<u>Government explains adjustment</u> <u>mechanism of remuneration of CE and</u> PAOs

A spokesman for the Hong Kong Special Administrative Region (HKSAR) Government said today (April 6) that the remuneration of the Chief Executive (CE) and politically-appointed officials (PAOs) of the HKSAR has all along been adjusted according to the established mechanism. The mechanism is in accordance with the recommendations of the Independent Commission on Remuneration Package and Post-office Arrangements for the Chief Executive of the HKSAR, and the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the Hong Kong Special Administrative Region in 2005 and 2016 respectively, and was approved by the Legislative Council Finance Committee (LegCo FC) in the respective years of 2005 and 2017.

The spokesman said, "The LegCo FC approved in 2017 the proposed annual adjustment mechanism for the cash remuneration for PAOs in accordance with the change in the average annual Consumer Price Index (C) with effect from July 1, 2018. The LegCo FC also approved in 2005 the pegging of the remuneration for the CE at 112.5% of that for the Chief Secretary for Administration with effect from July 1, 2007.

"Therefore, the latest adjustment to the remuneration of the Chief Executive is on July 1, 2019 which is made according to the change in the Consumer Price Index (C). The relevant expenditure is reflected in the estimated expenditure for the salaries in 2020-21."

The spokesman pointed out that in order to show that the governing team is fighting the disease and riding out the difficult times with the public, the CE and all PAOs announced in February that they would donate one month's remuneration to the Community Chest of Hong Kong for charity purposes.