

**立法會**  
**Legislative Council**

LC Paper No. CB(2)215/14-15

Ref : CB2/H/5/14

**House Committee of the Legislative Council**

**Minutes of the 4th meeting  
held in Conference Room 1 of the Legislative Council Complex  
at 2:30 pm on Friday, 31 October 2014**

**Members present:**

Hon Andrew LEUNG Kwan-yuen, GBS, JP (Chairman)  
Hon Ronny TONG Ka-wah, SC (Deputy Chairman)  
Hon Albert HO Chun-yan  
Hon LEE Cheuk-yan  
Hon James TO Kun-sun  
Hon CHAN Kam-lam, SBS, JP  
Hon LEUNG Yiu-chung  
Dr Hon LAU Wong-fat, GBM, GBS, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Tommy CHEUNG Yu-yan, SBS, JP  
Hon Vincent FANG Kang, SBS, JP  
Hon WONG Kwok-hing, BBS, MH  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon WONG Ting-kwong, SBS, JP  
Hon Cyd HO Sau-lan, JP  
Hon Starry LEE Wai-king, JP  
Dr Hon LAM Tai-fai, SBS, JP  
Hon CHAN Kin-por, BBS, JP  
Dr Hon LEUNG Ka-lau  
Hon WONG Kwok-kin, SBS  
Hon IP Kwok-him, GBS, JP  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon Claudia MO  
Hon Michael TIEN Puk-sun, BBS, JP

Hon James TIEN Pei-chun, GBS, JP  
Hon NG Leung-sing, SBS, JP  
Hon Steven HO Chun-yin  
Hon Frankie YICK Chi-ming  
Hon WU Chi-wai, MH  
Hon YIU Si-wing  
Hon Gary FAN Kwok-wai  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Dr Hon Kenneth CHAN Ka-lok  
Hon CHAN Yuen-han, SBS, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Alice MAK Mei-kuen, JP  
Hon KWOK Wai-keung  
Hon Dennis KWOK  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon SIN Chung-kai, SBS, JP  
Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, JP  
Hon POON Siu-ping, BBS, MH  
Hon TANG Ka-piu, JP  
Dr Hon CHIANG Lai-wan, JP  
Ir Dr Hon LO Wai-kiwok, BBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP  
Hon Tony TSE Wai-chuen, BBS

**Members absent:**

Hon Emily LAU Wai-hing, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon CHAN Hak-kan, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon CHEUNG Kwok-che  
Hon Paul TSE Wai-chun, JP  
Hon WONG Yuk-man  
Hon CHAN Han-pan, JP  
Hon Kenneth LEUNG  
Dr Hon KWOK Ka-ki  
Hon Martin LIAO Cheung-kong, SBS, JP

**Clerk in attendance :**

Miss Flora TAI Clerk to the House Committee

**Staff in attendance :**

Mr Kenneth CHEN, SBS	Secretary General
Mr Jimmy MA, JP	Legal Adviser
Mrs Justina LAM	Deputy Secretary General
Mr Andy LAU	Assistant Secretary General 1
Miss Odelia LEUNG	Assistant Secretary General 3
Mr Matthew LOO	Assistant Secretary General 4
Mr Bonny LOO	Acting Senior Assistant Legal Adviser 1
Mr Stephen LAM	Senior Assistant Legal Adviser 2
Mr KAU Kin-wah	Senior Assistant Legal Adviser 3
Ms Dora WAI	Principal Council Secretary 1
Ms Hallie CHAN	Head (Public Information)
Ms Maisie LAM	Chief Council Secretary (2)5
Ms Amy YU	Chief Council Secretary (2)6
Ms Debbie YAU	Chief Council Secretary (4)5
Ms Wendy KAN	Assistant Legal Adviser 6
Miss Winnie LO	Assistant Legal Adviser 7
Ms Clara TAM	Assistant Legal Adviser 9
Miss Josephine SO	Senior Council Secretary (2)6
Ms Jasmine TAM	Senior Council Secretary (2)8
Miss Karen LAI	Council Secretary (2)6
Ms Anna CHEUNG	Senior Legislative Assistant (2)3
Mr Arthur KAN	Legislative Assistant (2)7

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**I. Confirmation of the minutes of the 3rd meeting held on 24 October 2014**

*(LC Paper No. CB(2)176/14-15)*

1. The minutes were confirmed.

**II. Matters arising**

**Report by the Chairman on his meeting with the Chief Secretary for Administration**

2. The Chairman said that there was nothing special to report.

### **III. Business arising from previous Council meetings**

#### **Legal Service Division report on subsidiary legislation gazetted on 24 October 2014 and tabled in Council on 29 October 2014**

*(LC Paper No. LS7/14-15)*

3. At the invitation of the Chairman, Legal Adviser ("LA") briefed Members on the Legal Service Division report on the eight items of subsidiary legislation (i.e. L.N. 123 to L.N. 130) which were gazetted on 24 October 2014 and tabled in Council on 29 October 2014. Regarding the Banking (Capital) (Amendment) Rules 2014 (L.N. 128) and the Banking (Liquidity) Rules (L.N. 129), LA informed Members that the Legal Service Division was still scrutinizing the legal and drafting aspects of these two items of subsidiary legislation and would make a further report if necessary.

4. Members did not raise any question on the eight items of subsidiary legislation.

5. The Chairman reminded Members that the deadline for amending these items of subsidiary legislation was the Council meeting of 26 November 2014.

### **IV. Further business for the Council meeting of 5 November 2014**

6. The Chairman said that the unfinished business on the Agenda of the Council meeting of 29 October 2014 would stand over to the Council meeting of 5 November 2014.

#### **Questions**

*(LC Paper No. CB(3)94/14-15)*

7. The Chairman informed Members that Mr Paul TSE and Dr Elizabeth QUAT had replaced their oral questions.

### **V. Business for the Council meeting of 12 November 2014**

#### **(a) Questions**

*(LC Paper No. CB(3)95/14-15)*

8. The Chairman said that 22 questions (six oral and 16 written) had been scheduled for the meeting.

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(b) **Bills - First Reading and moving of Second Reading**

9. The Chairman said that no notice had been received yet.

(c) **Bill - resumption of debate on Second Reading, Committee Stage and Third Reading**

10. Members noted that the Second Reading debate on the Competition (Amendment) Bill 2014 would be resumed at the meeting.

(d) **Government motion**

11. The Chairman said that no notice had been received yet.

(e) **Members' motions**

12. The Chairman said that as the two Members' motions without legislative effect originally scheduled for the Council meeting of 29 October 2014 were not dealt with at that Council meeting, the motion debates scheduled to be held at the following Council meetings would be postponed accordingly.

**Report of the House Committee ("HC") on Consideration of Subsidiary Legislation**

13. The Chairman invited Members to note the list tabled at the meeting (LC Paper No. CB(3)104/14-15), which contained three items of subsidiary legislation the period for amendment of which would expire at the Council meeting of 12 November 2014. He reminded Members to indicate their intention by 5:00 pm on Tuesday, 4 November 2014, should they wish to speak on any of the items of subsidiary legislation.

**VI. Reports of Bills Committees and subcommittees**

(a) **Report of the Subcommittee on Road Traffic (Amendment) Ordinance 2012 (Commencement) Notice**  
*(LC Paper No. CB(1)110/14-15)*

14. Ir Dr LO Wai-kwok, Chairman of the Subcommittee, briefed Members on the deliberations of the Subcommittee as detailed in its report. Members noted that in response to the views of members of the Subcommittee, the Administration had indicated that it would move a motion to amend the Notice to postpone the implementation date of the

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pre-service course requirement for the issuance of public light bus driving licences by one year. However, as the motion to extend the scrutiny period of the Notice could not be dealt with at the Council meeting of 22 October 2014, the period for amending the Notice had expired at the said Council meeting. As such, the Administration was unable to amend the Notice and the implementation date of the pre-service course requirement remained 1 June 2015.

**(b) Report of the Subcommittee on Rules of the High Court (Amendment) (No. 2) Rules 2014 and Rules of the District Court (Amendment) Rules 2014**

*(LC Paper No. CB(4)28/14-15)*

15. Mr Dennis KWOK, Chairman of the Subcommittee, briefed Members on the deliberations of the Subcommittee as detailed in its report. Members noted that the Subcommittee supported the two Amendment Rules.

**(c) Proposed extension of period of work of subcommittees on policy issues**

*(LC Paper No. CB(2)177/14-15)*

16. Members agreed that permission be given to the following three subcommittees on policy issues to further extend the period of their work to 30 September 2015 -

- (a) the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project under the Panel on Home Affairs and the Panel on Development;
- (b) the Subcommittee on Health Protection Scheme under the Panel on Health Services; and
- (c) the Subcommittee on Matters Relating to Railways under the Panel on Transport.

**VII. Position on Bills Committees and subcommittees**

*(LC Paper No. CB(2)178/14-15)*

17. The Chairman said that as at 30 October 2014, there were 16 Bills Committees, 10 subcommittees under HC and nine subcommittees on policy issues under Panels in action. One Bills Committee was on the waiting list.

**VIII. Proposal of Hon Cyd HO and Hon Kenneth LEUNG to seek the Council's authorization for the appointment of a select committee to inquire into whether the Chief Executive Mr LEUNG Chun-ying has contravened Article 47 of the Basic Law and issues relating to possible conflict of interests arising from Mr LEUNG's alleged holding of shares in DTZ (Japan)**

*(Joint letter dated 22 October 2014 from Hon Cyd HO and Hon Kenneth LEUNG (LC Paper No. CB(2)183/14-15(01)))*

18. Ms Cyd HO explained the proposal she had put forward jointly with Mr Kenneth LEUNG. She said that it had been reported that the Chief Executive ("CE") Mr LEUNG Chun-ying was currently still holding, through an overseas registered company, 30% of the shares of DTZ (Japan) of which HKR International Limited ("HKR") was an important client. The major shareholder of HKR was also the major shareholder of Asia Television Limited ("ATV") and HKR had substantial land interests on Lantau Island. These connections had led one to query whether CE, in formulating policies on the development of Lantau or considering the applications for domestic free television programme service licences ("free TV licences"), had made any decision favouring HKR. Ms HO further said that as Mr LEUNG still had the benefit of his agreement with UGL Limited ("UGL") under which he could exercise a put option for the sale of his shares in DTZ (Japan) within seven years from completion of UGL's acquisition of DTZ Holdings plc ("DTZ") and could receive potentially significant sums of payments from UGL upon activation of the put option, some members of the public had also queried whether Mr LEUNG had, on assuming office of CE, declared such interests to the Chief Justice ("CJ") of the Court of Final Appeal. She and Mr Kenneth LEUNG considered it necessary for the Legislative Council ("LegCo") to conduct an inquiry into the matter to clear these doubts.

19. Mr LEUNG Kwok-hung said that he had made several attempts to elicit from Mr LEUNG Chun-ying information on the business nature of Wintrack Worldwide (BVI) which was holding shares of DTZ (Japan) but in vain. He opined that as the doubts surrounding the matter had yet to be cleared, it was necessary for LegCo to conduct the proposed inquiry.

20. Dr Helena WONG said that Members belonging to the Democratic Party supported the proposal to invoke the powers under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) ("the P&P Ordinance") to inquire into whether CE had contravened Article 47 of the Basic Law ("BL 47"). In view of the recent removal of Mr James TIEN from the National Committee of the Chinese People's Political Consultative Conference ("CPPCC") due to the remarks he had made

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against CE, she considered that Members who were also Hong Kong members of the National Committee of CPPCC ("CPPCC members") should so declare, so that the public could judge whether or not their role as CPPCC members had influenced their views expressed and vote on the proposal under discussion.

21. Mr Albert CHAN said that Mr LEUNG Chun-ying's receipt of huge sums of payments from a foreign firm had raised concerns about his possible collusion with foreign powers. In his view, the matter warranted investigation by LegCo from that perspective.

22. Mr Dennis KWOK said that the crux of the matter was whether Mr LEUNG Chun-ying had obtained advantages without lawful authority. Mr KWOK pointed out that when Mr LEUNG entered into the agreement with UGL, he was still serving as the Asia Pacific Director of DTZ. According to news reports, DTZ's liquidator and its main creditor were unaware of the deal between Mr LEUNG and UGL. It was therefore reasonable to believe that DTZ's then board of directors also had no knowledge about the deal. However, Mr LEUNG had so far failed to respond to the query on whether he had obtained the authorization of DTZ's board of directors to enter into the deal with UGL. Furthermore, Mr LEUNG's receipt of payments from UGL might also constitute an offence under the bribery laws. Given the resolve of the Central Authorities in combating corruption, Mr KWOK considered it necessary for LegCo to investigate the allegations against CE.

23. Mr IP Kin-yuen said that the powers under the P&P Ordinance should be invoked by LegCo to monitor the work of the Executive Authorities. As CE had so far failed to respond directly to the queries about his suspected receipt of illicit kickbacks or engagement in part-time work, Mr IP considered that there was a need to invoke the powers under the P&P Ordinance to inquire into these serious allegations against CE so as to find out the truth for the public.

24. Ms Starry LEE said that Members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong opposed the proposal. She pointed out that a proposal to invoke the powers under the P&P Ordinance to conduct an inquiry into a related matter involving CE had been discussed by HC two weeks ago and was not supported by HC. An oral question on the subject had just been raised at the Council meeting of 29 October 2014 to which the Chief Secretary for Administration ("CS") had responded. In addition, a Member would move a motion under the P&P Ordinance on a related matter at the next Council meeting. In her view, it was evident that some Members were trying to discredit CE with a view to removing him from office. Ms



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LEE stressed that the Independent Commission Against Corruption ("ICAC") had already received complaints against Mr LEUNG regarding his receipt of payments from UGL and Members should leave the investigation of the matter to ICAC.

25. Mr Abraham SHEK said that he opposed the proposed inquiry as he did not see any contravention of BL 47 on the part of CE. UGL had clearly indicated that it had not requested Mr LEUNG Chun-ying to undertake any task whatsoever on its behalf, nor had Mr LEUNG offered to perform any such task. Furthermore, Mr LEUNG had resigned from DTZ in November 2011 and his agreement with UGL was concluded before he was elected as CE. Mr SHEK added that as CE was required under BL 47 to declare his assets to CJ, under the principle of separation of powers, it was CJ's and not LegCo's responsibility to ascertain whether CE had declared his assets in accordance with the relevant requirements.

26. Mr LEE Cheuk-yan clarified that the subject of the proposed inquiry was not Mr LEUNG Chun-ying's agreement with UGL, but issues relating to Mr LEUNG's alleged holding of 30% of the shares in DTZ (Japan), including whether any declaration of such interests had been made by Mr LEUNG and whether there was any conflict of interests arising from his holding of such shares. Mr LEE considered it necessary for LegCo to inquire into whether CE was indeed a person of integrity as required under BL 47.

27. Dr Fernando CHEUNG said that the numerous connections among Mr LEUNG Chun-ying, DTZ (Japan), HKR, ATV, UGL and MTR Corporation Limited had casted serious doubts on whether there was any conflict of interests or transfer of benefits on the part of Mr LEUNG at the expense of the interests of the public in his discharge of duties. In the light of Mr LEUNG's receipt of huge sums of payments from a foreign firm, Dr CHEUNG also questioned whether foreign powers had infiltrated the Hong Kong Government. In his view, the matter warranted an inquiry by LegCo.

28. The Deputy Chairman said that Mr LEUNG Chun-ying's alleged holding of 30% of the shares of DTZ (Japan) involved a direct pecuniary interest. Given that the major shareholder of HKR, an important client of DTZ (Japan), was also the major shareholder of ATV, it was evident that there was potential conflict of interests in the consideration of the application for free TV licence from Hong Kong Television Network Limited ("HKTV") on the part of CE. The Deputy Chairman stressed that it was incumbent upon Members to conduct an inquiry into issues relating to Mr LEUNG's holding of shares in DTZ (Japan) as well as his secret agreement with UGL.

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29. Mr CHAN Chi-chuen expressed support for the proposed inquiry. He said that although an oral question had been raised by Mr Albert HO in this regard at the Council meeting of 29 October 2014, CS could only relay the information provided by CE's Office and failed to provide satisfactory answers to Members' questions on the matter. As the CE's Question and Answer Session originally scheduled for 16 October 2014 had been deferred, Members could not use that platform to elicit a response directly from CE on the matter. An investigation by LegCo was therefore warranted. Mr CHAN added that Members who were also CPPCC members or Hong Kong deputies to the National People's Congress ("NPC deputies") should refrain from voting on the proposal under discussion, as a conflict of interests was involved in their two roles.

30. Mr Albert HO said that the scope of the proposed inquiry was clear, which was to investigate whether Mr LEUNG Chun-ying was in compliance with BL 47. Mr HO considered that Mr LEUNG should make public his declaration of assets made to CJ when he assumed the office of CE, as it was vital that he be seen by the public as a person of integrity dedicated to his duties. He stressed that it was obvious from the CS's reply to his related oral question raised at the Council meeting of 29 October 2014 that CE had not declared the remuneration that he had not yet received from UGL upon his assumption of office as receivable nor the remuneration received subsequently after he had become CE.

31. Mr WONG Kwok-hing shared Ms Starry LEE's view that the proposal was raised by the pan-democratic camp as part of their successive attempts to achieve the political objective of removing Mr LEUNG Chun-ying from office. Mr WONG considered that it was self-contradictory for Members belonging to the pan-democratic camp to propose invoking the powers under the P&P Ordinance to inquire into allegations of receipt of benefits by CE when they themselves had failed to give a satisfactory account of their alleged receipt of foreign funds. He therefore opposed the proposal.

32. Ms Claudia MO said that she supported the proposal for three reasons. First, there was public concern about possible infiltration of foreign powers into CE's Office. Second, when the matter was raised during the oral question session at the Council meeting of 29 October 2014, it was clear that it was difficult for other parties such as CS to respond to Members' questions on behalf of Mr LEUNG Chun-ying, given that the matter involved his personal assets. Third, as Mr LEUNG held shares in DTZ (Japan) of which HKR was a client and the Chairman of HKR was a major shareholder of ATV, it was necessary to find out whether there was any conflict of interests on the part of Mr LEUNG in the consideration of HKTV's application for a free TV licence by CE in Council.

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33. Mr Alan LEONG said that CE was responsible not only to the Central Government but also to the people of Hong Kong. Members of the public had the right to know whether Mr LEUNG Chun-ying's financial interests in DTZ (Japan) had given rise to any conflict of interests in his discharge of duties as CE. Mr LEONG considered it reasonable for LegCo to invoke the powers under the P&P Ordinance to conduct the proposed inquiry.

34. Ms Cyd HO remarked that Members belonging to the "pro-Administration" camp who supported the Central Authorities should also support the fight against corruption and she saw no reason why these Members could not support the proposed inquiry into allegations of corruption against CE. She considered it unacceptable that Mr LEUNG Chun-ying had not terminated his commercial agreement with UGL after he was elected CE but instead had continued to receive the outstanding payments under the agreement. She stressed that as the integrity of CE had been called into question given the repeated allegations of corruption against him, LegCo was duty bound to conduct an inquiry to find out whether any conflict of interests was involved on the part of CE in discharging his duties. She added that while she expected that the proposal would not be supported by HC, she would proceed to seek the Council's authorization for the appointment of a select committee to inquire into the matter.

35. Dr Helena WONG said that the recent incident involving Mr James TIEN showed that Members who were also CPPCC members or NPC deputies might not be able to exercise their free will in voting on the proposal under discussion. She sought LA's advice on whether there was any conflict of interests on the part of these Members in voting on the proposal.

36. Mr NG Leung-sing opined that the capacities of some Members as CPPCC members or NPC deputies had nothing to do with the discharge of their duties as LegCo Members. On the other hand, given that the subject of the proposed inquiry was related to acceptance of advantages, he considered that Members who had allegedly received election-related or other payments should declare such interests and refrain from voting on the proposal.

37. At the invitation of the Chairman, LA advised that the established practice was for individual Members to judge whether there was any conflict of roles or interests on their part in a particular matter before the Council or a committee.

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38. In response to Dr Helena WONG's further enquiry on whether Members who were also CPPCC members or NPC deputies had any pecuniary or non-pecuniary interests in the matter being considered, the Chairman advised that according to Rule 83A of the Rules of Procedure ("RoP"), a Member should not move any motion or amendment relating to a matter in which he had a pecuniary interest, whether direct or indirect, or speak on any such matter, except where he disclosed the nature of that interest. However, RoP did not specify the circumstances under which a Member did or did not have a pecuniary interest in a matter under consideration by the Council or its committees, which was left to the judgment of individual Members.

39. The Chairman put to vote the proposal of Ms Cyd HO and Mr Kenneth LEUNG for the HC Chairman to move a motion at a Council meeting to seek the Council's authorization for the appointment of a select committee to inquire into whether CE Mr LEUNG Chun-ying had contravened BL 47 and issues relating to possible conflict of interests arising from Mr LEUNG's alleged holding of shares in DTZ (Japan). Ms Cyd HO requested a division.

The following Members voted in favour of the proposal:

Mr Albert HO, Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung, Prof Joseph LEE, Mr Ronny TONG, Ms Cyd HO, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Ms Claudia MO, Mr WU Chi-wai, Mr Gary FAN, Mr Charles MOK, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Mr Dennis KWOK, Dr Fernando CHEUNG, Mr SIN Chung-kai, Dr Helena WONG and Mr IP Kin-yuen.  
(20 Members)

The following Members voted against the proposal:

Mr CHAN Kam-lam, Dr LAU Wong-fat, Mr TAM Yiu-chung, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Kwok-hing, Mr Jeffrey LAM, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr WONG Kwok-kin, Mr IP Kwok-him, Mrs Regina IP, Mr NG Leung-sing, Mr Steven HO, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Miss CHAN Yuen-han, Mr LEUNG Che-cheung, Miss Alice MAK, Mr KWOK Wai-keung, Mr Christopher CHEUNG, Dr Elizabeth QUAT, Mr POON Siu-ping, Mr TANG Ka-piu, Ir Dr LO Wai-kwok, Mr CHUNG Kwok-pan, Mr Christopher CHUNG and Mr Tony TSE.  
(31 Members)

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40. The Chairman declared that 20 Members voted for and 31 Members voted against the proposal, and no Member abstained from voting. The Chairman declared that the proposal was not supported.

**IX. Any other business**

41. There being no other business, the meeting ended at 3:34 pm.

Council Business Division 2  
Legislative Council Secretariat  
6 November 2014