

Ref. MI/1

Record of Special House Committee Meeting
with the President of the Legislative Council
held in Conference Room B
of the Legislative Council Building
on Tuesday, 20 April 1993 at 2:30 p.m.

Present : Hon John J Swaine, CBE, LLD, QC, JP (President)
Hon Mrs Elsie TU, CBE (Chairman)
Hon Andrew WONG, OBE, JP (Deputy Chairman)
Hon Allen LEE, CBE, JP
Hon Mrs Selina CHOW, OBE, JP
Hon HUI Yin-fat, OBE, JP
Hon Martin LEE, QC, JP
Hon NGAI Shiu-kit, OBE, JP
Hon PANG Chun-hoi, MBE
Hon Edward S T HO, OBE, JP
Hon Ronald Arculli, JP
Hon Martin Barrow, OBE, JP
Hon Mrs Miriam LAU Kin-yee, OBE, JP
Dr Hon LEONG Che-hung, OBE
Hon J D McGregor, OBE, ISO, JP
Hon Peter WONG Hong-yuen, OBE, JP
Hon Albert CHAN Wai-yip
Hon Vincent CHENG Hoi-chuen
Hon CHEUNG Man-kwong
Hon Frederick FUNG Kin-kee
Hon Simon IP Sik-on, JP
Dr Hon LAM Kui-chun
Dr Hon Conrad LAM Kui-shing
Hon LAU Chin-shek
Hon Emily LAU Wai-hing
Hon LEE Wing-tat
Hon Fred LI Wah-ming
Hon MAN Sai-cheong
Hon James TO Kun-sun
Dr Hon Samuel WONG Ping-wai, MBE, JP

Dr Hon Philip WONG Yu-hong
Dr Hon TANG Siu-tong, JP
Hon Roger LUK Koon-hoo

Absent with : Hon David K P LI, OBE, JP)
apologies Hon SZETO Wah)
Hon LAU Wong-fat, OBE, JP)
Hon CHIM Pui-chung) away from
Rev Hon FUNG Chi-wood) Hong Kong
Hon Howard YOUNG, JP)
Hon Christine LOH Kung-wai)

Hon Stephen CHEONG, CBE, JP)
Hon TAM Yiu-chung)
Hon Mrs Peggy LAM, OBE, JP)
Hon LAU Wah-sum, OBE, JP)
Hon Moses CHENG Mo-chi)
Hon Marvin CHEUNG Kin-tung, JP)
Hon Timothy HA Wing-ho, MBE, JP)
Hon Michael HO Mun-ka) on other
Dr Hon HUANG Chen-ya, MBE) commitments
Hon Gilbert LEUNG Kam-ho)
Hon Eric LI Ka-cheung, JP)
Hon Steven POON Kwok-lim)
Hon Henry TANG Ying-yen, JP)
Hon TIK Chi-yuen)
Dr Hon YEUNG Sum)
Hon Zachary WONG Wai-yin)
Hon Anna WU Hung-yuk)

In attendance : Mr Stephen IP, Assistant to the President
Mr Cletus LAU, Clerk to the Legislative Council

SG LA ASG1 ASG2 SALA PS
CASA CAST4

The Chairman welcomed the President and Members to the special meeting, convened for the President to present to the House Committee his Working Group's Report on the Proposed Reorganization of the Legislative Council Secretariat.

2. Referring to his Summary of Presentation, tabled at the meeting (Annex I), the President highlighted the deliberations of the Working Group as contained in the Summary of Recommendations (pages 82 - 87) of the Report.

3. Following the President's presentation, the following points were made in the course of discussion :

- (a) The Research and Library Services Section should start off with a small team and its services develop rapidly to strengthen the support for Members. It was noted that the future statutory Commission would be empowered to determine its staffing requirements and to review/revise terms for employment if necessary.
- (b) Staff in both the OMLEGCO Secretariat and the Office of the Clerk to the Legislative Council had been briefed on the proposed remuneration package. Feedback from these sessions indicated that staff accepted the Working Group's guiding principles and considerations as fair and reasonable. The views of staff from these briefings had been taken into account by the Working Group in finalizing its proposals.
- (c) It was not relevant to compare the proposed package to that of the Hospital Authority as the two organizations were different in nature, size and operations and the two exercises were different in background and other considerations.
- (d) As it would take time to establish the Legislative Council Commission by statute, it was necessary to have a provisional Commission in place to initiate implementation of the reorganization and to appoint the key staff to the new Secretariat. This would be effected by amending the Memorandum and Articles of Association of The OMELCO Secretariat : renaming it as "The Legislative Council Secretariat" and reconstituting its Executive Committee. This would be dissolved upon the establishment of the permanent Commission.

4. On the new Executive Committee, it was suggested that it should be presented in more general terms as follows :

The Executive Committee should comprise no more than 11 persons :

The President of the Legislative Council as Chairman

The Chairman and Deputy Chairman of the House Committee as ex officio members

Not more than 8 other persons to be elected by Members

This was agreed by the President and Members. The President asked that Members' nominations be received before 7.5.93, the day on which The OMELCO Secretariat was to hold an Extraordinary General Meeting to complete the procedural requirements.

5. Members endorsed the recommendations in the Report of the President's Working Group and noted that it would be forwarded to the Administration for agreement so that the necessary funding could be sought and legislation prepared.

6. In view of the apparent media interest, Members agreed that a press statement should be issued to outline the House Committee's decisions and to publish the Summary of Recommendations as revised to reflect Members' views on the reconstituted Executive Committee, together with Appendices 8, 13 and 14 of the Report. (Note : a copy of the press release issued is attached at Annex II).

7. There being no other business, the Chairman thanked the President for his presentation and adjourned the meeting at 4:00 p.m.

Summary of Presentation by the President to the House Committee
on the Report of the Working Group on the Reorganisation
of the Legislative Council Secretariat

1. The target date for achieving full financial and managerial autonomy is 1st April, 1994.
2. On 1st April, 1994 there should be in place :-
 - (a) A one line vote under a separate head of expenditure;
 - (b) A fully functioning Legislative Council Commission established by Ordinance.
3. If possible the Legislative Council Commission Ordinance should be passed this session, but this is not essential. If necessary, it can be passed early next session. It is important to get the Ordinance right.
4. There are however 2 matters of urgency :-
 - (a) Obtaining the necessary approval from the Finance Committee for the financial implications of the reorganisation plus supplementary funds where appropriate;
 - (b) Establishing a provisional Legislative Council Commission pending the passing of legislation.
5. Both these steps are essential preconditions to the appointment of a new Secretary General, Deputy SG as well as other key staff.

6. Recruitment of the new SG and DSG should commence as soon as possible, with interviews etc. before the end of July, 1993, if possible.
7. In addition to the SG, DSG and other key staff, it will be necessary to borrow a "setting up" team from the Government experienced in recruitment procedures to help with the recruitment, setting-up etc. of the new Secretariat.
8. The provisional Commission will have the task of deciding on the qualifications needed for the new SG, DSG and other key staff and the method and field of recruitment etc.
9. The best way of establishing the provisional Commission is to amend the name and the memorandum and articles of the existing Omelco Secretariat Incorporated. This should be renamed Legislative Council Secretariat Incorporated. The reconstituted Executive Committee will be in effect the provisional Commission.
10. The President should be Chairman of the new Executive Committee, and the Chairman and Deputy Chairman of the House Committee should be ex-officio members.
11. There has been diversity of views as to the size of the ultimate Legco Commission. Views range from a total of 7 to 11 members including the 3 ex-officio members. There has also been no agreement yet as to the method of election/selection of the non ex-officio members. These matters which relate to the ultimate Legco Commission may be held over for further discussion.

12. However, it is essential that there should be early agreement as to the size of the Executive Committee and the method of election/selection of its non ex-officio members. One guiding principle must be to have a representative committee in order to command the confidence of members.

13. The recommendation is an Executive Committee of 11 namely :-

President

Chairman House Committee

Deputy Chairman House Committee

2 Liberal Party (CRC)

2 UDHK

4 representing the rest

14. Notice of an E.G.M. of the Company has already been given for the 7th May, 1993 in order to effect these changes. All Legco members (other than the 3 ex-officio members) should join the Company, so that it is fully representative.

15. Assuming the endorsement of the House Committee, the names of the 8 selected/elected members of the new Executive Committee should be handed in before the 7th May, so that their appointments can be implemented on that day.

16. The new Secretariat will be answerable to the provisional Commission and, when established, the Legco Commission, which will direct its affairs.

Accountability

17. As the legislature will be publicly funded, its expenditure must of course be publicly defensible. Hence its

accounts will be subject to the usual safeguards of public scrutiny and audit.

18. Further, the legislature will continue to observe the constitutional principle that its budget must be proposed by the Government.

Staff Re-organisation

19. It is a cardinal principle that an independent Secretariat must be in place before the establishment of the new Legislative Council in 1995.
20. The new SG should be ranked at D6 equivalent to Head of a Group 2 Department (D7 is the rank of the Head of a Group 1 Department of which there are only two, namely Education and Housing). The rank of the present SG is D4.
21. The new SG, in addition to being Head of the Secretariat, will also be, in keeping with parliamentary practice elsewhere, the chief procedural adviser to the President, and also principal table officer or Chief Clerk.
22. The Legal Adviser will be ranked D5, one step up from the present rank. This is in recognition of the increasing importance and responsibilities of the post and in particular the fact that the LA will also be the legal adviser to the President, replacing the Law Draftsman.
23. Legal advice will therefore be offered at 3 levels, to the President, to the Committees/Panels and to members individually. The legal advice of the LA and his team will

be objective and impartial, and will be the same whether it is tendered to the President, Committees/Panels or individual members. These reforms have the support of the LA and his team.

24. In accordance with present practice the LA will continue to tender his advice direct and not via the SG.

25. Administratively the position of the SG as Head of the Secretariat and the designated Controlling Officer must be recognised. The LA will continue the present practice of consulting the SG on matters such as resources for his team, but in the event of disagreement the LA will be entitled to put his case direct to the Legco Commission which will arrive at its conclusion after considering the views of the SG.

26. There will be a new post of DSG ranked at D3 to relieve the SG of much of the administrative work. The DSG will also service the House Committee and assume table duties but not on a routine basis.

27. As to the rest of the re-organisation, the position is set out in appendix 8, and in the Summary of Recommendations at paragraphs (13) to (19). Broadly, in addition to the Legal Service Division, there will be :-

(a) A Chamber Division in 3 sections each headed by an ASG at D2 rank;

(b) An Administration Division in 6 sections namely :-

(i) Departmental Administration

- (ii) Research and Library
- (iii) Public Information
- (iv) Translation and Interpretation
- (v) Complaints
- (vi) London Office

Each will be headed by a PAS at D1 except the London Office which will continue at the present MPS 45-49. There was considerable discussion as to the ranking of the Head of Research and Library, the original proposal being that it should rank below D1. On balance because of the importance of this service, it was decided that it should rank at D1. Although the initial team will be small, this service must grow rapidly to properly serve members.

Remuneration Package

8. The 2 key considerations are :-
- (a) The package must be sufficiently attractive to recruit and retain quality staff;
 - (b) It must be publicly defensible.
29. The terms of service proposed are broadly in line with comparable posts in the Government. Government salary scales are used and fringe benefits are modelled after those for the civil service. However, a cash allowance is proposed in lieu of some fringe benefits. These points are further developed in the Summary of Recommendations. It is always open to the provisional Commission/Commission to be flexible when necessary.

30. Appendix 13 shows the applicable salary scales (as at 1st April, 1992) and the proposed cash allowances.
31. Appendix 14 shows the proposed fringe benefits in addition to the cash allowances.
32. Appendix 15 shows the existing contract staff employed by Omelco now renamed Omlegco (numbering 74).
33. Appendix 16 shows the civil servants now staffing the legislature : 89 on secondment to Omlegco, and 69 in the Clerk's Office.
34. Members of the House Committee will be able to judge for themselves whether the terms of service proposed as set out in the various Appendices achieve the twin objectives in paragraph 28.
35. The final point to make is that, within the mandate given by the House Committee, the Executive Committee must be able to exercise discretion in carrying out its functions.
36. The House Committee is requested to approve Recommendations (1) to (26) as set out at pages 82 to 87 of the Report.

OMLEGCO

Press Release 新聞稿

Office of Members of the Legislative Council
立法局議員辦事處

Tuesday, April 20, 1993

House Committee Endorses Report on Reorganisation of Legislative Council Secretariat

The House Committee of the Legislative Council today (Tuesday) endorsed the proposals in a report prepared by the Legislative Council President's Working Group on the Proposed Reorganisation of the Legislative Council Secretariat.

The report contains recommendations for the setting up of a new independent Legislative Council Secretariat by 1 April 1994, with financial and administrative autonomy. It envisages the merging of the existing OMLEGCO Secretariat and the Office of the Clerk to the Legislative Council. To this end, a Legislative Council Commission should be established by statute to be responsible for all matters of finance, staff and provision of services to Legislative Council Members.

Pending enactment of the necessary legislation, the present OMELCO Secretariat Incorporated should be reconstituted to provide for a Provisional Commission.

The Commission's management and staff policies should be publicly defensible. The accounts of the Secretariat and the economy and efficiency with which the Secretariat uses its resources should be subject to the usual scrutiny by the Director of Audit.

The report also contains other recommendations :

- * **Financial arrangements** - It is proposed that the new Secretariat should be financed through a one-line vote arrangement under a new Head of Expenditure to give flexibility to the Secretariat.

- * **Managerial autonomy** - The Commission should employ its own staff and determine their terms of service.

- * **Remuneration package for staff** - In designing the package, the key objective is that the package should be attractive to recruit, retain and motivate staff of high quality on the one hand and the new terms and conditions are publicly defensible on the other.

A summary of recommendations, endorsed by House Committee, together with the supporting appendices, is attached.

These proposals will now be put to the Administration for approval so that the necessary funding can be sought and legislation prepared.

The President's Working Group was formed last year following the Governor's address in the Legislative Council on 7 October 1992 that the non-official membership of Executive and Legislative Councils should be separated and that arrangements should be made for the Legislative Council to develop its own administrative and support facilities.

The Working Group comprised the President Hon John J Swaine, Chairman of House Committee Hon Mrs Elsie TU, Deputy Chairman Hon Andrew WONG, Hon SZETO Wah, Hon TAM Yiu-chung, Hon Ronald Arculli, Dr Hon LEONG Che-hung, Hon Vincent CHENG, Hon Emily LAU and Hon LEE Wing-tat.

SUMMARY OF RECOMMENDATIONS
IN ORDER TO IMPLEMENT THE PRINCIPLE OF
FINANCIAL AND MANAGERIAL AUTONOMY
FOR THE LEGISLATIVE COUNCIL

- (1) A Legislative Council Commission to be established by Ordinance as soon as practicable, and to be responsible for all matters of finance, staff and the provision of services to members.
- (2) The Commission to be headed by the President of the Legislative Council and include the Chairman and Deputy Chairman of the House Committee as ex officio members and such representative number of members as will command the confidence of members generally.
- (3) Pending the enactment of legislation, the present OMELCO Secretariat Incorporated to be reconstituted as the Legislative Council Secretariat Incorporated with the new Executive Committee to serve as the provisional Commission.
- (4) All Members of the Legislative Council (with the exception of the 3 ex officio members) to be members of the reconstituted company.

- (5) The new Executive Committee to comprise not more than 11 persons as follows -

The President as Chairman

The Chairman and Deputy Chairman of the House Committee as ex officio members

Not more than 8 other persons to be elected by Members.

- (6) As from 1st April 1994, a one-line vote under a separate head of expenditure to be provided for the Legislative Council.

- (7) The Legislative Council to observe the constitutional principle that its budget (although condensed into a one-line vote) must be proposed by the Government.

- (8) The Legislative Council to accept that it must be publicly accountable for its expenditure, and that its accounts must be subject to public scrutiny and audit.

- (9) The new Legislative Council Secretariat to be answerable to the Legislative Council Commission which shall direct its affairs.

- (10) An independent Secretariat to be in place before the new Legislative Council is established in 1995.

- (11) Terms of employment to be sufficiently attractive to ensure the recruitment and retention of staff of high quality, but to be publicly defensible.

- (12) Such terms to be broadly in line with the Civil Service, but subject to the Commission's right to be flexible in appropriate cases.

- (13) The new staff structure to be as shown in Appendix 1.
- (14) The Head of Secretariat to be a Secretary General ranked at D6 (now D4) supported by a new post of Deputy Secretary General ranked at D3.
- (15) The new SG to take on the role of chief procedural adviser to the President and principal Table Officer or Chief Clerk in addition to other duties.
- (16) The Legal Adviser to be ranked at D5, one up from his present rank of D4, and to take on the role of advising the President on matters of law in addition to other duties superseding the Law Draftsman as Counsel to the Legislature.
- (17) The Chamber Division to be in 3 sections each headed by an ASG at D2, and an Administration Division to be in 6 sections each headed by a PAS at D1 except for the London Office whose head will remain at MPS 45-49.
- (18) The proposed Research and Library Services Section to be a key area for expansion.
- (19) The renamed Public Information Section to concentrate on public relations for the Legislative Council, public information, monitoring of public opinion, and analysis of media reports.
- (20) Recruitment of the SG and DSG as well as section heads to commence as soon as Finance Committee approval is obtained for the proposed re-organisation, the aim being to have key staff in place this summer.

- (21) The SG and DSG if civil servants to resign upon taking up their appointments with the new Secretariat.
- (22) As for section heads and ranks below, if the best candidates are civil servants (whether currently serving with the Secretariat or in the Clerk's Office, or with recent service), the option to be open to them not to resign as civil servants. However that option not to extend beyond 18 months from first appointment with the new Secretariat, and notice to be given not later than 12 months from first appointment whether that officer wishes to revert to the Civil Service, to enable a replacement to be recruited if necessary.
- (23) Special arrangements to be made if necessary to ensure the continued provision of quality translators and simultaneous interpreters, such as by hire of services from the Administration.
- (24) All existing contract staff employed by OMELCO (now OMLEGCO) to have the right to continue in employment without the need to apply.
- (25) The remuneration package offered to staff to comply with the following additional principles -
 - (a) No present contract staff to be worse off because of the proposed reorganisation.
 - (b) Such contract staff to have the option of retaining existing fringe benefits or converting to the proposed cash allowance (plus other benefits).

(c) The Commission or provisional Commission to examine the contracts of existing staff before April 1994 to decide whether they need revision.

(d) Civil servants who join the new Secretariat (whether currently serving or with recent service) to have the option of retaining existing fringe benefits (subject to negotiation with the Government) or of converting to the proposed cash allowance (plus other benefits).

(26) Subject to these principles, staff to be offered 3 year contracts with the following components (as shown comprehensively in Appendices 2 and 3) -

(a) Basic salary in accordance with the Government salary scales applicable to the rank.

(b) The following benefits in kind -

Leave including sick and maternity leave

Medical and dental benefits

Benefits in the event of duty-related death or injury.

(c) A cash allowance over and above the benefits in (b) above which monetizes the following benefits available to civil servants -

Additional leave entitlements

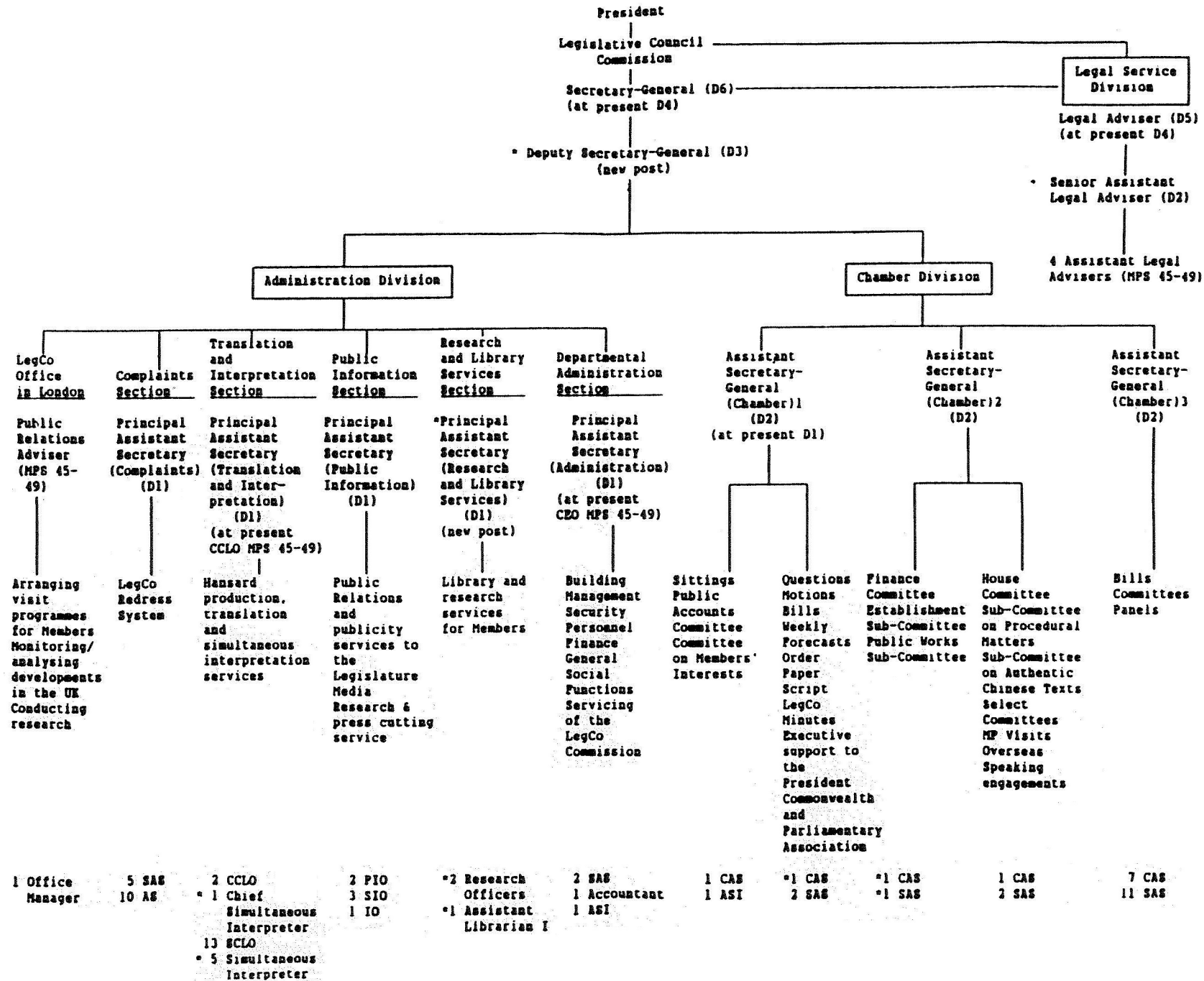
Passages

Housing

Education allowance.

(d) End of contract gratuity at 25% of basic salary.

Proposed Organisation Chart of the New Legislative Council Secretariat



Appendix 2

Table Showing the Salary Scales and
Proposed Cash Allowances for Directorate Officers
and Staff on MPS 16 and above

<u>Rank</u>	<u>Salary Scale (\$)</u> <u>(as at 1.4.92)</u>	<u>Proposed Cash Allowance (\$)</u> <u>(at 47.84% of Basic Salary)</u>
D6	106,950	51,165
D5	101,300	48,462
D4	95,450 (98,350)	45,663 (47,051)
D3	84,050 (86,550) (89,100)	40,210 (41,406) (42,625)
D2	72,350 (74,550) (76,750)	34,612 (35,665) (36,717)
D1	60,850 (62,750) (64,650)	29,111 (30,020) (30,929)
MPS 45-49	47,420-	22,686-
ALA/CAS/CCTO	54,635	26,137

<u>Rank</u>	<u>Salary Scale (\$)</u> <u>(as at 1.4.92)</u>	<u>Proposed Cash Allowance (\$)</u> <u>(at 29.51% of Basic Salary)</u>
MPS 34-44	29,740-	8,776-
SAS/SCLO	45,765	13,505
		<u>(at 7.70% of Basic Salary)</u>
MPS 28-33	22,675-	1,746-
AS I/CLO I/ ASSF	28,530	2,197
MPS 22-27	17,235-	1,327-
SPS/SCO/SSFA	21,655	1,667
MPS 16-21	12,895-	993-
Sr Callig/CO I/ PS I	16,450	1,267

Note : In addition to the proposed cash allowance, staff are entitled to other fringe benefits set out in Appendix 3 and end-of-contract gratuity at 25% of all basic salaries received during the period.

Items

Entitlements

(iv) Medical and Dental
Benefits

The Hospital Authority and the Department of Health to provide medical and dental services to staff and families on terms similar to those for civil servants

(v) Duty-related Death or
Injury Benefits

Same level of entitlements as civil servants in the event of duty-related death or injury i.e. pro-rata gratuity plus an option to receive either compensation provided under the Employees' Compensation Ordinance or compensation calculated on the same basis as dependant pensions (or additional pension in the case of permanent incapacity) in the Civil Service

(vi) Housing Assistance

Category

Staff at MPS 21 or below

To continue to be eligible for public housing under the special quota for junior Government officers