

立法會

Legislative Council

LC Paper No. CB(2)1428/10-11
(These minutes have been seen
by the Administration)

Ref : CB2/PL/HA

Panel on Home Affairs

Minutes of meeting held on Friday, 14 January 2011, at 8:30 am in the Chamber of the Legislative Council Building

- Members present** :
- Hon IP Kwok-him, GBS, JP (Chairman)
 - Hon KAM Nai-wai, MH (Deputy Chairman)
 - Hon James TO Kun-sun
 - Hon CHEUNG Man-kwong
 - Hon WONG Yung-kan, SBS, JP
 - Hon Miriam LAU Kin-ye, GBS, JP
 - Hon Emily LAU Wai-hing, JP
 - Hon Timothy FOK Tsun-ting, GBS, JP
 - Hon WONG Kwok-hing, MH
 - Hon CHEUNG Hok-ming, GBS, JP
 - Prof Hon Patrick LAU Sau-shing, SBS, JP
 - Dr Hon LAM Tai-fai, BBS, JP
 - Hon CHAN Hak-kan
 - Hon CHEUNG Kwok-che
 - Hon WONG Sing-chi
 - Hon Paul TSE Wai-chun
 - Hon Tanya CHAN
- Members attending** :
- Hon Ronny TONG Ka-wah, SC
 - Hon CHAN Kin-por, JP
- Members absent** :
- Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
 - Dr Hon Philip WONG Yu-hong, GBS
 - Hon Cyd HO Sau-lan
 - Hon WONG Yuk-man

Public Officers : Agenda item IV
attending

Home Affairs Bureau

Mr TSANG Tak-sing, GBS, JP
Secretary for Home Affairs

Ms Candy LAU
Principal Assistant Secretary for Home
Affairs (Community Care Fund)

Executive Committee on the Community Care Fund

Dr Law Chi-kwong, SBS, JP
Chairman

Agenda item V

Home Affairs Bureau

Mr TSANG Tak-sing, GBS, JP
Secretary for Home Affairs

Mr Jonathan McKinley, JP
Deputy Secretary for Home Affairs (2)

Mr Benjamin MOK
Principal Assistant Secretary for Home Affairs
(Recreation and Sport)

Hong Kong Sports Institute

Dr Trisha Leahy
Chief Executive

Agenda item VI

Home Affairs Department

Mrs Pamela TAN, JP
Director of Home Affairs

Mr David LEUNG, JP
Deputy Director of Home Affairs (2)

Hong Kong Federation of Insurers

Mr Harry WONG
Chairman, General Insurance Council

Ms Ronnis PUN
Chairperson, Accident Insurance Association

Mr Peter TAM
Chief Executive

Clerk in attendance : Mr Thomas WONG
Chief Council Secretary (2)2

Staff in attendance : Ms Alice LEUNG
Senior Council Secretary (2)2

Ms Yvonne OA-YANG
Council Secretary (2)2

Miss Meghan MOK
Legislative Assistant (2)2

Miss Monique TSEUNG
Clerical Assistant (2)2

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I. Confirmation of minutes
[LC Paper No. CB(2)769/10-11]

The minutes of the meeting on 12 November 2010 were confirmed.

II. Information paper(s) issued since the last meeting

2. Members noted the following papers issued since the last meeting -

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- LC Paper No. CB(2)545/10-11(01) -- Capital works project to be submitted to the Public Works Subcommittee on a proposed community hall at the housing site in Area 18, Tuen Mun
- LC Paper Nos. CB(2)615/10-11(01) and (02) -- Request dated 1 November 2010 from Hon Tanya CHAN for discussion on the matter relating to the establishment of the Advisory Committee on Arts Development and information paper provided by the Administration
- LC Paper Nos. CB(2)651/10-11(01) and (02) -- Submission from a member of the public expressing views on the services of public libraries and the Administration's response
- LC Paper No. CB(2)656/10-11(01) -- The result of the survey conducted by the Census and Statistics Department on enforcement of maintenance orders
- LC Paper No. CB(2)681/10-11(01) -- Information paper on the findings of an internal audit review on acquisition and management of museum collections conducted by the Quality Assurance Section of the Leisure and Cultural Services Department
- LC Paper No. CB(2)720/10-11(01) -- Letter from the Sports Federation & Olympic Committee of Hong Kong, China

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III. Items for discussion at the next meeting

[Appendix I to II LC Paper No.CB(2)801/10-11]

3. Members agreed to discuss the following items at the next regular meeting scheduled for 11 February 2011 -

- (a) Implementation of the outstanding leisure and cultural services projects of the former Municipal Councils; and
- (b) Territory-wide survey on intangible cultural heritage in Hong Kong.

Monitoring of private recreational leases

4. Miss Tanya CHAN expressed dissatisfaction at the repeated postponement of the discussion on Item 9 on the List of the outstanding items for discussion (i.e. Monitoring of private recreational leases). She requested that the item be discussed at the Panel meeting in March 2011. The Chairman advised that at the Administration's request, the item had been deferred to March 2011 or a later date within the current legislative session. He agreed with discussing the item as soon as possible and would convey Miss CHAN's request to the Administration.

Regulation of the property management industry

5. The Chairman reminded members that a special meeting had been scheduled for 18 February 2011 to receive views from deputations on the Administration's public consultation document on the regulation of the property management industry.

IV. Community Care Fund

[LC Paper Nos. CB(2)801/10-11(01) and (02)]

6. At the Chairman's invitation, Secretary for Home Affairs ("SHA") briefed members on the Administration's paper [LC Paper No. CB(2)801/10-11(01)] on the operation of the Community Care Fund ("CCF"), the proposals for the Government to inject \$5 billion into CCF and to create a supernumerary Administrative Officer Staff Grade ("AOSGC") (D2) post for three years in the Home Affairs Bureau ("HAB") to take forward the CCF initiative. The Administration would submit the staffing proposal to the Legislative Council ("LegCo")'s Establishment Subcommittee ("ESC") on 16 February 2011 for

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recommendation to the Finance Committee ("FC") for approval in May 2011. It would also seek FC's approval for the proposed injection of \$5 billion into CCF in May 2011. CCF aimed at rolling out its programmes within the second quarter of 2011.

7. Chairman of the Executive Committee on CCF advised that as a general principle, the operation of CCF would mainly be funded by the investment returns of the seed capital of \$10 billion but the seed capital might be deployed in accordance with the principle of financial prudence in response to needs. Subject to further discussion with the Hong Kong Monetary Authority ("HKMA"), a deposit would be placed with HKMA to earn an investment return that was linked to the performance of the Hong Kong Exchange Fund, and the remaining amount of the capital would be deposited at banks to meet any liquidity needs. Based on the assumption of an average annual investment return of around 4% to 5%, it was expected that the seed capital would generate an annual investment income of around \$400 million to \$500 million.

Impact on charities

8. Mr WONG Sing-chi, Ms Emily LAU, Mr CHEUNG Kwok-che, Ms Miriam LAU and the Chairman expressed concern that CCF might dilute the business sector's donations to other charities, such as the Community Chest of Hong Kong ("CCHK"), from which many non-government organizations received support. Mr CHEUNG urged the Administration to keep in view whether CCHK had any fund-raising difficulties after the establishment of CCF and to render assistance when necessary.

9. SHA responded that CCF would not launch any public fund-raising campaigns. The business sector was only invited to make voluntary donation to CCF on top of its support for charities. The Administration would monitor CCF's impact on donations to other charities such as CCHK. The fund raising activities of CCHK had so far not been affected by CCF.

10. Mr Ronny TONG opined that the scope of CCF and CCHK needed to be clearly demarcated. CCF should liaise with CCHK to avoid duplication of assistance programmes. He asked whether CCF would give financial support to CCHK if the latter fell short of its funding target.

11. SHA responded that CCF would not duplicate the programmes under CCHK, other charitable funds and the Government's existing social welfare service network. As a new initiative, CCF would deliver its

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programmes in an innovative manner. He advised that as CCF and CCHK were two independent funds, there would not be any transfer of funding between them.

12. The Deputy Chairman expressed worry that CCF and CCHK might have duplicate functions and compete with each other for donations. He asked about the differences between them. Chairman of the Executive Committee on CCF explained that the two funds were very different in nature. CCHK mainly supported direct service projects to provide welfare services through its member agencies, while CCF would provide direct assistance to needy individuals through government departments and certain institutions. As such, their overlapping would be minimal.

Source of funding

13. Mr WONG Sing-chi, Ms Emily LAU, Mr CHEUNG Man-kwong and Prof Patrick LAU shared the view that instead of appealing to the business sector for donations, the Government should fully fund CCF by itself. Mr WONG and Ms LAU urged the Government to stop raising fund from the business sector for CCF immediately. Mr WONG suggested that the Government should top up CCF if it had yet to raise the \$5 billion from the business sector. Mr CHEUNG doubted whether the business sector could afford to continue their donations to CCF in times of economic downturn and this uncertainty might affect CCF's operation. Prof LAU suggested that the business sector might set up its own community care fund.

14. Noting that the target beneficiaries of CCF would include those who fell outside the social safety net as well as those within the safety net but had special circumstances that were not covered, Ms Emily LAU opined that it was the Government's responsibility to support these people. As the Government had amassed huge fiscal reserves, it could well afford to include these people in its recurrent assistance programmes. She objected in principle to the Administration's idea that the success of CCF would hinge on the collaboration between the Government and the business sector, as this would mix up the Government's responsibility to support the needy and the business sector's donations to charities. The business sector should contribute to CCHK and other charities instead of CCF.

15. SHA responded that the Government would continue to strengthen its welfare services for the underprivileged in the light of demands in society. CCF could promote the collaboration between the Government, the business sector and the community, which would create a synergy

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effect on charity work in Hong Kong. There were philanthropists in the business sector willing to work with the Government to promote charity, and CCF would help build a caring society. He stressed that since its inception, CCF had been well received by the community.

16. The Deputy Chairman expressed concern that when appealing to the business sector for donations in a low-profile manner, the Government might make secret deals with it. He demanded the disclosure of the amount of donations the Government had solicited from the business sector.

17. SHA responded that donation from the business sector to CCF should not be seen as collusion between the business sector and the Government. Subject to the donors' consent, the Administration would disclose their identity when appropriate. As CCF was in the process of opening a bank account, the details on the amount of donations received could not be disclosed at present. Chairman of the Executive Committee on CCF added that the total amount of donations to CCF would be disclosed, but the amount of donations from individual donors would not be disclosed.

18. Ms Miriam LAU considered that CCF was very similar to the community care fund previously launched by the Liberal Party. She supported the promotion of care and love in society, no matter whether it was initiated by the Government, the business sector or the political parties.

19. The Chairman was of the view that he and the Democratic Alliance for the Betterment and Progress of Hong Kong saw CCF from a positive perspective, as CCF could line up different parties to work together for building a caring culture in Hong Kong. It was inappropriate to label CCF as collusion between the Government and the business sector.

20. Mr WONG Kwok-hing opined that any fund which could help the needy should be welcomed. He hoped that the Government would have a great success in raising fund from the business sector.

Target beneficiaries

21. Mr WONG Kwok-hing was concerned about how CCF would be used to help the needy. In particular, CCF should deliver programmes, such as dental services, targeted at elders who neither had pensions after retirement nor were eligible for the Comprehensive Social Security Assistance ("CSSA"), and those aged between 60 and 65 who were

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ineligible for the Old Age Allowance. Noting that CCF aimed at filling the gaps in the existing social safety net, he asked about the size of the gaps, i.e. the number of the needy individuals who could be covered by CCF. SHA responded that the Steering Committee on CCF might obtain such information through its public consultation exercise.

22. Concerning the residents affected by the serious floods in Tai O and Sha Po Chai Tsuen in Tai Po in recent years, Mr CHEUNG Hok-ming asked whether CCF would introduce a specific emergency relief programme to cater for their needs. He also asked whether CCF could provide assistance to a group of poor elders in the New Territories whose land had been zoned as part of the country parks and had become idle and whose possession of such land as their assets had rendered them ineligible for the CSSA scheme. SHA responded that the relevant Subcommittees under the Steering Committee on CCF would consider Mr CHEUNG's concerns carefully when drawing up assistance programmes.

23. Ms Miriam LAU hoped that CCF would provide assistance to the underprivileged groups such as the working poor, people with chronic illnesses and social enterprises.

Monitoring

24. Mr WONG Sing-chi urged the Administration to keep CCF's operation transparent and accountable, and to set up a regular mechanism to monitor the operation of CCF, including its expenses and programmes and how such programmes could be incorporated into the Government's regular assistance and service network. As LegCo would be the gatekeeper for the injection of \$5 billion into CCF, the Deputy Chairman asked how CCF would be accountable to LegCo. Mr CHEUNG Kwok-che suggested that CCF report to LegCo on its progress of work at regular intervals, say in every three to six months, and its recommendations on how to improve the Government's policies which affected people's livelihood annually.

25. SHA responded that CCF's operation, including its income and expenditure, would be highly transparent, and the audit report on CCF would be submitted to LegCo annually.

Administrative cost

26. Prof Patrick LAU expressed worry that the application procedures for CCF's programmes might be cumbersome. He asked whether a cap

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would be set on CCF's administrative expenses, and whether the needy individuals would be requested to come forward to apply for such programmes or whether CCF would reach out to them.

27. Chairman of the Executive Committee on CCF responded that the target beneficiaries of CCF would not need to come forward to make applications to bid for funding. It was estimated that tens of thousands of individuals would be eligible for CCF's assistance, CCF's programmes would be delivered to provide swift and direct assistance to target beneficiaries through the Government's existing service network where possible to minimize administrative costs. The target of CCF was to limit the average administrative expenses to within 5% of its total disbursements on a long-term basis.

Duration

28. Mr WONG Sing-chi was of the view that CCF should not be taken as a long term measure. The programmes to be rolled out under CCF should be those that could be considered by the Government for incorporation into its regular assistance and service programmes.

29. Mr CHEUNG Kwok-che declared that he was a member of the Steering Committee on CCF. Given the inadequacies of the Government's existing policies which affected people's livelihood, he considered CCF an acceptable interim measure to help the needy. He suggested that in addition to the investment returns, its seed capital should also be used with a view to maximizing its efficacy. He also suggested that CCF be wound up within three to five years, as the Government's policies which affected people's livelihood should have been improved during the period. His suggestions were echoed by the Chairman.

Staffing proposal

30. On the Administration's proposal to create a supernumerary AOSGC (D2) post in HAB for CCF, Mr WONG Sing-chi noted that the Labour and Welfare Bureau ("LWB") had made a similar staffing proposal. He expressed concern about whether there was co-ordination amongst bureaux in the creation of posts for CCF to avoid unnecessary bureaucracy. He asked the Administration to provide information on all the posts to be created in relation to CCF.

31. SHA advised that the proposed AOSGC (D2) post would provide support for the CCF Secretariat. To his understanding, the post created in LWB would not support CCF solely and would undertake other tasks

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under the purview of LWB.

32. Summing up, the Chairman advised that the Administration should take note of members' views on CCF, and members might follow up the Administration's staffing and financial proposals at the meetings of ESC and FC.

V. Measures to enhance the support to and prospects of elite athletes

[LC Paper Nos. CB(2)801/10-11(03) and (04)]

33. At the Chairman's invitation, SHA briefed members on the Government's support measures for local elite athletes [LC Paper no. CB(2)801/10-11(03)]. Chief Executive of the Hong Kong Sports Institute ("CE/HKSI") then briefed members on HKSI's support for elite athletes with the following highlights -

- (a) Hong Kong athletes had performed well in international competitions. For instance, at the Guangzhou 2010 Asian Games, Malaysia (which ranked 10th on the medal table) only won one more medal than Hong Kong (which ranked 11th), despite the fact that Malaysia had a population four times the size of Hong Kong's. This indicated that the elite training system in Hong Kong and the Government's related policy initiatives rolled out in the last few years were reaping the benefits;
- (b) Hong Kong had a comprehensive support infrastructure for elite athletes. There were over 1 000 scholarship athletes receiving support services from HKSI. Elite athletes received about \$53 million in direct financial support in 2010. Athletes winning medals at major multi-sports competitions would also be given incentive awards;
- (c) HKSI adopted a whole-person approach to athletes' development. Various programmes (such as the education support provided under the Hong Kong Athletes Fund ("HKAF")) were available to assist elite athletes in pursuing further studies in preparation for the transition to a second career. Around 83% of the athletes graduating from HKAF's programmes were in full-time employment; and

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- (d) the main barrier to the further development of elite sport in Hong Kong was the lack of systemic, alternative educational pathways which would allow elite athletes to train full time with education paralleling that full-time training requirement.

Financial support

34. Noting that HKSI was supporting 14 elite sports and a top-level full-time elite athlete could receive monthly financial assistance of around \$30,000, Mr WONG Kwok-hing asked about the average amount of such assistance received by a full-time elite athlete who did not win a medal at major sports events, and whether athletes in non-elite sports could receive any support.

35. Deputy Secretary for Home Affairs (2) ("DSHA(2)") responded that individual athletes in non-elite sports who had potential or achieved good results could receive support from HKSI and their National Sports Associations. They could also receive grants for preparation for and participation in major sports games. CE/HKSI advised that there was a comprehensive support system for individual athletes in non-elite sports. At present, about 50 such athletes were receiving financial support under the Individual Athlete Support Scheme and could have full access to HKSI's facilities. Another 50 athletes with disabilities could also have such access. Various levels of programme funding for such athletes were available from HKSI and Leisure and Cultural Services Department. She also advised that the monthly financial assistance to elite athletes was performance-based. A full-time athlete below the top level could receive assistance of about \$25,000 per month.

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36. Noting that the financial assistance received by able-bodied elite athletes and by disabled ones had a significant differential, Miss Tanya CHAN requested the Administration to provide up-to-date information on it after the meeting. SHA agreed.

37. On Miss CHAN's enquiry about whether the cash bonus for disabled elite athletes who won medals at major sports games could be increased, SHA responded that the Administration had reviewed and adjusted the financial assistance to such athletes in 2009 and would do so again when appropriate.

Education and career development support

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38. Mr CHEUNG Man-kwong was of the view that sufficient education and career development support was a prerequisite for attracting young athletes to pursue a sports career. Noting from paragraph 15 of the Administration's paper that the total amount of scholarships so far received by seven retired athletes was only \$0.2 million, he considered it insufficient to support them to pursue further education. Referring to the admission of only 16 athletes to local tertiary institutions in 2010, he questioned whether athletes were given sufficient opportunities to enroll into bachelor's degree courses in local universities. He urged the Government to consider creating and subsidizing more university places for retired athletes.

39. SHA responded that the enrolment requirements for individual programmes offered by different tertiary institutions might vary. The eight institutions funded under the University Grants Committee had accepted enrollment applications from athletes recommended by HKSI or the Sports Federation & Olympic Committee of Hong Kong, China ("SF&OC"). DSHA(2) clarified that the scholarship scheme described in paragraph 15 of the Administration's paper was only one of the many financial schemes made available to athletes. There were other schemes, such as the Hong Kong Athletes Fund, offering a higher level of scholarships and subsistence allowances.

40. Ms Emily LAU shared the view that the uncertain prospect for elite athletes after retirement had deterred parents from encouraging their children to pursue a sports career. More opportunities should be provided to elite athletes to pursue further education in local tertiary institutions. She asked how overseas places, especially those which nurtured many outstanding athletes, provided tertiary education support for elite athletes.

41. CE/HKSI advised that in Australia, both high schools and universities allowed student athletes to extend their study period, and this flexible system could, if adopted in Hong Kong, provide a solution for Hong Kong athletes. Ms LAU requested HAB to collaborate with the Education Bureau ("EB") to provide an information paper on how such system could be applied to Hong Kong. SHA responded that similar arrangements had been adopted by local tertiary institutions.

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42. Mr WONG Sing-chi opined that instead of importing athletes from the Mainland into Hong Kong or hosting the 2023 Asian Games, the best way to nurture elite athletes was to encourage youngsters to receive systematic and continued sports training during their days in schools, and to convince their parents that professional athletes would have a good career prospect. He also expressed dissatisfaction with the long-standing

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inadequacy of sports facilities in schools and urged HAB to discuss with EDB on how to promote sports in schools.

43. Noting EB's recommendation that no less than 5% of the lesson time in primary and secondary schools should be allocated to physical education ("PE"), Miss Tanya CHAN asked whether HAB would put in place concrete measures to promote sports in schools in collaboration with EB. DSHA(2) responded that the Administration had all along provided support for the Hong Kong Schools Sports Federation, and spent more than a million dollars to support students taking part in the national secondary school games in 2010. The Administration would study how to support student athletes in a more integrated manner.

44. The Deputy Chairman considered that the Administration should take the initiative to improve the career pathway for retired athletes. The Hong Kong Schools Sports Federation had suggested that such athletes could be employed as PE teachers or trainers in schools. He asked whether the Administration would take on board the suggestion. He also urged the Administration to devise concessionary measures to encourage the business sector, especially big enterprises, to employ retired athletes.

45. SHA responded that the Administration had allocated funding to SF&OC to establish the Hong Kong Athletes Career and Education Programme in collaboration with the business sector, with a view to improving the education and career prospects for serving and retired athletes. The Administration would consider whether the programme could be enhanced. He also advised that some retired athletes who met professional qualifications had already been employed as PE teachers in schools.

46. Ms Emily LAU suggested that the Panel on Home Affairs ("the HA Panel") could hold a joint meeting with the Panel on Education to discuss matters relating to the promotion of sports in schools. Miss Tanya CHAN supported the suggestion and further proposed that the joint meeting could also cover matters relating to the promotion of arts education. The Chairman concurred with their suggestions.

VI. Matters relating to procurement of third party risks insurance by owners' corporations

[LC Paper Nos. CB(2)801/10-11(05) to (07)]

47. At the Chairman's invitation, Director of Home Affairs ("DHA") briefed members on the latest progress of the implementation of the

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mandatory requirement for procurement of third party risks insurance by Owners' Corporations ("OCs") under the Building Management (Third Party Risks Insurance) Regulation ("the Regulation"), which came into effect on 1 January 2011 [LC Paper No. CB(2)801/10-11(05)].

48. Chairman of General Insurance Council of the Hong Kong Federation of Insurers ("Chairman of GIC/HKFI") presented its written submission on the Regulation and HKFI's initiatives to address OCs' concerns [LC Paper No. CB(2)801/10-11(06)].

Buildings without OCs or with unauthorized structures

49. Mr WONG Kwok-hing enquired about the number of buildings without OCs which had not procured third party risks insurance and the Administration's assistance to them in setting up OCs and procuring insurance. Mr WONG and Ms Miriam LAU also enquired whether the Administration could arrange for such buildings to procure group insurance prior to the formation of their OCs.

50. DHA responded that while the Regulation only required buildings with OCs to procure insurance, buildings without OCs were also encouraged to do so. In April 2010, the Home Affairs Department ("HAD") launched the Building Management Professional Service Scheme to provide owners of old buildings with free professional advice on property management, including arranging housing managers to assist owners of such buildings in setting up OCs. The Scheme was ongoing and would be enhanced in future.

51. Mr CHEUNG Hok-ming enquired how the Administration would assist owners of buildings with unauthorized structures in procuring insurance. DHA said that removal of such structures would help owners procure insurance at a lower premium.

52. Noting from paragraph 5(a) of the Administration's paper that a list of insurance companies authorized by the Insurance Authority had been provided to OCs in need, Ms Miriam LAU doubted the effectiveness of the mere provision of the list, and opined that HAD should take a more proactive role to assist them in procuring insurance.

53. DHA advised that HAD had been proactively assisting OCs in procuring insurance. Before the commencement of the Regulation, it had contacted individual OCs and, taking into account their circumstances, provided them with a full range of support, which included explaining to owners the importance of procuring insurance and assisting OCs in

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convening owners' meetings to discuss matters on insurance procurement.

Insurance coverage

54. Mr WONG Sing-chi expressed concern about the allegations about some insurance companies having misled OCs into procuring insurance coverage over and above the mandatory requirement. Mr WONG asked whether the Administration and the insurance sector had issued any guidelines to clarify the required insurance coverage.

55. Ms Emily LAU said that an OC in Tai Po had complained to her that despite having procured a comprehensive liability insurance policy, it was advised by an insurance company to take out a separate third party risks insurance policy with a high premium. She asked why such a situation had occurred and whether a ceiling could be set on insurance premium.

56. Chairman of GIC/HKFI explained that under the mandatory requirement, if the insured amount of a comprehensive public liability insurance policy procured by an OC was \$10 million only, the OC would need to amend the existing policy or take out a separate policy to provide coverage of no less than \$10 million specifically for the bodily injury caused to and/or death of a third party.

57. On Prof Patrick LAU's enquiry about the addition of the name of an OC as an additional insured in the existing third party risks insurance policy already procured by its property management company, Chairman of GIC/HKFI advised that the Regulation required an OC to procure insurance of no less than \$10 million for each event. If an OC requested its property management company to add its name to the company's insurance policy, adequate insured amount had to be allocated to the OC in compliance with the legal requirement.

Prosecution against non-complying OCs

58. Prof Patrick LAU asked whether a deadline would be set for not prosecuting OCs which failed to comply with the Regulation. DHA responded that the Administration would not prosecute OCs as long as they had already contacted the District Offices in their respective districts for assistance in procuring the third party risks insurance and they were making every endeavor to procure insurance.

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Complaints against insurance companies

59. Noting that even buildings with OCs which had procured insurance had problems in renewing their policies or applying their existing policies to comply with the Regulation, the Deputy Chairman criticized the Administration for not launching sufficient publicity activities to help OCs understand the mandatory requirement. He cited an example in which an OC had procured an insurance policy at an annual premium of \$3,000 effective from 14 January 2011, but the OC concerned was unnecessarily required to pay an extra premium of \$500 to amend its policy to cover the period from 1 to 13 January 2011 in order to comply with the mandatory requirement. He asked whether HKFI had a complaint hotline for the public to report cases of unscrupulous practices of insurance companies and whether the insurance sector had a body to handle complaints. Chairman of GIC/HKFI responded that HKFI had a telephone hotline to answer enquiries from OCs and other stakeholders and had followed up each case.

60. Mr CHAN Kin-por said that in many cases where OCs had disputes with insurance companies over insurance premiums, the OCs concerned usually ended up accepting the premiums after hearing the insurance companies' explanation. He said that as a representative of the insurance sector, he was willing to handle complaints concerning insurance procurement. Members might also file complaints to HKFI through its hotline.

VII. Any other business

61. There being no other business, the meeting ended at 10:45am.