

立法會
Legislative Council

LC Paper No. CB(2)2401/04-05
(These minutes have been seen
by the Administration)

Ref : CB2/PL/CA

Panel on Constitutional Affairs

**Minutes of special meeting
held on Saturday, 26 February 2005 at 9:30 am
in the Chamber of the Legislative Council Building**

Members present : Dr Hon LUI Ming-wah, JP (Chairman)
Hon Jasper TSANG Yok-sing, GBS, JP (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, S.B.St.J., JP
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHEUNG Man-kwong
Hon CHAN Yuen-han, JP
Hon Bernard CHAN, JP
Hon SIN Chung-kai, JP
Hon WONG Yung-kan, JP
Hon Howard YOUNG, SBS, JP
Dr Hon YEUNG Sum
Hon LAU Kong-wah, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon Andrew CHENG Kar-foo
Hon Timothy FOK Tsun-ting, GBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Albert CHAN Wai-yip
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon LI Kwok-ying, MH
Hon Jeffrey LAM Kin-fung, SBS, JP

Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon CHEUNG Hok-ming, SBS, JP
Hon WONG Ting-kwong, BBS
Hon TONG Ka-wah, SC
Hon Patrick LAU Sau-shing, SBS, JP
Hon Albert Jinghan CHENG

**Members
absent**

: Hon Martin LEE Chu-ming, SC, JP
Dr Hon David LI Kwok-po, GBS, JP
Hon James TO Kun-sun
Hon CHAN Kam-lam, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LEUNG Yiu-chung
Dr Hon Philip WONG Yu-hong, GBS
Hon LAU Chin-shek, JP
Hon LAU Wong-fat, GBS, JP
Hon CHOY So-yuk
Hon Frederick FUNG Kin-kee, JP
Dr Hon Joseph LEE Kok-long
Hon Daniel LAM Wai-keung, BBS, JP
Hon MA Lik, JP
Dr Hon KWOK Ka-ki
Dr Hon Fernando CHEUNG Chiu-hung
Hon CHIM Pui-chung
Hon KWONG Chi-kin
Hon TAM Heung-man

**Public officers
attending**

: Item I

Mr Stephen LAM Sui-lung
Secretary for Constitutional Affairs

Ms Doris HO Pui-ling
Administrative Assistant to Secretary for Constitutional
Affairs

Mr Franco KWOK Wai-fan
Assistant Secretary for Constitutional Affairs

Attendance by : invitation	<p>Association of Engineering Professionals in Society <u>Ltd.</u></p> <p>Mr CHEUNG Yan-hong Vice Chairman</p> <p><u>Power for Democracy</u></p> <p>Mr TSOI Yiu-cheong Convener</p> <p><u>The Chinese University of Hong Kong</u></p> <p>Professor KUAN Hsin-chi Professor of Government & Public</p> <p><u>Hong Kong University Graduates Association</u></p> <p>Mr Vincent KWAN Member</p> <p><u>Civic Exchange</u></p> <p>Mr Richard Cullen</p> <p><u>Democratic Alliance for Betterment of Hong Kong</u></p> <p>Mr Ben CHEUNG Deputy Spokesperson of DAB's Constitutional Affairs</p> <p><u>The Hong Kong Chinese Importers' & Exporters' Association</u></p> <p>Mr LEE Kam Kai Committee Member</p>
Clerk in attendance	: Mrs Percy MA Chief Council Secretary (2)3
Staff in attendance	: Mrs Eleanor CHOW Senior Council Secretary (2)4

Ms Fonny LO
Legislative Assistant (2)3

Action

I. Role and development of political parties

(LC Paper Nos. CB(2)911/04-05(01) – (02), 956/04-05(01) – (04), 989/04-05(01) and 1078/04-05(01))

Meeting with deputations

At the invitation of the Chairman, representatives of the deputations made oral presentation on their submissions. A summary of views of the deputations is in the **Appendix**.

Response of the Administration

2. Secretary for Constitutional Affairs (SCA) thanked the deputations for giving views. He said that the Administration had affirmed the important role played by political parties in constitutional development. Political parties comprised a group of people who shared the same belief and political inclination. Based on their belief and the views collected from the different sectors within the community, they developed their policy platforms. These platforms had stimulated discussions in the community and formulation of public policies by the Government. In his view, political parties in Hong Kong were still in the developmental stage. Their membership ranged from hundreds to thousands. Political parties had helped groom political talents as a large number of candidates participating in the Legislative Council (LegCo) and the District Councils (DCs) had political party background.

3. SCA further said that he would respond to some of the specific comments made by the following deputations.

Association of Engineering Professionals in Society Ltd. (AEPSL)

4. The Administration shared the view of AEPSL that political party development should be consistent with the “one country, two systems” principle.

Power for Democracy (PD)

5. The Administration maintained its position that it was inappropriate to introduce a political party law at this stage as its introduction would restrict the activities of political parties. PD and some other deputations had expressed similar view in this regard.

Action

Professor KUAN Hsin-chi of the Chinese University of Hong Kong

6. The Administration shared the view of Professor KUAN that there should be a clear role for political parties and that this would be conducive to constitutional development. The Administration was committed to providing an environment to facilitate the growth and development of political parties.

Hong Kong University Graduates Association (HKUGA)

7. Addressing HKUGA's request for enhanced participation by political parties in the governance of Hong Kong, SCA said that although political parties could not become a ruling party, they could participate in governance. The Chief Executive (CE) had appointed persons with political party background as principal officials (POs) and/or Members of the Executive Council (ExCo) who would participate in the process of formulation of public policies.

Civic Exchange (CX)

8. CX had raised two main issues, namely public funding for political parties and the establishment of a Government LegCo Joint Standing Committee on Electoral Matters. On the former, SCA said that the Administration had made a start with the financial assistance scheme for candidates in the 2004 LegCo election. The scheme was currently under review. On the latter, SCA said that the proposal had to be studied carefully as it was different from the present arrangement where the Electoral Affairs Commission (EAC), an independent statutory body, was tasked with the responsibility for all electoral affairs.

Democratic Alliance for Betterment of Hong Kong (DAB)

9. SCA noted that DAB had urged the Government to explore other alternatives to encourage political party development. In response to DAB's suggestion that more opportunities should be provided to members of political parties to actively participate in public affairs, SCA said that the matter would be considered in the context of the review of the method for selecting CE in 2007 and for forming the LegCo in 2008 (the "electoral methods"). As regards the suggestion to provide financial assistance to political parties instead of individual candidates, it would be considered in the context of the review of the financial assistance scheme provided to candidates for the 2004 LegCo election.

The Hong Kong Chinese Importers' & Exporters' Association (HKCIEA)

10. SCA noted that HKCIEA was concerned about young people's participation in politics. He said that in recent years, many functional constituencies (FCs), professional bodies and chambers of commerce had set up youth groups with a view to providing opportunities for them to participate in

Action

public affairs. The Home Affairs Bureau, in conjunction with the Commission on Youth, had proposed to organise forums in this regard.

11. To sum up, SCA said that the Administration intended to deal with political party development at three levels at this stage –

- (a) the policy to appoint persons with political background as POs and Members of ExCo had been established and would continue;
- (b) in reviewing the “electoral methods”, the Administration would consider ways to make room for political talents to participate in public affairs; and
- (c) the Administration would review the financial assistance scheme provided to candidates for the 2004 LegCo election and explore other financial schemes to facilitate political party development.

Issues raised by members

Role of political party and its impact on governance

12. Mr TONG Ka-wah asked about the definition of “political party” and whether there were any internationally recognised features for determining whether an organisation was a political party. The representative of CX briefly explained the system for registering as a political party in Australia. He said that in Australia, the market decided whether or not an organisation was a political party. The rules for registering as a political party in Australia were very straightforward. Professor KUAN Hsin-chi said that the term “political party” remained undefined as there was not a widely accepted definition. A political party could be distinguished from other organisations by its functions. The major function of political parties was to summarise and rationalise opinions of the community and transcend them into policy options. Political parties served as an intermediary between the government and the people. In a society where people participated actively in politics, political parties would come into being. The existence of political parties and their participation in formulating policies would ensure that there would be horizontal or vertical continuity and consistency in public policies, irrespective of whether there was a change in leadership. The lack of participation from political parties would lead to dominance of personalities in governance.

13. Ms Emily LAU asked whether the dominance of personalities in governance, and horizontal and vertical inconsistency in implementing public policies because of anti-partisan practices had been problems for Hong Kong. Ms Margaret NG asked whether the lack of participation by political parties had affected governance. The representative of PD held the view that in the absence

Action

of a representative Government, Hong Kong was ruled by man, the CE. He said that the present ruling elite was not harmonious, resulting in weak governance. The present political system was a lose-lose situation for the Government, the political parties and the community at large.

14. Professor KUAN said that since the reunification, majority of the legislative and financial proposals introduced by the Government were passed by LegCo, despite the lack of participation of political parties in governance. However, under the circumstances, the Government would need to solicit support from individual Members, instead of leaders of a few political parties. In the event that Members did not have a consensus on a policy proposal, the Government would need to appeal for public support. The more the Government had resorted to populism, the more costly and risky the operation would be. The Government would also have difficulty in ensuring horizontal and vertical continuity in public policies if it acted in response to public demand on an ad hoc basis. Over reliance on populism to resolve political conflicts might lead to social unrest.

15. Mr LAU Kong-wah asked whether Hong Kong would face the danger of social unrest in the near future. Professor KUAN Hsin-chi said that after the mass rally on 1 July 2003 as a result of the introduction of the National Security (Legislative Provisions) Bill into LegCo, the Administration had been very cautious in dealing with controversial issues. He said that unless the Government was making major policy mistakes, it was not envisaged that there would be any social unrest in the next couple of years. One of the main reasons was that the people of Hong Kong valued stability and were highly tolerant. In addition, politicians were skeptical about using populism to resolve political conflicts.

16. Dr YEUNG Sum asked about the relationship between political parties and governance, and whether a CE without political party background would affect his governance. Professor KUAN Hsin-chi said that effective governance depended on a number of factors, and the support from a political party was just one of them. If a CE was not affiliated with any political party, he would rely on the support of his political team. However, if a CE or his political team had established a good relationship with political parties in LegCo, whether or not the CE was affiliated with a particular political party was not an issue. In countries operating under the presidential system such as the United States, the President could appoint members of the opposition party as his cabinet members. In countries operating under a parliamentary system such as the United Kingdom, the Prime Minister would depend on the support of his political party. A motion on no-confidence moved in the parliament, if carried, would lead to his resignation. The system in Hong Kong was quasi-presidential. While CE was vested with a lot of powers, he was expected to stand above and be isolated from political parties. As to whether a CE with political party background could

Action

provide better governance, it would depend on the strength of the political party concerned.

17. Mr CHEUNG Man-kwong asked the Administration whether the statutory requirement for CE to relinquish his political affiliation would be removed, as proposed by HKUGA. SCA said that in the first term CE election, candidates with political party background were prohibited from running in the election. In the second term CE election, a candidate with political background was allowed to run in the election, although he was required to relinquish his political affiliation once elected. Progress had been made in the electoral arrangements for the election of CE, and the arrangement for the third term CE election was now under review. SCA noted that HKUGA had put forth a detailed proposal on how to ensure the impartiality of CE while allowing him to keep his political affiliation. The Administration would consider its proposal in the context of the review of the “electoral methods”.

Political party development

18. Mr LEE Wing-tat expressed concern that the Administration was not taking positive action to promote political party development, apart from implementing minor measures such as the financial assistance scheme for candidates. SCA said that political parties should be proud of their achievement so far, given the limited resources available. He said that the appointment of individuals with political party background as POs under the accountability system and ExCo Members was a good start and conducive to enhancing communication between the Government and political parties. While the road to political party development was long, both the Government and political parties should work together with a view to taking forward constitutional development.

19. Professor KUAN Hsin-chi said that the most important factors that would affect the development of political parties were the stance of the Central Authorities and CE, the design of the political system, and the political culture in Hong Kong. In the past ten years, political parties had been making steady progress and were gradually accepted by the community. There were also signs of gradual acceptance by the Central Authorities and CE. The appointment of persons with political party background as POs and ExCo Members could be regarded as a step forward.

20. Mr Albert HO said that with the existing method of selecting CE by 800 members of the Election Committee, the CE did not have the mandate of the people. As the people had no voting right in the CE election, they might resort to social movement. Mr HO asked whether such a phenomenon would eventually affect the stability of Hong Kong. Professor KUAN Hsin-chi said that he was not prepared to discuss in detail the overall political system in Hong Kong and its

Action

impact on the stability of Hong Kong at the meeting. His focus was on the role and development of political parties only. Given that Hong Kong was not in an era of revolution, there was no reason to prohibit political party development. The development of political parties would hinge on two elements, i.e. whether opportunities were provided for them to become a ruling party, and for them to have a role in the formulation of government policies. In the absence of both elements, there was limited room for political party development. Professor KUAN further said that compared to the method for selecting CE, the process of nomination of CE candidates was far more important. In his view, political parties should be allowed to nominate candidates for the CE election in order to encourage political party development.

21. Mr LEE Wing-tat asked what actions should be taken by the Government in order that the Central Authorities would react positively to political party development in Hong Kong and would eventually give green light to the formation of a ruling party consisting of a single political party or a coalition of political parties. Professor KUAN Hsin-chi said that one should not have high hope that CE or the Government could influence the policies of the Central Authorities towards Hong Kong in respect of constitutional development. The most the Government could do was to reflect the views of the public. Historically, Hong Kong did not have a ruling party and managed to have effective governance. The Central Authorities were skeptical about the political party development in Hong Kong. The Central Authorities were aware that some sectors in the society might have the same reservation.

22. Professor KUAN further said that the Central Authorities had other considerations. For instance, they were concerned about the implications of a ruling party or a ruling coalition on Hong Kong, the Mainland, and “one country, two systems”. In his view, there was nothing much the Government could do to remove the doubts of the Central Authorities. It was rather the responsibility of the community and political parties to do so. Political parties should try their best to demonstrate to the Central Authorities the contributions that they could make to the society. Professor KUAN believed that the Central Authorities would eventually change their stance towards political parties, although it might take some time.

23. Mr CHEUNG Man-kwong said that there were two important factors to assess the development of political parties in Hong Kong, namely, whether a ruling party or a coalition party or an established opposition party existed in LegCo, and whether a CE could be a member of a political party. Mr CHEUNG further said that he disagreed with Professor KUAN that political party development in Hong Kong hinged on the performance of political parties. He pointed out that given its history, culture and characteristics, the Communist Party in China would not share its power with or delegate its power to other parties. The Communist Party might be prepared to change its position under

Action

very exceptional circumstances, having regard to the political benefits it could obtain. For example, China might allow Taiwan to retain its existing political system in order to achieve reunification with Taiwan. However, the situation in Hong Kong was different as China had already resumed the exercise of sovereignty over Hong Kong.

24. Professor KUAN Hsin-chi said that his views on the role and development of political parties were not targeted at a particular place or a particular political party. As regards the comments made by Mr CHEUNG on the Communist Party, Professor KUAN said that while each political party had its own characteristics, these would change with time. The Communist Party was born in an era of revolution when control of power was of paramount importance to ensure that reforms could be implemented in the country with the least obstacle. When the political and economic situation in a society became more stable, a revolutionary party would change to a ruling party. A ruling party would rule for the good of the people. In his view, the Communist Party was on a learning path to become an intermediary between the government and the people. For instance, it had invited entrepreneurs to join its party as members. It had also recognised that changes were necessary to address the needs of the people and to cope with the ever-changing world.

25. Professor KUAN further said that in his view, the Central Authorities were not convinced that there was a need for political party development in Hong Kong. It was therefore important for political parties to perform their function as an intermediary effectively. Where necessary, political parties could consider forming a coalition with a view to achieving consensus on certain policy issues. The success in narrowing differences in opinion in the community was conducive to effective governance. When the contribution of political parties was recognised by CE and the Central Authorities, there would be room for healthy development of political parties.

26. Mr LAU Kong-wah sought advice on how to resolve disagreements among different political parties. Professor KUAN Hsin-chi said that the art of compromise depended on the maturity of a political party in terms of its leadership, organizational structure, mission, relationship with the people and the Government. In his view, the political parties in Hong Kong were still exploring their ways.

27. The representative of HKUGA said that political parties should represent the overall interests of different sectors in the community, in order to win the confidence of the community at large. In his view, politics was the art of compromise. Political parties should adopt a gradual and pragmatic approach in pursuing democratic development, with the ultimate aim of achieving universal suffrage. The Government should draw up a timetable for implementing universal suffrage and should consider removing the statutory requirement for a

Action

CE-elect to relinquish his political party membership. He also urged political parties to participate actively in the coming CE election.

28. The representative of PD held the view that it was difficult for a political party to play the intermediary role to resolve differences among all sectors unless there was a change in the present political system.

29. The representative of AEPSL said that neither the Basic Law nor the “one country, two systems” denied the existence of political parties. There was room for political party development in Hong Kong as long as the performance of political parties had met the expectation of the public.

Relationship between FCs and political party development

30. Ms Emily LAU and Ms Margaret NG asked how the existence of FCs impeded the development of political parties and whether FCs should be abolished. Professor KUAN Hsin-chi said that FCs hindered the development of political parties because there was conflict of interests between FCs and political parties. FCs represented the interests of particular sectors within the community, while political parties represented societal interests. Moreover, FCs also competed with political parties for political talents. In further response to Ms LAU, Professor KUAN said that it was unrealistic to consider abolishing FCs at this juncture, as according to a survey, some 60% to 70% of the people of Hong Kong supported the FC election system. In his view, new FCs should not be created, but the electorates of FCs could be broadened to enhance representativeness. Consideration could also be given to replacing FCs which had a diminishing role by geographical constituencies (GCs).

31. The representative of AEPSL said that the FCs were part of the constitutional system in Hong Kong. At this stage, there was a need for FCs to exist because political parties could not represent the views of different sectors in the community, for instance, the middle class and professionals. In his view, the role of FCs would diminish when political parties became more mature. ASPEL would participate actively in public affairs in preparation for universal suffrage in future.

32. Ms Margaret NG asked whether political parties could effectively perform the function of rationalizing the views of different sectors in the community with the existence of FCs. Professor KUAN Hsin-chi said that political parties in Hong Kong could not discharge this function effectively because they could not become the ruling party nor could they participate actively in policy formulation. As to when political parties could perform such a function, it would depend on the number of persons with political party background to be appointed as POs and ExCo Members and the role played by the persons concerned, i.e. in their individual capacity or as members of political

Action

parties. Professor KUAN further said while in theory, a political party could consider fielding candidates for both FC and GC elections. However, given the different interests represented by FC Members and GC Members, it was practically difficult for the political party to rationalize the views of different sectors in the community.

33. Mr Howard YOUNG asked whether expanding the electorate base of FCs, such as replacing corporate votes with individual votes, would help the development of political parties. Professor KUAN Hsin-chi said that while the proposal was a progressive one, whether it would create a positive effect on political party development would depend very much on the extent of broadening of the electorate base. In his view, a proposal to expand the electorate base of a FC, say, by including all the people working in that constituency, would be broadly in line with the principle of GC election and would help political party development.

Political party law

34. Mr TONG Ka-wah sought views on the need for a political party law and provision of public funding for financing political parties. Professor KUAN Hsin-chi was of the view that it was unnecessary to enact a political party law for the purpose of facilitating the development of political parties. As a political party law would give due recognition to the role and status of political parties, its enactment was the result of, and not the cause for, political party development. The question of using public funding to finance political parties should be put in perspective. As political parties were a bridge between the Government and the people, political parties should not rely solely on the funding from the Government. Professor KUAN further said that the enactment of a political party law and public funding for political parties, however, had advantages, such as prevention of corruption and transfer of benefits, as well as providing a level playing field for different political parties.

35. The representative of CX said that in Australia, the rules for registering as a political party were straightforward. The public funding system was also very straightforward in that political parties would receive funding based on the number of votes attained.

36. In view of SCA's earlier comment that some political parties could participate in governance (paragraph 7 above), Mr Albert CHENG said that the Administration should introduce a political party law to require the political parties to declare their source of funding. This would enhance the financial transparency of political parties and prevent collusion and transfer of benefits between the Government and political parties.

Action

37. SCA said that the Administration had made clear its position that sufficient room should be allowed for political parties to grow and develop. Imposing statutory control on the operation of political parties at this stage might hinder, rather than encourage, political party development. At present, all candidates standing at public elections were required to declare their election expenses and donations received for public inspection, and any irregularities detected by the Registration and Electoral Office would be reported to the relevant authorities for necessary action. The public elections in the past were conducted in an open, fair and honest manner. To prevent any conflict of interest, SCA further said that a system was in place for POs and LegCo Members to make declarations on interests. Any suspected criminal activities relating to conflict of interest were subject to the investigation of the Police or the Independent Commission Against Corruption. The conduct and behaviour of POs and LegCo Members were also subject to the monitoring of the media and the public.

Response of the Administration

38. At the invitation of the Chairman, SCA made the following comments –

- (a) Hong Kong was governed under the ‘rule of law’ and not ‘rule by man’. Under the present constitutional arrangement, all legislative and financial proposals would require the approval of LegCo before the Administration could proceed with any particular policy initiatives. In addition, the Government was subject to the monitoring of the media, the public, and an independent judicial system. The system of checks and balances in Hong Kong was comparable to that of western democratic societies; and
- (b) there was room for constitutional development under the Basic Law. Both the executive and the legislature should make use of the opportunity to pursue constitutional development and political party development for the well-being of Hong Kong.

39. The Chairman thanked the deputations and the Administration for attending the meeting.

40. The meeting ended at 1:06 pm.

Panel on Constitutional Affairs
Special meeting on 26 February 2005
Summary of deputations' views on constitutional development after 2007

Organizations/Individuals (Legislative Council Paper Nos.)	Role and development of political parties
1. Association of Engineering Professionals in Society Ltd. (AEPSL) (CB(2)956/04-05(01))	<ul style="list-style-type: none"> • Political parties play a role in constitutional development of Hong Kong in the long run. • Political parties can help electors analyse and choose policy direction, monitor the Government's implementation of public policies and groom political talents. • The formation of political parties is mainly a result of political activities initiated from bottom-up and aspirations of the general public rather than prompted by the enactment of legislation. • The consensus of the society is that the development of political parties should be consistent with the spirit of "One Country, Two systems", including cooperation with the Central Authorities and due respect for the leaders of the country. • While it can be said that Hong Kong has the hardware for political party development, the software such as compromise, forbearance and mutual respect between the Executive and the Legislature is far from adequate. • The grooming of political talents should be enhanced.
2. Power for Democracy (PD) (CB(2)956/04-05(02))	<ul style="list-style-type: none"> • The SAR Government has the responsibility to adopt more pro-active and comprehensive measures at policy, financial and legislative levels to promote the development of political parties and to enhance the role of political parties. • The Government should give full recognition to political parties in the constitutional system. • It is highly inappropriate for existing political parties not to have any role in public services. • The electoral system of the Legislative Council ("LegCo") election has undermined the development of political parties. The functional constituency ("FC") electoral system and the adoption of the "largest remainders" of the

Organizations/Individuals (Legislative Council Paper Nos.)	Role and development of political parties
	<p>proportional representation system in determining the number of seats to be obtained by the candidates or lists of candidates contesting in geographical constituency elections are unfavourable to political parties.</p> <ul style="list-style-type: none"> • Arrangements such as requiring the Chief Executive (“CE”)-elect to relinquish his political party membership are not conducive to the development of political parties. • PD is against any measures which aim at restricting or suppressing the activities of political parties.
<p>3. Professor KUAN Hsin-chi, The Chinese University of Hong Kong (CB(2)1078/04-05(01))</p>	<ul style="list-style-type: none"> • Political parties are organisations which work cross-classes, cross-functions and cross-sectorial interests and their major function is to achieve political consensus, summarise and rationalise societal interests. • Rule of man will emerge in countries void of political party development, resulting in a lack of horizontal continuity in policies. • Factors affecting political party development in Hong Kong include the stance of the Central Authorities and CE, the political system, the political culture, historical development and the nature of the society, etc. • As far as the political system is concerned, the existing FC electoral system will stall the development of political parties.
<p>4. Hong Kong University Graduates Association (Policy Group) (HKUGA) (CB(2)956/04-05(03))</p>	<ul style="list-style-type: none"> • The direction of constitutional reforms should encourage the development of party politics. • Political parties should enhance their abilities to participate in politics and should not be complacent with their roles as pro-government parties or opposition parties. They should strive to participate in the operation of the Government by forming a ruling coalition. • Political parties should take into account the interests of the various strata of the society. They should be set up to work for the people and to serve the country.

Organizations/Individuals (Legislative Council Paper Nos.)	Role and development of political parties
	<ul style="list-style-type: none"> • Political parties should help establish a harmonious and coordinated relationship between the Executive and the Legislature. • HKUGA proposes that section 31 of the Chief Executive Election Ordinance should be amended to allow CE to have political party background.
<p>5. Civic Exchange (CX) (CB(2)911/04-05(01))</p>	<ul style="list-style-type: none"> • At present, it is not necessary to introduce a political party law. • CX proposes to set up a non-mandatory political party registration system under which registered political parties will receive public funding based on the number of votes received in elections and are eligible for certain tax exemptions. However, their income and expenditure accounts should be transparent. • Organisations which choose not to register as political parties can also obtain funding at the rate of, for example, \$10 for each valid vote cast in elections. • The Government and LegCo should set up a joint standing committee to study issues relating to the development of the electoral-political infrastructure of Hong Kong.
<p>6. Democratic Alliance for Betterment of Hong Kong (CB(2)989/04-05(01))</p>	<ul style="list-style-type: none"> • Political parties in Hong Kong are still in a developmental stage and the Government is responsible for assisting political parties to further their development. Apart from reviewing the need for introducing a political party law, the Government can also render assistance through various measures to facilitate the development of political parties, such as: <ol style="list-style-type: none"> 1. substantially increasing the number of LegCo Members; 2. actively appointing members of political parties to various advisory bodies; 3. making public the information and findings of the research projects carried out by government departments as far as possible;

Organizations/Individuals (Legislative Council Paper Nos.)	Role and development of political parties
	<p>4. changing the electoral methods and increasing the funding for political parties which have obtained a certain number of votes;</p> <p>5. examining the possibility of providing tax concessions to political parties and people making donations to political parties, so as to help political parties raise funds and obtain resources for carrying out party work.</p>
<p>7. Hong Kong Chinese Importer's & Exporter's Association (HKCIEA) (CB(2)911/04-05(02))</p>	<ul style="list-style-type: none"> • Political parties play a very important role in the process of constitutional development. Political parties can help reflect the views of the public on policy issues relating to politics, economy and people's livelihood. They also work for the interests of different strata and sectors of the community. • Political parties can influence and stimulate people's interest in politics and help groom political talents. • Political parties should recruit and groom more talents, especially young people and professionals, so that they will have the opportunity to serve on the consultative machinery of the Government or participate in public affairs, and have a better understanding of the Government's operation, governance, and policy research and formulation. • Political parties should encourage the business sector to participate more in political activities. Political parties should also recruit more members from the business sector and encourage them to participate in party activities and politics. This will help promote trade between Hong Kong and overseas countries and maintain the status of Hong Kong as a financial centre. • To promote the development of political parties and encourage more people to participate in elections, the Government can consider providing financial assistance to political parties based on the percentages of votes they obtain in elections. • HKCIEA proposes that the rate of allowance payable to members of District Councils should be increased, so as to alleviate political parties' burden in funding their members' ward offices.

Organizations/Individuals (Legislative Council Paper Nos.)	Role and development of political parties
	<ul style="list-style-type: none">• There is no urgency in enacting a political party law and the matter should be further examined.• In the long run, the Government should allow more representatives of political parties to join the SAR Government's core ruling echelon, be appointed as members of the Executive Council and Principal Officials and participate directly in the decision-making and governing process, with a view to enhancing effective policy implementation.

Council Business Division 2
Legislative Council Secretariat
29 July 2005