

立法會
Legislative Council

LC Paper No. CB(1)139/13-14
(These minutes have been
cleared with the Chairman)

Ref : CB1/PL/FA/1

Panel on Financial Affairs

Minutes of meeting
held on Thursday, 10 October 2013 at 11:40 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon Starry LEE Wai-king, JP (Chairman)
Hon Christopher CHEUNG Wah-fung, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Hon WONG Kwok-hing, BBS, MH
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon CHAN Kin-por, BBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon James TIEN Pei-chun, GBS, JP
Hon NG Leung-sing, SBS, JP
Hon Kenneth LEUNG
Hon Dennis KWOK
Hon SIN Chung-kai, SBS, JP

Clerk in attendance : Ms Connie SZETO
Chief Council Secretary (1)4

Staff in attendance : Mr Andy LAU
Assistant Secretary General 1

Ms Angel SHEK
Senior Council Secretary (1)4

Mr Hugo CHIU
Council Secretary (1)4

Ms Alice CHEUNG
Senior Legislative Assistant (1)1

Miss Queenie LAM
Senior Legislative Assistant (1)2

Ms Sharon CHAN
Legislative Assistant (1)4

Action

I Election of Chairman and Deputy Chairman

Election of Chairman

Ms Starry LEE, Chairman of the Panel on Financial Affairs ("the Panel") in office, presided over the election of the Chairman of the Panel for the 2013-2014 session. She invited nominations for the chairmanship.

2. Ms Starry LEE was nominated by Mr WONG Ting-kwong and the nomination was seconded by Mr Jeffery LAM and some other members. Ms Starry LEE accepted the nomination. As Ms LEE was nominated, Mr CHAN Kin-por, Deputy Chairman of the Panel in office, presided over the election. There being no other nomination, Mr CHAN Kin-por declared that Ms Starry LEE was elected as Chairman of the Panel for the 2013-2014 session.

Election of Deputy Chairman

3. The Chairman invited nominations for the deputy chairmanship. Mr Christopher CHEUNG was nominated by Mr Andrew LEUNG and the nomination was seconded by Mrs Regina IP. Mr CHEUNG accepted the nomination. There being no other nomination, the Chairman declared that Mr Christopher CHEUNG was elected as Deputy Chairman of the Panel for the 2013-2014 session.

II Schedule of meetings for the 2013-2014 session

4. The Chairman referred members to the proposed schedule of regular meetings tabled at the meeting. Members agreed that –

- (a) the monthly regular meetings of the Panel would be held on the first Monday of each month;
- (b) the regular Panel meetings would normally start at 10:45 am but would start earlier if necessary; and
- (c) as the first Mondays in February 2014 and June 2014 were public holidays, the regular meetings for the months were rescheduled to 7 February and 6 June 2014 respectively.

5. Mr CHAN Kam-lam suggested that the regular meeting scheduled for 3 March 2014 be changed to avoid clash with meetings of The National People's Congress and The Chinese People's Political Consultative Conference to be held in the same period as some Panel members were also members of the two bodies. The Chairman advised that she would explore with the Panel Clerk on the suggestion taking into account the meeting schedules of other committees of the Legislative Council and the availability of venue. Members would be notified of the arrangement in due course.

(Post-meeting note: The schedule of regular meetings of the Panel for the 2013-2014 session was issued to members vide LC Paper No. CB(1)35/13-14 on 11 October 2013. In response to members' suggestion and with the concurrence of the Chairman, the regular meeting in March was advanced to Thursday, 27 February 2014 at 2:30 pm.)

III Items for discussion at the next meeting

(Appendix V to LC Paper No. CB(1)7/13-14	—	List of outstanding items for discussion
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Appendix VI to LC Paper No. CB(1)7/13-14	—	List of follow-up actions
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LC Paper No. CB(1)12/13-14(01)	—	Letter dated 30 September 2013 from Hon TANG
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Ka-piu proposing discussion on improvement measures on the Mandatory Provident Fund system arising from the consultancy study on trustees' administration costs conducted by the Mandatory Provident Fund Schemes Authority in 2012 (Chinese version only)

LC CB(1)12/13-14(02)	Paper	No. —	Joint letter dated 3 October 2013 from Hon TANG Ka-piu and Hon KWOK Wai-keung proposing discussion on issues relating to the arrangement for offsetting Severance Payment or Long Service Payment under the MPF system (Chinese version only)
LC CB(1)14/13-14(01)	Paper	No. —	Letter dated 11 July 2013 from Hon WONG Kwok-hing proposing discussion on issues relating to bank service charges (Chinese version only))

Regular meeting on 4 November 2013

6. Members agreed that the following items proposed by the Administration be discussed at the regular meeting on 4 November 2013 –

- (a) Briefing on the Inland Revenue (Amendment) Bill 2014;
- (b) The Asia-Pacific Economic Cooperation Finance Ministers' Meeting 2014;
- (c) Proposed retention of a supernumerary directorate post in the Mainland Affairs Division of the Financial Services Branch of the Financial Services and the Treasury Bureau; and

- (d) Creation of one permanent directorate post to support initiatives of expanding the network of exchange of information arrangements of Hong Kong and one supernumerary directorate post to cope with the increase in volume and complexity of work at the Stamp Office of the Inland Revenue Department.

7. Members further agreed that the meeting on 4 November 2013 would commence at 9:00 am in order to allow sufficient time for discussion of the above four items.

Special meeting on 15 November 2013

8. The Chairman informed members that due to overseas engagement in early November 2013, the senior executives of the Hong Kong Monetary Authority ("HKMA") were unable to attend the regular meeting scheduled for 4 November 2013 to brief the Panel on HKMA's work. Members agreed that a special meeting be scheduled for Friday, 15 November 2013, from 9:00 am to 10:30 am to receive the briefing from HKMA.

9. Mr WONG Kwok-hing referred to his letter addressed to the Chairman in July 2013 proposing the Panel to discuss issues relating to the minimum balance requirements set by banks for opening accounts and fees levied by banks on inactive or low-balance accounts. He considered that HKMA should review the banks' policies in this regard with a view to protecting interests of these account holders. The Chairman said that she had received complaints from some money exchange companies about difficulties encountered in opening bank accounts. As HKMA would brief the Panel on its work at the special meeting to be held on 15 November 2013, members agreed that the above issues be discussed at the briefing.

Proposed discussion items for future meetings

10. Members noted the letter dated 30 September 2013 from Hon TANG Ka-piu proposing discussion on improvement measures on the Mandatory Provident Fund ("MPF") system arising from the consultancy study on trustees' administration costs conducted by the Mandatory Provident Fund Schemes Authority in 2012 ("the Cost Study") (LC Paper No. CB(1)12/13-14(01)), and the joint letter dated 3 October 2013 from Hon TANG Ka-piu and Hon KWOK Wai-keung proposing discussion on issues relating to the arrangement for offsetting Severance Payment or Long Service Payment under the MPF system ("the SP/LSP offsetting arrangement") (LC Paper No. CB(1)12/13-14(02)), which were issued to members before the meeting. Mr Kenneth LEUNG asked whether issues relating to the SP/LSP offsetting arrangement should be under the purview of the Labour and Welfare Bureau.

11. On the SP/LSP offsetting arrangement, the Chairman said that the Panel on Manpower was considering a member's request to discuss the subject. Members might consider holding a joint discussion on the item with the Panel on Manpower. As regards improvement measures on the MPF system recommended by the Cost Study, the Chairman drew members' attention to item 9 of the Panel's "List of outstanding items for discussion" that the Administration planned to brief the Panel in the first quarter of 2014 on the Mandatory Provident Fund Schemes (Amendment) Bill 2014, which included the legislative proposals on withdrawal of benefits and other initiatives to enhance the MPF system.

12. Mr Abraham SHEK suggested inviting the Hong Kong Exchanges and Clearing Limited ("HKEx") to brief the Panel on its work on a regular basis. Mr Christopher CHEUNG, Mrs Regina IP, Mr SIN Chung-kai and Mr Dennis KWOK supported the suggestion. Given the important roles of HKEx as the operator of the securities and futures exchanges and the front line regulator of the market in approving listing applications, these members considered that HKEx should be invited to discuss with the Panel on issues of concerns which might arise from time to time, for instance, the controversies surrounding HKEx's consideration on the earlier plan of the Alibaba Group to seek listing in Hong Kong.

13. Mr Andrew LEUNG and Mr Jeffrey LAM suggested that the Panel should discuss issues relating to the establishment of the Shanghai Pilot Free Trade Zone, in particular the impact on Hong Kong and its competitiveness, the preparations Hong Kong should make in response, as well as the feasibility for Hong Kong, Guangdong and Macao to set up a free trade zone. Mr CHAN Kin-por and Mr Dennis KWOK supported the suggestion. Mr CHAN suggested that the Panel should also discuss issues relating to the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone. Mr Dennis KWOK said that the Financial Services Development Council should be invited to report the progress of its work to the Panel.

14. The Chairman said that in line with past practice, she and the Deputy Chairman would meet with the Secretary for Financial Services and the Treasury to discuss the work plan of the Panel for the 2013-2014 session. She would discuss with the Administration during the work plan meeting on how to follow up the suggested items and their priority. She added that members who wished to propose other items for discussion by the Panel could inform her or the Panel Clerk in writing.

15. There being no other business, the meeting ended at 11:58 am.

Council Business Division 1
Legislative Council Secretariat
24 October 2013