

LCQ2: Remuneration package for District Council members

Following is a question by the Hon Mrs Regina Ip and a reply by the Secretary for Home Affairs, Mr Tsang Tak-sing, in the Legislative Council today (November 14):

Question:

At the meeting of this Council on October 17, the Chief Executive stated the following policy direction of "addressing district issues at the district level and capitalising on local opportunities" so as to "gradually relax the Government's 'all-embracing' hand on district affairs". On the other hand, some members of the District Councils (DC members) have reflected to me that at present members of the public have increasingly high expectation of DC members and seek assistance from DC members on various district issues, big or small. Thus, DC members have to work around the clock to serve the public. These DC members consider that an honorarium of \$22,090 per month for a DC member fails to reflect the important role shouldered by DC members in district administration, and can hardly attract talents to become full-time DC members. Furthermore, the Operating Expenses Allowance of only \$292,428 per year (or \$24,369 per month) makes it difficult for DC members to recruit sufficient number of talents and talents of higher quality to be their assistants, thus affecting the quality of services provided to the public. In this connection, will the Government inform this Council:

(a) given that the role, functions and composition of District Councils (DCs) were last reviewed in 2006, and in view of the aforesaid policy direction stated by the Chief Executive, whether the authorities have plans to examine afresh its long-term stance of regarding the nature of work of DC members as a public service, as well as comprehensively review the nature of work and the remuneration package of DC members, so as to reflect their role in district administration and their status as representatives of public opinion; if they have, when the review will be conducted;

(b) whether it has assessed the importance of DCs as a platform for nurturing political talents in addition to serving the public; and whether the authorities will increase the honorarium for DC members so that more talents who aspire to serve the community will become full-time DC members; and

(c) whether it has assessed the importance of assistants to DC members in facilitating DC members' discharge of their duties; whether the authorities will increase the

Operating Expenses Allowance for DC members to employ assistants to enable them to build higher quality teams to serve the public?

Reply:

President,

Thank you the Hon Mrs Regina Ip for your question.

District Councils (DCs) are key partners of the Government in policy implementation and district administration. The Government has attached great importance to DCs' significant role in the above areas.

Regular reviews on DC members' remuneration package are conducted to ensure that the package is appropriate and in line with time. Although the remuneration of DC members is financed by public fund, there is no employment relationship between DC members and the Government. The level of remuneration depends on the acceptability by the community. In conducting the review, we will consult DC members, the Independent Commission on Remuneration for Members of the DCs, and the Legislative Council (LegCo) Panel on Home Affairs on the proposed package. After the completion of the consultation exercise, we will seek the LegCo Finance Committee's approval for the proposed enhancements to the remuneration package.

The objective of the remuneration package is to attract a broad spectrum of individuals from different sectors and all walks of life to be DC members to serve the public. It is an established practice that any proposal involving substantial changes to the remuneration package for DC members shall only take effect from the beginning of the next term.

The recommendations put forward in the last two reviews were implemented between 2007 and 2012.

My reply to various parts of the Hon Mrs Regina Ip's question is as follows:

(a) The Government's last review on DC's functions and composition was conducted in 2006. The relevant recommendations were fully implemented in 2008, which included involving the DCs in the management of some district facilities and providing additional resources to DCs for carrying out community involvement

activities and district minor works.

Over the past years, the role of DCs has become increasingly important, and there has been higher public expectation on DC members' work.

We agree that district administration should be further enhanced. We aim to foster community cohesiveness and mobilise district resources, such that district issues can be addressed at district level and local opportunities can be capitalised locally. We will also enhance our support to DCs in a bid to provide better services to district residents.

In the light of this broad direction, we are considering a series of policy measures to strengthen district administration. We aim to draw up relevant measures by early next year.

(b) We fully agree that the primary objective of becoming a DC member is to serve the community and that DCs are major platforms for nurturing political talents. We trust that those aspiring to serve as DC members aim to assist in addressing residents' problems and make contributions to the community. These are the reasons attracting people with quality and passion to take up the significant task as DC members.

Regarding the honorarium for DC members, in addition to annual adjustments in accordance with the Consumer Price Index (CPI)(A), it was increased by 10% in January 2008. Currently, the monthly honorarium for a DC member is \$22,090. We will continue to follow the established principles in keeping the honorarium under regular review.

(c) As for DC members' operating expenses, in addition to annual adjustments in accordance with the CPI(A), the Operating Expenses Reimbursement (OER) was increased by 10% and a further 15% in January 2007 and January 2011 respectively. The current annual OER for a DC member is about \$292,000 (i.e. a monthly average of about \$24,000) which covers various expenditure items, such as office rental and other expenses, salary for assistants, audit fees, printing costs, expenses on publicity items and communication expenses. DC members may have flexibility in utilising the OER according to their individual needs and office requirements. A DC member may also contemplate an appropriate increase in the proportion of expenses on staff employment according to his/her own needs.

The Administration will continue to listen to DC members' views, and consider adjusting the ceiling of the OER having regard to actual circumstances.

Thank you, President.

Ends/Wednesday, November 14, 2012

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