

立法會

Legislative Council

LC Paper No. CB(2)1489/04-05

(These minutes have been
seen by the Administration)

Ref : CB2/PL/HA

Panel on Home Affairs

Minutes of meeting held on Friday, 8 April 2005 at 10:45 am in the Chamber of the Legislative Council Building

- Members present** : Hon Tommy CHEUNG Yu-yan, JP (Chairman)
Hon TAM Heung-man (Deputy Chairman)
Hon Albert HO Chun-yan
Hon James TO Kun-sun
Hon WONG Yung-kan, JP
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon Albert CHAN Wai-yip
Hon LI Kwok-ying, MH
Hon Daniel LAM Wai-keung, BBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon WONG Ting-kwong, BBS
- Members attending** : Hon CHAN Yuen-han, JP
Hon LEUNG Kwok-hung
- Members absent** : Dr Hon Philip WONG Yu-hong, GBS
Hon LAU Wong-fat, GBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon CHEUNG Hok-ming, SBS, JP
Hon Patrick LAU Sau-shing, SBS, JP

Public Officers attending : Item IV

Mr Isaac CHOW
Deputy Director of Home Affairs (2), Home Affairs
Department

Mrs Angelina CHEUNG
Assistant Director of Home Affairs (4), Home Affairs
Department

Mr MA Kam-ki
Chief Liaison Officer (Building Management), Home
Affairs Department

Mrs Alice LEE
Registry Manager, Land Registry

Mr TAM Man-kam
Senior Solicitor, Land Registry

Item V

Ms Lolly CHIU
Deputy Secretary for Home Affairs (3)

Mr Vincent FUNG
Principal Assistant Secretary for Home Affairs
(Culture)1

Mr FONG Ngai
Assistant Secretary for Home Affairs (Culture)1

Clerk in attendance : Miss Flora TAI
Chief Council Secretary (2)2

Staff in attendance : Ms Joanne MAK
Senior Council Secretary (2)2

Action

I. Confirmation of minutes of meeting
[LC Paper No. CB(2)1176/04-05]

The minutes of the special meeting held on 17 January 2005 were confirmed.

Action

II. Information paper(s) issued since the last meeting

2. Members noted that no information papers had been issued since the last meeting.

III. Items for discussion at the next meeting

[Appendices I and II to LC Paper No. CB(2)1179/04-05]

3. Members agreed to discuss the following items at the next regular meeting to be held on Friday, 13 May 2005 at 10:45am –

- (a) review of advisory and statutory bodies;
- (b) public consultation on legislating against racial discrimination; and
- (c) works project on “Local Open Space in Areas 25, 25A and 25B, Tin Shui Wai, Yuen Long”.

IV. Regulation of property management companies by legislation and formation of owners’ corporations of buildings with more than one deed of mutual covenant

[LC Paper Nos. CB(2)1179/04-05(01), (02) and (03)]

4. At the Chairman’s invitation, Deputy Director of Home Affairs (2) (DDHA(2)) briefed members on the salient points of the two Administration’s papers provided for this item.

Regulation of property management companies

5. The Deputy Chairman informed members that the Hong Kong Institute of Certified Public Accountants had sent her an email expressing concern about the lack of a licensing system for property management companies and the lack of penalty clauses in the Building Management Ordinance (Cap. 344) (BMO) to address problems of improper operations of property management companies. Referring to the sudden closure of a property management company in August 2003, the Deputy Chairman said that many property owners had suffered from serious loss in that incident. She further said that at present a property management company was only required to apply for business registration to operate. She queried how property owners’ interests could be protected in the absence of a licensing regime for property management companies or any penalties to be imposed on property management companies against improper operations.

Action

6. DDHA(2) responded that the Administration was going to introduce the Building Management (Amendment) Bill 2005 (the Amendment Bill) into the Legislative Council (LegCo) on 27 April 2005. To safeguard the interests of property owners, the Administration proposed to add in the BMO stipulations relating to the financial arrangements of an owners' corporation (OC) and the building manager. As regards the suggestion of introducing a statutory regulatory framework for property management companies, DDHA(2) said that the Administration had to further consider the pros and cons of this before deciding on the way forward. He pointed out that the public actually had divergent views on whether there should be a formalised regulatory system over property management companies, as reflected during the public consultation exercise in May 2003. He added that some people preferred status quo and they considered that there was no urgency to introduce a formalised regulatory system over property management companies.

7. Assistant Director of Home Affairs (4) (ADHA(4)) supplemented that there were about some 900 property management companies in Hong Kong, of which some 80 were member companies of the Hong Kong Association of Property Management Companies Limited (HKAPMC) taking up 85% of the market share. She said that HKAPMC was set up in 1990 aiming to enhance professionalism of the property management industry. She further said that a property management company had to satisfy certain requirements, such as in terms of experience and staff qualifications, imposed by the Association in order to be eligible for its membership. To ensure professionalism, the Association had also stipulated a Code of Conduct for the compliance of all its member companies. ADHA(4) pointed out that there was actually a certain degree of self-regulation within the industry.

8. ADHA(4) further said that the small to medium-sized property management companies were those which mainly provided building cleansing services. She said that those in favour of having a statutory regulatory framework considered that it would help improve the quality of services provided by property management companies, while those against it generally believed that the operation of small to medium-sized property management companies would be adversely affected by such a framework. She pointed out that owners of old private tenement buildings, who were generally less affluent, might find it unaffordable to employ a sizeable property management company to assist with the management and maintenance of their buildings. She added that at present, the Administration considered that defective and old buildings warranted more attention and what these buildings needed were basic building cleansing and maintenance services. The Administration was of the view that even with a regulatory system (in whatever mode), it would not be able to stamp out the possibility of poorly-managed property management companies from closing or conducting illegal activities.

Action

9. ADHA(4) said that the property management company which had suddenly closed down in August 2003 provided services to about some 100 buildings. In the light of the incident, the Administration had decided to propose amendments to BMO under the Amendment Bill regarding keeping of management fees received for an OC in a bank account separate from a property management company's own monies as well as the procurement of supplies, goods and services by OCs, as detailed in paragraphs 12 to 16 of the Administration's paper [LC Paper No. CB(2)1179/04-05(01)], in order to safeguard the interests of property owners.

10. The Deputy Chairman, however, pointed out that the above proposed legislative amendments could not fully safeguard property owners' interests against improper operations of property management companies. She said that the Amendment Bill had contained no proposals to impose any regulatory control of non-statutory committees like owners' committees. She remained of the view that property owners' interests were not adequately protected in the absence of any regulatory control imposed on property management companies.

11. DDHA(2) responded that there were 40 000 buildings in Hong Kong, some of which had established OCs whereas some had formed a non-statutory organisation like Mutual Aid Committee or owners' committee and/or engaged a property manager instead. He said that the Administration intended to perfect the building management system on a gradual basis. He pointed out that the Amendment Bill contained various proposals aimed to assist OCs in performing their duties and exercising their powers, and to safeguard the interests of property owners. He reiterated that on the question of whether legislation should be introduced to regulate property management companies, the public had divided views. He said that those against it generally considered that a licensing system would exert pressure on the operations of small-sized property management companies and might cause increases in management fees. He pointed out that the clients of the some 900 small-sized property management companies were mostly old private tenement buildings, the owners of which would not be able to afford high management fees.

12. DDHA(2) said that the Administration, however, was open to the suggestion of introducing a regulatory system for property management companies and it hoped that property owners, OCs, the property management industry, professional bodies and the public would continue to give their views to the Administration.

13. The Deputy Chairman further asked whether the Administration had a timetable for introducing a regulatory system for property management companies. DDHA(2) responded that the Administration's priority was to amend the existing provisions of BMO through the Amendment Bill. It noted that in fact, some people held the view that there was no urgency for the introduction of a regulatory system for property management companies.

Action

14. Mr Albert HO pointed out that there were about 6 000 buildings (i.e. 15% of the market share) which were mostly old private tenement buildings being looked after by property management companies which were not member companies of HKAPMC. He expressed worry that there were no measures in place to ensure the service quality of these property management companies. He added that the Independent Commission Against Corruption had received a lot of complaints on malpractices of property management companies e.g. awarding building maintenance works to persons and companies with whom they had close relations. He proposed that consideration should be given to introducing a licensing system/classification system for property management companies and issuing basic guidelines on the avoidance of conflicts of interest and potential conflicts of interest for small-sized property management companies.

15. DDHA(2) responded that the proposals contained in the Amendment Bill as mentioned by ADHA(4) in paragraph 9 above would offer better protection to property owners. He added that subject to any suggestions made by the bills committee likely to be formed to scrutinise the Amendment Bill, due measures would be further worked out to prevent conflicts of interests in the tendering process in relation to the procurement of supplies, goods and services by OCs.

16. With regard to the proposal concerning the procurement of supplies, goods and services with a value exceeding \$200,000 or 20% of the annual budget of an OC (whichever was the lesser) by OCs and building managers, Mr WONG Yung-kan queried that even by stipulating a threshold of \$200,000 or 20% of the annual budget of an OC, the Administration could not prevent a property management company from resorting to tactics like splitting one job into different contracts each with a smaller contract value so that the tendering requirement could be avoided. Mr WONG shared the view that there was inadequate regulatory control of property management companies and improvements should be made. He said that a few years ago, a small-sized property management company had collected proxy forms from households of a public housing estate and in the end it had managed to win the tender of a management contract for the public housing estate. Mr WONG further said that the property management company obviously had problems in its financial position as its registered capital was only \$10,000, and in the end the residents concerned were very angry with the tendering result and had revoked the decision to award the management contract to this company.

17. In response, ADHA(4) requested members to note that the Seventh Schedule to BMO was a mandatory provision spelling out such requirements e.g. a building manager had to prepare a summary of income and expenditure and display a copy of it in a prominent place in the building. She said that the Seventh Schedule was also related to the termination of manager's appointment

Action

by an OC. As a mandatory provision, the Seventh Schedule applied to any property management companies engaged by a building no matter there was an OC or not or even in the absence of any owners' or residents' associations. She added that the incident mentioned by Mr WONG had also reflected that under the existing legislative framework, there was already in place a mechanism for owners to terminate the appointment of a property management company should they decide to do so.

18. ADHA(4) further said that to address the problem that proxy could be used by any parties as a means to abuse in performing building management duties, the Amendment Bill would contain detailed proposals to set out clearly the requirements for appointment of proxy and to include a standard format of proxy instrument in BMO.

19. The Deputy Chairman made the following suggestions for the Administration's consideration –

- (a) setting up a tribunal for handling building management disputes between property management companies and property owners/OCs;
- (b) imposing a declaration requirement on property management companies. By this requirement, a property management company would have to declare whether any of its subsidiary companies was providing cleansing or maintenance services for the building which had engaged the service of this property management company; and
- (c) requiring each property management company to provide a copy each of the summary of income and expenditure and of the property management company's balance sheet to each owner of the building which had engaged the service of this property management company, in order to enhance transparency of the financial position of the company.

20. DDHA(2) responded that the Housing, Planning and Lands Bureau (HPLB) intended to set up a tribunal for handling disputes relating to building matters. He said that the Home Affairs Department (HAD) would follow up the Deputy Chairman's suggestion of setting up such a tribunal with HPLB. As regards (b) and (c) above as well as Mr Albert HO's suggestion of issuing basic guidelines on the avoidance of conflicts of interest for reference of small property management companies, DDHA(2) said that HAD would follow them up in consultation with parties concerned.

Admin

Admin

Action

Buildings with more than one deed of mutual covenant

21. Mr James TO pointed out that paragraph 20 of the Administration's paper [LC Paper No. CB(2)1179/04-05(02)] failed to provide a solution to resolve the problem that any agreements reached by owners of buildings which were covered by more than one deed of mutual covenant (DMC) would still be invalidated provided that such agreement(s) were challenged by one single owner concerned who took it to the court. He questioned whether the Administration intended that whenever there were disputes of this nature, relevant cases should be heard by the court for it to rule which of the DMCs involved should take precedence. He further suggested that the Administration should consider some comments that the Government should introduce provisions in BMO to solve common problems pertaining to old DMCs and that a mechanism should be allowed for owners to amend DMCs. Mr TO queried whether the Administration was of the view that buildings which were covered by more than one DMC and had formed two or more OCs did not warrant attention because their number (i.e. 130) was relatively small.

22. DDHA(2) responded that the Administration did not encourage property owners to resolve every dispute arising from the formation of OCs in buildings with more than one DMC by taking the case to the court. He explained that given the fact that DMC was a private deed between the developer, the manager and the owners of the building, it was not appropriate for the Government, who was not a party to the deed, to attempt to override provisions set out in the DMC which were regarded as outdated or inconvenient by one party. He emphasised that for buildings which were covered by more than one DMC, the owners and occupiers concerned could still enjoy a pleasant living environment as long as there were frank and uninhibited channels of communication among owners, between owners and the management company, together with the necessary assistance and support provided by the Government departments concerned. He added that it had always been emphasised to owners that they had to strive for good cooperation with each other in order to maintain a pleasant living environment.

23. Mr James TO suggested that in circumstances where the owners' meetings, which were respectively convened by owners of two or more blocks of a building and each block was covered under different DMCs, concurrently passed the same resolution, it should be allowed under the law that such a resolution could not be challenged in court even if it was inconsistent with any provisions contained in any of the DMCs involved.

24. Mr James TO also suggested that for buildings which were covered by more than one DMC and with no OC formed, in case a resolution seeking to implement certain changes was passed by a large majority of the owners concerned but some owners concerned favoured an alternative approach of changes, the relevant case should be heard by the court which should be

Action

empowered to decide on which approach should be adopted. Moreover, all the owners concerned would have to abide by the court's decision. He added that other steps, such as to seek SHA's approval before taking the case to the court, could be added if necessary.

Admin

25. DDHA(2) responded that the Administration would consider Mr TO's suggestions. He added that however, the staff of HAD had to offer their advice in relation to building management based on the provisions under BMO or they might otherwise have to take legal responsibility for giving wrong advice. Upon the invitation of the Chairman, Senior Solicitor of the Land Registry commented that Mr TO's suggestion in paragraph 23 above seemed to be similar with the idea of compulsory acquisition for urban redevelopment provided that the consent of over 90% of the owners concerned was obtained.

26. Mr Albert HO pointed out that many building management problems pertaining to buildings with more than one DMC actually could not be resolved within the existing legislative framework. He said that the cases of Hong Lok Yuen in Tai Po and Fairview Park in Yuen Long being unable to establish OCs were such examples. He further said that many of the old DMCs drawn up about 20 to 30 years ago had contained very unreasonable provisions which had given rise to many problems. He said that he was handling a case in which different parts (a carpark, a large shopping mall and residential units) of a building came under one DMC with one single account. In the circumstances, the OC concerned was required to manage as well the account of the shopping mall which had continually refused to pay management fees. He further said that such problems were not found with new DMCs which had stipulated that in the circumstances as described, separate accounts should be created for individual parts of such a building. He stressed that a mechanism for resolving problems arising from old DMC provisions which were unreasonable and unfair to owners was definitely needed. He cited another example that under some old DMCs, property owners had to pay a large amount of management fees but they did not enjoy any voting rights. He disagreed that it was inappropriate for the Government to attempt to override some provisions set out in any outdated DMCs, because the introduction of some mandatory provisions in BMO (i.e. Part VIA and the Seventh Schedule) was already an act to override provisions set out in DMCs.

27. Mr Albert HO further suggested that the Panel should consider setting up a subcommittee to look into longstanding problems pertaining to buildings with more than one DMC which could not be resolved within the existing legislative framework. He suggested that the subcommittee could invite views from professional bodies, including the Hong Kong Law Society and the Hong Kong Bar Association, in its deliberations. He added that he might put forward his views to the Law Reform Commission for consideration if the Administration took no actions to tackle the longstanding problems pertaining to buildings with more than one DMC.

Action

28. DDHA(2) reiterated that the Government would not take the initiative to introduce any amendments to a DMC which was a private contract in nature. A DMC, however, could be changed with 100% consent of the owners concerned. He invited members to note that the Legal Advisory and Conveyancing Office (LACO) of the Lands Department (LD) had issued Guidelines for DMCs and revised Guidelines for DMCs in 1987 and 1999 respectively. In approving DMCs, LACO would ensure that the current Guidelines for DMCs were complied with. He added that if members had any suggestions of adding new clauses to DMCs to protect property owners, HAD would convey such suggestions to LACO for consideration.

29. Mr Albert HO suggested that consideration should be given to setting up a mechanism under which applications could be made to the court to amend provisions of a DMC if not less than 80% or 90% of the owners concerned consented to the amendment and subsequent approval of the Secretary for Home Affairs (SHA) was obtained. The Chairman remarked that the issue required policy consideration at a high level. He asked whether HAD would reflect Mr Albert HO's concerns and suggestion to SHA.

30. ADHA(4) said that actually the Administration had deliberated the issues raised by Mr HO and it had come to the following views –

- (a) *Voting rights of the shares allocated to common parts of a building and liability to pay management fees:* the current DMC Guidelines had been last revised in June 1999 specifying that the calculation of the proportion of management fees payable by developers and the allocation of the voting rights of the owners of common areas should be done on the basis of gross floor area. As regards the old DMCs approved before the 90s, there were precedents in which the court had ruled that developers had to pay management and maintenance fees in respect of the common parts if they owned those parts and had enjoyed voting rights arising from ownership of the shares in respect of those parts.
- (b) *Mechanism to amend terms and conditions of DMCs which were unfair to owners:* HAD had consulted the Department of Justice (D of J) on the issue. The Administration considered that it could not arbitrarily set a percentage of majority, say 70% or 80%, as a threshold. Moreover, no matter how large the percentage, there might remain a minority who objected to the amendments proposed to be made to their DMC. The Administration also had to consider whether such an approach would be in breach of the spirit of private contracts. Moreover, as far as old DMCs were concerned, developers might be able to abuse the proposed mechanism to their own advantage at the expense of owners.

Action

31. ADHA(4) informed members that HAD had held a lot of discussions with D of J and LD over various problems pertaining to buildings with more than one DMC and with more than one block which were erected on different sections of a lot or different lots. She said that problems relating to the undivided shares of owners in different blocks of such buildings had remained a thorny issue. She explained that the Administration considered it unfair to the owners concerned if the Government easily resorted to legislation to override provisions on the allocation of undivided shares set out in the relevant DMCs, because changing the owners' undivided shares would mean changing their property right. In response to Mr Albert HO, DDHA(2) said that HAD would request D of J to consider adding overriding provisions to BMO in order to protect the interests of owners against provisions in a DMC which were unfair to owners as and when necessary.

32. Mr Andrew CHENG asked for the Administration's views on the need to amend legislation in order to enable owners of house-type properties, such as Discovery Bay In Lantau, Hong Lok Yuen in Tai Po and Fairview Park in Yuen Long, to form OCs. DDHA(2) responded that the former Subcommittee on Review of BMO (the Subcommittee) under this Panel had deliberated the issue and during the discussions, the Administration had undertaken that it would further explore how best to provide a legal framework to enable owners of house developments to form OCs for the management of their properties in the long run. DDHA(2) explained that at present, the Administration's priority was to seek LegCo's approval to pass the Amendment Bill which had incorporated 23 recommendations of the Subcommittee. After its passage, the Administration would further explore this issue.

Admin

33. Mr LI Kwok-ying said that there were many cases like those mentioned by Mr Andrew CHENG above in eastern New Territories, involving low-density house developments and each of which involved a number of DMCs or even sub-DMCs. He pointed out that in these cases, there had been disputes between the developers and owners over ownership of the common parts of their house developments arising from problems over undivided shares. He said that in some cases, the developers even possessed voting rights arising from ownership of the common parts but shouldered no liability to pay management expenses. He also urged the Administration to put in place an effective mechanism for amending provisions in DMCs which were unfair to owners. He considered that the Administration should further explore the feasibility of the suggestions made by Mr James TO (paragraphs 23 and 24 above) and Mr Albert HO (paragraph 28 above). DDHA(2) responded that HAD would consider these suggestions and would continue to explore with D of J and LD on how to address the various concerns raised by members.

Admin

Action

V. Promotion of cultural and creative industries

[LC Paper Nos. CB(2)1179/04-05(04) and (05)]

34. At the Chairman's invitation, Deputy Secretary for Home Affairs (3) (DSHA(3)) briefed members on the salient points of the Administration's paper.

35. In response to the Chairman, Assistant Secretary for Home Affairs (Culture)1 (ASHA(C)(1)) explained that it was the Central Policy Unit (CPU) which had commissioned the consultancy study on the baseline study on Hong Kong's creative industries. He agreed to follow up with CPU in providing sufficient copies of the Report on "Baseline Study on Hong Kong's Creative Industries" for distribution to members.

Admin

36. Miss CHAN Yuen-han expressed disappointment with the slow progress of the Administration in promoting creative industries as compared with overseas countries e.g. the United Kingdom. She pointed out that contrary to paragraph 7 of the Administration's paper which stated that the Home Affairs Bureau (HAB) would continue its efforts to explore the possibility of developing the flatted factory buildings into a creative industrial village, the Panel on Housing had already supported a proposal that all flatted factory buildings would not be used for such a purpose at its meeting in the previous month. She further said that she had recently accompanied a group of manufacturers who were interested in setting up small industry in San Po Kong to meet with senior officials of the Housing Department (HD). She said that however, at the meeting she was informed by a deputy director of HD that the idea of developing the flatted factory buildings into a creative industrial village had been dropped. She expressed strong dissatisfaction with the lack of coordination between policy bureaux in taking forward the policy of promoting cultural and creative industries. She queried whether the Administration was really determined in promoting these industries.

37. DSHA(3) responded that HAB had been active in identifying locations, such as vacated factory buildings, for development as creative arts village and had organised visits attended by interested arts groups to these buildings. She explained that one major problem with these buildings was that they were very old and its facilities were already in a run-out state. She said that substantial investments would be required for the renovation of these buildings. She added that it was not easy to attract investors and therefore little progress had been made in this regard.

38. Miss CHAN Yuen-han said that she had been told by the Secretary for Housing, Planning and Lands that the costs required for renovation of six blocks of vacated factory buildings in San Po Kong were \$100 million. However, some architects had advised her that it would only cost about a few million dollars to renovate two of the blocks and there were interested businessmen willing to make the necessary investments. She criticised the

Action

Administration for not listening to the valuable views and comments of the community which could actually contribute to promoting cultural and creative industries.

39. Principal Assistant Secretary for Home Affairs (Culture) 1 (PASHA(C)1) responded that HAB had maintained close contact with various arts groups and had accompanied many of them to visit vacated factory buildings. He said that these groups also considered that there were many problems with these buildings, such as the ones in Cheung Sha Wan and Shek Kip Mei, and they agreed that substantial costs would be required for the renovation.

40. The Chairman suggested that HAB should convey to HPLB the information provided by Miss CHAN Yuen-han regarding the possibility of renovating the vacated factory buildings in San Po Kong at lower costs and the interest expressed by local business sector in making the necessary investments. Miss CHAN offered that she could arrange a meeting for representatives of the Administration and those of the departments of architecture of local universities to take this matter forward. PASHA(C)1 said that he would approach Miss CHAN after this meeting to obtain further information. Mr Albert HO commented that compared with schemes such as the Special Finance Scheme for Small and Medium Enterprises, the estimated costs of \$100 million for developing the vacated factory buildings into a creative arts village were not a very large sum.

Admin

41. PASHA(C)1 agreed with Miss CHAN that interdisciplinary cooperation was necessary in promoting cultural and creative industries as such industries covered a very wide scope e.g. design, architecture, advertising, music, film, computer software, etc. He said that in promoting these industries, HAB had been actively working towards several main objectives as set out in paragraph 2(i) to (iv) of the paper.

42. Miss CHOY So-yuk and Mr WONG Yung-kan both considered that it would require concerted efforts of various bureaux/departments in promoting cultural and creative industries. Miss CHOY suggested that consideration should be given to requiring tertiary institutions that their admission policies should stipulate that a quota of places would be allocated to students who had outstanding performance in arts or cultural subjects, even though their academic performance might not meet the admission requirements. She considered that the assistance of the Economic Development and Labour Bureau should also be enlisted in promoting creative industries to business sectors in order to stimulate investments. She and Mr WONG both suggested that the Panel should hold joint meetings with other relevant Panels to further discuss this subject and request the Administration to promote cultural and creative industries through joint efforts of various bureaux/departments.

Action

43. DSHA(3) acknowledged that the scope of cultural and creative industries straddled different policy bureaux. She said that HAB had enlisted the assistance of organisations, such as the Hong Kong Arts Centre and the Arts Development Council, in organising arts-related courses and programmes to promote interest in and appreciation of various art forms. PASHA(C)1 supplemented that tertiary institutions had already adopted such an admission policy as that suggested by Miss CHOY. He added that the “Entertainment Expo Hong Kong” in March 2005 was an example of events jointly organised by various bureaux/departments.

44. In response to Miss CHOY So-yuk’s enquiry, DSHA(3) said that although there was no legislation on museums, the absence of such legislation did not prevent Hong Kong from being able to stage exhibitions of art valuables. She pointed out that the “Impressionism: Treasures from National Collection of France” Exhibition was an example.

45. Mr WONG Ting-kwong recalled that in the past the Trade and Industry Department had jointly organised an annual competition on shoe design with the Vocational Training Council. He said that the winners of the competition had all been recruited by shoe manufacturers. He considered that the Administration should provide more opportunities to exhibit creative products which had economic value and could contribute to creating jobs as well as economic development. PASHA(C)1 reiterated that different bureaux/departments would be providing assistance to promote the cultural and creative industries under their purview. He said that “Creative November” programme in November 2004 was an example of exhibition of products of creative design. He added that in promoting these cultural and creative industries, HAB had been mainly responsible for undertaking the initiatives set out in paragraph 2 of the paper.

46. Miss CHAN Yuen-han said that she had recently handled a case regarding an undergraduate of the Hong Kong Baptist University, who had been rejected by HAD to be eligible to participate in an overseas cultural exchange programme organised by the Department merely based on her results in the Hong Kong Certificate of Education Examination. Miss CHAN pointed out that the undergraduate was actually a creative talent. She queried why in this case, the Administration had considered the application on the basis of the applicant’s academic results in formal education and not the applicant’s creative talents. DSHA(3) said that she would look into the case after checking with HAD for more details.

Admin

47. Mr Albert HO said that many creative industries were related to performing arts and broadcasting. He asked whether the Administration would consider using resources of the Radio Television Hong Kong or the television (TV) network of Wharf Cable to provide a public TV channel so that artists would be given platforms to showcase their talents. He also suggested that the

Action

Administration should identify venues for young people to display their creative products. He pointed out that in Singapore and Taiwan, the arcades of many buildings were made available for such a purpose.

48. PASHA(C)1 responded that HAB had been actively discussing with the Hong Kong Arts Development Council (HKADC) on the setting up of a cultural channel on the Internet. He informed members that in 2004 HKADC had already planned to set up such a channel and had issued invitations for proposals. However, HKADC had subsequently encountered problems relating to copyright of the programmes and the tenderers who had made proposals were also found not very appropriate. HKADC was now actively looking for new tenderers to bid for the channel which was already available.

49. ASHA(C)(1) said that in the past two years, HAB had organised/sponsored a series of projects, youth forums and cultural events, as set out in paragraph 5 of the paper, through which the community interest and awareness in creative industries had been greatly enhanced. He added that in the coming year, HAB would continue to sustain its efforts in organising such activities, e.g. cooperating with the Hong Kong Federation of Youth Groups (HKFYG) by providing a regular platform at various venues of the Leisure and Cultural Services Department for young people to showcase their talents in performing arts. Besides, discussions were being held with a local musical company on the possibility of using a venue in the Hong Kong Park as a regular platform to showcase the talents of young performing artists.

50. Mr Albert HO considered that the Administration had made inadequate efforts in promoting cultural and creative industries and the allocation of resources for promoting these industries was also insufficient. He asked whether it was possible for HAB to buy a channel from Wharf Cable or other available channels for broadcasting TV programmes produced by local creative talents. He further suggested that consideration should be given to organising exhibitions of outstanding creative products on an annual or bi-annual basis, which would also help promote appreciation of creativity and marketing of these products.

51. PASHA(C)1 explained that HAB had contacted some TV stations which had expressed concern about whether there would be sufficient quality programmes for broadcasting should a cultural TV channel be created because their air time was round-the-clock. He added that setting up of a cultural channel on the Internet would be less resource-consuming and such a channel could be viewed by whoever could access the Internet. ASHA(C)(1) said that HAB was still exploring with Wharf Cable, NOW Broadband Network and Hong Kong Broadband Network on the feasibility of creating such a cultural channel as raised by Mr Albert HO.

Action

Admin

52. ASHA(C)(1) informed members that in September 2005, the Innovation and Technology Commission (ITC) would be organising jointly with HKFYG and other organisations a competition on creative products, to be followed by an exhibition of the winners' products. He undertook that HAB would relay Mr Albert HO's view that such activities should be organised on a regular basis to ITC.

53. There being no other business, the meeting ended at 12:50 pm.

Council Business Division 2
Legislative Council Secretariat
12 May 2005