AM 12/01/19 (Pt 8) 2869 9480 2537 2449

By Fax (2136 8470) and By Post

18 May 2005

Mr Thomas Chan, IDS Director of Corruption Prevention Independent Commission Against Corruption 24 & 26 floors, Fairmont House 8 Cotton Tree Drive Hong Kong

Dear

ICAC's Review on "Rules and Practices for the Reimbursement of Members' Operating Expenses"

Spoken Mr Thomas Chan/the undersigned.

Thank you for your letter of 9 May 2005 addressing to the concerns, expressed by some members of the Subcommittee on Members' Remuneration and Operating Expenses Reimbursement, about some recommendations in your Review.

I understand that Hon Patrick Lau, the Chairman of the Subcommittee, has discussed your reply with you elaborating Members' difficulties in adopting some of your recommendations, particularly those in respect of sharing office premises and employees between Members' private business and LegCo work. He has reiterated to you that the Independent Commission on Remuneration for Members of the Executive Council and the Legislature of the Hong Kong Special Administrative Region has always held the view that LegCo membership is not a job, but a form of service to the public. There is hence no restriction on LegCo Members taking up full time employment alongside their LegCo duties. The Subcommittee considers it impracticable and unreasonable not to allow a Member to claim reimbursement, on a proportionate basis, for using his private employees or office/equipment for LegCo work.

I am instructed by Hon Patrick Lau, who is presently out of town, to write to request you to consider some alternative arrangements which are acceptable both to Members and the public.

I understand that it may take a bit of time for you to work out the alternative arrangements, but I would appreciate your reply, in Chinese and English, as soon as possible. For your information, the next meeting of the Subcommittee is scheduled to be held on 2 June 2005; and the Subcommittee would like to submit its report on your Review to the House Committee before the end of this session in July.

With best regards,

Yours sincerely

(Mrs Anna Lo) Clerk to Subcommittee

c.c. Hon Patrick Lau Sau-shing, SBS, JP, Chairman of the Subcommittee