

**Extract from minutes of meeting on
Panel on Constitutional Affairs on 19 March 2001**

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V. Restrictions on activities undertaken by a former Chief Executive

30. Deputy Secretary for Constitutional Affairs (1) (DSCS(1)) gave a verbal report on this item. DSCS(1) said that there was no restriction imposed on commercial or political activities to be undertaken by a former holder of the office of CE in and outside HKSAR under the present legislation. The Administration was studying the issue and in the process would look into existing arrangements applicable to senior government officials and overseas practices.

31. DSCS(1) said that on overseas practices, the initial research conducted by the Administration covered the United Kingdom, United States, Australia, Canada and Japan. While he would share some of the findings with members of the Panel, he stressed that the information so far obtained was incomplete. DSCS(1) said that there was no restriction on the political activities to be undertaken by former Presidents or Prime Ministers of these countries. They could enjoy all political rights as ordinary citizens. As regards commercial activities, different approaches were adopted. The United States and Japan did not have any regulations to govern the commercial activities to be undertaken by their former Presidents or Prime Ministers. On the other hand, the United Kingdom and Canada had codes to impose restrictions on the commercial activities to be undertaken by their former ministers including Prime Ministers. For example, if a minister of Canada had direct and significant involvement with a private company in the course of his duties within one year before his departure from office, he could not be employed by that company or appointed as a director of that company for two years after his departure from office. If a minister including the Prime Minister of the United Kingdom wished to be employed by a private company within two years after his departure from office, he had to seek the prior approval of an independent committee which was specifically established to handle such matters.

32. Mr James TIEN asked whether the minister of Canada referred to in paragraph 31 above was also debarred from providing consultancy services to the company in question. DSCA(1) said that there should be restrictions imposed on the scope of activities referred to by Mr TIEN, but he was unable to advise at this point in time in the absence of the relevant document in hand.

33. Ms Cyd HO said that she was dissatisfied that the Administration did not provide a paper on the item to facilitate discussion by members. She said that some of the information provided by DSCA(1) was different from the information she had obtained, e.g. former public officials in Canada were not allowed to disclose to their

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future customers or employers any restricted information that had come to their knowledge in the course of their duties. DSCA(1) reiterated that the information obtained by the Administration at this stage was preliminary and incomplete. Ms HO requested the Administration to provide members with a detailed written report on its research findings after the meeting.

34. Ms Cyd HO expressed concern about the time frame for the Administration to complete the study as the term of office of the first term CE would expire in 15 months' time. A few members were of the view that the Administration should complete the study as early as possible. While DSCA(1) agreed that the Administration would expedite the progress of the study, he could not provide a specific timetable at this stage. In further response to Miss Margaret NG, DSCA(1) undertook to complete the study within a reasonable period of time before the expiry of the term of office of the first term CE.

35. Ms HO also urged the Administration to consider whether it was necessary to amend the Pensions Ordinance or to include appropriate provisions in the CE Election Bill to provide for a retirement protection scheme for CE.

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36. The Chairman asked the Administration to consider the authority which should be responsible for giving the final approval to the recommendations of the study. DSCA(1) noted this request.

37. Ms Emily LAU suggested that the Research and Library Services Division of the LegCo Secretariat should be requested to conduct a research study on the same subject. The Chairman opined that the focus of the research study should be more or less the same, irrespective of whether it was undertaken by the Administration or the Secretariat. He was concerned about duplication of efforts. DSCA(1) suggested that any information obtained by the Administration on overseas practices could be provided to the Panel for information.

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38. After discussion, members agreed that the Research and Library Services Division and the Administration should work in collaboration with a view to providing as much relevant information as possible on the subject for the reference of the Panel, pending outcome of the study being conducted by the Administration. The Administration should aim at completing the study as early as possible and consult the Panel on its preliminary proposals before arriving at any decision on the matter.

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