(English translation prepared by the Legislative Council Secretariat for Members' reference only)

(Letterhead of Hon IP Kwok-him, JP's Office)

20 November 2000

Hon Mrs Selina CHOW LIANG Shuk-yee, JP Chairman of the House Committee Legislative Council 8 Jackson Road Central, Hong Kong

Dear Mrs CHOW,

## <u>Discussion on the adjustment of</u> honorarium and accountable allowance of District Council members

As approved by the Finance Committee of the Legislative Council (LegCo) in considering a relevant item on 2 July 1999, the Secretary for the Treasury is delegated the authority to approve revisions of the honorarium and accountable allowance for District Council (DC) members annually by reference to the movement of the Consumer Price Index (C). However, in the light of the actual situation, the present amount of DC members' accountable allowance is simply insufficient to meet the monthly expenses incurred in running their offices. DC members have found it most difficult to provide quality services to the public with the limited resources available, and indeed additional resources should be given to DC members as a matter of great urgency. The present situation, however, is quite the opposite. Under the existing mechanism, the Government will cut DC members' resources as mentioned above from 1 January in the coming year, and this will have a serious impact on DC members' efforts to initiate and provide services in their districts.

Moreover, Mrs Betty FUNG, Deputy Secretary for Home Affairs, advised at the meeting of the LegCo Panel on Home Affairs held on 14 November 2000 that if Members could reach a consensus on maintaining the current rates of DC members' honorarium and accountable allowance, the Government was willing to consider conducting a review in this respect.

In this connection, I would like to propose that this matter be discussed at a House Committee meeting and Members' consensus, if any, be conveyed to the Chief Secretary for Administration.

With best regards,

TSANG Suk-yee Member's Assistant

for Hon IP Kwok-him Legislative Councillor (DC functional constituency)