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

Information Note

**Statistics on the utilization of
Members' recurrent operating expenses reimbursement**

Purpose

This information note reports on Members' utilization of the Office Operation Expenses Reimbursement (OOER) and Entertainment and Travelling Expenses Reimbursement (ETER) in the past three reimbursement years ended on 30 September 2005.

Statistics

2. Statistics on the following are shown in the appendices:
 - (A) Average annual reimbursements and utilization rates in respect of:
 - (i) OOER (**Appendix I**)
 - (ii) ETER (**Appendix II**)
 - (B) Distribution of Members according to their respective utilization rates of:
 - (i) OOER (**Appendix III**)
 - (ii) ETER (**Appendix IV**)
 - (C) Over-ceiling expenses not reimbursed (**Appendix V**)

Observations

Office Operation Expenses Reimbursement

3. The following summary indicates that on average Members elected through Geographical Constituencies (GC Members) utilized about 97.0% of the OOER, while Members elected through Functional Constituencies (FC Members) utilized about 86.5%:

	2002/03		2003/04		2004/05	
	\$'000	%	\$'000	%	\$'000	%
Annual reimbursement ceiling	1,397	100	1,357	100	1,331	100
Average reimbursement						
Overall average	1,280	91.6	1,229	90.6	1,218	91.5
EC average	1,266	90.6	1,179	86.9	—	—
FC average	1,206	86.3	1,183	87.2	1,144	86.0
GC average	1,375	98.4	1,299	95.7	1,291	97.0

EC = Election Committee

FC = Functional Constituencies

GC = Geographical Constituencies

4. FC Members' and GC Members' average utilization rates over the past three years fluctuated only within three percentage points.

5. The following table shows the number of Members who used over 99% of the OOER:

2002/03				2003/04				2004/05			
Overall	EC	FC	GC	Overall	EC	FC	GC	Overall	EC	FC	GC
31	2	9	20	27	1	10	16	24	—	6	18

Entertainment and Travelling Expenses Reimbursement

6. The following summary indicates that on average GC Members utilized about 95.2% of the ETER, while FC Members utilized about 89.5%:

	2002/03		2003/04		2004/05	
	\$'000	%	\$'000	%	\$'000	%
Annual reimbursement ceiling	158	100	153	100	150	100
Average reimbursement						
Overall average	148	93.6	141	92.1	137	91.2
EC average	157	99.7	139	90.5	—	—
FC average	143	90.5	137	89.4	133	88.5
GC average	151	96.0	147	95.8	141	93.8

7. FC Members' and GC Members' average utilization rates in respect of ETER over the past three years also fluctuated only within three percentage points.

8. The following table shows the number of Members who used over 99% of the ETER:

2002/03				2003/04				2004/05			
Overall	EC	FC	GC	Overall	EC	FC	GC	Overall	EC	FC	GC
52	6	24	22	46	3	21	22	47	—	20	27

Over-ceiling Expenses

9. In the most recent year, only three Members have reported their over-ceiling expenses. Previously, some Members expressed the following reservations about the usefulness of the statistics on over-ceiling expenses in determining the level of resources required by Members for carrying out their LegCo duties:

- (a) Lack of manpower rendered it difficult to report on expenses which would not be reimbursed;
- (b) Members might have endeavoured to work within the budget; and
- (c) Some Members might not have the financial resources to subsidize their LegCo work.

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**Average annual reimbursements and utilization rates of
Office Operation Expenses Reimbursement per Member**

Overall

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	1,397,470	100	1,356,940	100	1,331,160	100
Average reimbursement total	1,279,684	91.6	1,228,764	90.6	1,217,721	91.5
Staff remuneration and expenses	909,176	65.1	879,123	64.8	911,869	68.5
Office accommodation	121,539	8.7	120,276	8.9	103,294	7.8
Equipment and furniture	14,643	1.0	9,725	0.7	19,575	1.5
Other operating expenses	234,326	16.8	219,640	16.2	182,983	13.7

Election Committee

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	1,397,470	100	1,356,940	100	—	—
Average reimbursement total	1,265,873	90.6	1,179,468	86.9	—	—
Staff remuneration and expenses	899,952	64.4	828,356	61.0	—	—
Office accommodation	177,089	12.7	175,617	12.9	—	—
Equipment and furniture	17,811	1.3	2,177	0.2	—	—
Other operating expenses	171,021	12.2	173,318	12.8	—	—

Functional Constituencies

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	1,397,470	100	1,356,940	100	1,331,160	100
Average reimbursement total	1,206,167	86.3	1,182,768	87.2	1,144,362	86.0
Staff remuneration and expenses	857,155	61.3	849,181	62.6	866,099	65.1
Office accommodation	92,083	6.6	86,806	6.4	79,274	6.0
Equipment and furniture	10,539	0.8	5,288	0.4	11,258	0.8
Other operating expenses	246,390	17.6	241,493	17.8	187,731	14.1

Geographical Constituencies

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	1,397,470	100	1,356,940	100	1,331,160	100
Average reimbursement total	1,375,032	98.4	1,298,582	95.7	1,291,080	97.0
Staff remuneration and expenses	976,509	69.9	929,243	68.5	957,639	71.9
Office accommodation	144,470	10.3	148,278	10.9	127,314	9.6
Equipment and furniture	18,982	1.4	17,157	1.3	27,893	2.1
Other operating expenses	235,071	16.8	203,904	15.0	178,234	13.4

**Average annual reimbursements and utilization rates of
Entertainment and Travelling Expenses Reimbursement per Member**

Overall

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	157,640	100	153,070	100	150,160	100
Average reimbursement total	147,579	93.6	140,945	92.1	136,878	91.2
Entertainment and travelling expenses	142,354	90.3	135,404	88.5	130,720	87.1
Staff remuneration	5,225	3.3	5,541	3.6	6,158	4.1

Election Committee

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	157,640	100	153,070	100	—	—
Average reimbursement total	157,218	99.7	138,577	90.5	—	—
Entertainment and travelling expenses	147,833	93.8	138,577	90.5	—	—
Staff remuneration	9,385	5.9	—	—	—	—

Functional Constituencies

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	157,640	100	153,070	100	150,160	100
Average reimbursement total	142,677	90.5	136,846	89.4	132,925	88.5
Entertainment and travelling expenses	141,074	89.5	134,709	88.0	130,575	87.0
Staff remuneration	1,603	1.0	2,137	1.4	2,350	1.6

Geographical Constituencies

	Oct 2002 to Sep 2003		Oct 2003 to Sep 2004		Oct 2004 to Sep 2005	
	\$	%	\$	%	\$	%
Reimbursement ceiling (annual)	157,640	100	153,070	100	150,160	100
Average reimbursement total	151,296	96.0	146,660	95.8	140,831	93.8
Entertainment and travelling expenses	142,585	90.5	135,479	88.5	130,865	87.2
Staff remuneration	8,711	5.5	11,181	7.3	9,966	6.6

Distribution of Members according to their respective utilization rates of Office Operation Expenses Reimbursement

Utilization rate (%)	2002/03				2003/04				2004/05			
	Overall	EC	FC	GC	Overall	EC	FC	GC	Overall	EC	FC	GC
100	26 (43.2)	1 (16.7)	7 (23.3)	18 (75.0)	20 (33.3)	1 (16.7)	7 (23.3)	12 (50.0)	13 (21.7)	—	3 (10.0)	10 (33.3)
99 to <100	5 (8.3)	1 (16.7)	2 (6.7)	2 (8.3)	7 (11.7)	—	3 (10.0)	4 (16.7)	11 (18.3)	—	3 (10.0)	8 (26.7)
90 to <99	13 (21.7)	1 (16.7)	9 (30.0)	3 (12.5)	12 (20.0)	—	8 (26.7)	4 (16.7)	19 (31.7)	—	11 (36.7)	8 (26.7)
80 to <90	4 (6.7)	2 (33.2)	2 (6.7)	—	8 (13.3)	4 (66.6)	2 (6.7)	2 (8.3)	9 (15.0)	—	5 (16.7)	4 (13.3)
70 to <80	7 (11.7)	1 (16.7)	5 (16.7)	1 (4.2)	8 (13.3)	1 (16.7)	6 (20.0)	1 (4.2)	2 (3.3)	—	2 (6.7)	—
60 to <70	4 (6.7)	—	4 (13.3)	—	4 (6.7)	—	3 (10.0)	1 (4.1)	4 (6.7)	—	4 (13.3)	—
50 to <60	—	—	—	—	—	—	—	—	1 (1.7)	—	1 (3.3)	—
40 to <50	1 (1.7)	—	1 (3.3)	—	1 (1.7)	—	1 (3.3)	—	1 (1.6)	—	1 (3.3)	—
Total no. of Members	60 -100	6 -100	30 -100	24 -100	60 -100	6 -100	30 -100	24 -100	60 -100	0 0	30 -100	30 -100

() = No. of Members expressed as a percentage of all the Members in the corresponding category noted at the top of the column

EC = Election Committee

FC = Functional Constituencies

GC = Geographical Constituencies

Distribution of Members according to their respective utilization rates of Entertainment and Travelling Expenses Reimbursement

Utilization rate (%)	2002/03				2003/04				2004/05			
	Overall	EC	FC	GC	Overall	EC	FC	GC	Overall	EC	FC	GC
100	45 (75.0)	4 (66.7)	19 (63.3)	22 (91.6)	41 (68.4)	3 (50.0)	17 (56.7)	21 (87.5)	43 (71.7)	—	17 (56.7)	26 (86.7)
99 to <100	7 (11.7)	2 (33.3)	5 (16.7)	—	5 (8.3)	—	4 (13.3)	1 (4.2)	4 (6.7)	—	3 (10.0)	1 (3.3)
90 to <99	1 (1.6)	—	—	1 (4.2)	5 (8.3)	2 (33.3)	2 (6.7)	1 (4.2)	3 (5.0)	—	3 (10.0)	—
50 to <90	4 (6.7)	—	4 (13.3)	—	6 (10.0)	1 (16.7)	5 (16.6)	—	6 (10.0)	—	5 (16.7)	1 (3.3)
20 to <50	—	—	—	—	—	—	—	—	1 (1.7)	—	—	1 (3.3)
0 to <20	3 (5.0)	—	2 (6.7)	1 (4.2)	3 (5.0)	—	2 (6.7)	1 (4.1)	3 (5.0)	—	2 (6.6)	1 (3.4)
Total no. of Members	60 (100)	6 (100)	30 (100)	24 (100)	60 (100)	6 (100)	30 (100)	24 (100)	60 (100)	0 0	30 (100)	30 (100)

() = No. of Members expressed as a percentage of all the Members in the corresponding category noted at the top of the column

EC = Election Committee

FC = Functional Constituencies

GC = Geographical Constituencies

Over-ceiling expenses not reimbursed

2004/05¹

Member	Expenses in excess of the ceiling for							
	OOER						ETER	
	Staff remuneration and expenses \$'000	Office accommodation \$'000	Equipment and furniture \$'000	Other operating expenses \$'000	Annual total \$'000	Over-ceiling %	Entertainment expenses \$'000	Over-ceiling %
Geographical Constituencies								
A				2	2	0.2		
B	51	16		0	67	5.0		
Sub-total	51	16	0	2	69	2.6	0	0.0
Functional Constituencies								
C				2	2	0.2		
Sub-total	0	0	0	2	2	0.2	0	0.0
Total	51	16	0	4	71	1.8	0	0.0

¹ Out of the 13 Members who fully claimed the reimbursable amount under OOER, only 3 reported their over-ceiling expenses to the Secretariat.

2003/04²

Member	Expenses in excess of the ceiling for							
	OOER						ETER	
	Staff remuneration and expenses \$'000	Office accommodation \$'000	Equipment and furniture \$'000	Other operating expenses \$'000	Annual total \$'000	Over-ceiling %	Entertainment expenses \$'000	Over-ceiling %
Geographical Constituencies								
A	124	51		6	181	13.3		
B	74	18		20	112	8.3		
C	70	5		2	77	5.7		
D	36	19		2	57	4.2		
Sub-total	304	93	0	30	427	7.9	0	0.0
Functional Constituencies								
E	41	4		1	46	3.4		
Sub-total	41	4	0	1	46	3.4	0	0.0
Total	345	97	0	31	473	7.0	0	0.0

² Out of the 20 Members who fully claimed the reimbursable amount under OOER, only 5 reported their over-ceiling expenses to the Secretariat.

2002/03³

Member	Expenses in excess of the ceiling for							
	OOER						ETER	
	Staff remuneration and expenses \$'000	Office accommodation \$'000	Equipment and furniture \$'000	Other operating expenses \$'000	Annual total \$'000	Over-ceiling %	Entertainment expenses \$'000	Over-ceiling %
Geographical Constituencies								
A			1		1	0.1	10	6.3
B	132	5		6	143	10.2	7	4.4
C	100	22	3	42	167	12.0		
D	5	14		19	38	2.7		
E	138	3		1	142	10.2		
Sub-total	375	44	4	68	491	7.0	17	2.1
Functional Constituencies								
Sub-total	0	0		0	0	0.0	0	0.0
Total	375	44	4	68	491	7.0	17	2.1

³ Out of the 26 Members who fully claimed the reimbursable amount under OOER, only 5 reported their over-ceiling expenses to the Secretariat; out of the 45 Members who fully claimed the reimbursable amount under ETER, only 2 reported their over-ceiling expenses to the Secretariat.