

**立法會**  
***Legislative Council***

LC Paper No. FC258/16-17  
(These minutes have been  
seen by the Administration)

Ref : FC/1/1(5)

**Finance Committee of the Legislative Council**

**Minutes of the 8<sup>th</sup> meeting**  
**held at Conference Room 1 of the Legislative Council Complex**  
**on Friday, 20 January 2017, at 5:40 pm**

**Members present:**

Hon CHAN Kin-por, BBS, JP (Chairman)  
Hon James TO Kun-sun  
Hon Abraham SHEK Lai-him, GBS, JP  
Prof Hon Joseph LEE Kok-long, SBS, JP  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon WONG Ting-kwong, SBS, JP  
Hon Starry LEE Wai-king, SBS, JP  
Hon CHAN Hak-kan, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon LEUNG Kwok-hung  
Hon Claudia MO  
Hon Frankie YICK Chi-ming, JP  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Kenneth LEUNG  
Hon Alice MAK Mei-kuen, BBS, JP  
Hon KWOK Wai-keung  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, JP  
Hon Martin LIAO Cheung-kong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Alvin YEUNG  
Hon Andrew WAN Siu-kin  
Hon CHU Hoi-dick  
Hon LAM Cheuk-ting  
Hon Holden CHOW Ho-ding  
Hon SHIU Ka-fai  
Hon Wilson OR Chong-shing, MH  
Dr Hon Pierre CHAN  
Hon CHAN Chun-ying  
Hon Tanya CHAN  
Hon CHEUNG Kwok-kwan, JP  
Hon HUI Chi-fung  
Hon LAU Kwok-fan, MH  
Hon Kenneth LAU Ip-keung, MH, JP  
Hon Jeremy TAM Man-ho  
Hon Nathan LAW Kwun-chung  
Dr Hon YIU Chung-yim  
Dr Hon LAU Siu-lai

**Members absent:**

Hon Michael TIEN Puk-sun, BBS, JP (Deputy Chairman)  
Hon LEUNG Yiu-chung  
Hon Tommy CHEUNG Yu-yan, GBS, JP  
Hon WONG Kwok-kin, SBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Steven HO Chun-yin, BBS  
Dr Hon KWOK Ka-ki  
Hon Dennis KWOK Wing-hang  
Hon Jimmy NG Wing-ka, JP  
Dr Hon Junius HO Kwan-yiu, JP  
Hon HO Kai-ming  
Hon SHIU Ka-chun  
Hon YUNG Hoi-yan  
Hon LUK Chung-hung

Dr Hon CHENG Chung-tai  
Hon KWONG Chun-yu

[According to the Judgment of the Court of First Instance of the High Court on 14 July 2017, LEUNG Kwok-hung, Nathan LAW Kwun-chung, YIU Chung-yim and LAU Siu-lai have been disqualified from assuming the office of a member of the Legislative Council, and have vacated the same since 12 October 2016, and are not entitled to act as a member of the Legislative Council.]

**Public officers attending:**

Ms Elizabeth TSE Man-yee, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) <sup>1</sup>
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Raymond TAM Chi-yuen, GBS, JP	Secretary for Constitutional and Mainland Affairs
Miss Rosanna LAW Shuk-pui, JP	Deputy Secretary for Constitutional and Mainland Affairs
Mr D C CHEUNG	Principal Assistant Secretary for Constitutional and Mainland Affairs

**Clerk in attendance:**

Ms Anita SIT	Assistant Secretary General 1
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**Staff in attendance:**

Mr Derek LO	Chief Council Secretary (1) <sup>5</sup>
Ms Ada LAU	Senior Council Secretary (1) <sup>7</sup>
Mr Raymond SZETO	Council Secretary (1) <sup>5</sup>
Mr Frankie WOO	Senior Legislative Assistant (1) <sup>3</sup>
Miss Yannes HO	Legislative Assistant (1) <sup>6</sup>

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**Item No. 1—FCR(2016-17)80**

**HEAD 21—CHIEF EXECUTIVE'S OFFICE**

**HEAD 143—GOVERNMENT SECRETARIAT: CIVIL SERVICE BUREAU**

**HEAD 152—GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMERCE, INDUSTRY AND TOURISM BRANCH)**

**HEAD 144—GOVERNMENT SECRETARIAT: CONSTITUTIONAL AND MAINLAND AFFAIRS BUREAU**

**HEAD 92—DEPARTMENT OF JUSTICE**

**HEAD 135—GOVERNMENT SECRETARIAT: INNOVATION AND TECHNOLOGY BUREAU**

**HEAD 138—GOVERNMENT SECRETARIAT: DEVELOPMENT BUREAU (PLANNING AND LANDS BRANCH)**

**HEAD 156—GOVERNMENT SECRETARIAT: EDUCATION BUREAU**

**HEAD 137—GOVERNMENT SECRETARIAT: ENVIRONMENT BUREAU**

**HEAD 147—GOVERNMENT SECRETARIAT: FINANCIAL SERVICES AND THE TREASURY BUREAU (THE TREASURY BRANCH)**

**HEAD 139—GOVERNMENT SECRETARIAT: FOOD AND HEALTH BUREAU (FOOD BRANCH)**

**HEAD 53—GOVERNMENT SECRETARIAT: HOME AFFAIRS BUREAU**

**HEAD 141—GOVERNMENT SECRETARIAT: LABOUR AND WELFARE BUREAU**

**HEAD 142—GOVERNMENT SECRETARIAT: OFFICES OF THE CHIEF SECRETARY FOR ADMINISTRATION AND THE FINANCIAL SECRETARY**

**HEAD 151—GOVERNMENT SECRETARIAT: SECURITY BUREAU**

**HEAD 158—GOVERNMENT SECRETARIAT: TRANSPORT AND HOUSING BUREAU (TRANSPORT BRANCH)**

**Subhead 000—Operational Expenses**

The meeting continued with the deliberation on the item FCR(2016-17)80.

2. Mr Holden CHOW and Ms Starry LEE criticized pan-democratic members for repeating their questions incessantly to obstruct the voting process. They requested the Chairman to adopt measures so as to ensure efficient disposition of the meeting and avoid wasting time.

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3. In response, Mr Andrew WAN said that it was because the Administration had failed to respond directly to members' questions and concerns so that the item had yet to receive a vote. The responsibility therefore rested with the Administration.

4. Mr HUI Chi-fung was dissatisfied with the criticisms from Mr Holden CHOW and Ms Starry LEE, and asked the Chairman to take statistics on the frequency of members making repetitive remarks.

5. Mr SHIU Ka-fai said that the progress of deliberation on this item was unsatisfactory. He sought the Administration's opinion on this situation.

6. Secretary for Constitutional and Mainland Affairs ("SCMA") said that he would not make any comments since he respected the practice of the Finance Committee ("FC").

Remuneration adjustment mechanism

7. Ir Dr LO Wai-kwok was of the opinion that the remuneration adjustment arrangement for politically-appointed officials ("PAOs"), which was based on the recommendations of the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the Hong Kong Special Administrative Region ("the Independent Commission"), was an independent process, a stringent mechanism, and fully justified. Moreover, he was concerned about the excessively slow progress of FC's deliberation at present and considered the prolonged discussion of this item as affecting the funding application of other items. He urged FC to finish the deliberation on this item as soon as possible and put it to vote.

8. When Ir Dr LO Wai-kwok was giving his speech, Mr LEUNG Kwok-hung spoke loudly without permission. The Chairman requested Mr LEUNG to stop speaking.

9. Mr Kenneth LEUNG asked whether the Administration had engaged a human resources consultant to review the remuneration structure for PAOs.

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10. Deputy Secretary for Constitutional and Mainland Affairs said that when the Government introduced the Principal Officials Accountability System ("Accountability System") in 2002, it had commissioned a human resources consultant to carry out market research on the remuneration level for Directors of Bureaux, comparing it with those of the public bodies, private enterprises and professional organizations. In 2012, the Independent Commission also engaged a consultant to conduct a review. Thereafter, in 2016, when the Independent Commission again made recommendations for remuneration adjustment for PAOs, it had made reference to the surveys of similar nature conducted by human resources consultancies in the market in 2014.

11. Mr Andrew WAN said that, according to his understanding, the Independent Review Committee for the Prevention and Handling of Potential Conflicts of Interests ("the Independent Review Committee") had suggested that the Administration should conduct a comprehensive review of the remuneration for politically accountable officials. He asked whether the Administration had done so.

12. SCMA clarified that the Independent Review Committee had not made any concrete suggestion in this respect but had merely pointed out that, in comparison, the remuneration levels for politically accountable officials lagged behind those for corresponding positions in other public bodies and that this was not conducive to attracting talents.

Using the change in Consumer Price Index (C) as an indicator for remuneration adjustment

13. Mr YIU Si-wing and Mr SHIU Ka-fai expressed support for the proposal. In the view of these members, the proposal in this item simply sought to allow the remuneration for PAOs to be adjusted in line with movements of inflation, in the same way as it was adjusted for civil servants and Members of the Legislative Council ("LegCo"); they considered it an objective and reasonable arrangement. Mr YIU Si-wing said he understood that the increase of 12.4% under the current proposal might be a bit too high in public perception. He asked the Administration whether it would consider breaking up the increase of 12.4% into parts, which could then be submitted in phases to FC for its consideration.

Action

14. SCMA said that there had not been any increase in PAOs' cash remuneration for more than 14 years, and the proposed increase was only meant to compensate for the erosion of purchasing power caused by inflation. Given that the increase rate would be less than 1% if calculated on a yearly basis, the proposed adjustment was reasonable. As the Administration did not consider it easy to obtain FC's approval for the adjustment of PAOs' remuneration, if the submission was to be done in phases, it might result in further delay.

15. At the request of Ms Starry LEE, SCMA further explained that this item was not meant to seek an upward adjustment of the remuneration levels for PAOs but only to compensate for the erosion of part of the real purchasing power of PAOs' cash remuneration and to establish a mechanism so that the remuneration for PAOs could be adjusted in line with the movements of inflation in future. Ms Claudia MO criticized the explanation of the Administration as a political makeup trying to cover up the fact that it was an item giving pay rise to PAOs.

16. Mr LEUNG Kwok-hung and Mr Andrew WAN doubted the Administration's justification that the upward adjustment of remuneration was for the purpose of attracting talent. In their view, PAOs were very well-paid as the monthly remuneration for Directors of Bureaux ("DoBs") exceeded \$300,000, and on top of this they enjoyed all sorts of power. Furthermore, the talented persons who served as politically-accountable officials should have the aspiration to serve the public and should not be influenced by the level of remuneration. Therefore, their remuneration should not be adjusted in line with movements of inflation.

17. Mr Nathan LAW cited the document submitted by the Administration when it first implemented the Accountability System, pointing out that PAOs and civil servants belonged to different structures, and therefore he held that the remuneration for the former should not be adjusted in the same way as remuneration was adjusted for the latter in line with inflation. He asked whether the civil servants in policy bureaux were subordinate to the politically-appointed DoBs.

18. SCMA said that DoBs, being heads of bureaux, were responsible for leading the civil servants in their bureaux to implement policies.

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19. Mr Nathan LAW noted that when the Administration introduced the Accountability System in 2002, the remuneration for politically-appointed DoBs, when compared with the remuneration for DoBs originally staffed by civil servants, had a significant increase of approximately 66%. He enquired about the grounds for determining the extent of the adjustment.

20. SCMA explained that at that time, the remuneration for the politically-appointed DoBs was determined by the total weighted cost which was calculated based on the cash remuneration for the civil servants at DoB rank (at D8 level) before the implementation of the Accountability System, plus their quantified fringe benefits. In other words, there was no increase in the real remuneration for DoBs at that time.

21. Mr HUI Chi-fung expressed doubts on how the Administration had assessed the purchasing power of remuneration deemed appropriate to PAOs; for example, whether it had compared it with those for government officials in other places.

22. SCMA pointed out that the purchasing power of remuneration deemed appropriate to PAOs was determined as early as in 2002 when the Accountability System was introduced and it was also approved by LegCo. The current proposal just aimed to compensate for some of the real purchasing power eroded by inflation.

23. Mr WU Chi-wai held that the proposal for adjusting remuneration for PAOs in line with Consumer Price Index (C) ("CPI(C)") often meant pay rise, and not pay cut. It also failed to embody the spirit of holding PAOs accountable for their performance. He urged the Administration to consider adding a system which allowed pay rise and pay cut to the adjustment mechanism and using performance indicators (e.g. net popularity) of individual DoBs as the basis for adjusting their remuneration.

24. SCMA responded that CPI(C) was an indicator allowing upward and downward adjustments, and that the Independent Commission considered adjustment of PAOs' remuneration in line with CPI(C) an objective and transparent approach. Other indicators, such as net popularity, might be based on calculations (e.g. on the content of questionnaire) that could involve subjective factors, and hence were not objective indicators. Regarding assessment of PAOs' performance, the Administration had clearly stated the performance indicators for various policies in the Budget submitted to LegCo each year for the purpose of accountability. Also, the Chief Executive ("CE") may take such actions



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as provided by the existing sanction mechanism to warn, publicly reprimand, suspend and dismiss an individual PAO. Mr Holden CHOW and Ms Starry LEE concurred with the Administration's explanation and pointed out that the so-called performance indicators could be a tangle of opinions, which were neither objective criteria, nor possible to be dealt with within the item under discussion.

25. Dr YIU Chung-yim cited a theory from local scholars to point out that, apart from the adoption of the linked exchange rate which brought imported inflation to Hong Kong, various government policies (such as land supply policy and labour supply policy) would also have an impact on inflation. Therefore, if the remuneration for PAOs was to be adjusted in line with CPI(C), there would be an incentive for PAOs to promote policies which influenced inflation for their own benefit, and this situation would be undesirable. Mr Holden CHOW expressed doubts on the validity of the theory cited by Dr YIU.

26. SCMA pointed out that, under the current system, the policies proposed by the Administration must be agreed by LegCo before implementation, and yet the remuneration for LegCo Members had already been subject to adjustment in line with CPI(C). Therefore, if Dr YIU's theory was true, the remuneration mechanism for LegCo Members would lead to the same problem. In response, Dr YIU Chung-yim pointed out that only the Executive authorities could take the initiative in putting forward policies, and therefore he disagreed with the Administration's elaboration.

Timing for submitting the proposal

27. Mr LAM Cheuk-ting and Mr Andrew WAN remarked negatively on the inferior performance of some current-term PAOs, and said that there was no justification for the Administration to submit its remuneration adjustment proposal for PAOs. They urged the Administration to consider submitting the proposal after the formation of the next-term Government and at a time when the public considered the performance of PAOs as satisfactory.

28. Mr Andrew WAN doubted the urgency of this item because even if it was not approved and the remuneration adjustment mechanism for PAOs thus became invalid, the Administration could still appoint PAOs with the current remuneration.

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29. In response to the question of Mr SHIU Ka-fai, SCMA cited the change of term of government from the previous to the current one as an example in which only about one-third of the politically-accountable officials had stayed on to support that it was an appropriate arrangement for the current Government to tackle remuneration adjustment for the incoming Government as such efforts were less likely to constitute direct conflicts of interests. In addition, the Administration held that the advantage of the Accountability System was that appointment and removal of DoBs would take place alongside a change of government, and this was better than the system whereby civil servants served as DoBs before the introduction of the Accountability System.

Performance of PAOs

30. Ms Claudia MO was of the opinion that some PAOs had performed poorly and the public did not support pay increase for PAOs.

31. Mr LAM Cheuk-ting strongly criticized the incumbent Secretary for Education for his unsatisfactory performance.

32. Mr YIU Si-wing held that the performance of individual PAOs should not be used as an indicator for the overall remuneration adjustment for PAOs. Dr Helena WONG pointed out that pay rise for staff in public bodies (such as the teaching staff at universities) was also subject to performance.

33. Dr Helena WONG recalled that two politically-accountable DoBs had resigned in 2015. While it had been reported that it was because CE was dissatisfied with their performance, members of the public had no way to know how CE assessed the performance of those two DoBs. She asked the Administration to respond to this incident.

34. SCMA responded that the DoBs concerned had made public statements saying that they left offices due to personal and family reasons. It would not be appropriate for him to speculate.

35. Mr SHIU Ka-fai suggested that the Administration should consider allowing LegCo Members to assess the performance of politically-accountable officials in anonymity. SCMA responded that Members had often commented on the performance of those officials openly.

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36. Mr CHAN Chi-chuen, Dr Helena WONG and Mr Kenneth LEUNG enquired how CE assessed the performance of politically-accountable officials, such as whether CE would write performance appraisal reports for DoBs.

37. SCMA said that DoBs were accountable to CE, LegCo and the public on work in their policy areas. As CE had frequent contacts with DoBs, he had ample opportunities to assess their work performance. Furthermore, the Government would set out performance indicators in its annual Budget for Members to monitor the implementation of policies.

Remuneration for Deputy Directors of Bureaux ("DDoBs") and Political Assistants ("PAs")

38. Mr Jeremy TAM complained that with regard to his concern about an issue with the Planning Department, the Political Assistant ("PA") of the Development Bureau had failed to assist in coordinating a discussion with the Planning Department and his performance was unsatisfactory. He asked whether the Administration's current proposal was a disguised effort to permit pay cut for PAs.

39. SCMA responded that the Independent Commission considered it appropriate to cap the remuneration for PAs at the current pay level (i.e. 35% of the remuneration for DoBs), as well as allowing DoBs to consider the qualifications of PAs and decide in a flexible way whether they would hire PAs with a lower pay.

40. Mr Jeremy TAM said that Deputy Directors of Bureaux ("DDoBs") and PAs were positions which had not been created until 2007 whereas the post of DoBs was created as early as in 2002. In view of this, if losses from inflation were to be traced back, the increase in the remuneration for DDoBs and PAs should be smaller than that for DoBs.

41. SCMA clarified that, in the item under discussion, the proposed increase in remuneration was in line with the cumulative inflation since 2012. Therefore, the condition mentioned by Mr TAM was not applicable.

42. Mr Kenneth LEUNG asked why the remuneration mechanisms for DDoBs and PAs have three and five increment points respectively, which were different from the flat pay for DoBs. He requested the Administration to consider setting up increment points for DoBs.

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43. SCMA pointed to the historical factors for the difference in the remuneration mechanisms for DoBs, DDoBs, and PAs. As mentioned before, when the Government introduced the Accountability System in 2002, only the positions of DoBs were changed to PAOs, with their remuneration uniformly set at the level for the civil servants at DoB rank. Thereafter, when the Government expanded the Accountability System in 2008, it set up increment points for DDoBs and PAs to allow flexibility in absorbing talents of different qualifications to join the Government.

44. Mr HUI Chi-fung said that as universal suffrage had yet to exist, PAOs had no mandate from the public and their legitimacy was hence a question.

Cash value of non-pay benefits

45. Dr Fernando CHEUNG sought information from the Administration on the cash value of various benefits for PAOs (including medical benefits, Mandatory Provident Fund contributions, drivers, official residence and domestic staff) other than their remuneration, as well as the amounts of the non-accountable entertainment allowance payable to Secretaries of Departments. SCMA said that he could provide relevant information in writing after the meeting, but some benefits might not be able to be converted into cash value.

The Chairman's direction on procedural matters

46. The Chairman said that members had spoken on the item and moved motions to adjourn further proceedings of FC for many times, and that they had spoken on and asked questions for more than 10 times on the topics such as linking the performance of PAOs to the mechanism for adjusting their remuneration, ineffectiveness of the Accountability System, appointment and removal of PAOs, and poor performance of PAOs respectively. In addition, members had often spoken on broad policy issues and had deviated from the subject under discussion. He also noticed that members had spoken mainly to express their opinions. Summing up the points mentioned above, he considered that members had had enough time to speak on and raise questions on the item. Therefore, he decided that members might speak on the item one last time for not more than three minutes at the next meeting; after that FC would begin to consider whether to deal with the motions proposed by members to express views on the item under paragraph 37A of the Finance Committee Procedure ("FCP") ("37A motions"). Ms Starry LEE spoke in support of the Chairman's decision.

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47. Ms Claudia MO doubted the procedural basis on which the Chairman had decided to set limits so that member could only speak for one last time. The Chairman responded that his decision conformed to precedents and had legal basis. According to a previous ruling by the court, the FC Chairman had the power to regulate the process of the FC meetings under FCP, including the power to set limits to and terminate a debate, so as to ensure the orderly, efficient and fair disposition of the meetings, as elaborated in LC Paper No. LS6/15-16.

Arrangement for proposing 37A motions

48. The Chairman called upon members to submit their 37A motions proposed to be moved to the Secretariat by noon, 27 January 2017.

49. Dr Fernando CHEUNG raised doubts as to the Chairman's frequent use of the discretionary power under FCP 21 to waive the requirement for the Administration to give notice of agenda items six clear days before the meeting concerned. In comparison, FCP 37A stated that a member might move a motion without notice. Given that the next meeting was scheduled for 10 February 2017, it was unreasonable for the Chairman to call upon members to submit their motions by 27 January.

50. The Chairman explained that his purpose of making the appeal was to allow him to have enough time to examine whether the motions were in order with the assistance of the Secretariat. Despite the deadline set by him, members might still move motions without notice under FCP 37A at the meeting. However, as he had to ensure an efficient disposition of the meeting, he might by then only deal with a small number of motions submitted at the meeting. Ms Starry LEE expressed support for the Chairman's decision, saying that it was in line with the established practice of FC.

51. Mr HUI Chi-fung enquired about the basis on which the Chairman could limit the number of 37A motions to be submitted by members. The Chairman said that there were precedents for the FC Chairman to limit the number of 37A motions to be dealt with, and the legal basis for that had already been established.

52. Concerning that the deadline set by the Chairman for the submission of motions, i.e. 27 January 2017, was close to the Chinese New Year, Mr Andrew WAN said that members might have to attend various activities and could not attend the meeting. The Chairman clarified that no meeting would be held on that day and members were only required to submit their motions to the Secretariat by that date.

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53. Mr CHAN Chi-chuen strongly criticized the Chairman's decision, saying that the Chairman sought to restrict the rights of members to submit 37A motions by means of, say, consolidating motions. He considered that this move by the Chairman would only trigger more disputes.

Motion for the adjournment of further proceedings of FC

54. At 6:53 pm, Mr CHAN Chi-chuen moved under FCP39 that further proceedings of FC be then adjourned.

55. The Chairman proposed the question on Mr CHAN's motion and directed that each member should speak on the motion for not more than three minutes. Mr CHAN Chi-chuen gave a briefing on his motion. Mr CHAN Chi-chuen strongly criticized the Chairman's decision to set limits on speaking by members.

56. Ms Claudia MO, Dr LAU Siu-lai, Dr Fernando CHEUNG, Mr HUI Chi-fung, Mr LEUNG Kwok-hung, Dr YIU Chung-yim, Mr Nathan LAW and Mr CHU Hoi-dick spoke in support of Mr CHAN Chi-chuen's motion. These members made the criticism that the current remuneration for PAOs at DoB rank, which exceeded \$300,000 per month, was very high and there was no urgency for an adjustment. The proposal would just give rise to negative public perception. The proposed mechanism for adjusting PAOs' remuneration in line with CPI(C) also was not able to reflect the performance of PAOs. However, when faced with all kinds of queries and doubts from members, the Administration merely reiterated, among other causes, that the remuneration for PAOs had not been adjusted in line with inflation for many years. These justifications were weak and failed to respond to members' concerns. The Administration should not force FC to approve the item before it could convince members and obtain their support.

57. Ms Claudia MO, Dr LAU Siu-lai, Dr Fernando CHEUNG, Mr HUI Chi-fung, Mr LEUNG Kwok-hung and Mr CHU Hoi-dick expressed strong dissatisfaction with the Chairman as he had set limits on speaking and submitting 37A motions by members. Dr LAU Siu-lai and Mr HUI Chi-fung doubted the Chairman's simple count of the number of times of members speaking on respective topics, saying that this could not reflect the process and development of discussion on the item between members and the public officers attending the meeting.

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58. Ms Starry LEE and Mr CHAN Hak-kan spoke against Mr CHAN Chi-chuen's motion. These members criticized the pan-democratic members for moving the motion to adjourn the further proceedings of FC in an attempt to obstruct the item from being voted on with filibustering means. If the pan-democratic members thought that the Administration had yet to respond to members' concerns, they should seize the time to ask questions instead of supporting the motion that further proceedings be then adjourned. Mr CHAN Hak-kan was of the view that the Secretariat should not take statistics on the contents of members' speeches for this would increase its workload.

59. When Ms Starry LEE was speaking, Ms Claudia MO and Mr Andrew WAN raised a point of order. They pointed out that Ms LEE used the term "idiot" in her speech to describe some other members and this was insulting. At the request of the Chairman, Ms LEE clarified that, in her speech, she was only citing the opinion of another person and she had no intention to aim at any individual members. If members felt that they had been offended, she was willing to withdraw her remark and refrain from using this term.

60. Ms Starry LEE said that members should not speak to criticize the Chairman during their discussion on the motion that further proceedings of FC be then adjourned. She urged the Chairman to rein in the content of members' speeches in accordance with the procedure.

61. In response, the Chairman said that, as the FC Chairman, he hoped to preside over meetings according to the procedure and change the past situation whereby members often spoke on issues which were not directly related to the item under discussion. However, he did not want to argue back and forth with members on what was "directly related" as it would waste the time for deliberation. Therefore, he would regulate the content of members' speeches with a more relaxed standard, and would not intervene lightly.

62. At 7:40 pm, the Chairman declared that the meeting be adjourned.

63. The meeting ended at 7:40 pm.