



THE HONG KONG
POLYTECHNIC UNIVERSITY

香港理工大學

24 May 2003

Public Accounts Committee
Legislative Council of Hong Kong SAR
Legislative Council Building
8 Jackson Road
Hong Kong

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胡應湘 爵士
Council Chairman
Dr Sir Gordon Y.S. Wu
KT, MGC, FICG, BNF, DBA, DLag, HonD

Attention: Ms. Miranda Hon, Clerk, Public Accounts Committee

Dear Ms. Hon,

Thank you for your letter dated 19 May 2003. I am pleased to provide the following response and information as requested.

- (1) Records of the discussions of the President's Personal Affairs Committee (PPAC) relevant to its decision relating to cash allowance for the President.

The decision on the matter of cash allowance for the President was made by circulation to Members of PPAC dated 28 July 2001 following some informal discussion earlier. The Committee was then composed of 6 lay members of the Council including the Council Chairman who chairs the Committee. The matter was approved unanimously. A copy of the circular and the paper which contains points discussed are herewith attached.

- (2) Whether the University considers that section 9(3)(c) of The Hong Kong Polytechnic University Ordinance (Cap. 1075) has been complied with and the basis of the University's view.

2.1 We are of the opinion that the Council of the Hong Kong Polytechnic University (PolyU) has complied with the provision of Section 9 (3) (c) of The Hong Kong Polytechnic University Ordinance Chapter 1075 as the Council does retain and exercise its authority and responsibility in **approving the standard terms and conditions of service**, i.e. salary scale or range, types of leave, types of housing benefits, medical and dental benefits and insurance, passage, and education allowances, etc. and their extents where applicable, **for all categories and grades of employees** of the University other than those in part-time or temporary employment.

2.2 In the case of the President or previously the Director of the Hong Kong Polytechnic, their terms and conditions of service are approved by the Council. The standard terms and conditions of service for the present President were established by the Council when he first joined the institution in 1991. The establishment and operation of the PPAC in fact follows a practice since the 80's or perhaps earlier when the then Hong Kong Polytechnic established a Director's Personal Affairs Committee (DPAC). This Committee or its equivalent in the past, among other things,

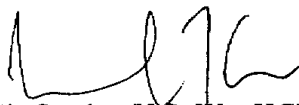
handles the detailed execution and implementation of the terms and conditions of service. To ensure external participation, PPAC is composed of a number of lay members of the Council. This Committee currently is composed of 7 lay members of the Council including the Council Chairman who serves as Chairman of PPAC. We note that this Committee or its equivalent in the past handled details of matters such as passage entitlement, class of air travel, rental limit for domestic accommodation, salary for domestic servant, salary and limit of utility charges borne by the Institution as well as non-accountable entertainment allowance, within the framework of terms and conditions of service established by the Council.

- 2.3 We re-iterate our belief that the intent of relevant stipulations in the Hong Kong Polytechnic University Ordinance is not to require the full Council to decide and approve individual package for each and every employee of the institution. This would be inappropriate and unrealistic as the Council is to attend to policy matters and cannot attend to or handle details of personnel matters of an institution with around 3,000 employees.

We hope your Committee will note that the Ordinance for some other universities do not contain the same provision of Section 9 (3) (c) of The Hong Kong Polytechnic University Ordinance Chapter 1075. We hope your Committee will also note that, as far as we understand, even those universities whose Ordinance carry the same stipulation also deal with matters relating to their President's or Vice Chancellor's personal affairs or that of other categories of employees in the same or similar manner as the PolyU does. To address the possibility of different interpretation of this Section of the Ordinance, the PolyU intends to seek further clarification from both UGC and the Government and amendment or revision of The Hong Kong Polytechnic University Ordinance in the near future so that the full Council will not be degenerated into a human resource office.

Please let me know if your Committee requires further information.

Sincerely yours,



Sir Gordon Y.S. Wu, KCMG FICE
Council Chairman

ENCL:

****Note by Clerk, PAC: The circular and the PPAC paper not attached.***