



中華人民共和國香港特別行政區  
Hong Kong Special Administrative Region of the People's Republic of China



立法會  
LEGISLATIVE COUNCIL

查詢電話 TELEPHONE CB(3)/PAC/R49  
傳真號碼 FACSIMILE 2869 9465  
圖文傳真 FACSIMILE 2537 1204

6 March 2008  
*(By e-mail and post)*

Mrs Grace LEE CHAN Ka-yan

Dear Mrs LEE

**Public Accounts Committee**

**The Director of Audit's Report on the  
results of value for money audits (Report No. 49)**

I refer to your letter of 3 March 2008 to the Chairman of the Public Accounts Committee. At its meeting on 4 March 2008, the Committee considered the letter and noted that you have adopted all the contents of the letter of 9 January 2008 from Messrs Richards Butler in association with Reed Smith LLP as part of your evidence given to the Committee. The Committee also noted that you stated that it would be wholly unfair to you if any adverse findings or criticisms are made against you in the Committee's final report, and that you reserved all your legal rights in that regard. The Committee has directed me to respond as follows.

The Committee would like to point out that you have quoted my letter of 10 December 2007 out of context. The said letter purported to address the points made in your letter of 6 December 2007 in which you requested the Committee, amongst other things, to inform you whether there would be any allegations made against you at the then forthcoming public hearings and, if so, the materials in support of the allegations. It was in that context that I wrote to explain to you that the purpose of the Committee's hearings was not to deal with allegations against any persons, but to gather evidence relevant to the facts contained in the Director of Audit's reports so that the Committee might formulate the conclusions and recommendations to be included in its report. As a matter of fact, there was no allegation against any person before the Committee at that time.

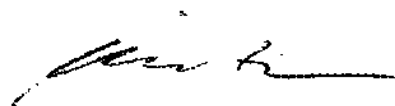
The Committee would like to inform you once again that the objective of the whole exercise of its examination of the Director of Audit's reports is such that the lessons learned from past experience and the Committee's comments on the performance of the public officers or other personnel concerned will enable the Government to improve its control over the expenditure of public funds, with due regard to economy, efficiency and effectiveness. The Committee has the duty to comment, in its report, whether public funding has been properly utilised. If in the course of its examination, the Committee observes the existence of any irregularities or deficiencies in the governance, management, or utilisation of public resources in a publicly-funded organisation, it also has the duty to comment on them, as well as on those persons whom should be held responsible.

The Committee would like to point out that witnesses attending public hearings are given every opportunity to respond to questions asked of them and to state their views. They are also given access to all relevant documents and records which would be referred to at public hearings and records of the public hearings. In formulating its conclusions and recommendations, the Committee would take into consideration all information provided by all witnesses both at the public hearings or through other means, together with all other evidence received by the Committee.

The Committee would also like to point out that it is a standing committee of the Legislative Council. Under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382), the Committee is vested with the necessary powers for the performance of its functions, and members of the Committee are provided with immunities and privileges as stipulated therein. The Committee will, as always, continue to perform its functions in an open, fair and impartial manner. It will not allow itself to be subject to any interference, nor will it tolerate any attempt to interfere with its performance of its functions, which include the making of its report upon the Director of Audit's report on the Hong Kong Tourism Board.

Last but certainly not least, the Committee would like to bring to your attention that your letter may be perceived as an attempt to interfere with the Committee's performance of its functions. The Committee considers any such attempt totally inappropriate and unacceptable.

Yours sincerely



(Ms Miranda HON)  
Clerk  
Public Accounts Committee