

**Luncheon with Chairmen and
Vice-Chairmen of District Councils
on 14 September 2011**

**Speech of SCMA regarding
the District Councils and Appointment System**

Chairmen and Vice-Chairmen of the District Councils (DCs),

Good afternoon! First of all, I would like to thank you for taking time from your busy schedules to join our occasion today. It is a distinct pleasure for me to have the opportunity to host this luncheon for you.

2. The third term of the DCs will come to a close by the end of the year. The third term of the DCs has been a very special one. Since 2008, the 18 DCs have started to take part in managing district facilities such as swimming pools, community halls and libraries. To facilitate the DCs in delivering better services and to enhance our provision of facilities to the local community, the Administration has set aside a total of \$600 million each year for the use of the DCs. An amount of \$300 million is earmarked for carrying out minor works projects, while another amount of \$300 million is allocated for the conduct of various activities for promoting community participation.

3. I am very pleased to see that the DCs have made good use of the funds and provided the public with quality services. I am also very grateful to all of you for making such an invaluable contribution to the DCs in the last few years.

4. On another note, all of you have followed closely the constitutional development in Hong Kong. You appreciate that following the passage of the 2012 constitutional package last year, and the subsequent enactment of the local legislation by the Legislative Council (LegCo) in March this year to implement the constitutional package, members who are elected in the upcoming DC election will have a crucial role to play in our electoral system. The newly elected DC members may stand for the Election Committee (EC) subsector elections in December this year, and thereafter vote in the Chief Executive election.

5. Elected DC members may also join the fifth term of the LegCo through the five newly created DC functional constituency seats. These arrangements will greatly enhance the participation of elected DC members in these elections of constitutional significance.

6. You are also concerned about the “DC Appointment System”. The HKSAR Government has indicated that it would address the issue and put forth proposals in this regard.

7. Over the years, appointed DC members have made a significant contribution to various areas of work in the community. Appointed DC members comprise people from various sectors, including professional sectors, community services, management personnel and other occupations. They apply themselves very fully in serving the community. In many cases, their attendance rate of DC meetings exceeds than 90%.

8. Aside from the above, the public would like to see an enhancement in representativeness and electoral elements of DCs. To complement the growth in population, we have increased the number of elected seats for three consecutive terms of DCs; in 2003, the number of elected seats was increased from 390 seats to 400; in 2007, this was further increased to 405; in the coming term, the number of elected seats will be increased to 412. To some extent, this has addressed the community's expectation for increasing the representativeness of DCs.

9. There are two views in the community regarding how we should address the issue of DC appointed seats. Certain political parties consider that the appointed seats should be abolished in one go, while other political parties and organisations support abolition in phases. After considering views from all sectors, the HKSAR Government can put forth our position today in three respects:

- ◆ Firstly, the HKSAR Government considers that the “DC Appointment System” could be abolished in phases by going through a transitional period;
- ◆ Secondly, as a start, we intend to reduce by one-third of the number of members to be appointed in the fourth term of the DCs in 2012, i.e. appointing only 68 members instead of 102; and
- ◆ Thirdly, after the DC election in November, we can embark on further public discussions as to how this issue should be dealt with, including the duration of the transitional period, how the relevant legal provisions should be dealt with, etc. As to the duration of the transitional period, after 2012 we are prepared to consider abolishing the remaining 68 appointed seats over one term or two terms. On this, the HKSAR Government has an open mind.

10. According to the District Councils Ordinance, the Chief Executive is not required to appoint the full slate of the 102 DC appointed members. The number of appointed members can first be reduced by one-third.

11. Our current policy stance is set out above. Views from different political parties and the community on this issue are welcome.

12. Finally, Chairmen and Vice-Chairmen, I wish to emphasize once again that during your current term of office and that of the District Councillors, both the services and resources allocated to the 18 Districts have been enhanced. At the same time, on the constitutional development front, we have established the timetable for universal suffrage and secured the passage of the “one-person-two-votes” proposal which will greatly enhance the democratic elements of the 2012 LegCo election. Indeed, the DCs have played a very important role for advancing democracy for Hong Kong society. I would like to express my appreciation again to the Chairmen and Vice-Chairmen of DCs for your contribution to the community and to Hong Kong society.

13. Thank you.