

立法會
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**Minutes of the meeting of the
Subcommittee on the Professional Accountants (Amendment) Bylaw 1998
held on Tuesday, 24 November 1998 at 2:30 pm
in the Chamber of the Legislative Council Building**

Members present : Hon CHAN Kam-lam (Chairman)
Hon Eric LI Ka-cheung, JP
Dr Hon LEONG Che-hung, JP

Members absent : Hon Edward HO Sing-tin, JP
Hon SIN Chung-kai

By invitation : Representatives from the Hong Kong Society of Accountants (HKSA)

Mr Eric LI Ka-cheung, JP
Chairman, Steering Committee on Professional Accreditation

Mr Louis WONG
Registrar

Ms Georgina CHAN
Director of Education and Training

Deputations

Mr Joseph CHEUNG
Hang Seng Chair & Head of Accountancy
Hong Kong Polytechnic University (PolyU)

Mr Joseph YAU
President, Hong Kong Association of Accounting
Technicians (HKAAT)

Mr James KONG
Honorary President
Hong Kong Accounting Professionals General Union

**Clerk in
attendance** : Mr LAW Wing-lok
Chief Assistant Secretary (2) 5

**Staff in
attendance** : Miss Anita HO
Assistant Legal Adviser 2

Miss Mary SO
Senior Assistant Secretary (2) 8

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I. Election of chairman

Mr CHAN Kam-lam was elected chairman of the Subcommittee.

II. Meeting with the HKSA and deputations

(A paper on HKSA's professional qualification programme tabled at the meeting)

2. Mr Eric LI declared interest as the Chairman of the Steering Committee on Professional Accreditation of the HKSA. The Steering Committee was set up by the HKSA in 1994 to study and draw up proposals for a new professional accreditation system.

3. Assistant Legal Adviser said that the legal and drafting aspects of the Professional Accountants (Amendment) Bylaw 1998 were in order.

4. In response to members' enquiries as to whether all parties affected had been fully consulted on the graduate entry policy and the new requirements for enrollment in the HKSA's new examinations, Mr WONG from HKSA explained that its registered students, members, member firms, government and regulatory bodies, local and overseas professional bodies, educational institutions and other interested parties had been consulted during the course of drawing up the proposals for a new professional accreditation system between

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1995 and 1998. Consultation and publicity conducted during the same period included publishing the proposals in HKSA's publications, organizing talks, forums and exhibitions, holding press conferences and interviews and attending radio talk shows. Throughout the entire consultation exercise, responses had been positive and the parties concerned had all indicated support for graduate entry and the main features of the new qualification framework.

5. At the invitation of the Chairman, Mr CHEUNG from PolyU said that the local tertiary institutions were in favour of the new scheme which would enable Hong Kong to compare favourably with the best professional practices in developed countries such as the United States of America and Canada in standards of accounting education and membership. Moreover, the new scheme would set forth a clearer division of work between the tertiary institutions and the HKSA in the training of students, namely, the former would provide basic academic training whereas the latter would provide professional training.

6. Mr YAU from HKAAT said that their survey results on the new scheme revealed that none of their members, about half of whom were graduates of the Technical Institutes or Technical Colleges, had expressed objection to the new scheme. At present, some of its 7,000 odd members would proceed further to acquire HKSA membership after obtaining a HKAAT qualification. Under the new scheme, persons who passed Levels I and II of the Accounting Technician Examinations would be required to attend a Foundation Programme before they could enroll as registered students of HKSA, whereas under the existing system they were exempted from six out of 14 papers of the HKSA/ACCA Joint Examinations. Given that accounting technicians at present had to study on their own or attend distance learning courses, their success rates were not very high. And even if they did obtain the HKSA qualification, they usually took a long time to complete the examinations. For instance, the best students on average took five years to obtain the HKSA qualification, whereas the average ones would take up to eight years. However, since the Foundation Programme was a four years part-time structured training programme and the HKSA's new examinations only comprised four professional examinations and one final professional examination, it was envisaged that accounting technicians should have a better chance of obtaining the HKSA qualification in about six years' time.

7. Mr KONG from HKAPGU said that their members were in support of the new scheme and welcomed the undertaking given by HKSA to secure adequate places for both the Foundation Programme (for non-degree holders) and Conversion Programme (for non-accountancy degree holders) from Hong Kong's tertiary institutions upon demand.

8. In response to members' enquiries as to whether students currently attending an overseas course or taking a correspondence course in Hong Kong

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would be affected by the new scheme, Mr WONG from HKSA said that under the existing policy of HKSA, HKSA would recognize those educational institutions which were recognized by a national professional body recognized by HKSA.

9. Noting that under the new HKSA's new professional accreditation system, persons who did not meet the new requisite standard of education would be required to first undertake either a Foundation Programme or a Conversion Programme, Dr LEONG Che-hung enquired whether this would make it more difficult for people to obtain a professional qualification.

10. Mr WONG from HKSA replied that it was difficult to give a definite answer on this question because the new scheme provide a structured training programme, whereas under the existing scheme people had to study on their own. He however pointed out that people were not bound to enroll in HKSA to obtain a professional accounting qualification. For instance, there were some 8% and 18% of newly registered members of HKSA in 1998 obtaining the HKSA qualification on the basis of the American Institute of Certified Public Accountants and the Australian Society of Certified Practicing Accountants respectively.

11. As regards the impact on the existing registered students, Mr WONG from HKSA said that these students might continue their student membership after 1 January 1999, and subject to their compliance with the bylaws, they would have until 31 December 2001 to complete the Joint Examinations. Thereafter, if they had not yet completed the Joint Examinations, they might opt to remain in the UK ACCA Professional Examinations stream or to switch over to the HKSA's new professional examinations known as the "HKSA professional programme and examinations". In the latter case, the students would have to be either accountancy degree holders or had completed the Foundation Programme or the Conversion Programme in order to sit for the "HKSA professional programme and examinations". He further said that so long as the students could complete either one of the examinations by 31 December 2004, HKSA would recognize their qualification. As such, the existing registered students would have six years, i.e. between 1999 and 2004 to obtain their professional qualification.

12. In concluding the discussion, the Subcommittee was of the view that the clarifications given by the HKSA and deputations had addressed their concern and recommended that the Amendment Bylaw be supported.

13. There being no other business, the meeting ended at 3:50 pm.

Legislative Council Secretariat

11 October 2000