

**立法會**  
**Legislative Council**

LC Paper No. CB(1)838/04-05  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/HG/1

**Panel on Housing**

**Minutes of meeting**  
**held on Monday, 3 January 2005, at 2:30 pm**  
**in the Chamber of the Legislative Council Building**

**Members present** : Hon CHAN Kam-lam, JP (Chairman)  
Hon LEE Wing-tat (Deputy Chairman)  
Hon Fred LI Wah-ming, JP  
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP  
Hon James TO Kun-sun  
Hon CHAN Yuen-han, JP  
Hon LEUNG Yiu-chung  
Dr Hon YEUNG Sum  
Hon Abraham SHEK Lai-him, JP  
Hon Tommy CHEUNG Yu-yan, JP  
Hon Albert CHAN Wai-yip  
Hon Frederick FUNG Kin-kee, JP  
Hon WONG Kwok-hing, MH  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Hon Albert Jinghan CHENG

**Members absent** : Hon CHEUNG Hok-ming, SBS, JP  
Hon Patrick LAU Sau-shing, SBS, JP

**Public officers** : **Agenda item IV**  
**attending**

Mr TAM Wing-pong, JP  
Permanent Secretary for Housing, Planning and Lands  
(Housing) (Acting)

Mr K H LAU, JP  
Deputy Director of Housing  
(Estate Management)

Mr LEUNG Sai-chi  
Chief Manager/Management (Support Services) 1  
Housing Department

Mr LEE Kang-sum  
Chief Manager/Management (Support Services) 3  
Housing Department

Mrs Jenny CHAN, JP  
Assistant Commissioner for Labour

**Agenda item V**

Mr TAM Wing-pong, JP  
Permanent Secretary for Housing, Planning and Lands  
(Housing) (Acting)

Mr James WONG  
Assistant Director of Housing (Finance)

**Clerk in attendance :** Miss Odelia LEUNG  
Chief Council Secretary (1)4

**Staff in attendance :** Ms Elyssa WONG  
Deputy Head (Research and Library Services)

Mr Thomas WONG  
Research Officer 4

Ms Sarah YUEN  
Senior Council Secretary (1)6

Ms Christina SHIU  
Legislative Assistant

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**I Confirmation of minutes**

(LC Paper No. CB(1)592/04-05 -- Minutes of meeting on 6 December 2004)

The minutes of the meeting held on 6 December 2004 were confirmed.

**II Information papers issued since last meeting**

(LC Paper No. CB(1)403/04-05(01) -- Letter from Hon Albert CHAN Wai-yip concerning allocation of surplus Home Ownership Scheme flats to the disciplined services

LC Paper No. CB(1)403/04-05(02) -- The reply from the Security Bureau to the letter from Hon Albert CHAN Wai-yip concerning allocation of surplus Home Ownership Scheme flats (LC Paper No. CB(1)403/04-05(01))

LC Paper No. CB(1)526/04-05(01) -- Memorandum dated 14 December 2004 from the Complaints Division referring to the Panel the concerns raised at a meeting of Legislative Council Members with the Society for Community Organization on 10 December 2004 on assistance to elderly people living in dilapidated buildings

LC Paper No. CB(1)527/04-05(01) -- Memorandum dated 25 November 2004 from the Complaints Division referring to the Panel the concerns raised at a meeting of Legislative Council Members with the Society for Community Organization and the Concern Group on Children's Rights on 20 November 2004 on policy on assisting children in poverty)

2. Members noted the above information papers issued since the last monthly regular meeting of the Panel on 6 December 2004.

**III Items for discussion at the next meeting**

- (LC Paper No. CB(1)591/04-05(01) -- List of outstanding items for discussion  
LC Paper No. CB(1)591/04-05(02) -- List of follow-up actions)

3. Members agreed to discuss “Review of income and asset limits for Waiting List applicants” at the next regular meeting scheduled for 7 February 2005, at 2:30 pm.

4. Members also agreed to enquire with the Administration of the following:

- (a) the timing for discussing the item “Assistance to elderly owners of dilapidated buildings” on the List of outstanding items for discussion; and
- (b) the media report that the Housing, Planning and Lands Bureau encouraged the Hong Kong Housing Society to participate in management of private buildings.

*(Post-meeting note: a letter relaying members’ enquiries was sent to the Administration on 5 January 2005.)*

5. Members were reminded that a special meeting had been scheduled for Friday, 21 January 2005, from 12:10 pm to 1:10 pm to receive a briefing by the Secretary for Housing, Planning and Lands (SHPL) on details of the policy commitments of the Housing portfolio for 2005.

#### **IV Procurement of services for public rental housing estates**

(LC Paper No. CB(1)350/04-05(06) -- Information paper provided by the Administration

LC Paper No. CB(1)350/04-05(07) -- Background brief on “Procurement of cleansing services for public rental housing estates” prepared by the Legislative Council Secretariat)

6. The Permanent Secretary for Housing, Planning and Lands (Housing) (Acting) (PSH(Atg)) and the Deputy Director of Housing (Estate Management) (DD of H(EM)) briefed members on the progress and effectiveness of the enhanced measures in the procurement of services for public rental housing (PRH) estates (the enhanced measures) in protecting the interests of non-skilled workers.

Effectiveness of the enhanced measures

7. Many members cast doubt on the effectiveness of the enhanced measures. In particular, Mr WONG Kwok-hing highlighted the following complaints of labour exploitation from workers employed by Government contractors –

- (a) permanent monthly pay jobs were increasingly replaced by odd jobs with daily pay;
- (b) working hours were increased from eight to twelve and the four-hour overtime work was not paid;
- (c) wages were deducted for the lunch break and under various pretexts;
- (d) cut in contract prices were passed onto workers;
- (e) employers' contribution to the Mandatory Provident Fund (MPF) Schemes was deducted from the wages; and
- (f) revenge was taken on workers who reported on exploitation.

8. In this regard, Mr Albert CHAN Wai-yip also pointed out that the enhanced measures could not prevent permanent full-time jobs from being split up into part-time jobs to cut staff costs. To arrest such development, he proposed that as in the case of management contracts of private buildings, HD should specify the required number of workers and wages in tender invitation.

9. In response, DD of H(EM) made the following points –

- (a) The effectiveness of the enhanced measures should be assessed in two aspects, namely, public housing tenants' satisfaction with estate services and the number of complaints about labour exploitation, both of which had improved significantly. In fact, since implementation of the enhanced measures, the number of complaints significantly decreased from 16 in the first half of 2004 to only five in the second half. Such complaints mainly concerned labour disputes, leave matters and wage matters;
- (b) Where complaints of labour exploitation were substantiated, contractors would be penalized under the Demerit Point System (DPS). Tenders submitted by contractors who were allotted six or more demerit points would not be considered. Should contractors be found guilty of criminal offences, their tenders would not be considered once three demerit points were allotted. Publicity about the DPS would be geared up to warn contractors of the consequences of labour exploitation; and

- (c) Contractors would not be benefited from employing part-time workers because they were required to pay part-time workers the committed wages on a pro rata basis. Moreover, the number of part-time workers were capped at no more than three-eighth of the total number of workers.

10. Referring to paragraph 9(a) above, Mr Albert Jinghan CHENG opined that satisfaction with estate services might have gone up simply because Housing Department (HD) staff had not done their job properly in the past. In reply, DD of H(EM) explained that the satisfaction rate in public housing estates without outsourcing services also improved by a similar extent. This proved that the overall performance was improving. Factors which accounted for the higher satisfaction with estate services included the comparatively newer stock of public housing estates, the implementation of the marking scheme for tenancy enforcement in public housing estates and improvements in estate maintenance.

11. Questioning whether the complaint figure really dropped as reported in paragraph 9(a) above, Mr Albert CHAN said that HD's complaint system should be improved to encourage workers to come forward to testify against contractors. Mr LEUNG Yiu-chung and Miss CHAN Yuen-han shared his view, and stressed the importance of protecting the identity of complainants. Miss CHAN further pointed out that workers of Government contractors were reluctant to complain because they were afraid of losing their jobs with pay higher than comparable jobs in the private market.

12. In response, DD of H(EM) advised that a hotline had been established to encourage workers to lodge complaints directly with HD on any exploitation. Notices were displayed in the common rooms of workers informing them that their complaints would be handled in private.

13. In relation to paragraph 9(c) above, Mr WONG Kwok-hing noted that when determining the "committed wages" for non-skilled employees in the Housing Authority (HA)'s outsourced contracts, reference would be made to the relevant average monthly wage published in the latest Census and Statistics Department's Quarterly Report of Wage and Payroll Statistics. He sought to ascertain whether the committed wages covered pay for the lunch break. DD of H(EM) replied that there was no problem on non-skilled workers taking lunch at their work place, e.g. counters at entrance of housing blocks. He further elaborated that according to the definition of "committed wages", only those income and allowances that were guaranteed would be counted as part of the committed wages. Allowances which were paid to a worker subject to his/her attendance, such as good attendance allowance, would not be counted under "committed wages".

14. Referring to the capping of part-time workers mentioned in paragraph 9(c) above, Mr Albert CHAN asked how the Administration could ensure their effectiveness. He also considered the ratio of part-time workers too high to

provide the much needed job security to the grass roots. In this regard, the Chairman expressed concern that contractors might circumvent the requirement by, for example, secretly replacing full-time workers with part-time workers, providing false information on the number of working hours of part-time workers, etc. Quoting an example, Miss CHAN Yuen-han pointed out that the Food and Environmental Hygiene Department recently awarded 13 contracts which all included part-time workers working seven hours a day. These workers were not classified as full-time workers because the latter were defined as workers working eight hours a day for 26 days a month. Messrs Albert CHENG and LEUNG Yiu-chung also added that the temptation to evade the requirement was great because the employment of part-time workers could minimize the contribution of contractors to the MPF Schemes and reduce staff costs on fringe benefits and labour insurance.

15. In response, DD of H(EM) explained that part-time employment was much sought after by housewives living in public housing estates as a means to support their families whilst looking after their children. Moreover, the committed wages of \$5,051 were paid for part-time jobs on a pro rata basis and the amount was reasonable. Mrs Selina CHOW LIANG Shuk-yee shared his view, and pointed out that part-time employment could share out jobs, enabling more people to get employed. Notwithstanding, DD of H(EM) and PSH (Atg) undertook to review the ratio of part-time workers.

#### Ways to improve the enhanced measures

##### *Award of contracts*

16. Mr Fred LI Wah-ming opined that labour exploitation would not cease no matter what enhanced measures were introduced. This was because Government contracts were always awarded to the lowest tenderer. Contractors were tempted to cut costs at the expense of workers. He and other members made the following proposals to improve the award of contracts –

- (a) The feasibility of the lowest tender should be examined. In this regard, the Administration should estimate the basic costs for providing certain estate services for the purpose of assessing the viability of tender prices;
- (b) To support the Administration's claim that outsourcing could protect workers' interests, HD should give additional scores to contractors who paid higher "committed wages";
- (c) To ensure service quality, HA should be prepared to award service contracts to tenderers with good track record even though the tender prices were higher; and

- (d) Apart from ensuring the contract prices and terms were reasonable, incentive measures should be introduced to encourage good performance. Such an approach would also help attract established management companies to bid for HA's service contracts. With a bigger pool of service contractors, the HA would be in a better position to terminate the service contracts of non-complying contractors without having to worry about the implications on estate services.

17. In response, DD of H(EM) said that the Administration would continue to review its service procurement process to identify needs for further improvement. The Administration could also advise the Panel on the criteria for assessing tenders to address members' concerns. He also made the following points –

- (a) Under the current tendering system of Government, due consideration was already given to tenderers' past performance. 50% of the score was based on non-financial performance and there had been cases where the contract was not awarded to the lowest bidder. The Administration would provide the relevant statistics to the Panel. The tender prices were also assessed against estimates on the basic costs for providing the service;
- (b) The prices for Government contracts were not necessarily low. The prices for HA's service contracts in the past year were lower than the preceding three years mainly because the earlier contracts were awarded to property management companies with the requirement to take on ex-HD staff. This requirement was removed upon completion of the Voluntary Departure Scheme. However, with the introduction of the committed wages, HA's property management contract prices had already gone up by roughly 5%; and
- (c) HA's property management contracts were also attractive to established management companies with proven track records.

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#### *Demerit point system*

18. Members in general felt the penalties for non-compliance with contract requirements were too light to be of any effect. In particular, Mr WONG Kwok-hing considered the DPS too lenient because contractors would only be disqualified from tendering after being allotted six or more demerit points. Moreover, the demerit points would remain valid only for six months, not to mention that the contractors could change their names or form new subsidiaries to bid for Government contracts again. Mr LEE Wing-tat showed appreciation for the Government terminating the contract of the contractor who had used the North Point Estate site for uses other than the specified purpose, and urged the HA to take similarly strict measures against service contractors who exploited workers. Mr Fred LI also found it too lenient that the total payment to the contractor for a



particular month would only be deducted by the same percentage of the shortfall of payment to workers. In this regard, Mr Albert CHAN opined that the contractor should be required to doubly compensate the workers who had been under-paid.

19. In response, DD of H(EM) disagreed that the penalties for contractors were too light and put forward the following points –

- (a) The DPS was a central system applied to cleansing contracts offered by all Government departments. Once a contractor had accumulated six or more demerit points, he would not be able to tender for any Government cleansing contracts;
- (b) Under the “batch-payment adjustment” system, the total gross payment for a month payable to the contractor would be deducted even if only one irregularity was found in the samples taken in that month; and
- (c) Cases with criminal elements would be referred to the Police for follow-up. In addition, cases involving contravention of the Employment Ordinance would also be referred to the Labour Department (LD). In the event of serious non-compliance, the contract concerned could be terminated immediately.

20. Notwithstanding the above explanations, the Chairman opined that the accumulated demerit points for disqualifying contractors for bidding contracts should be decreased. He believed that there might be a greater deterrent effect if the contractor would be disqualified once he was found guilty of labour exploitation but that he would be allowed to tender for Government contracts again after a period of say, six months. Mrs Selina CHOW and Mr LEUNG Kwok-hung also maintained that the contract concerned should be terminated immediately once irregularities were established. In particular, Mr LEUNG considered it a criminal offence to pay staff wages lower than the committed wages. He urged the HA to report all such irregularities to the Police. In response, PSH(Atg) undertook to examine how the deterrent effect for contract non-compliance could be enhanced.

21. In this regard, PSH(Atg) highlighted the need to exercise great care in immediately terminating service contracts in consideration of the impact on estate cleanliness if no lead time was allowed for making alternative arrangements.

22. Noting PSH(Atg)'s point, Mr LEUNG Kwok-hung said that the Administration should have been aware of this impact which was pointed out by tenants of public housing estates when they were consulted on outsourcing of estate services. Their views were however unheeded to. In response, DD of H(EM) explained that the point made by PSH(Atg) in paragraph 21 above aimed to highlight the need to exercise care in deciding to take action to terminate a service contract. Mr James TO Kun-sun however opined that the difficulty could

be overcome if a notice period of say, one month, was given to the contractor. DD of H(EM) noted his view.

### *Monitoring and enforcement*

23. Mr WONG Kwok-hing expressed concern about enforcement against labour exploitation, pointing out that when complaints of labour exploitation were brought to the attention of the relevant estate housing managers, their response was that they were only responsible for monitoring the performance of contractors but not staff matters. In response, DD of H(EM) confirmed that front-line officers were responsible for ensuring the service contractors working on their estates were adhering to the terms of the service contracts. The “batch-payment adjustment” system was one of various means to guard against labour exploitation.

24. Mr LEUNG Yiu-chung commented that estate staff were rarely seen performing their monitoring role. In response, DD of H(EM) disagreed that the monitoring efforts made by HD staff were inadequate. He pointed out that both the contractor and its workers were required to sign on the salary statements to certify their validity. Moreover, five percent of workers’ salary statements would be checked on a random basis. HD would carry out random interviews with the workers to verify that wages shown on the salary statements were the actual amount received by them. HD was also considering implementing a “central auditing” mechanism as an independent check on the effectiveness of the enhanced measures in housing estates. In the audits, workers would be interviewed and records on wage payment and working hours would be verified in conjunction with the LD. PSH(Atg) added that SHPL had already instructed that training of front-line HD staff be geared up to enhance their ability in handling complaints of labour exploitation and identifying irregularities in this regard.

25. Mr LEUNG Kwok-hung stated that the Administration should have foreseen the difficulty and substantial resources required in monitoring the performance of contractors because this was the common problem of outsourcing. According to him, HD staff could hardly monitor the services provided by contractors many of whom were former HD staff who left HD through the VR Scheme. In response, DD of H(EM) reiterated that HD could monitor the performance of its service contractors. He further emphasized that the benefits of outsourcing were evidenced by the introduction of new equipment and new management practices.

26. Highlighting the great number of irregularities notwithstanding the enhanced measures, Miss CHAN Yuen-han called upon PSH(Atg) to relay to the Chief Executive and SHPL the importance of legislating on minimum wages and reasonable working hours in line with the mandatory requirements promulgated by the Government in May 2004. In this regard, the Chairman commented that promulgating the mandatory requirements was already an important step forward in enhancing protection for workers.

27. In response, PSH(Atg) undertook that any complaints about labour exploitation would be handled seriously, and he would relay Miss CHAN's views to the Financial Services and the Treasury Bureau (FSTB) for consideration. Meanwhile, he stressed the importance of continuing to regulate contractors through contract requirements, identifying loopholes exemplified in individual cases of irregularities, and tightening up contract terms where necessary. Miss CHAN Yuen-han emphasized the need for early legislation and said that the Executive Council should be made aware of the need. In response, DD of H(EM) said that the issue straddled over various policy bureaux. Mrs Selina CHOW indicated her disagreement to legislation on minimum wages.

28. In reply to Mr WONG Kwok-hing, the Assistant Commissioner for Labour stressed that LD fully recognized the urgent need for preparing a standard employment contract for non-skilled workers employed by contractors in Government service contracts. She reported that the relevant draft was being discussed within LD and would be forwarded to the Department of Justice for comments and to FSTB for decision. The process was expected to complete in early 2005.

**V Financial position of the Hong Kong Housing Authority**

- (LC Paper No. CB(1)591/04-05(03) -- Information paper provided by the Administration
- LC Paper No. IN14/04-05 -- Information note on "Financial Position of the Housing Authority from 1997-78 to 2003-04" prepared by Research & Library Services Division
- LC Paper No. IN15/04-05 -- Information note on "Statistics on Public Rental Housing of the Hong Kong Housing Authority" prepared by Research & Library Services Division)

29. PSH(Atg) briefed members on the financial position of the HA. Members noted that although the divestment of HA's retail and car-parking facilities (the RC facilities) through the establishment of a Real Estate Investment Trust (The Link REIT) had been delayed, the HA would be able to sustain its operation until early 2007 without compromising its pledge to keep the waiting time for PRH to an average of three years.

Ways to overcome HA's financial difficulty

30. Pointing out that the proceeds from the divestment could only sustain the public housing programme for five to six years, Mr LEE Wing-tat urged the HA to resume the Tenants Purchase Scheme (TPS) to improve HA's financial position. In reply, PSH(Atg) pointed out that PRH was aimed at helping low-income families to improve their standard of living. PRH would be put to better use with greater tenant mobility. TPS would reduce the PRH stock. Given the costs and land requirements for PRH production, the question of how best to use PRH resources would need to be examined further. He also reported that, to improve its financial position, the HA had already initiated talks with the Government on its financial arrangements and the possible need for the Government to inject funds into the HA.

31. Mr LEE Wing-tat was unconvinced. He opined that with the vacancy rate of PRH at 5%, the running stock was sufficiently large to support the resumption of the TPS without compromising the waiting time. Moreover, with the decrease in construction cost, the incomes from TPS might be able to cover the cost of PRH and hence help sustain the public housing programme. He further pointed out that notwithstanding the Government's announcement of the Statement on Housing Policy in November 2002, the TPS should be resumed as the property market was recovering and the impact of the TPS would be minimal. The Chairman shared his views. Mr Frederick FUNG Kin-kee however did not agree to resume the TPS on the ground that it would affect the PRH stock and hence the waiting time for PRH. Moreover, the management problems relating to sold PRH flats had yet to be solved effectively. In response, PSH(Atg) stressed that there were divergent views on the resumption of TPS and the subject should be examined with care.

32. Mr Frederick FUNG urged the Government to either resume Home Ownership Scheme (HOS) sales immediately or seriously examine how to help HA overcome its financial difficulty. He opined that HA's financial difficulty was the result of Government's decision to suspend the sale of HOS flats, which was the main source of income for the HA to meet its capital expenditure on the production of PRH flats. Miss CHAN Yuen-han shared his views. She further pointed out that cessation of HOS had also deprived the opportunities of low-income families to improve their living conditions. In response, PSH(Atg) undertook to relay members' views to SHPL and to report the progress of HA's talks with the Government on its financial arrangements in due course.

Admin

33. Mr Alan LEONG Kah-kit opined that, to enable the Panel to examine how HA could better utilize its resources to overcome its financial difficulty, more details should be provided on HA's staff costs, savings from outsourcing of its services, etc. In response, PSH(Atg) emphasized that the HA had already implemented a number of cost-saving initiatives. The Assistant Director of Housing (Finance) (AD of H(F)) supplemented that 27 directorate posts and 3 500 non-directorate posts would be deleted from 2002 to 2007 as a result of the restructuring of HD. Staff costs had also been on the decrease over the past few

years. The Administration would try to work out savings from outsourcing should members consider it necessary.

34. Mr LEUNG Yiu-chung opined that the Government should actively help the HA overcome its financial difficulty because, according to the information note on the financial position of the HA prepared by the Secretariat, the drop in the overall income of HA was mainly the result of a series of housing policy shift by the Government including the suspension of the sale of HOS and of the TPS. The HA could not tackle its financial problem merely by the divestment of its RC facilities and by cutting staff costs. At his request for details of the HA's talks with the Government on how to address HA's financial difficulty, PSH (Atg) advised that the mode of Government support to the HA hinged largely on how far the community considered PRH as a social welfare. Mr LEUNG and Miss CHAN Yuen-han both remarked that the provision of PRH was a welfare service and the housing rights of the grass roots should be safeguarded.

Admin

35. In reply to Miss CHAN Yuen-han on the timetable for finalizing HA's financial arrangements with the Government, PSH(Atg) said that since there were pending proceedings in relation to rent review and delay in listing of The Link REIT, the talks in this regard might take more time than originally expected. The Administration might be able to report on the progress in the second half of 2005. Miss CHAN and the Chairman urged the Administration to report to the Panel once a consensus was reached on whether the provision of PRH was a welfare service.

#### Other views

36. At Mr LEE Wing-tat's request to account for the significant decrease in the surplus from HA's commercial operations, AD of H(F) reported that the drop was attributed to the rent reduction for commercial facilities in January 1999 and November 2001, parking fee reductions in January 1999, January 2002 and January 2003, and rent concessions up to 50% for the commercial tenants affected by the outbreak of the Severe Acute Respiratory Syndrome from April to June 2003. PSH(Atg) pointed out that if the RC facilities were divested, their operation could be improved to generate more incomes.

37. In response to Mr Albert CHENG, PSH(Atg) confirmed that if the divestment exercise were called off, the public housing programme might be affected. It would be a different matter if the listing of The Link REIT was only delayed. Mr CHENG pointed out that the rental income from the RC facilities was a major source of recurrent cash flow to the HA. He asked if the HA had any plan on how to invest the expected proceeds from the divestment of \$30 billion to ensure sufficient income could be generated to make up for the loss of the recurrent income.

38. In reply, PSH(Atg) clarified that apart from improving the financial position of HA with a view to delivering the public housing programme, one major

purpose of the divestment was to enable the HA to withdraw from commercial operation and focus its resources on its core function as a provider of subsidized public housing. A three-member special committee had already been formed under HA's Finance Committee to examine how to put the proceeds to good use. While the HA would aim to maximize the investment returns from the divestment proceeds, approval had to be sought from the Financial Secretary on the investment strategies. In this regard, the Chairman commented that the most important thing was to ensure that the proceeds would be put to good use.

39. Mr Albert CHAN shared Mr Albert CHENG's views, and considered it a shame for the Administration to claim that the delay in the listing of The Link REIT would affect the public housing programme. He considered it undesirable to divest the RC facilities at a pathetic price at the expense of public interests. He also expressed regrets about the absence of any plan to invest the proceeds to generate further income for the HA. In response, PSH(Atg) said that given the prevailing housing policy, the HA would endeavour to proceed with the divestment to ensure the public housing programme would not be adversely affected. Meanwhile, the HA would continue its talks with the Government to sort out long-term solutions to HA's financial difficulty.

## **VI Any other business**

40. Mr LEUNG Kwok-hung expressed concerns about allegation of abuse of legal proceedings by some members to delay listing of The Link REIT and would wish to move the following motion –

“本委員會要求立法會引用《權力及特權條例》，成立專責委員會，公開聆訊，徹查領匯事件。”

“That this Panel requests that the Legislative Council set up a select committee under the Legislative Council (Powers and Privileges) Ordinance to conduct public hearings to investigate into The Link REIT incident.”

41. Pointing out that the motion was not directly related to any agenda item of the meeting, the Chairman sought members' views on how to handle the motion. Mr Tommy CHEUNG Yu-yan opined that the Panel should not proceed with the motion because the motion was not related to any agenda item. Moreover, he questioned whether it was appropriate to set up a select committee to inquire into the matter given that there was pending litigation. Mr LEE Wing-tat also stressed the importance of observing the proper procedures and that members should be given sufficient notice if the subject of the motion was of great public concern. Having considered members' views, the Chairman concluded that the motion should not be proceeded with and members might raise the subject again at appropriate time in future.

42. The meeting ended at 4:30 pm.

Council Business Division 1  
Legislative Council Secretariat  
4 February 2005