

立法會
Legislative Council

LC Paper No. CMI/82/10-11

Ref: CB(3)/C/2(08-12)

Committee on Members' Interests

**Minutes of the fifth meeting
held on Friday, 7 January 2011 at 3:55 pm
in Conference Room B of the Legislative Council Building**

Members present : Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
(Chairman)
Hon Emily LAU Wai-hing, JP (Deputy Chairman)
Dr Hon Margaret NG
Hon WONG Yung-kan, SBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon WONG Sing-chi

Member absent : Hon Paul CHAN Mo-po, MH, JP

Clerk in attendance : Miss Mary SO
Chief Council Secretary (3)3

Staff in attendance : Ms Pauline NG
Secretary General

Mr Jimmy MA, JP
Legal Adviser

Mrs Justina LAM
Assistant Secretary General 3

Ms Connie FUNG
Senior Assistant Legal Adviser 1

Miss Lolita SHEK
Senior Council Secretary (3)1

Agenda item I only

Mr Andy LAU
Principal Council Secretary (Administration)

Mr Joseph KWONG
Accountant

Agenda item III only

Mr Watson CHAN
Head (Research)

Dr Yuki HUEN
Research Officer 8

Action

I. Modification of the procurement procedures stipulated in the Reimbursement Guide for Legislative Council Members (LC Paper No. AS 60/10-11)

The Chairman said that the Committee on Members' Interests ("CMI") tabled its report on a complaint against Hon LEUNG Kwok-hung in relation to his conduct in claims for reimbursement of operating expenses at the meeting of the Legislative Council ("LegCo") on 26 May 2010. In the report, CMI supported, amongst other things, the Secretary General ("SG")'s recommendations to improve the provisions and declaration forms in A Guide for Reimbursement of Operating Expenses for Members of the Legislative Council ("Reimbursement Guide"). The proposed modifications comprised the following:

- (a) neither a Member nor his/her staff, or any of the relatives of a Member or his/her staff should derive or be able to derive any financial benefits from any transaction for which reimbursement of expenses was claimed (proposed paragraph 60 of the Reimbursement Guide);
- (b) where a conflict of interest situation had come to the knowledge of a Member, the Member should reassign the procurement task to another staff member (proposed paragraph 60 of the Reimbursement Guide);

- (c) if a similar quotation exercise was conducted within the past three months, the requirement to obtain three quotations for price and performance comparison (in procurement involving more than \$20,000) could be waived (proposed paragraph 61 of the Reimbursement Guide); and
- (d) separate declaration forms should be used for (i) procurement situations involving conflict of interest and (ii) procurement exceeding \$20,000.

2. The Chairman further said that CMI also recommended that the LegCo Secretariat should devise a mechanism whereby Members and their staff would be consulted on the changes proposed to the Reimbursement Guide before they were implemented. The LegCo Secretariat had therefore consulted all Members through a questionnaire on the proposed modifications to the Reimbursement Guide set out in paragraph 1 above in September 2010.

3. At the invitation of the Chairman, Accountant informed members that according to the outcome of consultation set out in paragraphs 6 to 11 of LC Paper No. AS 60/10-11, most Members supported the proposed modifications to the Reimbursement Guide.

4. Members endorsed the proposed amendments to paragraphs 60 and 61 of the Reimbursement Guide and the proposed declaration forms as set out in Appendices I to III to LC Paper No. AS 60/10-11. Members noted that the Administration Division of the LegCo Secretariat would proceed to revise the Reimbursement Guide accordingly.

(Post-meeting note: All LegCo Members were informed of the changes made to the Reimbursement Guide vide LC Paper No. AS 107/10-11 dated 12 January 2011.)

II. Outcome of further consultation with Members on the handling of anonymous complaints and allegations reported by the media against individual Members
(LC Paper No. CMI/17/10-11)

5. At the invitation of the Chairman, Assistant General Secretary 3

("ASG3") briefed members on the outcome of further consultation with Members on the handling of anonymous complaints and allegations reported by the media against individual Members in relation to the registration and declaration of Members' interests as well as Members' claims for operating expenses or applications for advance of operating funds, as set out in LC Paper No. CMI/17/10-11. ASG3 said that the findings of the further consultation indicated that about 70% of Members did not support CMI changing the practice adopted since the First LegCo of not considering anonymous complaints. In addition, about 80% of Members did not support empowering CMI to consider allegations against Members made in media reports.

6. Members agreed that it was not necessary to revise the existing "Procedure of the Committee on Members' Interests for handling complaints received in relation to the registration or declaration of Members' interests or Members' claims for reimbursement of operating expenses".

III. Requirements and related arrangements for the registration and disclosure of Members' interests

(LC Paper No. RP02/10-11)

7. SG said that there was growing public expectation of transparency with regard to the registration and disclosure of Members' interests. In addition, concern had been raised about the appropriateness of CMI conducting investigation on complaints against individual LegCo Members in relation to the registration or declaration of Members' interests or Members' claims for reimbursement of operating expenses. There was also the view that the existing Registration Form on Members' Interests, which had been in use for many years, might need to be modified to require Members to provide more information. CMI might consider it useful to make reference to the experience of overseas legislatures before deciding on the way forward in improving the current system on registration and disclosure of interests by Members.

8. At the invitation of the Chairman, Research Officer 8 introduced the research report on the requirements and related arrangements for the registration and disclosure of interests of Members of Parliament ("MPs") in the United Kingdom ("UK"), Australia, Canada, New Zealand and Singapore (LC Paper No. RP02/10-11). Head (Research) ("H(R)"), in particular, pointed out that the Parliament of Singapore did not require its Members to register their interests, but the dominant party in the Parliament,

namely, the People's Action Party, had a "code of conduct" for its elected Members who were required to report their personal interests to the Prime Minister in confidence.

9. Dr Margaret NG noted that in UK, "clients" comprised a category of interests which MPs were required to register with the Clerk to the House of Commons. Dr NG requested H(R) to find out whether MPs in UK were required to register the names of the clients to whom they provided legal services and the amount of payment they received from providing such services, regardless of whether these services arose out of or related in any manner to their being an MP. The Chairman also requested H(R) to find out whether MPs in UK were required to register the names of the clients to whom they provided business services, such as public relations consultancy work and the amount of payment they received from providing such business services, regardless of whether these services arose out of or related in any manner to their being an MP. H(R) undertook to do so.

H(R)

10. Ms Emily LAU noted from the research report that in some overseas Parliaments, investigations into complaints against individual Members in relation to registration of interests were conducted by an officer of Parliament. Ms LAU was of the view that CMI should consider whether such a mechanism should be adopted in Hong Kong to enhance the impartiality and transparency of the Council.

11. SG said that in UK, complaints in relation to registration and declaration of interests were made to the Parliamentary Commissioner for Standards, who might conduct inquiries on whether the MP concerned was in breach of the Code of Conduct for Members. After preliminary inquiry, the Commissioner might conduct a full investigation, and upon the completion of the investigation, the Commissioner would report the findings to the Committee on Standards and Privileges. SG further said that the Committee would, in turn, report its conclusions and recommendations as to the sanction to be imposed on the Member under complaint, if any, to the House of Commons which would make the final decision.

12. Members requested the Secretariat to provide more information on the work of the Parliamentary Commissioner for Standards in UK and the Conflict of Interest and Ethics Commissioner in Canada. Mr WONG Sing-chi said that it would be useful to know more about the relationship between the Parliamentary Commissioner for Standards and the Committee on Standards and Privileges.

Clerk

IV. Any other business

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

Council Business Division 3
Legislative Council Secretariat
9 May 2011