

立法會
Legislative Council

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Panel on Transport and Panel on Financial Affairs

**Joint Subcommittee on Issues Relating to
Insurance Coverage for the Transport Sector**

**Minutes of meeting
held on Monday, 31 October 2011, at 10:45 am
in Conference Room 2A of the Legislative Council Complex**

Members present : Hon Miriam LAU Kin-ye, GBS, JP (Chairman)
Hon Ronny TONG Ka-wah, SC
Hon CHAN Kin-por, JP

Members absent : Hon James TO Kun-sun
Hon CHEUNG Hok-ming, GBS, JP
Hon IP Wai-ming, MH

Public Officers attending : Item I

The Administration

Miss Janet WONG
Principal Assistant Secretary for Transport and Housing

Ms Jennifer CHAN
Principal Assistant Secretary for Financial Services and
the Treasury (Financial Services)

Mr Albert YUEN, JP
Assistant Commissioner/Management and Paratransit
Transport Department

Mr Dannis LEUNG
Chief Transport Officer/Planning/Taxi
Transport Department

Ms Angela NG
Senior Superintendent (Administration)(Traffic Branch
Headquarters)
Hong Kong Police Force

Mr HO Ying-foo
Superintendent (Fraud Division)(Commercial Crime Bureau)
Hong Kong Police Force

Mr Ros LAM, JP
Assistant Commissioner of Insurance (General Business Division)
Office of the Commissioner of Insurance

Ms Polly LUI
Senior Insurance Officer (General Business Division)
Office of the Commissioner of Insurance

Mr LEE Tin-yan
Senior Government Counsel
Department of Justice

Dr K H LEE
Chief Manager (Cluster Performance)
Hospital Authority

The Hong Kong Federation of Insurers

Mr Harry WONG
Representative

Ms Kelly MOK
Representative

Clerk in attendance : Mrs Sharon TONG
Principal Council Secretary (2)

Staff in attendance : Ms Mina CHAN
Council Secretary (2) 7

Ms Camy YOONG
Clerical Assistant (2) 7

I. Meeting with the Administration

The Joint Subcommittee deliberated (index of proceedings attached at **Annex**).

2. In view of the concerns recently raised by deputations, the Chairman suggested that the Joint Subcommittee should arrange a meeting for deputations to express their further views on issues relating to insurance coverage for the transport sector. Members agreed.

3. Members asked the Police to provide insurance companies and members of the public with a channel to lodge complaints about and report suspected cases of insurance fraud. Members were of the view that the complaints would be handled more efficiently if the Police could coordinate its investigative resources in dealing with such cases. The Joint Subcommittee requested the Police to provide a written response in this regard.

4. The Joint Subcommittee requested the Administration to provide information about a case in end 2010 involving a total of 102 persons who were suspected of making fraudulent claims of assistance under the Traffic Accident Victims Assistance Scheme. At the suggestion of the Administration, the Joint Subcommittee agreed to invite representatives of the Social Welfare Department to future meetings of the Joint Subcommittee.

5. Chief Manager (Cluster Performance) of the Hospital Authority ("HA") suggested that insurance companies could report to HA cases where exaggeration of injuries by public hospital patients was suspected.

II. Date of next meeting

6. The Chairman proposed to meet with deputations on 29 November 2011 at 4:30 pm, and schedule the subsequent two meetings for 19 December 2011 and 13 January 2012 at 10:45 am. Members agreed.

7. To facilitate members' discussion, the Chairman asked the Clerk to draw up a list of issues that would be studied at each meeting of the Joint Subcommittee in consultation with her.

8. There being no other business, the meeting ended at 12:19 pm.

Council Business Division 2
Legislative Council Secretariat
24 November 2011

**Proceedings of meeting of the Joint Subcommittee on
Issues relating to Insurance Coverage for the Transport Sector
held on Monday, 31 October 2011, at 10:45 am
in Conference Room 2A of the Legislative Council Complex**

Time marker	Speaker	Subject(s)	Action Required
000221 - 000235	Chairman	Opening remarks	
000236 - 000358	Chairman Mr CHAN Kin-por	Invitation for deputations to a meeting of the Joint Subcommittee	
000359 - 001048	Chairman Admin	<p>Presentation of paper by the Administration (LC Paper No. CB(2)150/11-12(01))</p> <p>The Administration highlighted that insurers had recorded continuous underwriting loss in the taxi and public light bus ("PLB") insurance business since 2005 and 2006 and the situation began to improve in 2010 (without taking into account the claims made against the insolvent Anglo Starlite Insurance Company Limited, which had been taken up by the Insolvency Fund). The heavy underwriting losses prompted the insurers to restore premium rates to a more reasonable and sustainable level</p>	
001049 - 001609	Chairman Admin	<p>Presentation of paper by the Administration (LC Paper No. CB(2)150/11-12(02))</p> <p>Additional information provided by the Administration on pricing of motor insurance</p>	
001610 - 002553	Chairman Mr CHAN Kin-por The Hong Kong Federation of Insurers	<p>Problems encountered by the insurance industry in underwriting motor insurance business</p> <p>Granting of no claim discount and motor insurance coverage during typhoon signal no. 8 or above hoisted</p>	
002554 - 003313	Chairman Mr Ronny TONG Admin	<p>Possible measures to increase competition of taxi and PLB insurance business</p> <p>The Administration explained that Hong Kong had an open insurance</p>	

Time marker	Speaker	Subject(s)	Action Required
		market which imposed no entry barrier for insurance companies to enter the motor insurance market provided that they could meet the prudential requirements set out in the Insurance Companies Ordinance (Cap. 41)	
003314 - 004532	Chairman The Hong Kong Federation of Insurers Mr Ronny TONG	The soaring taxi and PLB insurance premium and refusal to process claims for accidents in which reconciliation agreements had been signed	
004533 - 005352	Mr Ronny TONG The Hong Kong Federation of Insurers Chairman	Cases relating to champerty	
005353 - 005803	Mr Ronny TONG Chairman Admin	Cases of insurance fraud Enforcement actions taken by the Police against insurance fraud and champerty and measures to combat such illegal activities	
005804 - 010323	Mr CHAN Kin-por Chairman Admin	Complaint and reporting mechanism for suspected cases of insurance fraud	The Administration to provide a written response to members' suggestion of providing insurance companies and members of the public with a channel to lodge complaints about and report suspected cases of insurance fraud to the Police and coordinating the Police's investigative resources in dealing with such cases
010324 - 012803	Mr CHAN Kin-por Admin Chairman Mr Ronny TONG The Hong Kong Federation of Insurers	Problem of injury-exaggerating claims Signing of reconciliation agreements for compliance by the transport sector	
012804 - 013102	Chairman Admin	Fraudulent claims of assistance under the Traffic Accident Victims Assistance ("TAVA") Scheme Invitation for representatives of the Social Welfare Department to future	The Administration to provide information about a case in end 2010 involving 102 persons who were suspected of making fraudulent claims of

Time marker	Speaker	Subject(s)	Action Required
		meetings of the Joint Subcommittee	assistance under the TAVA Scheme
013103 - 013252	Chairman Admin	Reporting to the Hospital Authority of cases where exaggeration of injuries was suspected to the Hospital Authority	
013253- 013455	Chairman Mr Ronny TONG	Timing for inviting deputations to the meeting of the Joint Subcommittee Dates of next meetings and closing remarks	The Clerk to draw up a list of the issues for discussion at each meeting of the Joint Subcommittee in consultation with the Chairman

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