

**立法會**  
**Legislative Council**

LC Paper No. CB(2)1147/99-00  
(These minutes have been  
seen by the Administration)

Ref : CB2/PL/HA

**LegCo Panel on Home Affairs**

**Minutes of special meeting  
held on Tuesday, 7 December 1999 at 9:00 am  
in the Chamber of the Legislative Council Building**

- Members Present** : Hon CHOY So-yuk (Chairman)  
Hon Albert HO Chun-yan (Deputy Chairman)  
Hon Cyd HO Sau-lan  
Hon Edward HO Sing-tin, JP  
Hon MA Fung-kwok  
Hon James TO Kun-sun  
Hon Gary CHENG Kai-nam  
Hon Andrew CHENG Kar-foo  
Hon Timothy FOK Tsun-ting, JP
- Members Absent** : Hon LEE Wing-tat  
Hon Ambrose CHEUNG Wing-sum, JP  
Hon Christine LOH  
Hon Andrew WONG Wang-fat, JP  
Hon LAU Wong-fat, GBS, JP  
Hon Emily LAU Wai-hing, JP
- Public Officers Attending** : Item I  
Mr David LAN H T  
Secretary for Home Affairs  
  
Mr NG Sek-hon  
Deputy Secretary for Home Affairs (Culture & Sport)  
  
Mr Johathan MCKINLEY  
Principal Assistant Secretary for Home Affairs  
(Recreation & Sport)

Item II

Mr Francis LO  
Acting Deputy Secretary for Home Affairs

Mr LUI Hau-tuen  
Acting Director of Home Affairs

**Clerk in Attendance** : Mrs Constance LI  
Chief Assistant Secretary (2) 2

**Staff in Attendance** : Miss Flora TAI  
Senior Assistant Secretary (2) 2

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**I. Government's support for the bid to host the 2006 Asian Games**  
[Legislative Council Brief Ref. : HAB CS/CR 7/8/76(99), Papers No. CB(2)497/99-00(01) and CB(2)554/99-00(01)]

Members noted that the Administration had provided the following papers in respect of the Government's support for the bid to host the 2006 Asian Games -

- (a) Legislative Council Brief on "Support for the Bid to Host the 2006 Asian Games" [Ref. : HAB CS/CR 7/8/76(99)];
- (b) paper on "Sports Venues for 2006 Asian Games" [Paper No. CB(2)497/99-00(01)]; and
- (c) paper on "Procedural and Related Arrangements for the Submission of a Bid to Host the Asian Games" [Paper No. CB(2)554/99-00(01)].

2. At the invitation of the Chairman, Secretary for Home Affairs (SHA) briefed members on the background and present position of the Government's support for the bid to host the 2006 Asian Games. SHA said that on 30 June 1999 the Legislative Council (LegCo) endorsed a motion moved by Hon Timothy FOK on "Providing major venues for sporting events" and most Members had expressed support for the bid to host the 2006 Asian Games. The Administration had subsequently conducted a preliminary assessment on the viability of a bid to host the 2006 Asian Games. The preliminary assessment concluded that Hong Kong could make a strong bid for mounting the "best Asian Games ever" having regard to its sports venues and supporting

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facilities, financial capabilities and capacity to organise an event of such scale. The Administration therefore supported the expression of interest which the Sports Federation and Olympic Committee of Hong Kong, China (SF&OC) would submit to the Olympic Council of Asia (OCA) for the hosting of the 2006 Asian Games.

Procedural arrangements for the submission of the bid

3. SHA informed members that the OCA Constitution required the member applying for the right to host the Games to obtain the written approval of its government. The application to be submitted by SF&OC would therefore need the endorsement of the HKSAR Government. In addition, it would also need to be counter-signed by the Central Government. He said that the Government would work closely with SF&OC in the coming months on the preparation of the bid documents.

4. Hon Timothy FOK declared interest as the President of SF&OC. He thanked the Government for its timely decision to support the SF&OC's expression of interest to host the 2006 Asian Games. He explained that the OCA would open the bidding for the Games in early 2000. Upon invitation by the OCA, interested members would need to submit a formal bid with comprehensive information on the facilities and financial arrangements. The OCA authorities could visit the bidding countries/cities concerned in May 2000 to evaluate the applications. As the benefits for hosting the event would split between the OCA and the host city, the evaluation committee of the OCA would undertake a detailed assessment of the competing bids, particularly on the suitability of facilities and the business environment. Hon Timothy FOK noted that the Government would not construct new sports venues solely for the hosting of the 2006 Asian Games, but he urged that an early decision should be taken on the construction of those sports facilities already planned to meet Hong Kong's long-term needs.

Availability of suitable sports facilities for hosting the Games

5. SHA informed members that Home Affairs Bureau (HAB) had engaged the services of an international sports facility planning and architectural company, Bligh Voller Nield Sport Pty Ltd (BVN), to assess the suitability of the HKSAR's existing venues to cater for the Asian Games. The company was based in Sydney and had assisted in designing venues for the 2000 Olympic Games. Having reviewed the existing venues in Hong Kong, the BVN advised that HKSAR could make a strong bid for the Asian Games using mostly existing venues, subject to some upgrading, either permanently or temporarily, before 2006. The BVN had recognised that Hong Kong already had some world-class facilities such as the Hong Kong Stadium, Hong Kong Coliseum and Hong Kong Convention and Exhibition Centre. Accordingly, the Government would not build major new venues solely for the purpose of

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hosting the Asian Games, unless the facilities were also to serve the community's long-term needs.

6. The Chairman asked whether the Government's indication that it would not build major new venues solely for the purpose of hosting the 2006 Asian Games would undermine its chance of success in the bidding. SHA replied that the BVN had already advised on the suitability of the existing facilities of Hong Kong for hosting the events. He emphasised that availability of sports venues was only one of the OCA's considerations. SHA reiterated that the Government would not commit to the construction of a new stadium unless there was a long-term need for the venue.

7. The Chairman asked why the Government believed that HKSAR was capable of mounting the "best Asian Games ever". SHA replied that HKSAR had good experience in hosting major international events such as the Annual Meetings of the World Bank and International Monetary Fund in 1997. Experts had also advised that the HKSAR was able to host "the best Asian Games ever" provided that a number of existing facilities were upgraded. He added that although the Hong Kong Stadium did not have tracks for athletics games, it was a world-class sports venue for the opening ceremonies and various ball games. SHA stressed that venue considerations represented only part of the considerations for the OCA and that HKSAR had other remarkable strengths such as the good transport network, accommodation facilities and favourable business environment.

8. Hon Edward HO expressed support for Hong Kong to host the 2006 Asian Games in view of the benefits to the community such as enhancing investment opportunities and the standard of sports, etc. However, he had the impression that the HKSAR Government's support was only half-hearted. Referring to sections 1.2 and 1.5 of the BVN's report [Annex to Paper No. CB(2)497/99-99(01)], Hon Edward HO considered that the adviser was suggesting that development of significant new venues was an important condition for a successful bid. While he agreed that the development of new sports facilities should be based on a clear and identifiable requirement for such facilities to serve the community's long-term needs, he pointed out that there was already a strong voice in the community for a major sport stadium.

9. SHA responded that while the Government would definitely consider constructing a major sports stadium based on the community's long-term needs, there was no commitment that a stadium would be built within a particular time-frame. As regards the preliminary timetable for the construction of a new stadium, Principal Assistant Secretary for Home Affairs (PAS(HA)) informed members that HAB had already included a proposal to study strategic sports and recreational venue requirements, including the need for a major new stadium, as one of its policy objectives for 1999-2000. Hon Timothy FOK remarked that many international and Mainland cities already

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have their major stadia. He therefore urged the Government to speed up its study on the construction of a major sports venue. SHA said that the Government would actively pursue the study for the provision of sports facilities.

10. Hon Andrew CHENG expressed reservations about the BVN's conclusion that existing venues with temporary upgrading would be adequate for hosting the "best Asian Games ever". For example, the Ma On Shan Stadium only had a permanent seating capacity of 3 000 while the BVN had recommended a requirement of 27 000 temporary seats. SHA responded that the provision of temporary seats was a normal practice for major international events such as the Olympics and Asian Games. He said that Sydney would also provide a large number of temporary seats for the 2000 Olympics, including some 30,000 temporary places at the main venue.

11. Hon Andrew CHENG said that he remained to be convinced that the existing venues with temporary upgrading were adequate for hosting the 2006 Asian Games. He pointed out that Sydney had a 100 000-seat stadium for hosting the 2000 Olympics Games. SHA reiterated the Government's position that a major stadium would not be constructed solely for hosting a one-off event. He pointed out that the 1994 Hiroshima Asian Games ceremonies were held in a stadium which had a seating capacity much less than that of the Hong Kong Stadium.

Financial implications of hosting the Games

12. SHA informed members that in view of the substantial commitments involved in the undertaking to host the Asian Games and the limited duration of the events, the Government did not expect that there would be a net profit or positive economic return on the project. Nevertheless, the Government also did not envisage that hosting the Asian Games would constitute a financial burden beyond the capabilities of the HKSAR. In preparing for the formal bid, the Government would engage financial consultants with relevant expertise to establish detailed financial projections.

13. On the estimated economic return of hosting the 2006 Asian Games, Deputy Secretary for Home Affairs (DS(HA)) explained that potential income would come from various sources such as sponsorship, franchising, broadcasting rights and ticket sales. He reiterated that as the Games would only last two weeks, net financial or economic return was not expected. However, the hosting of the 2006 Asian Games would have other benefits similar to the hosting of the Annual Meetings of the World Bank and International Monetary Fund, such as elevating HKSAR as a centre in Asia for hosting international events, fostering a sense of social cohesion and promoting sport development.

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14. Deputy Chairman said that he had no doubt that people in Hong Kong would feel honoured if the HKSAR was able to host the Asian Games successfully. However, he considered that taxpayers should have a right to know the estimated commitments for hosting the event instead of being asked to issue "a blank cheque". He expressed dissatisfaction that the Government had already indicated support to the SF&OC's expression of interest to host the Games before members of the public could have the chance to consider the financial implications. Deputy Chairman also expressed much concern that HKSAR would be in a difficult position if the financial commitment was subsequently found to be beyond its capabilities. He stressed that HKSAR should know the "price" for hosting the Asian Games and must not seek to host the event at all costs given the current economic climate. He stated that Members belonging to the Democratic Party were unable to support the proposal to host the Games before the financial evaluation report was made available for scrutiny. In this connection, he urged the Administration to release the Government Economist's evaluation report on the hosting of the 2006 Asian Games as soon as possible.

15. DS(HA) responded that upon invitation by the OCA to submit a formal bid, the interested member countries/cities would have 90 days to submit applications in writing to the President of the OCA. The HKSAR Government would have to seek the approval of the LegCo Finance Committee on the financial commitments before entering into any such commitments, and the findings of the financial consultant would be released in due course.

16. In response to Deputy Chairman's further queries, DS(HA) said that HKSAR Government had acted prudently in considering the proposal of giving support to host the 2006 Asian Games. As Government would not construct any new sports venues solely for the purpose of hosting the Games, the capital investment would be reduced to a large extent. He added that Government also expected an improving economy between now and 2006.

17. Hon Andrew CHENG noted from section 1.5 of the BVNs report that the temporary overlay works and technology and sports equipment alone would cost about \$376 million (Hong Kong dollars), not to mention other related costs. As the Government had yet to engage the services of financial consultant for the detailed financial projections, Hon Andrew CHENG held a strong view that HKSAR Government should not make a hasty decision without thorough consideration of the likely financial implications, particularly when the Government was considering tax increases. He queried why LegCo Members were not given sight of the Government Economist's report on the proposal of HKSAR hosting the Games despite the request made by the Panel before the meeting.

18. SHA stressed that the decision was made after careful assessment of the viability of the HKSAR hosting the event. He said that he had already

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provided relevant information to the Panel, together with the BVN's report in respect of the suitability of HKSAR's sports venues to host the events of the Asian Games. SHA emphasized that it would be to the disadvantage of HKSAR if sensitive information was released prematurely. As regards the Government Economist's report, SHA said that the report only provided preliminary forecasts and the figures therein could give rise to misinterpretation. The Government therefore considered it inappropriate to release the Government Economist's report at this stage.

19. Hon Andrew CHENG was dissatisfied with the Administration's response. He said that SHA had undertaken on previous occasions that the Government would release the relevant reports before making a decision on the proposal of hosting the 2006 Asian Games. Hon Andrew CHENG said that Government's refusal to disclose Government Economist's report would arouse public suspicion that the decision was a political favour instead of a rational act of the Government. Hon Andrew CHENG stated that the Democratic Party did not object to the bid to host the Asian Games but considered that Government had acted in an unusual manner when making the decision.

20. The Chairman informed members that the Panel had requested the Administration for a copy of the Government Economist's report before the meeting but the Administration replied that the financial details would be made available at a later stage. In view of members' concern, the Chairman asked the Administration about the timing for releasing such information to the Panel. SHA replied that Government was committed to providing details of the financial arrangements before entering into any commitment and the financial projections by the independent financial consultant would be provided to the Finance Committee.

21. Hon James TO inquired whether Government would be able to withdraw gracefully from the bidding process if the financial projections turned out to be very unfavourable. He was concerned that Members would then be compelled to approve the financial commitments proposed by the Government at such a late stage. SHA responded that the Government had carefully assessed the viability of the SF&OC's proposal to bid to host the Games. The Government was confident after the assessment that HKSAR was capable of hosting the "best Asian Games ever". He denied the suggestion that the decision to support the bid for the hosting of the Games was a political favour. He stressed that the Government's decision was for the benefit of all HKSAR citizens and the sports community.

22. Hon James TO queried whether the Government was prepared to seek to host the 2006 Asian Games at all costs. SHA replied that the Government had all along adopted a practical approach and would strive to put forward a strong and competitive bid. There was however no guarantee that HKSAR would be successful in its bid. He emphasized again that the HKSAR would

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not seek to host the Games at all costs. Accordingly, the Government had made it clear from the beginning that it would not construct any new sports venues solely for the purpose of hosting the Games.

23. Hon Andrew CHENG sought clarification from SHA as to whether the Government Economist's report would be made available to the LegCo. SHA stated that the Government would not disclose the findings in the Government Economist's report which was only a preliminary assessment and was for internal reference only. Nevertheless, the Government would make available the detailed financial analyses and relevant information to Members after the independent financial consultant had completed its study. Hon James TO expressed strong dissatisfaction with SHA's response. He said that as the Government had made the decision to support the bid at the time when only the Government Economist's report was available, the Government should have the responsibility to explain its decision and the Economist's findings to the public. Deputy Chairman shared similar views and requested the Administration to disclose all available information as soon as possible to clear any doubt about the financial commitment for HKSAR to host the Asian Games.

24. In view of the Administration's reluctance to release the Government Economist's report, Hon Andrew CHENG moved the following motion which was seconded by the Deputy Chairman -

"that the Government should immediately provide the LegCo Panel on Home Affairs with the Government Economist's report on the proposal for HKSAR to host the 2006 Asian Games."

25. The Chairman then ordered a vote to be taken on the motion by a show of hands. Four members voted for the motion and one member abstained. No member voted against the motion. The Chairman therefore asked the Administration to take note of the motion duly passed by members and to provide the Panel with the Economist's report as soon as possible for further discussion.

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**II. Operation of section 17 of the Building Management Ordinance concerning enforcement of judgement against a corporation**

[Appendix to LC Paper No. CB(2)506/99-00 and Paper No. CB(2)551/99-00(01)]

26. Members noted that the Court of Appeal had ruled on 25 November 1999 that the chairman of an owners' corporation (OC) of a building in Mongkok should not be held responsible for the debts incurred by the OC which was a body corporate. The case involved a charged order issued against the property of the chairman following a dispute between the OC and



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its architect over arrears of payment relating to the building renovation works.

27. Hon Edward HO expressed concern that owners would be discouraged in giving voluntary service to the OCs, if a judgement against an OC could be enforced against any owner with the leave of the Lands Tribunal under section 17 of the Building Management Ordinance (BMO). While it was Government policy to encourage owners to form OCs for the proper management of buildings, section 17(1)(b) of BMO seemed to give the opposite message.

28. Hon Edward HO further pointed out that in delivering the judgement, the Chief Judge of the High Court had asked the Administration to give more positive and effective assistance to owners in managing OC affairs and to consider amendments if there were deficiencies in existing legislation. Hon Edward HO considered it unfair that a judgment against an OC could be executed against an owner with the leave of the Tribunal. He therefore inquired why the Administration concluded in its paper that section 17 did not require amendments.

29. Acting Deputy Secretary for Home Affairs (Ag DS(HA)) informed members that the Administration had just received the Court of Appeal's written judgement, a copy of which was tabled for members' information (the court judgment was subsequently issued to absent members vide Paper No. CB(2)563/99-00). Ag DS(HA) said that HAB and the Home Affairs Department welcomed the Court of Appeal's judgement which upheld the spirit of the law, particularly section 17 of the BMO. The judgement had set a precedent for court trials of similar cases. He explained that the legislative intent of section 17(1)(b) was to protect individual owners, therefore the leave of the Lands Tribunal was required if a judgement or order against an OC was to be issued against any owner. The Administration therefore concluded that section 17 was in order and did not require amendments.

30. Hon James TO remarked that although the Court of Appeal had ruled that an OC chairman should not be held responsible for the debts incurred by the OC, there was no specific directive on how the judgement could apply in similar cases. He pointed out that the circumstances under which a judgement made against a corporation could be issued against an owner under section 17(1)(b) were not specified in law or in the judgement. He recalled that the Administration had previously commented on the background and rationale of section 17(1)(b) in connection with a case concerning an OC of a building in Yau Ma Tei. At the request of Hon James TO, Acting Director of Home Affairs undertook to provide information on the background and justification on section 17(1)(b). Hon James TO further suggested that the Administration should consider amending section 17(1)(b) to restrict its application only to exceptional circumstances; if possible, these circumstances would be specified in the legislation.

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31. Deputy Chairman commented that according to the spirit of company law, individual owners should not be held liable for the liabilities of a corporation unless the latter had been liquidated. Section 17(1)(b) of BMO was therefore in contravention with the company law. He was of the view that even if the corporation was liquidated, individual owners should only be held liable for the liabilities up to a certain amount. Deputy Chairman added that an individual owner was already liable for any liability arising from his own *ultra vires* act or negligence. He therefore failed to see the need to retain section 17(1)(b) which would have the effect of transferring the collective liabilities of a corporation to an individual. Ag DS(HA) said that he generally agreed with the Deputy Chairman's view that the collective liabilities of a corporation normally should not be transferred to individual owners as personal liabilities. However, an individual owner might need to be held liable for his own *ultra vires* act or negligence under exceptional circumstances. Deputy Chairman maintained the view that such liabilities should then be individual owner's personal liabilities rather than the liabilities of a corporation in the first place. Ag DS(HA) responded that the Administration would further examine whether section 17(1)(b) could be improved with regard to members' comments.

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32. In concluding the discussion, the Chairman asked the Administration to take note of members' views and to provide the background information as requested by Hon James TO.

**III. Any other business**

33. The Chairman reminded members that the regular Panel meeting would be held on next Monday, 13 December 1999 at 4:30 pm.

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

Legislative Council Secretariat  
21 February 2000