

立法會
Legislative Council

LC Paper No. CB(1)1148/01-02
(These minutes have been seen
by the Administration)

Ref: CB1/BC/2/01

**Bills Committee on
Kowloon-Canton Railway Corporation (Amendment) Bill 2001**

**Minutes of meeting held on
Thursday, 29 November 2001, at 8:30 am
in the Chamber of the Legislative Council Building**

Members present : Hon Miriam LAU Kin-ye, JP (Chairman)
Hon Cyd HO Sau-lan
Ir Dr Hon Raymond HO Chung-tai, JP
Hon Eric LI Ka-cheung, JP
Hon LAU Chin-shek, JP
Hon LAU Kong-wah
Hon Emily LAU Wai-hing, JP
Hon Andrew CHENG Kar-foo
Dr Hon TANG Siu-tong, JP
Hon LI Fung-ying, JP
Hon Abraham SHEK Lai-him, JP
Hon Audrey EU Yuet-mee, SC, JP

Public officers attending : Transport Bureau

Mr Arthur HO
Deputy Secretary for Transport

Mr Roy TANG
Principal Assistant Secretary for Transport

Mr Clement CHAN
Assistant Secretary for Transport

Department of Justice

Mr Jonothan ABBOTT
Senior Assistant Law Draftsman

Ms Lonnie NG
Senior Government Counsel

Clerk in attendance : Mr Andy LAU
Chief Assistant Secretary (1)2

Staff in attendance : Miss Connie FUNG
Assistant Legal Adviser 3

Ms Alice AU
Senior Assistant Secretary (1)5

Action

I Meeting with the Administration

(LC Paper No. CB(3)12/01-02

Ref: TBCR 3/1015/98 Pt. 3

LC Paper No. LS2/01-02

Appendix III to LC Paper No. CB(1)286/01-02

LC Paper No. CB(1)389/01-02(01)

LC Paper No. CB(1)389/01-02(02)

LC Paper No. CB(1)444/01-02(01)

- The Bill;
- LegCo Brief;
- Legal Service Division Report;
- Mark-up copy of the Bill;
- Information paper provided by the Administration on the issues raised by members at the meeting held on 15 November 2001;
- Information paper provided by the Kowloon-Canton Railway Corporation on Hung Hom Property Development; and
- The Administration's response to the issues raised at the meeting held on 23 November 2001)

The Committee deliberated (Index of proceedings attached at **Annex A**).

Admin. 2. The Committee requested the Administration to provide further information on the following to facilitate their consideration:

- (a) The Administration to give further consideration to adding a new provision in the Bill to require the KCRC Board Chairman and the new Chief Executive Officer (CEO) to attend meetings of the committees and sub-committees of the Legislative Council upon request.
- (b) The Administration to provide information on whether and how other statutory organizations disclose the remuneration of their Chairmen and CEOs.
- (c) The Administration to provide information on the justifications for the appointment of the Secretary for Transport and the Secretary for the Treasury to the KCRC Board in 1995 and their respective roles and responsibilities on the KCRC Board as set out in the initial documents/agreements.

3. The Committee agreed to hold the next meeting on Tuesday, 4 December 2001, at 2:30 pm to continue discussion with the Administration.

III Any other business

4. There being no other business, the meeting ended at 10:30 am.

Legislative Council Secretariat
22 February 2002

**Proceedings of the meeting of the
Bills Committee on
Kowloon-Canton Railway Corporation (Amendment) Bill 2001
on Thursday, 29 November 2001, at 8:30 am
in the Chamber of the Legislative Council Building**

Time	Speaker	Subject(s)	Action required
<i>Agenda Item I - Meeting with the Administration</i>			
000000 - 000147	Chairman	- Admin's response to members' questions raised at the previous meeting on 23 November 2001	
000148 - 000441	Admin	- Supplementary information on the delineation of roles and responsibilities between Government and the Kowloon-Canton Railway Corporation (KCRC) in formulating and implementing railway policy, and the stakeholder to be held personally responsible in the event of a serious policy failure or mismanagement	
000442 - 000452	Chairman	- ditto -	
000453 - 000520	Mr LAU Chin-shek	- Government's role in safeguarding the interest of the passengers, particularly in view of the conflicting interest between the KCRC Board and the passengers in fare revisions	
000521 - 000714	Admin	- ditto -	
000715 - 000731	Mr LAU Chin-shek	- ditto -	
000732 - 000742	Admin	- ditto -	
000743 - 000809	Mr LAU Chin-shek	- ditto -	
000810 - 000940	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
000941 - 001054	Mr LAU Kong-wah	- Role of the Secretary for the Treasury (S for Tsy), as Government's representative in the KCRC Board, in monitoring the corporation's financial situation for the purpose of safeguarding the interests of Government, and S for Tsy's personal responsibility in the event of any serious problems	
001055 - 001251	Admin	- ditto -	
001252 - 001400	Mr LAU Kong-wah	- ditto -	
001401 - 001535	Admin	- ditto -	
001536 - 001611	Mr LAU Kong-wah	- ditto -	
001612 - 001654	Admin	- ditto -	
001655 - 001804	Chairman	- ditto -	
001805 - 001928	Admin	- ditto -	
001929 - 001948	Mr LAU Kong-wah	- S for Tsy's duty to account for the financial matters of KCRC to the Legislative Council (LegCo)	
001949 - 002034	Admin	- ditto -	
002035 - 002203	Ms Audrey EU	- Role of Government's representatives on the KCRC Board in fare determination, given the conflicting interests between the corporation and the passengers	
002204 - 002416	Admin	- ditto -	
002417 - 002508	Ms Audrey EU	- ditto -	
002509 - 002523	Admin	- ditto -	
002524 - 002534	Ms Audrey EU	- ditto -	
002535 - 002552	Admin	- ditto -	
002553 - 003012	Mr Andrew CHENG	- Failure on Government's part to address members' concerns about the effects of the proposed separation on corporate governance, e.g. whether similar management problems could be avoided, or whether overt control would be exercised by Government in future	
003013 - 003230	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
003231 - 003450	Mr Abraham SHEK	- Need for Admin to set out clearly in its paper the role of Government's representatives in the KCRC Board on fare issues, and the respective roles of the KCRC Board Chairman and the Chief Executive Officer (CEO)	
003451 - 003516	Admin	- ditto -	
003517 - 003616	Chairman	- Supplementary information on the membership of the Audit Committee of the KCRC Board - Admin's response on whether the reports on the work of the Audit Committee could be released to the Bills Committee	
003617 - 003646	Mr Abraham SHEK	- Need to avoid interfering with KCRC's internal affairs	
003647 - 003725	Chairman	- Admin's response on appointment of additional Board Members	
003726 - 003759	Mr Andrew CHENG	- Soliciting advice on Committee Stage amendments (CSAs) proposed by members to increase the number of KCRC Board Members	
003800 - 003851	ALA3	- ditto -	
003852 - 003947	Mr Andrew CHENG	- Soliciting advice on CSAs proposed by members to increase the number of KCRC Board Members through the creation of the offices of Deputy Chairman of the KCRC Board and Deputy CEO	
003948 - 004041	ALA3	- ditto -	ALA3 to consider and give advice
004042 - 004327	Admin	- Review by Admin on the membership of KCRC Board next year	
004328 - 004342	Chairman	- ditto -	

Time	Speaker	Subject(s)	Action required
004343 - 004540	Mr Andrew CHENG	- Call for Admin to take into account the views of members to appoint additional Board Members and effect such change through this Bill	
004541 - 004625	Chairman	- ditto -	
004626 - 004705	Mr Abraham SHEK	- Request for Admin's undertaking to complete its review and revert to the Transport Panel within one year	
004706 - 004831	Admin	- ditto -	
004832 - 004853	Mr Abraham SHEK	- ditto -	
004854 - 004924	Admin	- Undertaking to revert to the Transport Panel within one year	Admin to follow up
004925 - 004948	Chairman	- Admin's response on adding a new provision in the Bill to require the KCRC Board Chairman and the new CEO to attend meetings of the committees and sub-committees of LegCo upon request	
004949 - 005113	Admin	- ditto -	
005114 - 005307	Mr Andrew CHENG	- Need to establish a consistent policy for all statutory organizations, taking into account the current requirement of the Urban Renewal Authority	
005308 - 005655	Admin	- ditto -	
005656 - 010006	Mr Andrew CHENG	- ditto -	
010007 - 010206	Admin	- ditto -	
010207 - 010222	Chairman	- ditto -	
010223 - 010247	Mr Andrew CHENG	- Soliciting advice on CSAs proposed by members to add a new provision in the Bill to require the KCRC Board Chairman and the new CEO to attend meetings of the committees and sub-committees of LegCo upon request	
010248 - 010259	ALA3	- ditto -	

Time	Speaker	Subject(s)	Action required
010300 - 010327	Chairman	- Request for Admin to reconsider its stance in the matter - Admin's response on the appointment criteria for the KCRC Board Chairman	Admin to response
010328 - 010510	Mr LAU Kong-wah	- Difficulties in identifying a suitable candidate to take up the part-time office of the KCRC Board Chairman and to discharge the important functions and duties required of this office	
010511 - 010745	Admin	- ditto -	
010746 - 010802	Mr LAU Kong-wah	- Search for the new KCRC Board Chairman	
010803 - 010819	Admin	- ditto -	
010820 - 010932	Ms Cyd HO	- Appointment criteria for devoting sufficient time to discharge the duties required of the KCRC Board Chairman - Consideration of appointing the KCRC Board Chairman on a full-time basis	
010933 - 011222	Admin	- ditto -	
011223 - 011347	Ms Cyd HO	- Evaluation on the performance of the KCRC Board Chairman	
011348 - 011521	Admin	- ditto -	
011522 - 011614	Ms Cyd HO	- Delineation of the responsibilities of the KCRC Board/Board Chairman in operational and policy matters	
011615 - 011733	Admin	- ditto -	
011734 - 011926	Ms Cyd HO	- Possible difficulty faced by the part-time Board Chairman in separating his/her personal interests from those of the corporation	
011927 - 012017	Dr TANG Siu-tong	- Support for the part-time Chairman	
012018 - 012147	Admin	- ditto -	
012148 - 012224	Dr TANG Siu-tong	- Power to appoint and dismiss CEO	
012225 - 012311	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
012312 - 012324	Dr TANG Siu-tong	- Power to appoint other employees of KCRC	
012325 - 012336	Admin	- ditto -	
012337 - 012527	Mr Abraham SHEK	- Appointment criteria for the KCRC Board Chairman: understanding on local affairs and public sentiments	
012528 - 012543	Admin	- ditto -	
012544 - 012557	Mr Abraham SHEK	- ditto -	
012558 - 012645	Admin	- ditto -	
012646 - 012812	Miss LI Fung-ying	- Admin's stance on disclosing the amount of the new CEO's remuneration, given that the corporation is wholly-owned by Government - Remuneration of Board Members and Executive Directors in 1999 and 2000	
012813 - 013104	Admin	- ditto -	
013105 - 013214	Miss LI Fung-ying	- ditto -	
013215 - 013349	Admin	- ditto -	
013350 - 013540	Mr Abraham SHEK	- Balance between disclosure and privacy	
013541 - 013812	Mr LAU Kong-wah	- Request for information on whether and how other statutory organizations disclose the remuneration of their Chairmen and CEOs - Remuneration of Board Members and Executive Directors vis-à-vis the Chief Executive of the Hong Kong Special Administrative Region	Admin to provide information
013813 - 014159	Admin	- ditto -	
014200 - 014311	Mr LAU Kong-wah	- ditto -	
014312 - 014326	Admin	- ditto -	
014327 - 014400	Dr TANG Siu-tong	- Mechanism for determining the remuneration of Board Members and Executive Directors of public corporations	
014401 - 014452	Admin	- ditto -	

Time	Speaker	Subject(s)	Action required
014453 - 014523	Dr TANG Siu-tong	- Principles against which the accounts of the corporation are audited	
014524 - 014530	Admin	- ditto -	
014531 - 014652	Mr LAU Kong-wah	- Request for information on the reasons for the appointment of the Secretary for Transport and S for Tsy to the KCRC Board and their respective roles and responsibilities on the KCRC Board as set out in the initial documents/agreements	Admin to provide information
014653 - 014734	Admin	- ditto -	
014735 - 014757	Mr LAU Kong-wah	- ditto -	
014758 - 014809	Admin	- ditto -	
014810 - 014926	Chairman	- ditto -	
014927 - 015020	Mr Andrew CHENG	- Soliciting advice on CSAs proposed by members to require disclosure on the remuneration of the new CEO	ALA3 to consider and give advice
015021 - 015043	Admin	- Practice of other statutory organizations	
015044 - 015110	Chairman	- Request for supplementary information on the practices of other statutory organizations	Admin to provide information
015111 - 015154	Ms Emily LAU	- Putting KCRC under the purview of the Audit Commission	
015155 - 015431	Admin	- ditto -	
015432 - 015546	Ms Emily LAU	- Soliciting advice on CSAs proposed by members to put KCRC under the purview of the Audit Commission	
015547 - 015623	ALA3	- ditto -	
015624 - 015700	Ms Emily LAU	- ditto -	
015701 - 015813	Mr Andrew CHENG	- Putting KCRC under the purview of the Audit Commission	
015814 - 020005	Admin	- ditto -	
020006 - 020028	Chairman	- ditto -	
020029 - 020124	Mr Abraham SHEK	- ditto -	
020125 - 020310	Chairman	- Legislative timetable - Date of next meeting	

Note: The audio records of the above proceedings are kept at the LegCo Library.

Legislative Council Secretariat
22 February 2002