

立法會 *Legislative Council*

LC Paper No. CMI/33/00-01

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Paper for the House Committee Meeting on 2 March 2001

Downward adjustment of the minimum value of registrable one-off material benefits received by LegCo Members, as proposed by the Committee on Members' Interests

Purpose

Members are invited to note the recommendation of the Committee on Members' Interests (the Committee) that the minimum value of registrable one-off material benefits received by Legislative Council Members should be adjusted downwards, from \$10,000 to \$2,000.

Existing Requirements

2. At present, the notes on page 1 (i.e. the registration of interests under the category of “**Directorships**”) of the Registration Form on Members’ Interests (Registration Form) provide that:

"the term “material benefits” refers to

- (i) interest received from a single source in the course of one year where the total value of such interests exceeds 5% of the annual salary* of a Member of the Council (*excluding the general expenses allowance which covers expenses incurred by a member of his work); or
- (ii) one-off material benefits exceeding \$10,000 in value."

3. The term “material benefits” on pages 2, 4 and 6 of the Registration Form (i.e. the registration of interests under the categories of “Remunerated Employment, Offices, etc.”, “Donations/Financial Sponsorships” and “Payments, benefits and advantages received from any Government or organization of a place outside Hong Kong or from any person who does not qualify as a ‘Hong Kong permanent resident’”) has the same definition as above.

Deliberations of the Committee

4. At its meetings on 7 November 2000, 12 December 2000 and 6 February 2001, the Committee discussed whether the minimum value of registrable one-off material benefits, set at \$10,000, was appropriate. The Committee noted that the amount had been decided by the previous Committee on Members' Interests in April 1993, apparently to tie in with its earlier decision that financial sponsorships exceeding \$10,000 in value received by a Member to meet his election expenses should be registrable. The Committee also noted that the registrable amount of financial sponsorship towards election expenses had been determined arbitrarily.

5. The Committee also referred to the current stipulations governing the registration of material sponsorships or gifts by Members of the House of Commons of the United Kingdom and the House of Representatives of the United States of America, which are set out below:

United Kingdom	The United States of America
A Member or the spouse is required to register any gift (over £125) or material advantage (over £225) received from a United Kingdom or overseas source, which in any way relates to membership of the legislature.	A Member is required to report the source, description and value of all gifts totalling more than US\$260 received by himself, spouse or a dependent child from any source during a year.

Recommendation

6. Taking the above factors into account, the Committee considers that the minimum value of registrable one-off material benefits received by Legislative Council Members, at \$10,000, has been pitched at too high a level. The Committee therefore recommends adjusting the amount downwards to \$2,000.

7. Members are invited to note that, irrespective of the adjustment being recommended, a Member is free to register material benefits which he has received and which are of a value below the registrable value.

Advice sought

8. Members are invited to note the recommendation of the Committee on Members' Interests in para. 6 above. Subject to any views Members may have, page 1 of the Registration Form (marked-up copy attached) will be revised accordingly for the President's approval.

Council Business Division 3

28 February 2001

Name of Member: _____

Registrable Interest

Directorships

1. Do you have any remunerated directorships in any public or private company?

YES/NO (*Please delete as appropriate*)

If so, please list below.

- Notes:** (a) "Remunerated directorships" include all directorships for which a fee, honorarium, allowance or other material benefit is payable.
- (b) The term "material benefit" refers to (i) interests received from a single source in the course of one year where the total value of such interests exceeds 5% of the annual salary* of a Member of the Council (* excluding the general expenses allowance which covers expenses incurred by a Member in his work); or (ii) one-off material benefits exceeding ~~\$10,000~~ \$2,000 in value. (This definition also applies to the term "material benefit" in categories 2, 4 and 6.)
- (c) Remunerated directorships of both local and overseas companies are registrable.
- (d) Remunerated directorships through corporate directors are also registrable. However, particulars of remunerated directorships through corporate directors need only be updated on an annual basis, at the beginning of each legislative session.
- (e) Where you are a remunerated director of a company, all subsidiary or associated directorships which you hold within the same group, whether remunerated or not, should also be registered.
- (f) You should give the name of the company, briefly stating the nature of the business of the company in each case.

Signature: _____

Date: _____