

**立法會**  
**Legislative Council**

LC Paper No. CB(1)1575/07-08

(These minutes have been seen  
by the Administration)

Ref : CB1/BC/5/07/2

**Bills Committee on West Kowloon Cultural District Authority Bill**

**Minutes of fifth meeting held on  
Thursday, 24 April 2008, at 4:30 pm  
in the Chamber of the Legislative Council Building**

**Members present** : Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP (Chairman)  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Dr Hon LUI Ming-wah, SBS, JP  
Hon Margaret NG  
Hon James TO Kun-sun  
Hon CHAN Yuen-han, SBS, JP  
Hon CHAN Kam-lam, SBS, JP  
Hon SIN Chung-kai, SBS, JP  
Hon Howard YOUNG, SBS, JP  
Hon Emily LAU Wai-hing, JP  
Hon CHOY So-yuk, JP  
Hon Abraham SHEK Lai-him, SBS, JP  
Hon Audrey EU Yuet-mee, SC, JP  
Hon WONG Kwok-hing, MH  
Hon LEE Wing-tat  
Hon Jeffrey LAM Kin-fung, SBS, JP  
Hon Andrew LEUNG Kwan-yuen, SBS, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Prof Hon Patrick LAU Sau-shing, SBS, JP

**Members absent** : Hon CHEUNG Hok-ming, SBS, JP (Deputy Chairman)  
Hon Bernard CHAN, GBS, JP  
Dr Hon Philip WONG Yu-hong, GBS  
Hon WONG Yung-kan, SBS, JP  
Hon Jasper TSANG Yok-sing, GBS, JP  
Hon Timothy FOK Tsun-ting, GBS, JP  
Hon Daniel LAM Wai-keung, SBS, JP

**Public officers attending : Agenda item II**

Ms Esther LEUNG, JP  
Deputy Secretary for Home Affairs  
(West Kowloon Cultural District)

Mr Danny LAU  
Principal Assistant Secretary for Home Affairs  
(West Kowloon Cultural District)

Mr Frederick YU  
Assistant Secretary for Home Affairs  
(West Kowloon Cultural District) 4

Mr Anthony KWAN  
Assistant Director of Planning/Metro  
Planning Department

Ms NG Wah-chi, Lonnie  
Senior Assistant Law Draftsman (Acting)  
Department of Justice

**Clerk in attendance :** Ms Anita SIT  
Chief Council Secretary (1)4

**Staff in attendance :** Mr Arthur CHEUNG  
Senior Assistant Legal Adviser 2

Mr WONG Siu-yee  
Senior Council Secretary (1)7

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**I Information papers issued since last meeting**

(LC	Paper	Nos.	--	Information
CB(1)1172/07-08(01),	(02),	(03)		in relation to the
and (04)				appointment mechanisms for the
				governing board of the British
				Broadcasting Corporation and
				the Financial Services
				Consumer Panel in the United
				Kingdom)

The Bills Committee noted that the above information papers had been issued since the last meeting.

**II Meeting with the Administration**

- (LC Paper No. CB(3)361/07-08 -- The Bill  
LC Paper No. CB(1)1119/07-08(01) -- Administration's response to points raised by individual members at the meeting on 29 February 2008  
LC Paper No. CB(1)1345/07-08(01) -- Administration's response to points raised by individual members at the meeting on 27 March 2008  
Paper No. WKCD-528 -- Administration's response to questions raised and information requested by members at the meeting of the Subcommittee on West Kowloon Cultural District Development on 14 February 2008)

2. The Bills Committee deliberated (index of proceedings attached at **Annex**).

3. The Administration was requested to provide written response on the following points raised by individual members of the Bills Committee --

- (a) the Administration should consider drawing up "best practices" for the West Kowloon Cultural District Authority (WKCD) to follow in conducting public consultation, and in this regard should provide information on the practices adopted by comparable overseas statutory bodies in conducting public consultation;
- (b) the Administration should clarify whether members of the WKCD Board could be appointed to the Audit Committee, and in this regard should provide information on the relevant practices of listed companies;
- (c) the Administration should explain the need for clause 8(6) in relation to withdrawal of matters referred or assigned to the Audit Committee and revoking of appointments to the Audit Committee by the WKCD Board;
- (d) the Administration should consider whether the Audit Committee should be required to prepare annual reports and/or should be subject to other requirements to enhance its credibility;
- (e) it should be specified in the Bill that a non-public officer member

of the WKCDA Board might not serve as such a member continuously for more than 6 years. Reference could be made to section 10 of the Construction Industry Council Ordinance (Cap. 587) in this regard;

- (f) apart from disclosing upon their first appointment and on an annual basis, WKCDA Board members should also be required to disclose interest whenever there were changes in the circumstances of their interest. Disclosure of interest by WKCDA Board members should be made available on the Internet for inspection by the public; and
- (g) apart from the setting up of a Remuneration Committee, the method for determining the remuneration packages for senior executives of WKCDA and the manner in which the remuneration packages were to be disclosed should also be specified in the Bill.

### **III Any other business**

- 4. There being no other business, the meeting ended at 6:30 pm.

**Proceedings of the fifth meeting of the  
Bills Committee on West Kowloon Cultural District Authority Bill  
on Thursday, 24 April 2008, at 4:30 pm  
in the Chamber of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action required
000000 - 000232	Chairman	Opening remarks	
000233 - 000406	Administration	Briefing on LC Paper No. CB(1)1119/07-08(01) -- Item 5	
000407 - 000906	Ms Emily LAU Administration Chairman	<p>Ms LAU's view that there should be provisions to provide for a systematic public consultation mechanism to be adopted by WKCDA</p> <p>Administration's response that WKCDA must conduct public consultation in accordance with provisions of the Bill but it would not be appropriate to specify the exact mechanism in the Bill; that should be left to WKCDA to decide having regard to the prevailing circumstances</p>	
000907 - 001513	Ms Audrey EU Administration	<p>Ms EU's suggestion that the Bill should provide for the establishment of a consultation body with broad representation from stakeholders and the community; WKCDA would not be obliged to heed the views of the consultation body; and WKCDA might also consult other parties and conduct other forms of consultation as well</p> <p>Administration's response that such statutory provisions would be too restrictive and the composition of such a consultative body could be a controversial issue; and comparable overseas statutory bodies did not have such statutory provisions</p>	
001514 - 002100	Mr Alan LEONG Administration	Mr LEONG echoed the views of Ms Emily LAU and Ms Audrey EU; and suggested that the Administration should	

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		<p>consider setting up a standing public consultation mechanism similar to the Bilbao Metropoli-30</p> <p>Administration's response that Bilbao Metropoli-30 was not a statutory body and WKCDA could draw reference from it in conducting public consultation in future</p>	
002101 - 002447	Mr CHAN Kam-lam Administration	<p>Mr CHAN's enquiry on whether WKCDA must conduct public consultation and his view that it would be premature to specify in the Bill the setting up of a specific public consultative body because it would unduly restrict WKCDA's flexibility in conducting public consultation in future</p> <p>Administration's response that WKCDA must conduct public consultation on those matters specified in the Bill</p>	
002448 - 003359	Mr LEE Wing-tat Administration Chairman	<p>Mr LEE's views that --</p> <p>(a) providing for a specific public consultation body in the Bill would not limit WKCDA's consultation work in future; and</p> <p>(b) the Administration should consider drawing up "best practices" for WKCDA to follow in conducting public consultation, and in this regard should provide information on the practices adopted by comparable overseas statutory bodies in conducting public consultation</p> <p>Administration's response that it was collecting information on the practices adopted by comparable overseas statutory bodies in conducting public consultation</p> <p>Chairman's view that it might not be appropriate to specify the exact mode of</p>	

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		public consultation in the Bill; how a statutory consultation body should be constituted could be very controversial; and the crux of the issue was the credibility of WKCDA's consultation work and that the Administration should give it further thoughts	
003400 - 003736	Ms Margaret NG Administration	<p>Ms NG's view that an open and standing public consultation mechanism was desirable for gauging public views on an ongoing basis and for deepening the discussions, and by going through such a consultation process, the WKCDA would have more confidence in its proposals</p> <p>Administration's response that it would consider specifying in the Bill that all hearings of WKCDA to gauge public views should be open to the public and records of such open hearings should also be made public</p>	
003737 - 004306	Mr Alan LEONG Chairman	<p>Mr LEONG's view that legislation on the provision of a systematic public consultation mechanism could be written in a dynamic and flexible way</p> <p>Chairman's advice that Mr Alan LEONG could provide his proposal on the issue to the Administration for consideration</p>	
004307 - 004450	Administration	Briefing on LC Paper No. CB(1)1119/07-08(01) -- Item 6	
004451 - 005023	Ms Emily LAU Administration Chairman	<p>Ms LAU's enquiries on the composition of the Audit Committee and her view that it should be independent and there should be no conflict of interest</p> <p>Chairman's enquiry on whether the Administration had drawn reference from the audit committees of listed companies</p> <p>Administration's response that it had drawn reference from the audit committees of comparable public</p>	

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		<p>statutory bodies and it could also draw reference from the practices of listed companies in this regard</p>	
<p>005024 - 010850</p>	<p>Miss CHOY So-yuk Chairman Administration Ms Margaret NG Ms Emily LAU</p>	<p>Miss CHOY's view that the overlapping of membership between WKCDA Board and the Audit Committee might affect the independence of the latter</p> <p>Chairman's enquiry on whether members of the Audit Committee should be completely independent of WKCDA</p> <p>Administration's response that having WKCDA Board members on the Audit Committee would be beneficial and a balance between independency and knowledge of the operation of WKCDA was needed in establishing the Audit Committee</p> <p>Ms NG's enquiry on the appointment mechanism of the board of governors of the British Broadcasting Corporation</p> <p>Ms LAU's enquiry on the relationship between the work of the Audit Committee and the Director of Audit in relation to monitoring the work of WKCDA</p> <p>Administration's response that the two would perform their functions in parallel but in different roles and from different perspectives</p> <p>Ms LAU's enquiries on --</p> <p>(a) whether the Audit Committee would prepare annual reports; and</p> <p>(b) the need for clause 8(6)</p> <p>Chairman's advice that the Administration should --</p> <p>(a) consider whether the Audit Committee should be required to</p>	



Time marker	Speaker	Subject(s)	Action required
		<p>prepare annual reports an/or should be subject to other requirements to enhance it credibility;</p> <p>(b) explain the need for clause 8(6) in relation to withdrawal of matters referred or assigned to the Audit Committee and revoking of appointments to the Audit Committee by the WKCDA Board; and</p> <p>(c) clarify whether members of the WKCDA Board could be appointed to the Audit Committee, and in this regard should provide information on the relevant practices of listed companies</p>	
010851 - 011750	<p>Chairman Administration Ms Emily LAU Miss CHOY So-yuk Mr Alan LEONG SALA 2</p>	<p>Briefing on LC Paper No. CB(1)1119/07-08(01) -- Item 7</p> <p>Ms LAU's dissatisfaction that the Administration had often failed to observe the six-year six-board rule</p> <p>Administration's response that it would observe the rule as far as practicable</p> <p>Miss CHOY's view that specifying the rule in the Bill might affect the continuity of WKCDA's work, but the rule could be applied to the chairman of WKCDA</p> <p>Mr LEONG's view that it should be specified in the Bill that a non-public officer member of the WKCDA Board might not serve as such a member continuously for more than 6 years and reference could be made to section 10 of the Construction Industry Council Ordinance (Cap. 587) and the English Schools Foundation Ordinance (Cap. 1117)</p> <p>SALA2's advice that the English Schools Foundation was not a public statutory</p>	

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		<p>body subject to Government control</p> <p>SALA2's elaboration on section 10 of the Construction Industry Council Ordinance (Cap. 587)</p> <p>Administration's response that organizational continuity was a consideration in appointing WKCDA Board members and the six-year rule would be adhered to administratively as far as practicable</p>	
011751 - 014011	<p>Chairman Administration Ms Emily LAU Mr LEE Wing-tat Ms Margaret NG</p>	<p>Briefing on LC Paper No. CB(1)1119/07-08(01) -- Item 8</p> <p>Ms LAU's views that --</p> <p>(a) apart from disclosing upon their first appointment and on an annual basis, WKCDA Board members should also be required to disclose interest whenever there were changes in the circumstances of their interest;</p> <p>(b) disclosure of interest by WKCDA Board members should be made available on the Internet for inspection by the public;</p> <p>(c) the types of interest to be disclosed should be specified in the Bill; and</p> <p>(d) declaration of interest should be made before rather than during WKCDA Board meetings</p> <p>Administration's response that --</p> <p>(a) clause 34 was drafted by drawing reference from comparable provisions of other public statutory bodies and consideration could be given to further refining the wording of the provision;</p>	

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		<p>(b) dissemination of information on declaration of interest should be subject to personal privacy;</p> <p>(c) WKCDA Board members could declare interest on such occasion as the circumstances might require after the appointment; and</p> <p>(d) WKCDA Board members could declare interest before or during meetings depending on the actual circumstances</p> <p>Mr LEE's views that --</p> <p>(a) in term of personal data privacy, the effect of dissemination of information through the Internet was no different from doing so through a register kept at the WKCDA office, but the former method would better facilitate public access; and</p> <p>(b) members of the WKCDA Board could choose to disclose more information on declaration of interest than what was required</p> <p>Administration's response that --</p> <p>(a) the types of interest required to be disclosed would be decided by WKCDA; and</p> <p>(b) the Administration would consider a suitable method for disseminating information on declaration of interest</p> <p>Ms NG's view that declaration of interest was also aimed at protecting WKCDA Board members</p>	
014012 - 014904	Chairman	Briefing on LC Paper No.	

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	<p>Administration Mr Howard YOUNG Ms Emily LAU</p>	<p>CB(1)1119/07-08(01) -- Item 9</p> <p>Mr YOUNG's view that the criteria for disclosing the remuneration packages of senior executives of WKCDA should at least be comparable to those for public statutory bodies or listed companies</p> <p>Administration's response that as there was practical difficulty in demarcating senior executives from junior executives, it would be undesirable to include such criteria in the Bill</p> <p>Ms LAU's view that apart from the setting up of a Remuneration Committee, the method for determining the remuneration packages for senior executives of WKCDA and the manner in which the remuneration packages were to be disclosed should also be specified in the Bill</p> <p>Administration's response that the present proposal was for the Remuneration Committee to recommend to the WKCDA Board on how to handle various remuneration issues, including the method for determining the remuneration packages for WKCDA's staff</p>	
014905 - 015930	Chairman	<p>Chairman's advice that the Administration should provide written response on the points raised by individual members</p> <p>Date of next meeting</p>	<p>Administration to provide written response to the points detailed in paragraph 3 of the minutes</p>