

立法會
Legislative Council

LC Paper No. CB(1)1149/01-02
(These minutes have been seen
by the Administration)

Ref: CB1/BC/2/01

**Bills Committee on
Kowloon-Canton Railway Corporation (Amendment) Bill 2001**

**Minutes of meeting held on
Tuesday, 4 December 2001, at 2:30 pm
in Conference Room A of the Legislative Council Building**

Members present : Hon Miriam LAU Kin-ye, JP (Chairman)
Hon LAU Chin-shek, JP
Hon LAU Kong-wah
Hon Andrew CHENG Kar-foo
Hon Abraham SHEK Lai-him, JP
Hon LI Fung-ying, JP
Hon Audrey EU Yuet-mee, SC, JP

**Non-Bills Committee
member attending** : Hon James TO Kun-sun

Member absent : Hon Cyd HO Sau-lan
Ir Dr Hon Raymond HO Chung-tai, JP
Hon Eric LI Ka-cheung, JP
Hon Emily LAU Wai-hing, JP
Dr Hon TANG Siu-tong, JP

**Public officers
attending** : Transport Bureau

Mr Arthur HO
Deputy Secretary for Transport

Mr Roy TANG
Principal Assistant Secretary for Transport

Mr Clement CHAN
Assistant Secretary for Transport
Department of Justice

Mr Jonothan ABBOTT
Senior Assistant Law Draftsman

Ms Lonnie NG
Senior Government Counsel

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Miss Connie FUNG
Assistant Legal Adviser 3

Ms Alice AU
Senior Assistant Secretary (1)5

Action

I Meeting with the Administration

(LC Paper No. CB(3)12/01-02

Ref: TBCR 3/1015/98 Pt. 3

LC Paper No. LS2/01-02

Appendix III to LC Paper No. CB(1)286/01-02

LC Paper No. CB(1)389/01-02(01)

LC Paper No. CB(1)389/01-02(02)

LC Paper No. CB(1)444/01-02(01)

- The Bill;
- LegCo Brief;
- Legal Service Division Report;
- Mark-up copy of the Bill;
- Information paper provided by the Administration on the issues raised by members at the meeting held on 15 November 2001;
- Information paper provided by the Kowloon-Canton Railway Corporation on Hung Hom Property Development;
- The Administration's response to the issues raised at the meeting held on 23

LC Paper No. CB(1)480/01-02(01) November 2001;
- The Administration's response to the issues raised at the meeting held on 29 November 2001)

The Committee deliberated (Index of proceedings attached at **Annex A**).

Admin 2. The Committee requested the Administration to provide before the Bills Committee reported to the House Committee on 7 December 2001, further information on the following to facilitate their consideration:

- (a) Determination of remuneration when appointing the Chairman and Chief Executive of the Kowloon-Canton Railway Corporation (KCRC) in 1996.

(Post-meeting note: The requested information was subsequently issued to members vide LC Paper No. CB(1)532/01-02(01).)

Clause-by-clause examination of the Bill

3. The Committee proceeded to examine the Bill clause-by-clause.

Committee Stage amendments (CSAs)

4. The Committee noted that the Administration would move a CSA to amend the Chinese text of proposed section 3(2A) to improve the drafting of the Bill.

5. The Committee noted the draft CSA proposed by Mr CHENG Kar-foo requiring the KCRC Chairman and the Chief Executive Officer to attend meetings of the committees and subcommittees of the Legislative Council upon request.

(Post-meeting note: The above draft CSA which was tabled at the meeting was subsequently issued to members vide LC Paper No. CB(1)507/01-02(01).)

Admin 6. After deliberation, the Administration took on members' views and agreed to move a CSA along the same line as that proposed by Mr CHENG Kar-foo.

Recommendation

7. The Committee agreed that a report would be made to the House Committee on 7 December 2001 recommending that the Second Reading debate on the Bill be resumed on 19 December 2001.

III Any other business

8. There being no other business, the meeting ended at 4:40 pm.

Legislative Council Secretariat
22 February 2002

**Proceedings of the meeting of the
Bills Committee on
Kowloon-Canton Railway Corporation (Amendment) Bill 2001
on Tuesday, 4 December 2001, at 2:30 pm
in Conference Room A of the Legislative Council Building**

Time	Speaker	Subject(s)	Action required
<i>Agenda Item I - Meeting with the Administration</i>			
<i>(a) Matters arising</i>			
000000 - 000131	Chairman	- Admin's response to members' questions raised at the previous meeting on 29 November 2001	
000132 - 000234	Mr LAU Chin-shek	- Requiring the KCRC Board Chairman and the new Chief Executive Officer (CEO) to attend meetings of the committees and sub-committees of the Legislative Council (LegCo) upon request, by adding in the Bill a new provision similar to section 9 of the Urban Renewal Authority Ordinance (URAO) (Cap. 563)	
000235 - 000400	Mr Andrew CHENG	- Draft Committee Stage amendment (CSA) proposed	
000401 - 000510	Ms Audrey EU	- Anomaly between KCRC and URA in respect of attendance at meetings of the committees and sub-committees of LegCo	
000511 - 000855	Admin	- ditto -	
000856 - 001022	Ms Audrey EU	- ditto -	
001023 - 001035	Admin	- ditto -	
001036 - 001139	Miss LI Fung-ying	- Penalty for non-compliance with section 9 of URAO	
001140 - 001222	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
001223 - 001249	Mr LAU Kong-wah	- Difference between the effect of section 9 of URAO and section 9 of the Legislative Council (Powers and Privileges) Ordinance (P&PO) (Cap. 382)	
001250 - 001429	Admin	- ditto -	
001430 - 001549	Chairman	- ditto -	
001550 - 001605	Admin	- ditto -	
001606 - 001614	Chairman	- ditto -	
001615 - 001633	Admin	- ditto -	
001634 - 001735	Mr LAU Kong-wah	- Soliciting advice on the appropriateness of adding a new provision in the Bill along the line of section 9 of P&PO, and the different legal effect of section 9 of URAO and section 9 of P&PO	
001736 - 001849	ALA3	- ditto -	
001850 - 001901	Mr LAU Kong-wah	- ditto -	
001902 - 002059	ALA3	- ditto -	
002100 - 002229	Mr LAU Chin-shek	- Possible controversy in invoking section 9 of P&PO	
002230 - 002307	Mr Abraham SHEK	- Drafting of Mr CHENG's proposed CSA for requiring the attendance of KCRC Board Chairman and/or CEO	
002308 - 002315	Admin	- ditto -	
002316 - 002331	ALA3	- ditto -	
002332 - 002416	Mr Andrew CHENG	- ditto -	
002417 - 002439	Chairman	- ditto -	
002440 - 002512	ALA3	- ditto -	
002513 - 002905	Mr Andrew CHENG	- Requiring attendance at LegCo meetings to enhance the accountability of public transport service providers	

Time	Speaker	Subject(s)	Action required
002906 - 003048	Admin	- ditto -	Admin would move the relevant CSA to include a new provision in the Bill requiring the Chairman and CEO to attend meetings of the committees and sub-committees of LegCo upon request.
003049 - 003106	Chairman	- ditto -	
003107 - 003147	Mr Andrew CHENG	- ditto -	
003148 - 003158	Mr LAU Kong-wah	- Need for reference to section 9 of P&PO	
003159 - 003208	Admin	- ditto -	
003209 - 003229	Chairman	- Admin to provide draft CSA for members' consideration before the Bills Committee reported back to the House Committee	Admin to follow up
003230 - 003249	Admin	- ditto -	
003250 - 003317	Mr Andrew CHENG	- ditto -	
003318 - 003427	Mr Abraham SHEK	- Expressing support for requiring the attendance of the Chairmen and executive directors of public corporations with substantial financial support from the Government	
003428 - 003515	Chairman	- ditto -	
003516 - 003616	Admin	- Disclosure of the remuneration of their CEOs by other statutory organizations	
003617 - 003707	Mr Abraham SHEK	- Separate listings for the remuneration of KCRC Board Members and executive directors in the annual report	
003708 - 003715	Admin	- Admin to relay the member's suggestion to KCRC for consideration	Admin to follow up

Time	Speaker	Subject(s)	Action required
003716 - 003942	Mr Andrew CHENG	- Disclosure of the remuneration of the new CEO to enhance transparency - Request for the Bills Committee to consider moving the relevant CSA	
003943 - 004042	Chairman	- Soliciting members' view on the matter	
004043 - 004223	Mr LAU Kong-wah	- Existing mechanism for determining the remuneration of CEOs of statutory bodies and Admin's monitoring role	
004224 - 004352	Admin	- ditto -	
004353 - 004517	Mr LAU Kong-wah	- Factors to be considered in determining the level of remuneration of the new CEO and senior executives of KCRC	
004518 - 004632	Admin	- ditto -	
004633 - 004707	Mr LAU Kong-wah	- ditto -	
004708 - 004819	Admin	- ditto -	
004820 - 005026	Mr Andrew CHENG	- Rationale for Admin's stance of not requiring full disclosure of the remuneration of CEOs and senior executives of statutory bodies	
005027 - 005229	Admin	- Standard of disclosure required under the Listing Rules of the Hong Kong Stock Exchange - Need to maintain a right balance between disclosure and privacy	
005230 - 005435	Mr James TO	- Authority to determine the remuneration of the incumbent Chairman/Chief Executive and the KCRC Board Chairman and new CEO after the proposed separation	
005436 - 005557	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
005558 - 005639	Mr James TO	- Request for information on factors considered when determining the remuneration of the incumbent Chairman/Chief Executive in 1996 - Remuneration to be offered to the new CEO	
005640 - 005737	Admin	- ditto -	
005738 - 005844	Mr James TO	- ditto -	
005845 - 005913	Chairman	- Relevance of the member's request to the ambit of the Bill	
005914 - 010025	Mr James TO	- Financial implication before and after the proposed separation	
010026 - 010122	Admin	- ditto -	
010123 - 010245	Mr James TO	- ditto -	
010246 - 010328	Admin	- ditto -	
010329 - 010409	Chairman	- Motion proposed by Mr Albert HO on "Reviewing the pay adjustment mechanisms of statutory bodies and the Hong Kong Monetary Authority" to be held on 12 December 2001	
010410 - 010459	Mr James TO	- CSA to be proposed by members to the effect that any determination by the Corporation of the terms and conditions of the CEO be subject to LegCo's approval	
010500 - 010606	Chairman	- Request for Admin to provide the information sought by the member before the Bills Committee reported to the House Committee	Admin to provide information
010607 - 010636	Mr James TO	- ditto -	
010637 - 010653	Admin	- ditto -	
010654 - 010802	Chairman	- Admin's request to resume the Second Reading debate on the Bill on 12 December 2001	
010803 - 011003	Admin	- ditto -	
011004 - 011015	Chairman	- ditto -	

Time	Speaker	Subject(s)	Action required
011016 - 011043	Mr James TO	- Possible CSA to require the determination by the Corporation of the terms and conditions of the CEO be subject to LegCo's approval	
011044 - 011056	Chairman	- Soliciting members' view on Admin's request to resume the Second Reading debate on the Bill on 12 December 2001	
011057 - 011105	Admin	- ditto -	
011106 - 011124	Mr James TO	- ditto -	
011125 - 011216	Admin	- ditto -	
011217 - 011312	Chairman	- ditto -	
011313 - 011513	Mr Andrew CHENG	- ditto -	
011514 - 011604	Chairman	- ditto -	
011605 - 011647	Mr Andrew CHENG	- Soliciting advice on CSAs to be moved by members on the disclosure and determination of the new CEO's remuneration	
011648 - 011805	ALA3	- ditto -	
011806 - 011848	Mr James TO	- Soliciting Admin's stance on requiring the determination by the Corporation of the terms and conditions of the CEO be subject to LegCo's approval	
011849 - 012211	Admin	- ditto -	
012212 - 012252	Chairman	- ditto -	
012253 - 012415	Mr James TO	- ditto -	
012416 - 012620	Chairman	- Appointment of the Government's representatives (i.e. the Secretary for Transport and the Secretary for the Treasury) to the KCRC Board, and their respective roles and functions on the KCRC Board	
012621 - 012700	Mr LAU Kong-wah	- Roles and functions of the Government's representatives on the KCRC Board as government officials and their accountability to LegCo	
012701 - 012830	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
012831 - 013034	Mr LAU Kong-wah	- ditto -	
013035 - 013505	Admin	- ditto -	
013506 - 013607	Mr LAU Kong-wah	- Effectiveness of appointing policy secretaries to the Board to play a monitoring role	
013608 - 013655	Admin	- ditto -	
013656 - 013837	Chairman	- Request for Admin to consider the member's view - Relevance of the member's comments to the ambit of the Bill	
013838 - 013846	ALA3	- ditto -	
013847 - 013907	Chairman	- ditto -	
013908 - 013920	Admin	- ditto -	
013921 - 014019	Chairman	- Soliciting members' view on reporting back to the House Committee on 7 December 2001	Members agreed that the Bills Committee would report to the House Committee on 7 December 2001.
014020 - 014107	Miss LI Fung-ying	- ditto -	
<i>(b) Clause-by-clause examination on the Bill</i>			
014108 - 014340	Chairman	- Clause-by-clause examination on the Chinese text of the Bill - Long title of the Bill - Clause 1 - Clause 2 - Clause 3(1)	
014341 - 014406	Admin	- Clause 3(1)	
014407 - 014436	Chairman	- Clause 3(2)	
014437 - 014505	Mr LAU Kong-wah	- Meaning of "prior approval of the Chief Executive" in proposed paragraph 4 of the First Schedule to the principal Ordinance	
014506 - 014607	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
014608 - 014619	Mr LAU Kong-wah	<ul style="list-style-type: none"> - Role of the Chief Executive of the Hong Kong Special Administrative Region (CE/HKSAR) in the appointment of the new CEO - CE/HKSAR's approval for retaining the incumbent Chairman/Chief Executive as the new CEO 	
014620 - 014719	Admin	- ditto -	
014720 - 014729	Mr LAU Kong-wah	- Open recruitment of new CEO	
014730 - 014841	Admin	- ditto -	
014842 - 014857	Mr LAU Kong-wah	- Authority to trigger off the suspension or dismissal of the CEO in proposed paragraph 4(b) of the First Schedule to the principal Ordinance	
014858 - 014924	Admin	- ditto -	
014925 - 015037	Mr Andrew CHENG	- CE/HKSAR's excessive power in the appointment, suspension and dismissal of the CEO	
015038 - 015132	Admin	- ditto -	
015133 - 015143	Mr LAU Kong-wah	- Arrangements for Hospital Authority and Airport Authority	
015144 - 015207	Admin	- ditto -	
015208 - 015401	Mr Andrew CHENG	<ul style="list-style-type: none"> - CE/HKSAR's excessive power in the appointment, suspension and dismissal of the CEO - Possible CSAs to be proposed by Members of the Democratic Party 	
015402 - 015434	Chairman	- Clause 3(3)	
015435 - 015446	ALA3	- Technical CSA to be proposed by Admin to improve the drafting of the Chinese text	
015447 - 015652	Chairman	<ul style="list-style-type: none"> - Clause 4 - Clause 5 - Clause 6(1) - Clause 6(2) 	

Time	Speaker	Subject(s)	Action required
015653 - 015741	Mr Andrew CHENG	- Effect of adding “or Chief Executive Officer” after “Chairman” in proposed paragraph 12 of the First Schedule to the principal Ordinance in respect of the signing of certificate	
015742 - 015832	Admin	- ditto -	
015833 - 015851	Chairman	- Clause 6(3)	
015852 - 015952	Admin	- ditto -	
015953 - 020026	Chairman	- Clause 7	
020027 - 020056	Mr LAU Kong-wah	- Enquiry on paragraph 5 of the First Schedule to the principal Ordinance	
020057 - 020126	Admin	- ditto -	
020127 - 020155	Mr LAU Kong-wah	- ditto -	
020156 - 020909	Chairman	- Clause-by-clause examination on the English text of the Bill - Legislative timetable	The Bills Committee completed deliberation on the Bill and would report to the House Committee on 7 December 2001, recommending the resumption of Second Reading debate on the Bill on 19 December 2001. Two CSAs would be moved by Admin. Other CSAs might be moved by individual Members.

Note: The audio records of the above proceedings are kept at the LegCo Library.

Legislative Council Secretariat
22 February 2002