

**立法會**  
**Legislative Council**

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**Finance Committee of the Legislative Council**

**Minutes of the 7<sup>th</sup> meeting  
held at the Legislative Council Chamber  
on Friday, 21 January 2000, at 2:30 pm**

**Members present:**

Hon CHAN Kam-lam (Deputy Chairman)  
Hon Kenneth TING Woo-shou, JP  
Hon James TIEN Pei-chun, JP  
Hon HO Sai-chu, SBS, JP  
Hon Cyd HO Sau-lan  
Hon Edward HO Sing-tin, SBS, JP  
Hon LEE Cheuk-yan  
Hon Eric LI Ka-cheung, JP  
Hon LEE Kai-ming, SBS, JP  
Dr Hon LUI Ming-wah, JP  
Hon NG Leung-sing  
Prof Hon NG Ching-fai  
Hon Margaret NG  
Hon Mrs Selina CHOW LIANG Shuk-ye, JP  
Hon MA Fung-kwok  
Hon CHEUNG Man-kwong  
Hon HUI Cheung-ching  
Hon Christine LOH  
Hon CHAN Kwok-keung  
Hon CHAN Yuen-han  
Hon CHAN Wing-chan  
Hon Mrs Sophie LEUNG LAU Yau-fun, JP  
Hon Gary CHENG Kai-nam, JP  
Hon SIN Chung-kai  
Hon Andrew WONG Wang-fat, JP  
Dr Hon Philip WONG Yu-hong  
Hon Jasper TSANG Yok-sing, JP  
Hon Howard YOUNG, JP  
Dr Hon YEUNG Sum

Hon LAU Chin-shek, JP  
Hon LAU Kong-wah  
Hon Mrs Miriam LAU Kin-yee, JP  
Hon Ambrose LAU Hon-chuen, JP  
Hon SZETO Wah  
Hon Timothy FOK Tsun-ting, SBS, JP  
Hon LAW Chi-kwong, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon FUNG Chi-kin  
Dr Hon TANG Siu-tong, JP

**Members absent:**

Hon Ronald ARCULLI, JP (Chairman)  
Hon David CHU Yu-lin  
Hon Albert HO Chun-yan  
Hon Michael HO Mun-ka  
Ir Dr Hon Raymond HO Chung-tai, JP  
Hon LEE Wing-tat  
Hon Martin LEE Chu-ming, SC, JP  
Dr Hon David LI Kwok-po, JP  
Hon Fred LI Wah-ming, JP  
Hon James TO Kun-sun  
Hon Bernard CHAN  
Dr Hon LEONG Che-hung, JP  
Hon LEUNG Yiu-chung  
Hon WONG Yung-kan  
Hon YEUNG Yiu-chung  
Hon LAU Wong-fat, GBS, JP  
Hon Emily LAU Wai-hing, JP  
Hon CHOY So-yuk  
Hon Andrew CHENG Kar-foo

**Public officers attending:**

Miss Denise YUE, JP	Secretary for the Treasury
Mrs Carrie LAM, JP	Deputy Secretary for the Treasury
Mr K K LAM	Principal Executive Officer (General), Finance Bureau
Miss Yvonne CHOI, JP	Deputy Secretary for Trade and Industry
Miss Shirley YUEN	Principal Assistant Secretary for Trade and Industry
Mr David F L WONG	Principal Assistant Secretary for Security
Mr C K WONG	Assistant Director of Accounting Services

**Clerk in attendance:**

Ms Pauline NG

Assistant Secretary General 1

**Staff in attendance:**

Miss Polly YEUNG

Chief Assistant Secretary (1)3

Ms Anita SIT

Senior Assistant Secretary (1)8

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As Mr Ronald ARCULLI, Chairman of Finance Committee (FC), was unable to attend the meeting, Mr CHAN Kam-lam, Deputy Chairman, chaired the meeting.

**Item No. 1 - FCR(1999-2000)60**

**RECOMMENDATIONS OF THE PUBLIC WORKS  
SUBCOMMITTEE MADE ON 15 DECEMBER 1999  
AND 5 JANUARY 2000**

2. The Committee approved the proposal.

**Item No. 2 - FCR(1999-2000)61**

**HEAD 152 - GOVERNMENT SECRETARIAT :  
TRADE AND INDUSTRY BUREAU  
. New Subhead "Honoraria for members of committees"**

3. Mr Kenneth TING appreciated the Administration's efforts in providing information on the remuneration of non-official members of bid challenge systems of overseas jurisdictions and noted that the annual salary of the Chairman of the Canadian International Trade Tribunal (CITT) was considerably higher than that of the Chairman of the Review Body on Bid Challenges (the Review Body) although the former was serving the CITT on a full-time basis. He considered that where practicable, the Administration should also include in its funding submissions information on relevant overseas practices to facilitate members' consideration. The Administration took note of his view.

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4. Mr NG Leung-sing expressed support for the proposal and enquired about the input required of the members of the Review Body. In reply, the Deputy Secretary for Trade and Industry advised that members of the Review Body were not required to provide professional input in the review process and

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they would only be required to give general advice. Professional input would come from the Chairman who would be responsible for conducting and guiding the major tasks of the Review Body.

5. The Committee approved the proposal.

**Item No. 3 - FCR(1999-2000)62**

**HEAD 120 - PENSIONS**

**. Subhead 021 Ex-gratia pensions, awards, allowances and increases**

6. Noting that the proposed increase in pensions and lump sum awards was dated back to 1 April 1997, Mr TAM Yiu-chung queried why the proposal had not been submitted earlier. Mr NG Leung-sing also pointed out that as the lump sum awards sought under the present proposal were ex-gratia in nature, they should be disbursed early so as to provide timely assistance, more so in the present case as the recipients in question were mostly elderly persons.

7. In response, the Principal Assistant Secretary for Security (PAS(S)) explained that prior to reunification, the grant of the pensions and lump sum awards in question were adjusted in April each year in line with the revised pension rates promulgated in the Amendment Orders to the UK Order. Upon severance of the link with the UK Order after reunification, there was no statutory basis or an express administrative arrangement for adjusting the payments in line with inflation. The Administration had not been able to submit the proposal at an earlier time because it was necessary to review the legal basis for making the adjustment to these payments and work out the financial implications of the proposal pending conclusion of all outstanding cases of claim.

8. Referring to the 15 cases of approved lump sum awards, Mr NG Leung-sing queried the long time taken before payment could be effected, given that some injuries were sustained as early as 1980's while the most recent case was in April 1996 and that any necessary formalities should have been completed long time ago. Mr NG considered that as a general practice, the Administration should seek to expedite ex-gratia payments as belated payment would defeat the objective of timely relief.

9. In response, PAS(S) advised that lump sum payment in these relatively minor cases would only be made to the members concerned when their services with the Civil Aid Service or the Auxiliary Medical Service terminated. While all 15 cases originated from injuries sustained before May 1997, the awards could only be determined upon completion of all necessary procedures (such as stabilization of injuries and medical assessment on the percentage of permanent disability) which usually took quite a long time.

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PAS(S) nevertheless noted members' concerns and confirmed that the Administration would try its best to expedite determination and payment of awards.

10. Mr TAM Yiu-chung and Mr NG Leung-sing also enquired about the adjustment arrangements for the pensions and lump sum awards when there was negative inflation.

11. In reply, the Assistant Director of Accounting Services advised that subject to the approval of FC, future increases would follow those awarded to civil service pensions under the Pensions (Increase) Ordinance (Cap. 305) which at present, did not contain any provision on downward adjustment of pensions in case of negative inflation. Members thus noted that pursuant to the said Ordinance, pension benefits would not be reduced despite negative inflation.

12. Mr NG Leung-sing was concerned that the absence of any mechanism to deal with pension adjustment at times of negative inflation might be problematic, particularly since pensions were paid from taxpayers' money.

13. In response, the Secretary for the Treasury informed members that the two resource bureaux, namely the Civil Service Bureau and the Finance Bureau, were examining the adjustment mechanism for pension benefits at times of negative inflation.

14. The Committee approved the proposal.

15. The Committee was adjourned at 2:55 pm.

Legislative Council Secretariat

28 February 2000