

**Introductory Remarks by
Chairman of the Public Accounts Committee,
Hon Abraham SHEK Lai-him, GBS, JP
at the First Public Hearing of the Committee
in respect of the Director of Audit's Report No. 62
on Monday, 5 May 2014**

Good morning, ladies and gentlemen. Welcome to the Public Accounts Committee's public hearing relating to Report No. 62 of the Director of Audit on the results of value for money audits, which was tabled in the Legislative Council on 16 April 2014.

2. The Public Accounts Committee is a standing committee of the Legislative Council. It plays the role of a watchdog over public expenditure through consideration of the reports of the Director of Audit laid before the Council on the Government's accounts and the results of value for money audits of the Government and those organisations which receive funding from the Government. The consideration by the Committee of the Director's reports involves gathering evidence relevant to the facts contained in the Director's reports, so that the Committee may draw conclusions and make recommendations in a constructive spirit and forward-looking manner. I also wish to stress that the objective of the whole exercise is such that the lessons learned from past experience and our comments on the performance of the public officers or other personnel concerned will enable the Government to improve its control over the expenditure of public funds, with due regard to economy, efficiency and effectiveness.

3. The consideration of the Director's reports follows an established process of public hearings where necessary, internal deliberations and publication of the Committee's report. The Committee has an established procedure for ensuring that the parties concerned have a reasonable opportunity to be heard. After the Committee is satisfied that it has ascertained the relevant facts, it will proceed to form its views on those facts, followed by a process of formulating its conclusions and recommendations to be included in its report. In accordance with Rule 72 of the Rules of Procedure of the Legislative Council, the Committee is required to make its report on the Director's report to the Legislative Council within three months of the date at which the Director's report is laid on the Table of the Council. Before then, we will not, as a committee or individually, be making any public comments.

4. Following a preliminary study of Report No. 62, the Committee has decided, in respect of three chapters in the Report, to invite the relevant public officers to appear before the Committee and answer our questions. We have, apart from this hearing, also set aside 12 May 2014 for public hearing on the other chapter.

5. The public hearing today is on Chapter 2 of Report No. 62 on the subject of "Planning, construction and redevelopment of public rental housing flats". The witnesses are:

- Professor Anthony CHEUNG (Secretary for Transport and Housing),
- Mr Stanley YING Yiu-hong (Director of Housing),
- Miss Agnes WONG Tin-yu (Deputy Director (Strategy) of Housing Department),
- Ms Ada FUNG Yin-suen (Deputy Director (Development & Construction) of Housing Department),
- Mr Anson LAI Yat-ching (Assistant Director (Strategic Planning) of Housing Department),
- Mr CHAN Siu-tack (Assistant Director (Estate Management)² of Housing Department),
- Mr Lawrence CHUNG Kam-wing (Assistant Director (Project)³ of Housing Department),
- Mr Paul CHAN Mo-po (Secretary for Development),
- Mr Thomas CHOW Tat-ming (Permanent Secretary for Development (Planning and Lands)),
- Mr Thomas CHAN Chung-ching (Deputy Secretary for Development (Planning and Lands)¹),
- Mr LING Kar-kan (Director of Planning), and
- Ms Christine TSE (Assistant Director of Planning (Special Duties)).

6. I will now invite members to declare their interests in relation to the subjects covered in this chapter. Does any member want to declare interests?

(After members have declared their interests)

7. The Secretary for Transport and Housing has requested to make an opening statement. Mr CHEUNG, please

*(After the Secretary for Transport and Housing
has made his statement)*

8. The Secretary for Development has requested to make an opening statement. Mr CHAN, please

*(After the Secretary for Development
has made his statement)*

9. I would like to invite Hon Kenneth LEUNG to ask the first question.