness that this should be demanded for and put right. Ms Emily Lau invited members to reconsider whether it was appropriate that changes should be implemented in the current term, if approved.

27. Ms Emily Lau suggested, and the Chairman agreed, that members should consult their colleagues in respective political groupings over the issues discussed and make more concrete proposals at the next meeting.

Members

28. The Chairman reported that ICAC's report on the review of the reimbursement system was expected to be finalized by the end of January 2005. A meeting would be arranged when the report was available.

Adjournment

29. The meeting ended at 5:32 pm.

Legislative Council Secretariat  
January 2005