

Allowances for all councillors increased

THE Finance Committee yesterday approved higher allowances for members of the Executive and Legislative Councils as well as district board members.

Under the approved package the monthly maximum allowance for Legislative and Executive Councillors will increase from \$20,000 to \$21,300, and that for the district board members from \$6,000 to \$6,400.

The increases will apply retrospectively from October 1 and will cost the Government an extra \$4.1 million a year.

The Urban and Regional Councils, which have financial independence, were advised by the Government to consider adjusting their allowances for members to \$13,000 a month.

It is also approved that councillors who perform multiple roles, for example by acting as Legislative and Urban Councillors, would receive the full payment of the highest allowance and

two-thirds of the other allowances.

The Government's reasoning is that the members would need only one office to perform their various duties.

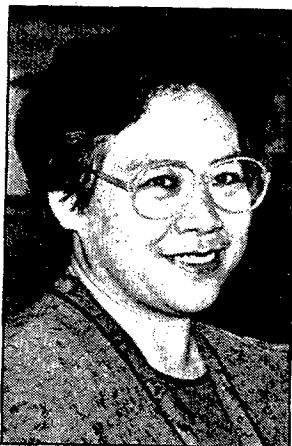
Mrs Pauline Ng, who is both a Legco member and a district board member, said the Government's reasoning was unfair.

She said, for example, she might be invited to attend two banquets on the same evening and she would have to pay for both. In addition she would have to employ additional staff because of her dual role.

The loss could affect the implementation of representative government, lower the morale of those councillors with several roles, and impair their services, Mrs Ng said.

Mr Ho Sai-chu said the cut in the allowance was unacceptable because councillors might be forced to entertain people at different levels because of their multiple roles.

The chairman of the Finance Committee, Mr David



Mrs Ng

Ford, who is also the Chief Secretary, said if the allowances proved to be insufficient or were found to affect the morale or functioning of the councils, the package could be reversed in its annual review.

Other items endorsed in the Finance Committee include:

- The provision of an added \$66.4 million for the leasing of quarters for civil

servants because of the dispute at Baguio Villa and the delay in the completion of Park View at Tai Tam.

Mr Peter Tsao, the Secretary for Administrative Services and Information, said the Government might be able to collect \$50 million liquidatory damages from the developer of Park View because of late delivery of the flats.

- Allocating \$168.9 million for increasing the old age allowance to those over 70 from \$255 to \$290 a month, and for extending the scheme to include those aged between 65 and 69. The administrative cost for screening applicants between the age of 65 and 69 under a means test would incur a cost of \$7.9 million to pay salaries.

- Setting up the planning committee and secretariat for the proposed Open Learning Institute at \$10.4 million over the next three years.

- A commitment of \$820.8 million for the Regional Council for a three-year period.