

立法會
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Paper for the LegCo Panel on Security

Report of the Subcommittee on indebtedness of Police officers

Purpose

This paper reports on the deliberations of the Subcommittee on indebtedness of Police officers.

The Subcommittee

2. When the problem of the indebtedness of Police officers was discussed at the Security Panel meeting on 21 July 1999, members noted that the survey results for the second half of 1998 indicated that the number of Police officers with unmanageable debts had increased from 107 to 130 when compared with the first six months of 1998. Members have expressed concern that the figure might represent only the tip of the iceberg and did not give a full picture of the seriousness of the problem. Once a Police officer is heavily indebted, not only would his performance at work be affected, but the image of and public confidence in the Police Force would also be adversely affected. Members have also expressed concern that when Police officers were unable to repay their debts, particularly those who were indebted due to gambling or overspending, they are prone to corruption or be exploited by criminals. Members consider it important to detect the problem at an early stage and take early steps to prevent the situation from deteriorating. Members decided that a subcommittee be formed to study in detail the problem with a view to recommending possible ways to tackle the problem.

3. The membership and the terms of reference of the Subcommittee are in **Appendices I and II** respectively.

4. Under the chairmanship of Hon James TO Kun-sun, the Subcommittee has held two meetings with the Administration. The Subcommittee has also met representatives of the Local Inspector's Association.

Deliberations of the Subcommittee

5. The Subcommittee has examined thoroughly the current situation of Police officers with unmanageable debts, causes of Police indebtedness, and measures to prevent, identify and handle indebted Police officers. A gist of the deliberations is summarized below.

Effectiveness of the Force's strategy

6. The Administration has assured the Subcommittee that the Force management takes a very serious view of the problem of indebtedness of Police officers and has developed a comprehensive strategy for preventing, identifying and dealing with the problem. The Administration has explained that the Force management has no sympathy for officers who borrow simply for indulgence in overspending or gambling as well as those who have their efficiency impaired as a result of their indebtedness. The Administration will follow up every case of officers with unmanageable debts.

7. The Administration has further explained that the Force management will try to understand the reasons for Police officers incurring debts and render prompt assistance to officers who are indebted. The respective Formation Commanders will interview officers with unmanageable debts who have debts of or more than \$100,000 and the District training and staff relations officers will interview officers with unmanageable debts who have debts of less than \$100,000 monthly with a view to assessing their progress of repaying debts and their performance. The Force Commanders will submit progress report on officers with unmanageable debts with debts of more than \$100,000 to the Force Headquarters on a quarterly basis. These officers will be prohibited from performing sensitive duties which involve public funds or which are vulnerable to corruption opportunities. Police Clinical Psychologist and Police Welfare Officers will provide counselling services and advice to these officers as necessary.

8. The Subcommittee has expressed concern about the effectiveness of the measures implemented by the Force management in tackling the problem of indebtedness of Police officers. The Subcommittee has pointed out that Police officers who have had unmanageable debts for a prolonged period, those who have been issued with notices of tax recovery particularly for an amount of over \$50,000 and those who are at the same time receiving notices of tax recovery and repaying salary advances under Civil Service Regulations 618 and loans from the Police Welfare Fund are "high risk" officers. The Subcommittee considers that these "high risk" officers are more prone to crimes and corruption. The Subcommittee urges the Force management to take specific measures to tackle the problem in respect of these "high risk" officers.

9. The Administration has advised that the Force management cannot punish an officer simply because he has received a notice of tax recovery, salary advance or has borrowed from the Police Welfare Fund. The Administration has pointed out that in a

recent judicial review which quashed the punishment of dismissal awarded to the defaulter, it was established that both elements of serious pecuniary embarrassment and efficiency impairment had to be substantiated. Disciplinary proceedings could only be instituted against an officer who has serious pecuniary embarrassment resulting in efficiency impairment. The Administration has assured the Subcommittee that officers with unmanageable debts will not be deployed to sensitive duties which involve public funds or are vulnerable to corruption opportunities.

10. The Administration has further advised that the Force management believes that in addition to instituting disciplinary actions, the problem would be tackled effectively by adopting preventive and educational measures. The Administration has stressed that under no circumstances would Police officers who engage in illegal gambling, borrow from illegitimate sources and have their efficiency impaired as a result of their indebtedness be tolerated. The Administration has also informed the Subcommittee that members of the Force are required to notify their supervisors when making private visits to the Mainland and Macau so that the Force management could follow up any irregularities spotted. Should any member of the Force engage in gambling within Police premises or while on duty, they would be subject to disciplinary proceedings.

11. Some members of the Subcommittee consider that the preventive and educational measures introduced to tackle the problem of Police indebtedness may be useful in providing the relevant education and training to Police officers, but they would not serve any purpose for those who have already run into debts.

Situation of Police officers with unmanageable debts

12. The Subcommittee has expressed concern about the situation of Police officers who have acquired an excessive number of credit cards and are unable to settle the outstanding amount. The Subcommittee has also expressed concern about the means to detect the indebtedness.

13. The Administration has responded that upon receiving enquiry letters from financial institutions, the Force management would interview the Police officers concerned. Each and every case would be followed up. The Administration has informed the Subcommittee that 441 enquiry letters from financial institutions concerning 240 Police officers were received in the first half of 1999. Out of the 165 officers with unmanageable debts identified in the first half of 1999, 85 are identified through investigations into enquiry letters from financial institutions, and 35 are disclosed when they sought assistance from their senior officers voluntarily.

Improvements to handling measures

14. The Subcommittee has pointed out that the number of officers with unmanageable debts who are dismissed or ordered to resign on conviction of debt-related disciplinary

offences is on the low side as compared with the number of officers with unmanageable debts identified for reasons of gambling or overspending. The Subcommittee has suggested that the Administration should, in consultation with the Department of Justice, explore feasible means to tackle the problem at an early stage.

15. The Administration has explained that the Force management is able to identify Police officers who have had unmanageable debts reasonably early and take appropriate actions promptly. According to legal advice, disciplinary actions could be instituted only when the Force management could establish that the performance of officers with unmanageable debts has been affected directly by their indebtedness.

16. The Subcommittee has also suggested that the Administration further discuss with the Department of Justice on the feasibility for the Force management to obtain information on the financial position of Police officers who are believed to have financial difficulties, but not necessarily classified as having unmanageable debts.

17. The Administration has explained that accordingly to legal advice, the suggestion would likely constitute an arbitrary interference with the officers' privacy as provided under the Bills of Rights Ordinance. The Force management would issue new guidelines under which officers with unmanageable debts are required to report to their respective Formation Commanders if they incurred new debts. Officers with unmanageable debts would be subject to disciplinary actions for non-compliance with the new guidelines. The requirement is considered feasible and effective for monitoring the progress of officers with unmanageable debts in repaying debts.

18. The Administration has advised that the Force has sought legal advice on a proposed measure requiring all police officers to notify the Commissioner of Police on acquiring or participating in any business venture. However, legal advice indicates that it is not logical to conclude that police officers who invest in business would necessarily end up in debt. Hence, the proposed notification requirement is considered unreasonable and inappropriate for managing the problem of indebtedness.

Handling measures for bankrupt Police officers

19. The Subcommittee has questioned the suitability for bankrupt Police officers to remain in the service, particularly those officers who are indebted due to gambling or overspending.

20. The Administration has explained that similar measures for handling officers with unmanageable debts will apply to Police officers who have become bankrupt. The respective Formation Commanders will interview the bankrupt Police officers monthly with a view to assessing their progress of complying the requirements as specified by the Official Receiver's Office and whether their performance has been affected. These officers will be prohibited from performing sensitive duties which involve public funds or are vulnerable to corruption opportunities. Disciplinary proceedings could be

instituted against a bankrupt Police officer only if his financial problem has resulted in efficiency impairment having regard to the ruling of recent judicial review.

21. The Administration has advised that the legal advice indicates that a police officer who has been adjudged bankrupt may not necessarily impact upon his efficiency or the Commissioner's perception of the officer's integrity. To dismiss a bankrupt officer without taking disciplinary action may be considered an arbitrary measure, which is unlikely to withstand any subsequent legal challenge. Furthermore, to retire a bankrupt officer in the public interest under section 12 of the Public Service (Administration) Order 1997 is not considered to be a viable option. The Administration has further advised that it is now the Force's policy that disciplinary action will be taken against each and every bankrupt officer whose operational efficiency has been impaired or whose bankruptcy is due to reprehensible causes for which the officer is responsible. If the officer is convicted, he may be subject to termination of service.

Observations and recommendations

22. The Subcommittee has the following observations -

- (a) There has not been a significant improvement in the situation of Police indebtedness. The situation has remained stable having regarded to the fact that the adverse impact of the economic turmoil has taken full effect since the second half of 1998.
- (b) The arrangement for not deploying officers with unmanageable debts to perform sensitive duties which involve public funds or are vulnerable to corruption opportunities is appropriate.
- (c) The preventive measures introduced by the Force management to tackle the indebtedness problem would be effective from a long term perspective.

23. The Subcommittee has the following recommendations -

- (a) As some officers with unmanageable debts are indebted due to gambling or overspending, the Force management should convey a clear and strong message to the Force members that under no circumstances would overspending or gambling be tolerated.
- (b) The Force management should be urged to continue to explore, in consultation with the Department of Justice, other feasible measures to tackle the problem.

Advice sought

24. Members are invited to note the work of the Subcommittee and support the recommendations made by the Subcommittee in paragraph 23 above.

Council Business Division 2
Legislative Council Secretariat
19 May 2000

立法會
保安事務委員會
LegCo Panel on Security

警務人員負債問題小組委員會
Subcommittee on indebtedness of Police officers

委員名單
Membership List

涂謹申議員(主席)	Hon James TO Kun-sun (Chairman)
朱幼麟議員	Hon David CHU Yu-lin
張文光議員	Hon CHEUNG Man-kwong
程介南議員	Hon Gary CHENG Kai-nam, JP

合共： 4 位議員
Total: 4 Members

日期： 1999 年 10 月 4 日
Date: 4 October 1999

LegCo Panel on Security

**Subcommittee on
indebtedness of Police officers**

Terms of reference

To consider ways to tackle the problem of indebtedness of Police officers and to make recommendations to the Panel where necessary.