

**The Independent Commission on Remuneration
for Members of the Executive Council and
the Legislature of the Hong Kong Special Administrative Region**

Review of Remuneration Package for LegCo Members

August 2006

INTRODUCTION

Members of the Legislative Council (LegCo) have sought a review of their remuneration package. Pending a comprehensive review on the remuneration package for LegCo members for the coming term (2008 – 2012), due for completion around October 2007, the Independent Commission on Remuneration for Members of the Executive Council and the Legislature of the HKSAR (the Independent Commission) has met with LegCo representatives twice and critically examined their mid-term requests. This report sets out the considerations behind and recommendations for the Chief Executive to consider.

RECOMMENDATIONS

2. The Independent Commission **recommends** that -
 - (a) the request to increase the **Operating Expenses Reimbursement (OER)** should be acceded to, by 10% (compared with LegCo's request for an enhancement of "up to 20%") and to be given effect within the existing LegCo term (2004 - 2008). The increase in OER will be in addition to any change to be made with effect from October 2006 through the existing adjustment mechanism along the movement of CPI(C) approved previously by the Finance Committee;
 - (b) the request to relax the restriction on **shared employment** of staff by LegCo Members should be acceded to;
 - (c) the requests to adjust other personal benefits for LegCo members (i.e. **monthly remuneration, medical benefits and retirement benefits**) and to critically review whether LegCo membership should be recognized as a **job vs public service** should be set aside for the comprehensive review for the remuneration package for fourth-term LegCo (2008 – 2012), due for completion by October 2007; and
 - (d) the request to engage an **independent consultant** to consider the remuneration package for LegCo members should be rejected.

INDEPENDENT COMMISSION

3. The Independent Commission is appointed by the Chief Executive to advise on the remuneration packages for Members of the Executive Council (ExCo) and the Legislative Council (LegCo) of the HKSAR. Its terms of reference and current membership are at **Annex A** and **Annex B** respectively.

4. The remuneration package for Members of the third-term LegCo (2004-2008) was endorsed by the Independent Commission in October 2003. In line with established practice, the Independent Commission will, by late 2006 to early 2007, commence a comprehensive review of the remuneration package for Members of the fourth-term LegCo (2008-2012). The aim is to finalize its recommendations by around October 2007 for submission to the Chief Executive.

EXISTING REMUNERATION PACKAGE

5. Taking into account annual CPI(C) adjustments, the existing remuneration package for LegCo members (effective from October 2005) includes the following –

- (a) Monthly remuneration: \$108,770 for the LegCo President,
\$ 81,600 for the President's Deputy,
\$ 54,390 for other Members
- (b) Accountable annual OER: \$1,336,490
- (c) Non-accountable annual entertainment and travelling allowance: \$301,660 for President,
\$150,760 for other Members
- (d) One-off provision: \$150,000 for setting up
\$100,000 for information technology and communications
\$111,374 for winding up
actual for severance payments

The monthly remuneration (item (a) above only) is taxable.

REVIEW SOUGHT BY LEGCO MEMBERS

6. The LegCo's House Committee has established a Subcommittee on Members' Remuneration and Operating Expenses Reimbursement (the LegCo Subcommittee) to examine issues relating to the level of remuneration and expense reimbursement for LegCo Members.

7. In June 2005, the House Committee endorsed the LegCo Subcommittee's requests at **Annex C**, which called on the Administration to –

- (a) enhance the present level of LegCo Members' OER by up to 20%;
- (b) maintain the present arrangement that all LegCo Members should receive the same level of remuneration and the OER, irrespective of the channel through which they are elected;
- (c) implement any substantial changes to LegCo Members' remuneration and the OER as soon as possible;
- (d) review the present rule that LegCo Members cannot jointly enter into employment contracts with their employees;
- (e) provide medical benefits for LegCo Members; and
- (f) provide retirement benefits for LegCo Members.

There was no specific request then to adjust the monthly remuneration for LegCo members.

8. The LegCo Subcommittee met with the Administration's representatives on 18 May 2006 and the Independent Commission twice on 6 June and 2 August 2006. In the light of deliberations, the LegCo Subcommittee has made two further written submissions to the Independent Commission (**Annexes D** and **E**). The latest requests are summarised as follows -

- (a) as top priority, that the **OER** should be increased by up to 20%;
- (b) as second priority, that civil service **medical benefits** should be made available to LegCo Members, both during and after

their service with LegCo, and that **retirement benefits** in the form of a gratuity at 15% of the total remuneration received should be given;

- (c) as third priority, that LegCo Members' **remuneration** should be pegged to a certain percentage of the salary range of the directorate officers in the civil service. Alternatively, an independent remuneration scale may be set for LegCo Members;
- (d) that the Independent Commission should **critically review** the underlying principle governing Members' remuneration that "LegCo membership is not a job, but a form of **public service**";
- (e) that the restriction against **shared employment of staff** should be relaxed; and
- (f) that the Independent Commission should consider engaging an **independent consultant** to evaluate the work of LegCo Members with a view to drawing up an appropriate remuneration package for them.

9. The Independent Commission's considerations are set out in the ensuing paragraphs.

INDEPENDENT COMMISSION'S CONSIDERATIONS

OER [re para 8(a) above]

10. The LegCo Subcommittee allocates the highest priority to its latest request for increasing the OER level by up to 20%. As explained at the meeting on 6 June 2006 and clarified in their letter of 20 June 2006, the LegCo Subcommittee contends that –

- (a) the current OER level (at \$1,336,490 per annum in 2005/06) is inadequate for the majority of LegCo Members –
 - (i) 43 of the 60 LegCo Members spent 90% or above of the OER in 2004/05 (vs 39 in 2003/04); and
 - (ii) the average reimbursement total of the OER in 2004/05 was \$1,217,721 or 92% of the annual reimbursement ceiling, vs \$1,228,764 or 91% in

2003/04;

- (b) the current OER does not allow them to recruit adequate or quality staff to operate offices and to conduct policy research. Taking the 2004/05 OER spending pattern as a yardstick, LegCo Members on average –
 - (i) spent about 69% of the OER on staff remuneration;
 - (ii) operated 2.3 offices; and
 - (iii) employed five full-time staff and two part-time staff in each office.

In other words, in 2004/05 on average, around \$76,000 was spent on staff remuneration out of LegCo Members' monthly OER provision of \$111,374;

- (c) many LegCo Members have incurred expenses above the OER limit. They have to meet these over-ceiling expenses out of their own pockets. At present, LegCo Members are not required to report the over-ceiling expenses to the LegCo Secretariat. That said, three LegCo Members volunteered to report on these for record in 2004/05. Of the three LegCo Members, the shortfalls paid out of pocket ranged from \$2,000 to \$67,000 in 2004/05. The system is therefore unfair as it penalizes diligent LegCo Members. This system also discourages political talent from joining LegCo; and
- (d) as the OER is paid on an accountable and reimbursement basis, any increase will not benefit LegCo Members' own pockets and is not susceptible to abuse.

11. Whilst sympathetic, the Independent Commission is wary of LegCo Subcommittee's admittance that the request to raise the OER by up to 20% reflected more of a compromise among political parties than the outcome of a quantitative analysis. Besides, the Independent Commission reckons that the need amongst LegCo Members and the cost of running a Member's office can vary significantly. Indeed, the former Independent Commission formed the view in 2001 that it was difficult, if not impossible, to devise an objective yardstick to determine the optimum number of assistants and district offices for LegCo Members, having regard to their different background and different modes of operation. The Independent Commission continues to hold this view.

12. The Independent Commission has adopted a holistic approach and considered the following basket of factors -

- (a) **OER utilisation rate** – the OER level was last substantially increased (by some 26%) in October 2001. The Independent Commission reckons that since then, the average utilization rate stood consistently above 90% and that the number of LegCo Members utilizing 90% or more of the OER limit has risen from 2001/02 to 2004/05. In 2004/05, the median OER claimed by LegCo Members was about 97.7% of the then OER limit.

The Independent Commission accepts that it would be appropriate for LegCo Members not to over-commit themselves in expenditure, and an actual spending of 90% of the OER limit would not be unreasonable. The median OER claimed in 2004/05 was \$1,300,618.8; assuming this were to be 90% of an alternative OER limit, the latter could well be \$1,445,132, which is some 8.6% higher than the existing OER limit. In other words, a 10% rise to the existing OER limit would not be unreasonable;

- (b) **statistics on the number of offices operated by LegCo Members and staff members they employed and salaries paid** – according to the data provided by the LegCo Secretariat, LegCo Members engaged five full-time and two part-time staff on average in 2004/05, and the median monthly salaries paid to full-time and part-time staff were about \$15,000 and \$5,000 respectively. Assuming that all LegCo members were to follow the median staff employment and payment models, and assuming staff payments were to constitute only 68.5% of the OER, then the existing OER limit would indeed be short, to the tune of 10%;
- (c) **population changes** – while the overall population remained fairly stable from 2000 to 2004, the population growth in individual geographical constituencies (GCs) was higher than average (e.g. 6.57% and 11.05% in New Territories East and West respectively from 2000 to 2004, against the overall average increase of only 3.28%);
- (d) **the number of electors registered for GC elections** – the number of electors registered for GC elections in 2004

increased over the previous election year (2000) by 4.97%. With the promotion of civic education and the stronger public awareness of political affairs in Hong Kong in recent years, the number of registered GC electors is expected to grow;

- (e) **complexity of issues handled by LegCo Members and public expectations** – the Independent Commission appreciates that LegCo Members’ workload has increased in terms of both volume and complexity as reflected by an increased number of meetings and longer hours of meetings;
- (f) **nature of OER** – the Independent Commission accepts that OER is to be distinguished from other forms of personal benefit and would only be reimbursed on an accountable basis.

13. All considered, the Independent Commission **recommends** that the OER level be **increased by 10%**, on top of the annual CPI(C) adjustments which will next take effect in October 2006. The Independent Commission is also satisfied that the increase should be effected **as soon as possible** in order to enable LegCo Members to better discharge their duties. While the established principle is that any substantial changes to the remuneration package for LegCo Members proposed in one LegCo term will only be implemented in the following term, the proposed increase in the OER should not be restricted by this principle as the OER is not for LegCo Members’ personal benefits. There is also a precedent in 2001 where the OER was increased by 26% during the second-term LegCo.

Medical benefits, retirement benefits and remuneration levels [re paras 8(b) –(c) above]

14. The Independent Commission considers that the proposals concerning LegCo Members’ medical and retirement benefits and remuneration levels, if accepted, would amount to substantial changes in the remuneration package for LegCo Members. The present remuneration package took its shape before the elections in 2004 were held, and as such LegCo Members were fully aware before they took the decision to stand for elections. In order to preserve the credibility of the remuneration regime, the Independent Commission feels that it cannot support these proposals for implementation within the current LegCo term. The Independent Commission also notes that the LegCo Subcommittee now places these proposals as their lower priorities. The

Independent Commission **recommends** revisiting these proposals in the forthcoming comprehensive review for the next-term LegCo as these proposals also relate to the question of the nature of LegCo membership.

Nature of LegCo Membership [re para 8(d) above]

15. One of the fundamental principles adopted by the Independent Commission previously is that LegCo membership is a form of service to the public rather than a job. This is an important anchor on the basis of which the Independent Commission has been considering the appropriate level of LegCo Members' remuneration and associated benefits. In the Independent Commission's "Report on the Review of Remuneration Package for LegCo Members in the Third Term" published in 2003, it re-affirmed the fundamental principles that –

“(m)embership on the Legislature is a form of service to the public” and

“the main objective of the remuneration package remains to make it possible for a broad spectrum of individuals from different sectors and walks of life of the community to serve the public in the capacity of LegCo Members”.

As a corollary, the Independent Commission held the view that –

“there is no restriction on LegCo Members taking up full time employment alongside their LegCo duties, nor are they required to declare income derived from their full-time employment, if any”.

16. The LegCo Subcommittee contends that LegCo Members play an important role in providing checks and balances to the government system and performing the powers and functions of LegCo provided under the Basic Law. In the letter dated 20 June 2006, the LegCo Subcommittee considers that LegCo membership is a professional job. In its Second Report to the LegCo House Committee in June 2005, it also stated that –

“(i)f a Member’s work is not duly recognized as a job, it would be difficult to encourage the younger generation and able people to take up such a career. In the wider public interests and to achieve universal suffrage as stated in the Basic Law, proper recognition should be given to the nature of a Member’s work as a job, rather than a form of public

service”.

17. The Independent Commission notes that since the LegCo Subcommittee’s proposals were made public, there have been some discussions in the community. However, a consensus has yet to coalesce on the nature of LegCo membership.

18. The Independent Commission notes that in his Policy Address 2005-06, the Chief Executive indicated the Administration’s commitment to nurturing political talent, opening up opportunities for participation and encouraging members of the public to become involved in politics. In line with this commitment, the Administration published in July 2006 a document on Further Development of the Political Appointment System for public consultation for about four months. The Administration proposes in this document that new positions dedicated to political work, namely Deputy Directors of Bureau and Assistants to Directors of Bureau, should be created within the Executive Branch. Developments on this front will have a bearing on whether there is a case to adjust the established view on the nature of LegCo Membership. Notwithstanding its established views, the Independent Commission is prepared to revisit the subject with an open mind and accepts that it be prudent not to rush into a decision at the moment. It therefore **recommends** revisiting the nature of LegCo membership in its forthcoming review of the remuneration package for the fourth-term LegCo.

Shared Employment of Staff [re para 8(e) above]

19. One of the latest requests from the LegCo Subcommittee is to relax the present restriction against shared employment of staff, as this restriction has, in the LegCo Subcommittee’s views, fettered their flexible deployment of resources. The LegCo Subcommittee proposes to put in the joint employment contract the proportion of accountability by individual LegCo Members for the staff concerned. The staff expenses (including staff remuneration and severance payments payable) will then be apportioned accordingly, and reflected in the LegCo Members’ OER reimbursement records which are available for public inspection upon request.

20. The Independent Commission notes that this restriction against shared employment of staff members by LegCo Members has been in place since 1994. The restriction was initially designed to uphold the principle of transparency and accountability in the use of public funds. The then Independent Commission took the view that if

shared employment were allowed, members of the public could not know clearly the scope of work performed by a staff member for each of his employers. That said, the Independent Commission is now satisfied that the LegCo Subcommittee's proposal should meet the accountability and transparency test, and that the existing restriction should be relaxed for more efficient use of resources. Accordingly, the Independent Commission **recommends** acceding to this request.

Engagement of consultant [re para 8(f) above]

21. The Independent Commission notes that in the private sector, it is indeed the practice of many entities to engage independent consultants to advise on the appropriate remuneration packages for their senior employees so that they could be made in line and "benchmarked" with market norms and prevailing practices. However, the Independent Commission has serious doubts as to whether any kind of benchmarking exists at all in the case of LegCo Members given the unique role and nature of LegCo Membership. The Independent Commission also considers that it would not be appropriate to benchmark with legislators overseas as the powers and functions of the legislatures differ from jurisdictions to jurisdictions. The Independent Commission therefore **recommends** rejecting this request.

WAY FORWARD

22. Subject to the Chief Executive's agreement to the recommendations in para 2 above, the Independent Commission will proceed with the comprehensive review of the remuneration package for the fourth term LegCo (2008 – 2012) in late 2006/early 2007, with a view to finalising a package around October 2007, a year before the start of the next term.

Terms of reference

**The Independent Commission on
Remuneration for Members of the Executive Council and the
Legislature of the Hong Kong Special Administrative Region**

The Independent Commission –

- (a) considers the system of remuneration for Executive Council (ExCo) and Legislative Council (LegCo) Members of the Hong Kong Special Administrative Region (HKSAR), taking into account any factor that may affect the level of such remuneration and allowances;
- (b) carries out periodic review of the remuneration package for LegCo Members of the HKSAR, say once every three to five years and normally about a year before the start of a new LegCo term;
- (c) considers the appropriate level of remuneration for those with multiple membership on ExCo and LegCo of the HKSAR in deliberating on the above issues; and
- (d) advises the Administration on any matter relating to the remuneration package for ExCo and LegCo Members of the HKSAR which the Administration may refer to the Independent Commission from time to time.

Membership of

**The Independent Commission on
Remuneration for Members of the Executive Council and the
Legislature of the Hong Kong Special Administrative Region**

Chairman

Mr Vincent CHENG Hoi-chuen, G.B.S., J.P.

Members

Mr CHUNG Pui-lam, S.B.S., J.P.

Professor LIU Pak-wai, S.B.S., J.P.

Mr LUI Tim-leung, J.P.

Mr NG Leung-sing, S.B.S., J.P.

Mr Nicky LO Kar-chun, J.P.

立法會
Legislative Council

LC Paper No. AS 347/04-05

Ref: AM 12/01/19

**Paper for the House Committee Meeting
on 24 June 2005**

**Second Report
of the Subcommittee on Members' Remuneration
and Operating Expenses Reimbursement**

Purpose

This paper seeks Members' endorsement on the recommendations of the Subcommittee on Members' Remuneration and Operating Expenses Reimbursement regarding Operating Expenses Reimbursement (OER), medical and retirement benefits for Members.

The Subcommittee

2. The Subcommittee was formed at the House Committee meeting on 15 October 2004. It comprises nine members. A membership list of the Subcommittee is in **Appendix I**.

3. Under the chairmanship of Hon Patrick Lau Sau-shing, the Subcommittee has held seven meetings, including one with the Administration and two with the Independent Commission Against Corruption (ICAC).

Deliberations and recommendations of the Subcommittee

4. The Subcommittee has examined the following three main issues:

- (a) Members' OER;
- (b) Members' medical and retirement benefits; and
- (c) ICAC's recommendations on "Rules and Practices for the Reimbursement of Members' Operating Expenses".

5. Items (a) and (b) are covered in this report, while item (c) will be covered in the Subcommittee's third report, which will be submitted to the House Committee on 8 July 2005.

Enhanced level of OER

6. The great majority of Members consider the present level of OER inadequate. Compared with some years ago, current Members are serving substantially larger constituencies and dealing with a much wider range of complex issues. In Hong Kong, each geographical constituency covers more than a million citizens. Manning district offices in a large constituency requires a large number of staff. With the inadequate financial support provided by the Administration, most Members can only offer a low salary to their staff, as revealed in the statistics compiled by the Secretariat. It is difficult to recruit experienced and high-quality staff with a meagre remuneration.

7. Taking into account Members' views, the Subcommittee recommends an increase of the present level of OER by up to 20%. It stresses that Members are proposing an increase for the purpose of providing better service to the community, rather than for Members' own benefit, because OER is allocated on an accountable basis.

Same level of remuneration and OER for all Members

8. The Subcommittee has requested the LegCo Secretariat to conduct a study on whether in overseas legislatures, legislators with district offices are given additional resources for the operation of such offices. Of the seven countries included in the study (i.e. the United Kingdom (UK), Australia, New Zealand (NZ), Canada, the United States (US), Singapore and Ireland), none grants additional allowances to Members for having district offices. The systems of UK and Ireland are similar to that of Hong Kong. In Australia and Canada, Members of larger constituencies or districts are entitled to additional allowances. In NZ and Singapore, elected Members are provided with a larger budget or allowance. In US, additional allowance is calculated with reference to the distance between a Member's district and Washington as well as the rental cost of that district.

9. The great majority of Members are of the view that the present arrangement for all Members to be entitled to the same remuneration package and level of OER, irrespective of the channel through which they are elected, should be maintained. While supporting the continuation of the present arrangement, some Members returned from the geographical constituencies (GC Members) consider that, in the event of inadequate resources for all Members to be provided with the same enhanced level of OER proposed in paragraph 7 above, priority should be given to GC Members, because they have to serve a much larger number of constituents.

Timing of implementing changes to the level of OER

10. It has been a long established practice that substantial changes to the remuneration package (including the level of OER) proposed in one LegCo term should only be implemented in the following term. The Administration advises that this is to preserve the credibility of the remuneration system. Members of the previous terms had no strong views on this. The Administration is prepared to consider the timeliness issue, if current Members have come to a consensus on alternative arrangements.

11. The Subcommittee has requested the LegCo Secretariat to conduct a study on the practices in overseas legislatures. Of the seven countries included in the study (i.e. the same countries listed in paragraph 8 above), none has any practice or rule to require changes in Members' remuneration and expense allowances to be implemented in the following term. In UK, NZ and Canada, changes are usually implemented at the start of a financial year. In Australia, major changes are usually effective from the date on which the Remuneration Tribunal's determination is signed or on some other specified date. In US, adjustment of allowances normally takes effect on 3 January each year.

12. Taking into account the practices in overseas legislatures, the Subcommittee recommends, and the majority of Members agree, that any changes to Members' remuneration package (including the level of OER) should be implemented as soon as possible. Insufficient resources hinder Members' service to the public. Newly elected Members particularly suffer if major changes can only take effect in the following term, because the shortage in financial support cannot be redressed until some four years later. Moreover, as changes are determined by the Independent Commission on Remuneration for Members of the Executive Council and the Legislature of the HKSAR (Independent Commission), there is no conflict of interest on the part of Members.

Shared employment of staff by Members

13. The majority of Members consider that the present rule disallowing Members to jointly hire a staff member should be reviewed. This rule hinders the economical use of Members' resources. They consider that as long as it is transparent and accountable, shared employment of staff, especially highly paid ones, will facilitate the efficient use of Members' resources.

Medical benefits for Members

14. The Subcommittee observes that although Members' personal medical and dental insurance payments are reimbursable under OER, some Members who have certain illnesses may not be accepted for medical insurance cover. It therefore recommends that medical benefits should be provided for Members. This recommendation is supported by the great majority of Members.

Retirement benefits for Members

15. The Subcommittee recommends, and the majority of Members agree, that retirement benefits should be provided for Members for the following reasons:

- (a) Members note that there are no requirements for legislators in overseas countries (viz. Canada, UK, Australia, US and Singapore) to work full-time in order to be qualified for retirement benefits. Neither are there any criteria to differentiate between full-time and part-time legislators;
- (b) The Administration should change its attitude on the provision of retirement benefits for Members, because the community's demand on Members is now much higher than before;
- (c) If a Member's work is not duly recognized as a job, it would be difficult to encourage the younger generation and able people to take up such a career. In the wider public interests and to achieve universal suffrage as stated in the Basic Law, proper recognition should be given to the nature of a Member's work as a job, rather than a form of public service;
- (d) There is an increasing number of full-time LegCo Members. (14 out of 60 Members in the third LegCo declare themselves as full-time Members); and
- (e) As even part-time workers are entitled to Mandatory Provident Fund (MPF) contributions, it is unreasonable that Members, who passed the MPF Schemes Ordinance, are not protected by it.

16. The Subcommittee agrees with the Independent Commission that contributions to a Member's retirement scheme fall outside the ambit of OER. Additional resources should be provided for any retirement protection scheme for Members.

Consultation

17. Members' views on the Subcommittee's recommendations have been sought through an opinion survey (LC Papers No. AS 322, 324 and 325/04-05). 53 Members have responded. A summary of the responses is in **Appendix II**. The Subcommittee's recommendations in this report have taken into account the results of the opinion survey.

Advice sought

18. Members are invited to endorse the following recommendations of the Subcommittee and forward them to the Administration so that they can be referred to the Independent Commission for consideration:

- (a) The present level of Members' OER should be enhanced, subject to a ceiling of 20%;
- (b) The present arrangement that all Members should receive the same level of remuneration and OER, irrespective of the channel through which they are elected, should be maintained;
- (c) Any substantial changes to Members' remuneration and OER should be implemented as soon as possible;
- (d) The present rule that Members cannot jointly enter into employment contracts with their employees should be reviewed;
- (e) Medical benefits should be provided for Members; and
- (f) Retirement benefits should be provided for Members.

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Administration Division
Legislature Council Secretariat
22 June 2005

立法會議員酬金及工作開支償還款額小組委員會成員名單
Membership List of Subcommittee on Members' Remuneration and
Operating Expenses Reimbursement

劉秀成議員, SBS, JP (主席)
Hon Patrick Lau Sau-shing, SBS, JP (Chairman)

呂明華議員, JP
Dr Hon Lui Ming-wah, JP

周梁淑怡議員, GBS, JP
Hon Mrs Selina Chow Liang Shuk-ye, GBS, JP

張文光議員
Hon Cheung Man-kwong

楊孝華議員, SBS, JP
Hon Howard Young, SBS, JP

劉慧卿議員, JP
Hon Emily Lau Wai-hing, JP

石禮謙議員, JP
Hon Abraham Shek Lai-him, JP

黃定光議員, BBS
Hon Wong Ting-kwong, BBS

譚香文議員
Hon Tam Heung-man

(合共 : 9 位委員)
(Total : 9 members)

Summary of Responses

Subcommittee on Members' Remuneration and
Operating Expenses ReimbursementResult of Opinion Survey on the Subcommittee's Revised Recommendations on
"LegCo Members' Operating Expenses Reimbursement (OER) and Retirement Benefits"

(As at 17 June 2005)

No. of respondents : 53

No. of non-respondents : 7

	SC's Revised Recommendations	Agree	Disagree	Other Views
1.	The present level of OER is inadequate and should be increased. The level of increase should not exceed 20% of the existing level.	(50)	(1)	(2)
2.	The present arrangement that all Members should receive the same level of remuneration and OER, irrespective of the channel through which they are elected, should be maintained.	(45) (<u>Note</u> : 12 respondents agree with this recommendation with the proviso that "At present, the level of OER is highly insufficient for Members (especially for GC Members). There should be a higher level of OER for all Members. In the event of inadequate resources for all Members to get the same enhanced level, priority should be given to GC Members.")	(6) (<u>Note</u> : 4 Members are of the view that GC Members should receive a higher level of OER, but the remuneration should be the same for all Members.)	(2)

	SC's Revised Recommendations	Agree	Disagree	Other Views
3.	Any proposed substantial changes to the remuneration package should be implemented as soon as possible. (Presently, any substantial changes proposed in a LegCo term are implemented in the following term.)	(40)	(12)	(1)
4.	The present rule that Members cannot jointly enter into employment contracts with their employees should be reviewed.	(47)	(6)	(0)
5.	Medical benefits should be provided for LegCo Members.	(50)	(1)	(2)
6.	Retirement benefits should be provided for LegCo Members.	(46)	(4)	(3)

() No. of Member