

\$6.7bn benefit overshoot by HA

Auditor urges Government to take immediate action to curb deals

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The Hospital Authority has been condemned in the Auditor's report for offering expensive remuneration and double benefits to its staff, which were projected to overshoot expenditure by \$6.7bn in 20 years.

The Director of Audit, Dominic Chan, urged the Government to take "immediate action" to devise cheaper housing benefits for authority staff and to stop married staff from enjoying double benefits.

But the Hospital Authority's chief executive, Yeoh Eng-kiong, hit back at the criticism, saying Chan was "comparing an orange with an apple" when comparing the remuneration of authority staff with civil servants.

Yeoh said the authority's own review of its staff remuneration package had come up with a reverse conclusion - \$7.8bn cheaper than that of civil servants.

The president of the Public Doctors Association, Yip Wai-chun, also accused Chan of setting them up to be a scapegoat in the Government's cost-cutting exercise.

The controversial Auditor's report projected that the total housing benefits payable to more than 3,000 Hospital Authority senior employees would exceed the comparable benefits in the civil service by about \$6.7bn at current prices.

The report used the example of a consultant doctor enjoying \$29.8m cumulative housing benefits in 20 years, while a government consultant would only get \$4.5m.

The report said the authority's

encashed housing benefit was so much more expensive because it was not subject to a maximum entitlement period, while the Government's housing financing scheme was offered on a maximum entitlement period of 10 years.

It said while the encashed housing benefit was pegged with salary adjustments, the value of the authority housing benefits would therefore eventually outstrip those of civil servants.

It also criticised the Hospital Authority of including the value of departmental quarters in its package despite the fact that they were not a fringe benefit.

Yeoh, who last night pledged that the authority would uphold the contractual obligations with its staff, said it was impractical for the Director of Audit to assume that the current government housing ben-

efit would be kept unchanged for 20 years.

"We have also factored in double-benefit in our package. The point is we do not spend more as a whole, it's a matter of internal distribution," Yeoh said.

"I am afraid the report is not a complete analysis because only the housing benefit has been taken into the account."

A legislator and Hospital Authority board member, Leong Che-hung, said: "Projecting the calculation for 20 years... in my mind is not only unfair but also misleading the public as there will be many changes even within the civil service salary and benefit structure."

The Secretary for Health and Welfare, Katherine Fok, yesterday insisted that the authority package was comparable to that of civil servants and was approved by the Finance Committee in 1991.

But Fok said she would take into account the report's recommendation in the current review of the authority staff-remuneration package, which was now being conducted by an inter-departmental working group.