

立法會
Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 8th meeting
held at the Legislative Council Chamber
on Friday, 11 January 2008, at 5:05 pm**

Members present:

Hon TAM Yiu-chung, GBS, JP (Chairman)
Hon Emily LAU Wai-hing, JP (Deputy Chairman)
Hon James TIEN Pei-chun, GBS, JP
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon LEE Cheuk-yan
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHEUNG Man-kwong
Hon CHAN Yuen-han, SBS, JP
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon LEUNG Yiu-chung
Hon WONG Yung-kan, SBS, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Howard YOUNG, SBS, JP
Hon LAU Kong-wah, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon CHOY So-yuk, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon LI Fung-ying, BBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Albert CHAN Wai-yip
Hon WONG Kwok-hing, MH
Hon LI Kwok-ying, MH, JP
Hon Daniel LAM Wai-keung, SBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Dr Hon KWOK Ka-ki

Hon WONG Ting-kwong, BBS
Prof Hon Patrick LAU Sau-shing, SBS, JP
Hon KWONG Chi-kin
Hon Mrs Anson CHAN, GBM, JP

Members absent:

Hon Albert HO Chun-yan
Hon Martin LEE Chu-ming, SC, JP
Dr Hon David LI Kwok-po, GBM, GBS, JP
Hon Fred LI Wah-ming, JP
Dr Hon LUI Ming-wah, SBS, JP
Hon Margaret NG
Hon James TO Kun-sun
Hon Bernard CHAN, GBS, JP
Hon SIN Chung-kai, SBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Dr Hon YEUNG Sum, JP
Hon LAU Chin-shek, JP
Hon Andrew CHENG Kar-foo
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, JP
Hon LEE Wing-tat
Dr Hon Joseph LEE Kok-long, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Dr Hon Fernando CHEUNG Chiu-hung
Hon CHEUNG Hok-ming, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon CHIM Pui-chung
Hon Albert Jinghan CHENG, JP
Hon TAM Heung-man

Public officers attending:

Professor Hon K C CHAN, SBS, JP	Secretary for Financial Services and the Treasury
Mr Stanley YING, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Miss Amy TSE, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1

Mr Alfred FOK	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Edward YAU, JP Ms Anissa WONG, JP	Secretary for the Environment Permanent Secretary for the Environment / Director of Environmental Protection
Dr Mike CHIU, JP	Deputy Director of Environmental Protection (1)
Ms Betty CHEUNG	Principal Environmental Protection Officer (Community Relations) Environmental Protection Department
Miss Jennifer MAK, JP	Director of Administration Adm. Wing, Chief Secretary for Administration's Office
Miss Shirley YUEN	Deputy Director of Administration (2) Adm. Wing, Chief Secretary for Administration's Office
Mr YAU Kin-chung	Assistant Director of Administration (3) Adm. Wing, Chief Secretary for Administration's Office

Clerk in attendance:

Ms Pauline NG	Assistant Secretary General 1
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Staff in attendance:

Miss Becky YU	Chief Council Secretary (1)1
Mrs Mary TANG	Senior Council Secretary (1)2
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Mr Frankie WOO	Legislative Assistant (1)2

Action

Item No. 8 - FCR(2007-08)48

HEAD 44 – ENVIRONMENTAL PROTECTION DEPARTMENT

◆ Subhead 700 General non-recurrent

New Item “Capital Injection into the Environment and Conservation Fund”

Members continued discussion on the above subject which was carried over from the meeting held on the same day at 3:00 pm.

2. Given that projects funded by the Environment and Conservation Fund (ECF) had assisted in promoting public awareness on environmental protection, Miss CHOY So-yuk said that Members of the Democratic Alliance for Betterment and Progress of Hong Kong supported the proposed funding. She however could not agree to the nomination of ECF Committee members by political parties as proposed by some members. Since ECF Committee members were required to vet funding applications, they would need to be knowledgeable in the field of environmental protection. In fact, most ECF members were environmental experts in the field. As regards ECF projects, Miss CHOY said that some were from management companies, some were research projects undertaken by schools and universities while others were undertaken by pro-democratic camps.

3. Ms Emily LAU however pointed out that political parties also had environmental experts and their appointment to ECF Committee would allow a broad representation of views from different political parties.

4. The Secretary for the Environment said that it was not intended that nomination of ECF Committee members would be made by political parties. Notwithstanding, care would be taken to ensure the representativeness of new ECF Committee when the current term of office of the ECF Committee members expired by the end of the year. He added that the ECF Committee would conduct a review of the funding mechanism following the provision of additional funding by the Government.

5. The Chairman put the item to vote. The Committee approved the proposal.

Item No. 9 - FCR(2007-08)49

HEAD 112 – LEGISLATIVE COUNCIL COMMISSION

◆ Subhead 366 Remuneration and reimbursements for Members of the Legislative Council

6. The Chairman informed members that the Subcommittee on Members' Remuneration and Operating Expenses Reimbursement (the Subcommittee) was consulted on the proposal at its meeting on 10 January 2008.

7. Prof Patrick LAU, Chairman of the Subcommittee, said that the Subcommittee was supportive of the proposed enhancements to the remuneration package for Members of the Legislative Council (LegCo) with effect from the fourth term of LegCo. However, the Subcommittee was dissatisfied that no increase had been made to the annual accountable allowance for Operating Expenses Reimbursement (OER). In this connection, the Director of Administration (D of Admin) was requested to relay the Subcommittee's concern on the need to adjust OER upwards to the Independent Commission on Remuneration for Members of the Executive Council and the Legislature of the Hong Kong Special

Administrative Region (the Independent Commission) for re-consideration. The Subcommittee hoped that a decision on the increase in OER should be made within the current legislative session in order to attract more candidates of high calibre to take part in the forthcoming election. D of Admin had taken note of the Subcommittee's concern and would gather information on the utilization rate of OER from the LegCo Secretariat for further action.

8. Ms Emily LAU said that the proposed adjustments to the remuneration package could not meet Members' request. It was also unfair to invite those who had never participated in direct election to review the remuneration package for LegCo Members. Besides, the proposed increase in monthly remuneration had only brought the salary back to the level in 1998, which was far less than that for key Government officials. The low remuneration package would not be able to attract more candidates of high calibre to take part in the election of the fourth term of LegCo. She was also dissatisfied that no increase had been made to OER, the present level of which had been insufficient to meet the operating expenses of Members' offices.

9. Mr Albert CHAN echoed that the review of the remuneration package of LegCo Members conducted by the Independent Commission was a political decision. He pointed out that as long as LegCo duties were considered a form of service to the public, it was unlikely that there would be much enhancement to the remuneration package. In order to serve the public well, he opined that all LegCo Members should be full-time legislators and should be adequately remunerated for their service. Mr CHAN also requested to state for the record that despite being a member of both LegCo and District Council, his take-home pay was less than \$30,000 per month since a large proportion of the salary had been used to cover the operating expenses of his offices.

10. Mr LEE Cheuk-yan said that back in the 1980s, LegCo was a "rich men's club" and LegCo membership was a form of public service. However, the roles and responsibilities of LegCo Members had changed over the years. The low remuneration package would not be able to attract candidates of high calibre to participate in LegCo work, particularly those to be returned by geographical constituencies since unlike their counterparts from the functional constituencies, the former did not have their own well-paying jobs. He further enquired about the salary level of LegCo Members compared with that of civil service pay scale.

11. D of Admin advised that the current salary of LegCo Members was equivalent to between Points 37 and 38 on the Civil Service Master Pay Scale while the revised salary would be between Points 41 and 42. She however stressed that it was inappropriate to make a direct comparison between the salaries of Government officials and LegCo Members, given their different work nature and the fact that LegCo duties were part of public service. Notwithstanding, in view of the increasing volume and complexity of LegCo work, the Independent Commission had recommended an increase in the monthly remuneration for LegCo Members by

15%, and the provision of a gratuity pitched at 15% of the total remuneration that Members received during a LegCo term as well as an annual accountable medical allowance of \$25,000 to serving LegCo Members. The increase in the monthly remuneration and the provision of a gratuity would amount to an increase of over 30% in the remuneration package. In the review of the remuneration package for Members of the fourth term of LegCo, the Independent Commission had thoroughly examined the components of the remuneration package, including OER. The Independent Commission had recommended a 10% increase in OER in the review conducted in 2006 and the increase had already taken effect in October 2006. In the current review, the Independent Commission had noted that the average utilization rate of OER was slightly on the decline following the 10% increase in October 2006. The Independent Commission had adopted a holistic approach in examining the remuneration package. The proposed enhancements to the remuneration package were appropriate and the Independent Commission had recommended no change to OER at this stage. However, it was prepared to revisit the issue during the fourth-term LegCo if circumstances warranted. Ms LAU asked whether the Independent Commission would further discuss the level of OER when information on the utilization rate was gathered. D of Adm undertook to relay members' request to the Independent Commission.

12. While agreeing that it was not appropriate to draw a comparison between the salaries of LegCo Members and Government officials, Mr Abraham SHEK pointed out that LegCo Members had made substantial contribution to the public through their service at LegCo. Therefore, they should be fairly and adequately remunerated for their work so that they had sufficient means to provide for their families. Furthermore, a reasonable remuneration package was needed to attract the right calibre of people to stand for election as LegCo Members.

13. Mrs Sophie LEUNG said that people of calibre, irrespective of their wealth, should be encouraged to participate in LegCo elections and become LegCo Members. She agreed to the need to develop political talents and to attract them to stand for election for LegCo membership.

14. On the proposed provision of an end-of-service gratuity pitched at 15% of the total remuneration that Members received during a LegCo term, Mrs Anson CHAN noted that this was meant to help LegCo Members tide over a period should they decide not to seek re-election, or fail to be elected. While supporting the proposal, she sought elaboration on the arrangement to provide the gratuity even if a Member did not serve out a whole LegCo term, as in the case of a Member's death whereby the gratuity would be payable to the administrator of the Member's estate. D of Admin said that the gratuity was meant as recognition of Members' contribution to the work of LegCo. Hence, it would be still be payable to a Member if he or she did not serve out a whole LegCo term because of death, by which case the gratuity would be paid to the administrator of the Member's estate. Mrs CHAN said that if this was the case, it should be set out more clearly in the Administration's paper.

15. The Chairman put FCR(2007-08)49 to the vote. 20 members voted for the proposal and two members voted against. The individual results were as follows:

For :

Mr James TIEN Pei-chun
Mr CHEUNG Man-kwong
Mr CHAN Kam-lam
Mr WONG Yung-kan
Mr Howard YOUNG
Mr LAU Wong-fat
Miss CHOY So-yuk
Ms LI Fung-ying
Mr LI Kwok-ying
Mr KWONG Chi-kin
(20 members)

Mrs Selina CHOW LIANG Shuk-yee
Miss CHAN Yuen-han
Mrs Sophie LEUNG LAU Yau-fun
Mr Jasper TSANG Yok-sing
Mr LAU Kong-wah
Ms Miriam LAU Kin-yee
Mr Abraham SHEK Lai-him
Mr Tommy CHEUNG Yu-yan
Prof Patrick LAU Sau-shing
Mrs Anson CHAN, GBM, JP

Against :

Mr LEE Cheuk-yan
(2 members)

Ms Emily LAU Wai-hing

16. The Committee approved the proposal.
17. The meeting was adjourned at 5:52 pm.