

立法會

Legislative Council

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Panel on Constitutional Affairs

Background Brief prepared by the Legislative Council Secretariat for the meeting on 18 February 2008

Election expense limits for Legislative Council elections

Purpose

This paper gives an account of past discussions of Members regarding the election expense limits for Legislative Council (LegCo) elections.

Background

2. Under section 45 of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554), the Chief Executive in Council is empowered to prescribe the maximum amount of election expenses which may be incurred in respect of a candidate or a list of candidates running for LegCo elections.

3. In respect of the geographical constituency (GC) elections, the current election expense limits which have been adopted since 1998 are as follows -

<u>Constituency</u>	<u>Election Expense Limits</u>
Hong Kong Island	\$2 million
Kowloon West	\$1.5 million
Kowloon East	\$1.5 million
New Territories East	\$2.5 million
New Territories West	\$2.5 million

4. For the functional constituency (FC) elections, the current election expense limits which have been adopted since 1998 are as follows -

<u>Constituency</u>	<u>Election Expense Limits</u>
Heung Yee Kuk, Agriculture and Fisheries, Insurance, and Transport FCs	\$100,000
Constituencies with not more than 5 000 registered electors	\$160,000
Constituencies with 5 001 to 10 000 registered electors	\$320,000
Constituencies with over 10 000 registered electors	\$480,000

Proposed election expense limits for the 2004 LegCo election

The Administration's proposal

5. In January 2003, the Administration recommended to the Panel on Constitutional Affairs (the Panel) that the election expense limits for the five GCs should be derived on the basis of \$1.5 per head of population in a given GC, rounded to the nearest \$500,000. The same formula was used in the 2000 LegCo election.

6. A member suggested that the formula should be reviewed with the election expense limits adjusted downwards taking into account the following factors -

- (a) free postage of election materials for candidates would be reduced from two rounds to one; and
- (b) with deflation, the Consumer Price Index had dropped by about 5% in the past few years.

7. In December 2003, the Panel was consulted on the Administration's proposal on the election expense limits for the 2004 LegCo election. The Administration recommended that the same four-tier election expense limits used in the 2000 FC elections should continue to apply to the 2004 FC elections.

8. As regards GC elections, the Administration proposed the following three options -

- (a) Option 1 (\$1.5 per head) - this Option essentially followed the formula adopted for the 2000 LegCo elections, i.e. \$1.5 per head of the population in a given GC, rounded to the nearest \$500,000. The proposed limits would be the same as the existing ones except for New Territories West where the limit would be increased to \$3 million. The increase was due to population growth in the constituency by nearly 200 000 since 2000;

- (b) Option 2 (Deflation adjustment) - this Option took into account the downward adjustment of 7.3% in the Composite Consumer Price Index during the period between September 2000 and October 2003. It was calculated on the basis of \$1.4 per head of the population in a given GC, rounded to the nearest \$250,000 (instead of \$500,000). The net effect of this Option was that the limits for the Kowloon East and Kowloon West constituencies would remain the same; those for Hong Kong Island and New Territories East would be reduced by \$250,000, whilst the limit for New Territories West would be increased by \$250,000; and
- (c) Option 3 (Status quo) - under this Option, the same election expense limits used in the 2000 LegCo elections would be used, as the election expense limits had worked well since 1998 and there had not been any strong voice demanding an adjustment of the limits.

9. A comparison of the election expense limits for the 2000 GC elections and proposed election expense limits for the 2004 GC elections is in **Appendix I**.

Cap on election expenses

10. In considering the matter, the Panel had taken note of the Information Note on "Public Subsidies for Parliamentary Election Expenses in Canada, Germany and Australia" prepared by the Research and Library Services Division.

11. Members noted that there was no cap on election expenses in Germany and Australia. While some members were in support of removing the election expense limits in Hong Kong, some members expressed concern that to do so would be disadvantageous to the less well-off candidates and considered that the issue should be carefully examined.

12. The Administration advised that it was important to ensure that elections could be conducted in a fair, open and honest manner, and the retention of election expense limits would be conducive to achieving such objective. It was the position of the Administration that it was desirable to set election expense limits for LegCo elections.

The three options

13. Members' views on the three options proposed by the Administration are summarized below -

- (a) Hon Emily LAU supported the option with the lowest limits and requested the Administration to consider extending the duration of free air time for candidates to participate in electioneering programmes on TV and radio;

- (b) Members of the Democratic Alliance for Betterment of Hong Kong supported either Option 1 or Option 3 as it would allow more flexibility for candidates to conduct election activities;
- (c) Members of the Democratic Party considered that either Option 2 or Option 3 was acceptable as it would allow candidates to compete on a more equitable basis;
- (d) Members of The Hong Kong Progressive Alliance considered that Option 3 was acceptable as it had taken into account the actual election expenses of candidates running in the 2000 GC elections; and
- (e) Members of the Liberal Party had no objection to the Administration's proposal to maintain the same election expense limits for the 2004 FC elections. As some countries such as the United States had dispensed with election expense limits, the Liberal Party considered that no cap on election expenses was necessary for GC elections and would not support any of the three options.

14. Having considered the views expressed by Members and that there had not been any strong demand for an adjustment of the current limits, the Administration advised the Panel in February 2004 that the election expense limits in 2000 should apply to the 2004 LegCo GC elections.

Relevant papers

15. A list of relevant papers which are available on the LegCo website is in **Appendix II**.

Council Business Division 2
Legislative Council Secretariat
13 February 2008

**A comparison of the election expense limits for 2000 GC elections and
proposed election expense limits for 2004 GC elections**

Constituency	2000 LegCo GC elections		2004 LegCo GC elections			
	Population	Election Expense Limits	Projected population as at 30.6.2004	Proposed Election Expense Limits		
				Option 1	Option 2	Option 3
Hong Kong Island	1 343 400	\$2 million	1 274 600	\$2 million	\$1.75 million	\$2 million
Kowloon West	1 029 000	\$1.5 million	999 600	\$1.5 million	\$1.5 million	\$1.5 million
Kowloon East	1 016 100	\$1.5 million	1 034 300	\$1.5 million	\$1.5 million	\$1.5 million
New Territories East	1 543 500	\$2.5 million	1 644 900	\$2.5 million	\$2.25 million	\$2.5 million
New Territories West	1 804 900	\$2.5 million	2 004 300	\$3 million	\$2.75 million	\$2.5 million

Election Expense Limits for Legislative Council Election

Relevant documents

<u>Meeting</u>	<u>Meeting Date</u>	<u>Paper</u>
Panel on Constitutional Affairs	20 January 2003	<p>Administration's paper on "2004 Legislative Council Elections : Geographical Constituencies and Election Expense Limits" [LC Paper No. CB(2)931/02-03(03)]</p> <p>Information Note on "Public Subsidies for Parliamentary Election Expenses in Canada, Germany and Australia" prepared by Research and Library Services Division [IN09/02-03]</p> <p>A fact sheet on "Relevant Data on the 1998 and 2000 Legislative Council Elections" prepared by the Research and Library Services Division [FS05/02-03]</p> <p>Minutes of meeting [LC Paper No. CB(2)1178/02-03]</p>
	15 December 2003	<p>Administration's paper on "Election Expense Limits for the 2004 Legislative Council Elections" [LC Paper No. CB(2)647/03-04(03)]</p> <p>Minutes of meeting [LC Paper No. CB(2)1314/03-04]</p>
	--	<p>Administration's letter dated 13 February 2004 attaching information on the election expense limits for elections in Singapore, Japan and Hong Kong, and the formula adopted for setting the limits [LC Paper No. CB(2)1344/03-04(01)]</p>