

**Subcommittee on
Legislative Council Ordinance (Amendment of Schedule 5) Order 2015 and
Maximum Amount of Election Expenses (Legislative Council Election)
(Amendment) Regulation 2015**

**Follow-up on issues raised
at the Subcommittee Meeting on 7 December 2015**

At the Subcommittee meeting on 7 December 2015, a Member requested the Government to provide supplementary information on the basis on which the election expenses limits (“EELs”) for the Legislative Council (“LegCo”) functional constituency (“FC”) election were set. This paper provides the relevant information for reference.

2. The election for the first term of the LegCo of the Hong Kong Special Administrative Region was held in 1998. The EELs for the 1998 LegCo FC election that were passed by the Provisional LegCo back then are set out below –

- (a) Designated FCs¹ : \$100,000
- (b) FCs other than those in (a) above –
 - (i) FCs with not more than 5 000 registered electors: \$160,000
 - (ii) FCs with 5 001 to 10 000 registered electors: \$320,000
 - (iii) FCs with over 10 000 registered electors: \$480,000

3. The above system for setting the EELs in the 1998 LegCo FC election is similar to the four-tier system adopted in the 1995 LegCo FC election. When the EELs for the 1998 LegCo FC election were set, some adjustments were made to the differentiation of electorate size between individual tiers. The dollar value of the EEL in respect of each tier has been set to reflect the difference in electorate size, to allow for a more varied and more sophisticated electioneering activities by candidates, and to take into account inflation.

4. After the EELs were set in 1998, they have been adjusted (i.e., raised by 5%) once for the 2008 LegCo general election and have since been in use to date. For the current review, we have taken into account the declared election expenses of contested traditional FC candidates in the 2012 LegCo general election, and noted that the median amount of election expenses incurred was about 52% of the EELs; about 92% of the candidates spent less than 80% of the

¹ Including the Urban Council, Regional Council, Heung Yee Kuk, Agriculture and Fisheries, Insurance, and Transport FCs.

EELs; about 5% of the candidates spent 80-90% of the EELs; and about 3% of the candidates spent more than 90% of the EELs. Having regard to the above considerations and other relevant factors, we proposed to adjust the EELs on the basis of the estimated cumulative inflation rate from 2013 to 2016 (i.e., to adjust the EELs upwards by 15.6%), and rounded to the nearest thousand dollars.

**Constitutional and Mainland Affairs Bureau
December 2015**