File Ref.: HAD/CB/CON/20/156 Pt. 15

LEGISLATIVE COUNCIL BRIEF

Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554)

MAXIMUM AMOUNT OF ELECTION EXPENSES (VILLAGE REPRESENTATIVE ELECTION) REGULATION

INTRODUCTION

At the meeting of the Executive Council on 25 March 2003, the Council ADVISED and the Chief Executive ORDERED that the Maximum Amount of Election Expenses (Village Representative Election) Regulation ("The Regulation"), at the **Annex**, should be made.

JUSTIFICATIONS

- 2. Section 45 of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap 554) ("ECICO") provides that the Chief Executive in Council may prescribe a ceiling of election expenses. Corresponding subsidiary legislation has been made to stipulate the election expense limit for all public elections such as District Council and Legislative Council elections. Following the commencement of the Village Representative Election Ordinance (Cap. 576) on 14 February 2003, the ambit of ECICO has been expanded to cover Village Representative (VR) elections. It is necessary to make a new regulation to stipulate the election expense limit for VR elections.
- 3. The setting of election expense limit seeks to enable candidates to compete on a level playing field in an election. The limit does not restrict the manner in which a candidate runs his campaign. Candidates are free to spend as much or as little as they like and on any items they want, provided that their election expenses are kept within the prescribed limit. In setting the election expense limit, our principle has always been that the ceiling must not be so low as to place unreasonable

restrictions on electioneering activities, or so high as to deter less well-off candidates from standing for election. In determining the expense limit for other elections, due regard has been given to such factors as the size of the constituency and the various basic expenditure items commonly used by the candidates for electioneering purposes.

- 4. Since the population size of villages ranges from less than 100 to more than 10,000, we propose to adopt a two-tiered structure. Specifically, we propose to stipulate a ceiling of \$14,000 for villages with not more than 1,000 registered electors and \$20,000 for villages with more than 1,000 registered electors.
- 5. The suggested limit of \$14,000 for smaller villages is proposed having regard to the various basic expenditure items commonly used by candidates for electioneering purposes such as posters, handbills, publicity boards and banners. Depending on the size of the village, the maximum election expenses per population for VR elections will be broadly comparable to the ceiling for District Council election.

OTHER OPTIONS

6. We have considered the possibility of adopting a single ceiling across the board, as in the case of other public elections. We have also evaluated a three-tiered approach. On balance, we consider a two-tiered structure a reasonable proposal, as it will take into account the disparity of villages whilst avoiding unnecessary complications and confusion to candidates.

THE REGULATION

7. The Regulation at the Annex stipulates that the maximum amount of election expenses that can be incurred by or on behalf of a candidate at an election for a Village will be \$14,000 where there are not more than 1,000 registered electors for the Village or \$20,000 where there

are over 1,000 registered electors for the Village.

LEGISLATIVE TIMETABLE

8. The Regulation will be published in the gazette on 28 March 2003 and tabled at the Legislative Council on 2 April 2003.

IMPLICATIONS OF THE PROPOSAL

9. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no financial, Civil Service, productivity, environmental, economic or sustainability implications.

PUBLIC CONSULTATION

10. Heung Yee Kuk Chairman and some RC Chairmen have been consulted on the proposed ceilings, and they support the proposal. The proposed limit has also been mentioned in the "Proposed Guidelines on Election-related Activities in respect of VR Elections" published by the Electoral Affairs Commission for public consultation from 14 February to 15 March.

PUBLICITY

11. A press release will be issued. A spokesman will be available to answer media and public enquiries.

BACKGROUND

12. The Village Representative Election Ordinance (Cap. 576) came into operation on 14 February 2003. The new statutory framework ensures that VR elections will be consistent with the Bill of Rights Ordinance and the Sex Discrimination Ordinance, and that elections will be conducted in an open and fair manner. Five sets of new subsidiary

legislation will be necessary to implement the VR election. The legislation includes, among other things, new regulation on the maximum amount of election expenses for VR election.

ENQUIRIES

13. Any enquiry on this brief can be addressed to Ms. Monica Chen, Assistant Director of Home Affairs (2835 1423).

Home Affairs Department 27 March 2003

MAXIMUM AMOUNT OF ELECTION EXPENSES (VILLAGE REPRESENTATIVE ELECTION) REGULATION

(Made by the Chief Executive in Council under section 45 of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554))

3. Interpretation

In this Regulation –

- "election" (選舉) means a village ordinary election or a village by-election respectively under section 20 or 21 of the Election Ordinance;
- "Election Ordinance" (《選舉條例》) means the Village Representative Election Ordinance (2 of 2003);
- "elector" (選民), in relation to a Village, means a person who is registered as an elector for the Village in the final register for that Village;
- "final register" (正式選民登記冊) has the meaning assigned to it by section 2(1) of the Election Ordinance;
- "village by-election" (鄉村補選) and "village ordinary election"(鄉村一般選舉) have the meanings assigned to them by section 2(1) of the Election Ordinance.

4. Maximum amount of election expenses

The maximum amount of election expenses that can be incurred by or on behalf of a candidate at an election for a Village is –

- (a) where there are not more than 1,000 electors for the Village, \$14,000; or
- (b) where there are over 1,000 electors for the Village, \$20,000.

Clerk to the Executive Council

COUNCIL CHAMBER

2003

Explanatory Note

This Regulation prescribes the maximum amount of election expenses for an election to elect Village Representatives.