



Hong Kong Unison Limited
香港融樂會有限公司

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(English version only)

10th February 2010

Panel on Constitutional Affairs

Legislative Council Secretariat
Legislative Council Building,
8 Jackson Road,
Central,
Hong Kong.

Dear Chairperson and other panel members,

Re: Hong Kong ethnic-Pakistani residents being refused to establish bank accounts

I am writing to draw your attention to a recent incident concerns local banks refusing ethnic-Pakistani residents to establish bank accounts which was widely reported by the media. As an organization serving ethnic minority residents, on behalf of the complainants and the communities, we have written to those concerned parties, including the Hong Kong Associations of Banks, Hong Kong Monetary Authority, Hang Seng Bank and Equal Opportunities Commission, I now forward the letters to you for your reference and to see if there is any possible follow up actions that your panel may take.

Should you have any enquiries, please feel free to contact me at 2789 3246.

Thank you for your kind attention.

Yours faithfully,

Fermi Wong
Executive Director



9 February 2010

Mr. Benjamin Hung,
Chairman,
The Hong Kong Associations of Banks,
Room 525 Prince's Building, Central, Hong Kong

Dear Mr. Hung,

Re: Hong Kong ethnic-Pakistani residents being refused to establish bank accounts

I am writing to express our concern on the issue that many of ethnic minority residents being refused to open accounts in local banks.

Up until now, our agency has been handling at least 50 complaints, please refer to the attached 'Profile of the Complainants'. At least five banks, including Hang Seng Bank, Bank of China, Bank of East Asia, DBS Bank and Standard Chartered Bank were involved. According to our complainants, these banks were using nationality as an excuse to reject their applications. In some cases, they were even suggested by bank staff to make a false claim on their nationality, so as to facilitate their applications. We found such practice utterly unacceptable as it amounts to a gross disrespect to the complainants and their nationality. In addition, they might risk committing criminal offence by making false representations on their nationality.

In fact, our cases were not only concentrated on individual branches, but spread to a number of branches of the aforesaid banks located in different districts. Most of the victims are ethnic Pakistani Hong Kong ID-card holders who have been either born, brought up or resided in Hong Kong. Like other Hong Kong residents, they should have the right to use bank services, and obtain fair and equal treatment.

Many of our complainants reported that when the bank staff explained why they were not allowed to establish a bank account, he or she usually read aloud regulations stated in a written document. In some cases, applications were rejected after consultation with managers. This shows that the decisions were not made by the frontline staff. Instead the latter were just acting according to general instructions or policies made by the banks.

To sum, the fact that ethnic Pakistani residents being refused to open bank account is not confined to individual cases. Instead it is a common practice which might jeopardize the reputation

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of Hong Kong as a global financial centre. More importantly, as an international city treasuring the values of racial equality and diversity, we should not adopt such a restrictive and unfair practice towards ethnic minority people.

We noticed that your Association has yet to make a response, since the issue was widely reported by the media. To avoid the recurrence of such discriminatory practices, we hereby urge your Association to take prompt action to rectify the current situation.

On the one hand, your Association should discuss with memberships banks to see how to strike a balance between the control of terrorist activities; and the implementation of anti-discriminatory laws and policies. On the other, a guideline should be issued to the banks to ensure their compliance to the Racial Discrimination Ordinance, and the absence of any discriminatory treatment towards particular racial groups. It would also be helpful if racial sensitivity training could be widely conducted in the banking sector, so as to raise the awareness of the management and the frontline staff.

Since ethnic minority communities are highly concerned about the issue, we sincerely wish you could respond to our request as soon as possible. A written reply would be much appreciated. Should you have any enquiries, please feel free to call me at 2789 3246 or 9237 6464.

Yours Sincerely,

Fermi Wong
Executive Director

c.c. Legislative Panels on Constitutional Affairs, Economic Development and Financial Affairs
Secretary for Financial Services and the Treasury
Secretary for Commerce and Economic Development
Secretary for Constitutional and Mainland Affairs
Equal Opportunity Commission



10 February 2010

Mr. Norman Chan,
Chief Executive,
Hong Kong Monetary Authority,
55th Floor Two International Finance Centre,
8 Finance Street, Central , Hong Kong

Dear Mr. Chan,

Re: Hong Kong ethnic-Pakistani residents being refused to establish bank accounts

I am writing to express our concern on the issue that many of ethnic minority residents being refused to establish accounts in local banks. We have noticed that your Authority responded promptly soon after the media reports. Yet we believe there is still lots of grey areas need to be clarified, otherwise the interest of ethnic minority service users could not be protected.

In fact, our agency has kept on receiving complaints from ethnic minority people, even after the media reports. Up until now, we have been handling at least 50 complaints (Profile of the complainants is attached); and at least five banks, including Hang Seng Bank, Bank of China, Bank of East Asia, DBS Bank and Standard Chartered Bank were involved.

According to our complainants, these banks were using ‘Nationality’ as an excuse to reject their applications. In some cases, they were even suggested by bank staff to make a false claim on their nationality, so as to facilitate their applications. We found such practice utterly unacceptable as it amounts to a gross disrespect to the complainants and their nationality. In addition, they might risk committing criminal offence by making false representations on their nationality.

Many of our complainants reported that when the bank staff explained why they were not allowed to establish a bank account, he or she usually read aloud regulations stated in a written document. In some cases, applications were rejected after consultation with managers. This shows that the decisions were not made by the frontline staff. Instead the latter were just acting according to general instructions or policies made by the banks.

To sum, the fact that ethnic Pakistani residents being refused to establish bank account is not confined to individual cases. Instead it is a common practice which might jeopardize the reputation of Hong Kong as an international financial centre. Although your Authority has issued a

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statement after the media reports, denied advising banks not to offer services to particular racial or national groups; it seems that your declaration still could not address worries from ethnic minority communities. As previously mentioned, we have kept on receiving cases of unsuccessful applications.

In view of the above circumstances, we urge your Authority to take prompt action to clarify the present situation, and to ensure residents in Hong Kong having equal access to bank services, regardless of the racial and national background. On behalf of the ethnic minority communities, we would like to urge your Authority:

- 1) To follow and investigate the issue; and to examine if there is any discrimination among regulations, guidelines and code of practices issued by the banks;
- 2) To issue a general guideline on how to compile to the Racial Discrimination Ordinance, and to implement anti-discrimination policies;
- 3) To urge the banks to conduct racial sensitivity trainings among its management and the frontline staff, so as to enhance their awareness on race issues;
- 4) To discuss with the banks on how to strike a balance between the control of terrorist activities and the implementation of anti-discrimination law and policies.

Since ethnic minority communities are highly concerned about the issue, we sincerely wish you could respond to our request as soon as possible. A written reply would be much appreciated. Should you have any enquiries, please feel free to contact me at 2789 3246 or 9237 6464.

Yours Sincerely,

Fermi Wong
Executive Director

c.c. Legislative Panels on Constitutional Affairs, Economic Development and Financial Affairs
Secretary for Financial Services and the Treasury
Secretary for Commerce and Economic Development
Secretary for Constitutional and Mainland Affairs
Equal Opportunity Commission

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10 February 2010

Mrs Margaret Leung Ko May Yee JP,
Vice President & Chief Executive,
Hang Seng Bank New Headquarters Building,
83 Des Voeux Road, Central, Hong Kong.

Dear Mrs Leung,

Re: Hong Kong ethnic-Pakistani residents being refused to establish bank accounts

I am writing to express our concern on the issue that many of ethnic minority residents being refused to establish accounts in local bank. Up until now, our agency has been handling at least 50 complaints, in which most of them were related to your bank. For details, please refer to the attached 'Profile of the Complainants'.

According to our complainants, their applications have been rejected on the ground of nationality. In some cases, they were even suggested by your bank staff to make false claims on nationality, so as to facilitate their applications. We found such practice utterly unacceptable as it amounts to a gross disrespect to the complainants and their nationality. In addition, they might risk committing criminal offence by making false representations on their nationality.

In fact, our cases were not only concentrated on individual branches, but spread to a number of branches of your bank located in different districts. Most of the victims are ethnic Pakistani Hong Kong ID-card holders who have been either born, brought up or resided in Hong Kong. Like other Hong Kong residents, they should have the right to use bank services, and obtain fair and equal treatment.

Many of our complainants reported that when your bank staff explained why they were not allowed to establish a bank account, he or she usually read aloud regulations stated in a written document. In some cases, applications were rejected after consultation with managers. This shows that the decisions were not made by the frontline staff. Instead the latter were just acting according to general instructions or policies made by your bank.

We would like you to know that for the past 70 years, Hang Seng Bank is one of the most popular banks among ethnic minority residents in Hong Kong. They have been putting so much faith in your bank. Yet the way that they have been treated at the moment simply damaged their

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long-held trust in your bank. It is especially disappointing that a prestigious bank like yours having little regard to the needs and interests of minority groups in Hong Kong.

In light of the above circumstances, we would like your bank:

- 1) To clarify if there are separate policies regarding treatments to ethnic minority people with different situations, for instance, those with “permanent resident” status and vice versa;
- 2) To review internal guideline and practice of your bank; so as to ensure compliance to the Racial Discrimination Ordinance and to eliminate any racial-biased or discriminatory practice towards particular racial groups;
- 3) To take prompt actions restoring confidence of ethnic minority customers, for instance, putting welcoming labels outside the branches;
- 4) To provide racial sensitivity trainings to your frontline staff, regarding the implementation of anti-discrimination policies

Since ethnic minority communities are highly concerned about the issue, we sincerely wish you could respond to our request as soon as possible. A written reply would be much appreciated. Should you have any enquiries, please feel free to call me at 2789 3246/9237 6464.

Yours Sincerely,

Fermi Wong
Executive Director

c.c. Legislative Panels on Constitutional Affairs, Economic Development and Financial Affairs
Secretary for Financial Services and the Treasury
Secretary for Commerce and Economic Development
Secretary for Constitutional and Mainland Affairs
Equal Opportunity Commission
Hong Kong Monetary Authority
The Hong Kong Association of Banks



10 February 2010

Mr. Lam Woon Kwong,
Chairperson,
Equal Opportunities Commission,
19/F, CityPlaza Three,
14 Taikoo Wan Road, Taikoo Shing, Hong Kong

Dear Mr. Lam,

Re: Hong Kong ethnic-Pakistani residents being refused to establish bank accounts

I am writing to express our concern on the issue that many of the ethnic-Pakistani residents being refused to establish bank accounts in local banks. We consider such situation as utterly unacceptable and urge your Commission to look into the situation and ensure our ethnic minority residents having equal access to bank services.

We noted that Your Commission has initially responded “nationality” does not come under the Race Discrimination Ordinance (RDO); therefore a bank does not break the law if it rejected someone on the basis of “Nationality”. Yet as the public body promoting equal opportunities for all regardless their race, we believe your Commission should interpret the law in a more liberal way, so as to protect basic human rights of ethnic minorities. It is particularly true when “Race” and “Nationality” are closely related. As in this case it is not easy to distinguish whether the bank has refused to provide services based on the ground of “Race” or “Nationality”.

Up until now, we have been receiving and handling at least 50 complaints. At least five banks, including Hang Seng Bank, Bank of China, Bank of East Asia, DBS Bank and Standard Chartered Bank were involved. This shows that the situation is not confined to individual cases. Instead it is a common practice which might jeopardized Hong Kong's reputation as an International Finance Centre as well as an International City embracing ethnic equality and diversity.

Given the commonness of such discriminatory practice, we consider the present complaint and reconciliation procedure by your Commission not enough to deal with the situation. Instead your Commission should take the initiative to investigate if institutional racial discrimination exists in the banking sector. It would also be useful if your Commission clarified

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publicly that the above practice could amount to indirect racial discrimination; and issue guidelines to local banks to ensure non-discriminatory practice when they encounter ethnic minority service users. In the long run, we believe your Commission should address the loophole of the RDO, and consider its further amendments to cover discrimination based on the ground of “Nationality”.

Since ethnic minority communities are highly concerned about the issue, we sincerely wish you could respond to our request as soon as possible. A written reply would be much appreciated. Should you have further enquires, please feel free to call me at 2789 3246 or 9237 6464.

Yours Sincerely,

Fermi Wong
Executive Director
Hong Kong Unison

c.c. Legislative Panel on Constitutional Affairs, Economic Development and Financial Affairs
Secretary for Financial Services and Treasury
Secretary for Commerce and Economic Development
Secretary for Constitutional and Mainland Affairs
Hong Kong Human Rights Monitor



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Profile of the Complainants

1	Number of complaints received under the Period of Jan 2008 to Oct 2009	10 <u>Remarks:</u> 1. We have received same complaints since Jan 2008 from time to time, about 10 complaints from Pakistani community. 2. Two cases were reported by SCMP on 30 Nov 2008 and a related question was asked by Emily Lau, LegCo member on 17 Mar 2009.
2	Number of complaints received under the Period of Nov 2009 to Jan 2010	50 <u>Remarks:</u> Many of complainants claimed that their families, relatives and friends also faced same problem.
3	Ethnic Origin & Nationality	Pakistani: 49 Indian: 1
4	No. of cases rejected by different bank	i. Hang Seng Bank: 31 ii. Bank of China: 9 iii. Bank of East Asia: 4 iv. DBS Bank: 3 v. Standard Chartered Bank: 3 <u>Remarks:</u> 1. Some cases eventually able to establish accounts by left the 'Nationality' column blank/or were asked to false fill their Nationality as Chinese. 2. Ethnic Minority residents were requested to provide more documents, apart from Address Approve and



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		<p>HK Identity Card, they also have to provide Passport, Birth Certificate, Marriage Certificate, Employment Letter, Other Bank Account Information, Student Handbook, School report, Tenancy Contract etc.</p> <p>3. most of the ethnic minority applicants were not able to establish an account within one day, they were simply rejected or had to wait from a week to a month.</p> <p>4. Staff of Standard Chartered Bank usually ask ethnic minority applicants to go to other banks.</p>
5	Social Status	<p>Student: 15 Housewife: 10 Youth general Worker: 9 Adult general worker: 16</p>
6	Gender	<p>Male: 27 Female: 23</p>
7	Place of Birth / Length of Residency in Hong Kong	<p>Hong Kong : 15 Home Country: 35 (5 immigrated to HK less than 7 years while others are permanent residents, some have resided in HK for more than 20 years)</p>
8	Hong Kong Residents	All