Ref: AM 12/01/19 (Pt 8)

## **Retirement Benefits for Legislative Council Members**

## Summary of Views of Members and the Independent Commission on Remuneration for the Members of the Executive Council and the Legislature of the HKSAR

## **Members' Views Independent Commission's Views** The general consensus is that LegCo Members should have As conveyed in the Chief Secretary's letter dated 16 June 2004 retirement benefits for the following reasons: to the Chairman of the House Committee, the Independent Commission did not support the proposal of Members of the second LegCo term to fund a retirement protection scheme for Members note that there are no requirements for legislators in overseas countries (viz. Canada, the United Kingdom, LegCo Members for the following reasons: Australia, the United States and Singapore) to work full-time in order for them to qualify for retirement (a) The proposal ran counter to the established view that LegCo benefits, neither are there any criteria to differentiate membership was not a job but a form of public service. between full-time and part-time legislators; There would be a need for LegCo Members to declare, or restrictions to be imposed on, their outside employment and earnings if LegCo membership were a job. The Administration should change its attitude on the provision of retirement benefits for LegCo Members, restrictions or declaration requirements might, however, because the situation has changed both in terms of the discourage some suitable candidates from coming forward to stand for LegCo elections, particularly when they were demand on and the standards required of Members; already holding a professional job or a managerial position which they were reluctant to relinquish; Legislators too have to support their families. legislators' work is not duly recognized as a job, it will be difficult to encourage the younger generation and able (b) Any outside job restriction might have implications for those people to take up a career as a legislator. In the wider who intended to stand for election in the functional public interests and to achieve universal suffrage as stated constituencies (FC). This might be relevant as candidates in the Basic Law, proper recognition should be given to the for FC elections were required under the law to have a nature of legislators' work as a job; and substantial connection with the constituency concerned; and

	Members' Views	Independent Commission's Views
(d)	Even part-time workers are entitled to Mandatory Provident Fund (MPF) contributions. It is unreasonable that legislators, who passed the MPF Schemes Ordinance, are unprotected by it. Mr Howard Young reiterates the proposal of Members in the second LegCo term that a retirement protection scheme be established with contributions paid separately from both Members' own resources and their Operating Expenses Reimbursement (OER) accounts.	(i.e. contributions paid separately from both Members' own resources and the Operating Expenses Reimbursement (OER) accounts) fell clearly outside the ambit of the OER account, especially when such benefits were to be realized after a LegCo Member had stepped down from office.

## **Relevant papers**

- (a) Background brief on "Retirement benefits for Legislative Council Members" prepared by the LegCo Secretariat (LC Paper No. AS 119/04-05(02))
- (b) Extracts of minutes of meeting of the Subcommittee held on 6.12.04 (LC Paper No. AS185/04-05)

Note: According to Members' biographies, 14 out of 60 Members in the third LegCo are full-time legislators.

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