## 香港特別行政區政府 政務司司長辦公室轄下行政署



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The Government of
The Hong Kong Special Administrative Region

立法會AS 147/11-12號文件

The Government of
The Hong Kong Special Administrative Region
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16 March 2012

香港添馬添美道2號

本函檔號 Our Ref.:

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來函檔號 Your Ref.:

The Honourable Emily Lau, JP
Chairman, Subcommittee on Members' Remuneration
and Operating Expenses Reimbursement
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear Enily,

## Review of the Remuneration Package for Members of the Fifth Term Legislative Council

I would like to inform you that the Chief Executive in Council has endorsed in entirety the Report of the Independent Commission on Remuneration of Members of the Executive Council and the Legislature, and Officials uder the Political Apointment System of the Hong kong Special Administration Region on the Review of the Remuneration Package for Members of the Fifth term LegCo. Key recommendations of the Report are as follows –

- (a) the monthly remuneration of LegCo Members should be increased by 10%, from \$73,150 to \$80,465 per month. The monthly remuneration of the LegCo President, the President's Deputy and LegCo Members who are also serving on Executive Council should continue to be fixed at 200%, 150% and 2/3 of the remuneration of their fellow LegCo Members respectively;
- (b) the end-of-service gratuity, pitched at 15% of the total remuneration that a LegCo Member receives during a LegCo term, should continue to be payable to LegCo Members at the end of the term;

- (c) the existing amount of the medical allowance, currently at \$28,020 per annum, should be maintained;
- (d) the annual Office Operation Expenses Reimbursement (OOER) should be increased by 20%, from \$1,719,290 to \$2,063,148 per annum;
- (e) surplus from a year's OOER entitlement should be allowed to roll over to the following year until the end of a LegCo term to allow LegCo Members more flexibility to use the OOER for payment of salary increments and/or gratuity for staff employed, if they choose to, for retention of experienced staff;
- (f) the existing level of the Entertainment and Travelling Expenses Reimbursement (ETER), currently at \$176,310 per annum, and the LegCo President's entertainment allowance, currently at \$176,480 per annum, should be maintained;
- (g) the existing level of the Setting up Expenses Reimbursement (SUER), currently at \$150,000 per term (or \$75,000 per term for Members who have claimed setting up expense in the previous term), and the Information Technology and Communication Equipment Expenses Reimbursement (ITER), currently at \$100,000 per term, should be maintained. However, the two allowances should be combined into one provision to allow LegCo Members more flexibility in using the two allowances;
- (h) the existing provision of the Winding Up Expenses Reimbursement, at one-twelfth of the annual OOER plus actual amount of severance payments, should remain unchanged;
- (i) the recommendations above should be implemented with effect from 1 October 2012 upon the commencement of the Fifth Term LegCo; and
- (j) the existing mechanism whereby items (a), (c), (d) and (f) above will be adjusted in October each year in accordance with the movements of the Consumer Price Index (C) should continue to apply.

Detailed considerations are set out in the Independent Commission's Report. A copy of the Report, together with the relevant Not attached LegCo Brief, are attached. We will arrange to send the same to all LegCo Members. We shall be happy to brief the Subcommittee if you consider it useful.

> The recommendations at para (a), (d) and (g) above will require the funding approval of the Finance Committee to be implemented. Our plan is to consult the Finance Committee in April 2012.

> > (Miss Jennifer Mak) Director of Administration

Jours severely Jennife The

c.c. Secretary General of LegCo Secretariat