

政制及內地事務局
政府總部
香港添馬添美道2號
政府總部東翼



CONSTITUTIONAL AND MAINLAND AFFAIRS BUREAU
GOVERNMENT SECRETARIAT
EAST WING
CENTRAL GOVERNMENT OFFICES
2 TIM MEI AVENUE, TAMAR
HONG KONG

9 February 2017

Council Business Division 1
Legislative Council Complex,
1 Legislative Council Road,
Central, Hong Kong

(Attn: Ms Ada LAU)

Dear Ms LAU,

**Finance Committee of the Legislative Council
Follow-up to meeting on 20 January 2017**

Further to the captioned meeting on 20 January 2017, the Government's response to questions no. 5, 7 and 8 in Hon CHU Hoi-dick's letter and follow-up information as requested by Dr Hon Fernando CHEUNG Chiu-hung is as follows –

Response to questions no. 5, 7 and 8 in Hon CHU Hoi-dick's letter

Question 5

2. In June 2002, the Finance Committee of the Legislative Council (FC) approved the remuneration package of the principal officials under the accountability system as set out in FCR(2002-03)21. It was stated in the paper that in future, the Chief Executive may at his discretion order a review, from time to time, of the remuneration packages of principal officials under the accountability system. We will seek the FC's approval for adjustments to the remuneration packages.

3. Thereafter, the Government appointed 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 (Independent Commission) to carry out periodic reviews of the remuneration package for politically-appointed officials (PAOs). In 2012, the Government consulted the Panel on Constitutional Affairs of the Legislative Council

(CA Panel) on the proposals regarding the remuneration package for PAOs serving in the fourth-term Government, and then submitted them for the FC's consideration. Similarly, the Government consulted the CA Panel on the proposals regarding the remuneration package for PAOs serving in the fifth-term Government last December before submitting them to the FC.

4. The Government has no plan to carry out a public consultation on the concerned proposals.

Question 7

5. The detailed policy objectives and implementation progress of each policy bureau are set out in the Policy Agenda booklet under the annual Policy Address, the content of which is openly available to Members and the general public for reference. The Policy Agenda booklet under the 2017 Policy Address can be downloaded from the website below: <http://www.policyaddress.gov.hk/2017/eng/agenda.html> (previous Policy Agenda booklets are located at the "Archives" section of the website).

Question 8

6. Before the Government introduced the Political Appointment System in July 2002, a consultancy study was commissioned to make recommendations on the remuneration package for the then principal officials. The relevant proposals as set out in FCR(2002-03)21 were approved by the FC in June 2002.

7. Thereafter, the Government issued the Report on Further Development of the Political Appointment System in October 2007, reviewing the operation of the Political Appointment System since its introduction in 2002 and setting out the way forward on the creation of two additional layers of political appointment positions, namely Deputy Directors of Bureau and Political Assistants. The relevant proposals as set out in FCR(2007-08)37 were approved by the FC in December 2007.

8. The Government considers that the Political Appointment System is at its development stage, and there is no pressing need for any significant change. The prevailing Political Appointment System (consisting of three layers of PAOs) has been operating for less than two terms, and it would be more appropriate to carry out a comprehensive review after accumulating experience.

9. With regard to the remuneration package for PAOs, the Independent Commission carried out reviews on the remuneration package for PAOs serving in the fourth-term and fifth-term Government in 2012 and 2016 respectively, after which the Government consulted the CA Panel on the relevant proposals and then submitted them for the FC's consideration.

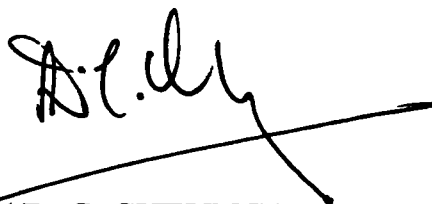
Response to follow-up information as requested by Dr Hon Fernando CHEUNG Chiu-hung

10. The non-cash elements in the remuneration package for all serving PAOs include the following –

- (a) annual leave of 22 days per annum (any accumulated leave will be forfeited upon leaving office);
- (b) medical and dental benefits on par with those provided to civil servants during the term of their employment (estimated to be \$14,700 per annum); and
- (c) Mandatory Provident Fund contribution by the Government (\$18,000 per annum).

11. During the term of office, Secretaries of Departments, Directors of Bureau and Director of Chief Executive's Office are provided with the use of a car and driver in Hong Kong at his/her discretion. Departmental transport for Deputy Directors of Bureau is provided by relevant bureaux/offices from their internal resources. The Chief Secretary for Administration, the Financial Secretary and the Secretary for Justice are assigned their respective official residences and entitled to a non-accountable entertainment allowance (\$448,700, \$343,900 and \$224,200 per annum respectively for 2016-17).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D.C. Cheung', with a long horizontal stroke extending to the right.

(D. C. CHEUNG)

for Secretary for Constitutional and Mainland Affairs