

For information
on 27 February 2006

Panel on Administration of Justice and Legal Services

Recovery Agents

The object of this paper is to provide an update on the above topic which was discussed at the Administration of Justice and Legal Services Panel meeting held on 28 November 2005. The Administration was requested at the meeting to liaise with the two legal professional bodies on how the problem of recovery agents should be tackled.

Meeting with the legal professional bodies

2. A meeting was held with representatives of the Law Society and the Bar Association on 16 January 2006 to discuss positive steps to be taken to prevent illegal activities of recovery agents.

3. Both the Law Society and the Bar Association have indicated at the meeting that they were aware that serious touting activities have been carried out by recovery agents at or in the vicinity of the offices of the Labour Department, the Social Welfare Department (Traffic Accident Victims Assistance (TAVA) Section), Legal Aid Department and public hospitals. Most of these recovery agents would loiter in the lift lobbies or reception areas of the relevant offices and approach applicants involved in labour disputes, applicants for legal aid, or victims of traffic accidents or their family members etc. and solicit for business. Apart from instituting possible criminal proceedings against recovery agents who have infringed the law, parties at the meeting agreed that requests should be made to the relevant public bodies to implement the following measures –

- i) Put up posters or notices on notice boards or make available leaflets at the offices of the Labour Department, TAVA Section of the Social Welfare Department, Legal Aid Department and hospitals under the Hospital Authority or

take any other measures in order to educate the public that proper assistance should be sought directly from the relevant authorities instead of through recovery agents.

- ii) Staff or security officers of the above mentioned government departments and public bodies should stop any touting activities of recovery agents on or near their premises.

4. As it was known that some solicitors may be involved in or connected with the activities of recovery agents, it was suggested at the meeting that the Law Society should carry out investigations or disciplinary proceedings against law firms and/or solicitors which were involved in or connected with the operation of recovery agents.

Public Education

5. Following the meeting, the Department of Justice requested the Labour Department, the Social Welfare Department (Traffic Accident Victims Assistance (TAVA) Section), Legal Aid Department and Hospital Authority to implement the measures noted in paragraph 3 i) and ii) above or to take any other appropriate measures to prevent recovery agents from carrying out illegal activities in their office premises or their vicinity.

Prosecution

6. In terms of the possible prosecution of recovery agents, the Department of Justice has referred to the police some information supplied by the Law Society about certain recovery agents for investigation. The police are currently investigating the activities of these recovery agents and, if evidence of criminal acts is uncovered, the Department of Justice will consider bringing prosecution proceedings.

Department of Justice
February 2006