



MEMO

<p>From Secretary for Financial Services and the Treasury</p> <p>Ref. (41) <i>in</i> TsyB CR 00/530/1-1/1/0 (C) Pt.1</p> <p>Tel. No. 2810 2540</p> <p>Fax No. 2596 0729 Total Pages: 1</p> <p>Date 18 June 2013</p>	<p>To Directors of Bureaux and Controlling Officers</p> <p>(Attn. : _____)</p> <p>Your Ref. _____ in _____</p> <p>Dated _____ Fax No. _____</p>
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Remuneration for Non-official Members of Boards and Committees

The Finance Committee (FC) of the Legislative Council has delegated to the Secretary for Financial Services and the Treasury (SFST) authority to make annual revisions, by reference to the movements of the Consumer Price Index (C), to the ceiling of remuneration payable to non-official members serving on boards and committees set up by the Government. Having regard to the movement of the CPI(C) between April 2012 and April 2013, the **ceiling rate** is to be adjusted upward by 3.54% from \$860 to **\$890 per member per attendance**, with effect from **1 August 2013**.

2. The above revision applies only to remuneration approved administratively under Financial Circular No. 7/2000 and paid out from the General Revenue Account. It does not apply to remuneration above the ceiling and approved separately by FC or by a designated public officer under the respective legislation.

Principles for remuneration

3. The basic principle of non-official service on government boards and committees is **voluntary** and, as a general rule, **non-remunerated**. However, for boards and committees with executive functions, especially for ones having to meet frequently or for extended hours and ones having to consider increasingly complicated cases, the Government should consider some degree of honorarium. Government should not be obtaining the services of highly qualified, professional persons “on the cheap”.

Proposed adjustments

4. Over the years, the role of various boards and committees may have changed. Controlling Officers should ensure that the remuneration arrangements for boards and committees under your purview remain **justifiable, fit for purpose and preferably internally consistent**.

5. Where Controlling Officers seek to adjust the remuneration rates for non-official members –

- (a) from the current ceiling at \$860 to the new ceiling at \$890 per member per attendance, or
- (b) from the current rates to new rates reflecting CPI(C) movement during the same reference period, i.e. by 3.54%,

it would suffice for you to complete necessary formalities (for instance, documenting the justification and decision), ensure that funds are available from within your resources, and inform TsyB of the changes. In line with FC 7/2000, SFST's approval has to be sought for all other adjustments, even if the dollar value is **within the ceiling** rate of \$890 per member per attendance.

6. Where Controlling Officers seek to remunerate non-officials **beyond the ceiling**, approval will have to be sought from the Finance Committee. The relevant Controlling Officer will need the agreement of SFST on the funding arrangements.

7. We update the information on "Payment of Remuneration for Non-official Members of Government Boards and Committees" in the Treasury Branch's website at a six-monthly interval, i.e. every April and October, and shall invite your contribution in due course.



(Ms Elizabeth Tse)
for Secretary for Financial Services
and the Treasury