

Legislative Council Panel on Constitutional Affairs

**Consultation Paper on
the District Council Appointment System**

PURPOSE

This paper briefs Members on the Consultation Paper on the District Council Appointment System. The Consultation Paper is being distributed to Members through the Legislative Council (“LegCo”) Secretariat.

BACKGROUND

Review of the District Council appointment system

2. In 2010, the Government put forth a constitutional reform package which proposed amendments to the methods for selecting the Chief Executive (“CE”) and for forming the LegCo in 2012. On 21 June 2010, the Government announced the acceptance of the “one-person-two-votes” proposal for returning the five new functional constituency (i.e. District Council (second) functional constituency (“DC (second) FC”)) seats in 2012. The CE stated at a press conference on the constitutional reform on 21 June 2010 that the Government would put forth proposals concerning the abolition of the District Council (“DC”) appointment system for consultation with the LegCo and the public. On 24 and 25 June 2010, the LegCo passed by a two-thirds majority the motions put forth by the Government concerning the draft amendments to the methods for the selection of the CE and for the formation of the LegCo in 2012.

3. While acknowledging the fact that the appointment system of the DCs has provided a channel for community leaders and persons with different professional expertise and experience to participate in community services over the years, we reviewed the appointment system in 2011 taking into account the latest developments last year:

- (a) the introduction of the “one-person-two-votes” arrangement and the establishment of the DC (second) FC elaborated in paragraph 4 below signify a further step in the constitutional development in the Hong Kong Special Administrative Region and the change in the role of the appointed members of the DCs in the elections concerned;

- (b) public opinion regarding the retention or abolition of appointed seats in DCs; and
 - (c) the consideration that any change in the appointment system should not severely affect the operation of the DCs.
4. The implications of the establishment of the DC (second) FC and the “one-person-two-votes” for the elected and appointed DC members are as follows –
- (a) only elected DC members can nominate candidates for the DC (second) FC seats;
 - (b) only elected DC members are eligible to be nominated as a candidate at an election for the DC (second) FC;
 - (c) only elected DC members can nominate candidates for the District Council (first) functional constituency (“DC (first) FC”);
 - (d) only elected DC members are eligible to be nominated as a candidate at an election for the DC (first) FC; and
 - (e) only elected DC members are eligible for voting in the DC (first) FC.

Appointed members of the DCs cannot nominate or be nominated as candidates for these two FCs.

5. Against the above background, the Administration announced in September 2011 that the DC Appointment System could be abolished in phases by going through a transitional period. As a start, we reduced one-third of the number of appointed members in the fourth term of the DCs commencing on 1 January 2012, i.e. appointing only 68 members instead of 102. The number of appointed seats in each DC was basically reduced by one-third. If the number obtained after the reduction by one-third was not an integer, minor adjustment was made by rounding off the number. The composition of the fourth term of 18 DCs after the reduction is at the **Annex**.

6. We also indicated that after the DC election in November 2011, we could embark on further public discussions as to how the DC Appointment System should be dealt with. At the same time, we made it clear that the Government had an open mind on whether the remaining 68 appointed seats should be abolished over one term or two terms.

PUBLIC CONSULTATION

7. Against the above background, the Administration publishes the Consultation Paper on the District Council Appointment System on 20 February 2012 to invite the public to provide views on how the remaining 68 seats should be abolished. The Administration inclines to abolish the remaining 68 seats over one term by 1 January 2016. We consider that this is more compatible with the steps Hong Kong has taken in constitutional development including the continued democratisation of the LegCo election and the changes in the role of appointed DC members in the LegCo election and the CE Election Committee Subsector elections. However, we would look at the views collected during the public consultation before taking a final decision.

8. We have also considered whether the number of elected DC seats should be increased due to the abolition of appointed seats. We do not propose to do so. Currently, the number of elected seats is based on an average population quota of 17 282. Rapidly increasing the number of elected seats will mean a drastic decrease in the population to seat ratio. The ratio has been kept between 17 043 and 17 282 for all four terms of the DCs since 2000. We will continue to review the number of elected seats according to the increase in population.

IMPLICATIONS OF THE PROPOSALS

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

10. The implementation of the proposals will not require additional financial or manpower resources. The proposal to abolish the remaining appointed seats of the DCs will not result in manpower savings as the workload of the secretariats of the respective DCs which are manned by civil servants is not expected to be reduced significantly. On the other hand, when the DC appointed seats are abolished, there is no need for the Home Affairs Department to pay for the related remuneration including a monthly

honorarium of \$22,090, other expenses (including annual Operating Expenses Reimbursement, monthly Miscellaneous Expenses Allowance, annual Medical Allowance¹, etc.) and end-of-term gratuity². It will bring about an estimated saving of about \$55 million to \$65 million per annum for honorarium and other expenses, and an additional saving of about \$16 million for end-of-term gratuity after full abolition of the 102 appointed seats.

PUBLIC CONSULTATION PERIOD

11. The two-month public consultation commences on 20 February 2012 and ends on 20 April 2012. We will collate the public views and analyse them for the next term of Government to decide on the way forward.

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¹ Introduced in the fourth DC term commencing on 1 January 2012.

² Ditto.

Number of elected, appointed and ex officio members for the fourth term of the DCs

District Council	No. of Seats (2012-2015)		
	Elected	Appointed	Ex-officio
1. Central and Western	15	3	-
2. Eastern	37	6	-
3. Kowloon City	22	3	-
4. Kwun Tong	35	5	-
5. Sham Shui Po	21	3	-
6. Southern	17	3	-
7. Wan Chai	11	2	-
8. Wong Tai Sin	25	4	-
9. Yau Tsim Mong	17	3	-
10. Islands	10	3	8
11. Kwai Tsing	29	5	1
12. North	17	3	4
13. Sai Kung	24	3	2
14. Sha Tin	36	6	1
15. Tai Po	19	3	2
16. Tsuen Wan	17	3	2
17. Tuen Mun	29	5	1
18. Yuen Long	31	5	6
	412	68	27