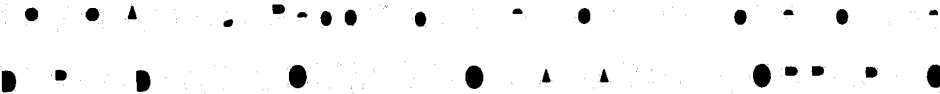


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**ANNUAL REPORT ON THE ACTIVITIES
OF THE
INDEPENDENT COMMISSION AGAINST CORRUPTION
FOR 1979**

DONALD LUDDINGTON, K.B.E., C.M.G., C.V.O.
Commissioner of the Independent
Commission Against Corruption

Prepared for
submission to His Excellency the Governor
in accordance with Section 17 of
the Independent Commission Against
Corruption Ordinance 1974

JUN 4 1980

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DIRECTORATE OF THE ICAC
AS AT 31ST DECEMBER 1979

Commissioner Sir Donald LUDDINGTON, KBE, CMG, CVO
Secretary to the Commission Mr. J.J. RIDGE

Operations Department

Director Mr. G.A. HARKNETT, OBE, QPM, CPM
Deputy Director Mr. H.N. WHITELEY, CPM
Assistant Director Mr. D.B. SUTHERLAND
Assistant Director Mr. N. MATTIN
Assistant Director Mr. C.A. LENEHAN

Corruption Prevention Department

Senior Assistant Director Mr. J.A. HARRISON, MBE, MC
Assistant Director Mr. E. LOWE
Assistant Director Mr. B.G. HEMSHALL

Community Relations Department

Senior Assistant Director Mrs. Helen YU LAI Ching-ping
Assistant Director Mrs. Lily LAM KWAN Pui-ying

ADVISORY COMMITTEES - TERMS OF REFERENCE AND MEMBERSHIP

AS AT 31ST DECEMBER 1979

A. Advisory Committee on Corruption

Terms of Reference

- (1) To advise the Commissioner of the Independent Commission Against Corruption on any aspect of the problem of corruption in Hong Kong, whether within or outside the Government Service, and, to this end :
 - (a) to keep the policies of the Commission under review;
 - (b) to consider the annual estimates of expenditure of the Commission;
 - (c) to scrutinise the annual report of the Commission before its submission to the Governor.
- (2) To draw to the Governor's attention, as it considers necessary, any aspect of the work of the Commission or any problems encountered by it.

Membership

The Hon. Sir Yuet-keung KAN, G.B.E.,
J.P. (Chairman)
The Rev. the Hon. Joyce Mary BENNETT, O.B.E.,
J.P.
The Hon. J.H. BREMRIDGE, O.B.E., J.P.
The Hon. R.H. LOBO, C.B.E., J.P.
Mr. Paul K.C. TSUI, C.B.E., J.P.
Commissioner of the Independent)
Commission Against Corruption) (ex officio)
Secretary for the Civil Service)
Director of Operations)
Secretary : An officer of the I.C.A.C.

B. Operations Review Committee

Terms of Reference

- (1) To receive from the Commissioner information about all complaints of corruption made to the Commission and progress reports on the manner in which the Commission is dealing with them.
- (2) To receive from the Commissioner reports on action taken by the Commission in the investigation of offences within its jurisdiction and to advise the Commissioner which complaints should no longer be pursued.
- (3) To advise the Commissioner what information revealed by investigations into offences within its jurisdiction shall be passed to Government Departments or public bodies, or other organisations and individuals.
- (4) To advise on such other matters as the Commissioner may refer to the Committee or on which the Committee may wish to advise.

Membership

Commissioner of the Independent Commission
Against Corruption (Chairman ex officio)
Dr. the Hon. HO Kam-fai
Mr. J.L. SOONG
Mrs. Joyce SYMONS, C.B.E., J.P.
Attorney General (or his)
representative))
A Deputy Commissioner of Police) (ex officio)
Director of Operations (or his)
deputy))
Secretary : An officer of the I.C.A.C.

C. Corruption Prevention Advisory Committee

Terms of Reference

- (1) To receive and call for reports from the Commission about practices and procedures of government departments, public bodies and the private sector which may be conducive to corruption and to advise the Commissioner what areas should be examined and the degree of priority to be accorded to each.
- (2) To consider recommendations arising from such examinations and to advise the Commissioner on further action to be taken.
- (3) To monitor action taken to implement recommendations made on the advice of the Corruption Prevention Advisory Committee.

Membership

Commissioner of the Independent Commission
Against Corruption (Chairman ex officio)

Mr. CHEN Shou-lum, O.B.E., J.P.

Mr. Eric CUMINE, O.B.E., J.P.

Dr. L.K. DING

Mrs. Nellie FONG

Mr. Gerald FORSGATE, O.B.E., J.P.

Mr. S.V. GITTINS, Q.C., J.P.

Mr. Gallant Y.T. HO, J.P.

Mr. Edmond T.C. LAU

Miss Elsie LEUNG

Mr. Albert LI Sze-bay

Mr. G.M. MACWHINNIE, O.B.E., J.P.

Mr. J.D. MCGREGOR, O.B.E., I.S.C.

Mr. M.M. SMITH

The Hon. WONG Po-yan, O.B.E.

Director of Administration and
Management Services) (ex officio)

Director of Corruption Prevention)

Secretary : An officer of the I.C.A.C.

D. Citizens Advisory Committee on Community Relations

Terms of Reference

- (1) To advise the Commissioner of the Independent Commission Against Corruption on the measures to be taken to enlist and foster public support in combatting corruption and to educate the public against the evils of corruption.
- (2) To receive and call for reports on action taken by the Community Relations Department of the Commission in pursuance of (1) above.
- (3) To monitor community response to the Commission's work and public attitudes towards corruption in general.

Membership

Commissioner of the Independent Commission
Against Corruption (Chairman ex officio)

Mr. Louis L.Y. CHA

Mr. Stephen K.C. CHEONG

Dr. David FAURE

Dr. HWANG King-hung

Dr. Ambrose Y.C. KING

Mrs. KWAN KO Siu-wah, O.B.E., J.P.

Mrs. LEE LO Yuk-sim, J.P.

Mr. Andrew K.N. LI

Mr. PONG Ding-yuen, O.B.E.

Mr. SO Cherk-ming, J.P.

The Hon. Andrew SO Kwok-wing

Mr. Michael STEVENSON

Dr. Daniel C.W. TSE, J.P.

Mr. TSIM Tak-lung

Mrs. WONG LEUNG Chiu-ping

Mr. YEUNG Po-kwan

Secretary for the New Territories) (ex officio)

Director of Community Relations)

Secretary : An officer of the I.C.A.C.

INTRODUCTION

The Independent Commission Against Corruption (ICAC) was brought into existence on 15th February 1974 with the enactment of the Independent Commission Against Corruption Ordinance 1974.

2. Prior to this, detection and investigation of corruption were the responsibility of the Anti-Corruption Office of the Royal Hong Kong Police Force. Following the publication of the report of a Commission of Inquiry held by Sir Alastair Blair-Kerr into corruption in Hong Kong and other related matters, His Excellency the Governor announced at the opening session of the Legislative Council on 17th October 1973 that the responsibility for the detection and investigation of corruption would be transferred from the Police Force to an independent organisation.

Constitution

3. The Commission derives its existence and charter from the Independent Commission Against Corruption Ordinance 1974. The independence of the Commission is established by the Commissioner being apart from the Civil Service and formally responsible directly to the Governor. The Commissioner and his staff are not subject to the purview of the Public Services Commission and are, therefore, not part of the Civil Service.

Finance

4. The Commission is financed from a single head of expenditure in government's annual estimates. All requirements for funds are first considered by the Advisory Committee on Corruption and are then processed by the Government Secretariat through the Finance Committee of the Legislative Council. The Commission's accounts are administered in accordance with the usual government procedures and are subject to examination by the Director of Audit in the same way as the accounts of government departments.

Responsibilities of the Commissioner

5. The Commissioner is directly responsible to His Excellency the Governor for the duties set out in Section 12 of the Independent Commission Against Corruption Ordinance. These are given in detail at Appendix I.

Establishment and Organisation

6. The Commission comprises the Office of the Commissioner and three functional Departments - Operations, Corruption Prevention and Community Relations - serviced by a central administrative unit. The establishment of the Commission numbers 1,088 posts, deployed as shown at Appendices II to V. As at 31st December 1979, the Commission's strength was 925 : 568 in Operations, 59 in Corruption Prevention, 212 in Community Relations and 86 in Administration.

CHAPTER 1

COMMISSIONER'S REVIEW

Last year I described 1978 as a year of re-dedication for the staff of the Commission. 1979 has been a year in which the staff have clearly demonstrated their dedication. It has been a successful year without major setbacks.

1.2 On the operations front, more people were charged in Courts during 1979 than in any of the six years of the Commission's life. 284 people were charged with a variety of offences arising out of or connected with corruption. Of these, 35 were cases taken by the Royal Hong Kong Police after discussion with the Commission. The conviction rate remained high at 76% of the cases completed during the year. 79 cases were pending at the end of the year.

1.3 A feature of prosecutions during the year has been the greatly increased number of prosecutions taken against private citizens as opposed to Crown servants. Of the 284 persons charged, no less than 192 have been taken against private citizens. Of these private citizens, 85 were involved in transactions or conspiracies involving Crown servants as well and 35 were arrested for on-street offences by the Police. But the remainder were charged with a variety of offences involving corruption including those related to illegal commissions. These figures can be compared with those in 1977 when 160 Crown servants were charged compared with 109 private citizens. (For details see Appendix XIII)

1.4 These facts should not be interpreted as an indication that the Commission has changed its priorities. Stopping corruption in the civil service is still the first priority. As can be seen from Appendices XIII and XVI, 70% of reports on corruption as well as our investigations relate to government departments. They do, however, indicate the prevalence of corruption in the private sector and the need to devote more resources to its elimination. This will be done.

1.5 A most important case decided during the year was taken against a man who had been a witness in a major conspiracy trial in 1978 and had turned hostile. He was convicted of three charges of attempting to pervert the course of justice. This conviction and the fact that it was upheld on appeal, will do much to assist all law enforcement agencies in Hong Kong. All have been hampered and embarrassed from time to time by witnesses who give evidence in Court which is quite different from statements they made during investigations. Details of this and other cases are given in Chapter 3.

1.6 Another feature of prosecutions this year has been the increased number of charges laid which were not related either to the Prevention of Bribery Ordinance or the Independent Commission Against Corruption Ordinance. Investigations into

reports of corruption reveal all sorts of crime and in many cases after discussions with the Police and the Legal Department it is accepted that ICAC should continue investigations and lay charges.

1.7 An increased load has inevitably been thrown upon the Attorney General and his staff not only dealing with investigations and prosecutions but also with requests for amendments to legislation covering the Commission's responsibilities. I am most grateful for the ready advice and cooperation which we receive.

1.8 A matter of some concern to the Commission has been the delay in having cases heard in the courts and the time between a court decision and the hearing of the appeal. This year has seen a reduction in the time between charge and trial for which the Commission is grateful to the Judiciary. The reduction has been made possible by the introduction of District Courts with running calendars. In the field of corruption, witnesses are particularly vulnerable to pressure as many live on the fringes of or outside the law. Consequently it is of especial importance to have a case heard as soon as possible after charges have been laid.

1.9 There has been a steady improvement in the Commission's relations with the Royal Hong Kong Police. Particular sections of the Force and the Commission are in almost daily contact. A seminar held in March for senior officers of the Police and the ICAC discussed past problems and possible solutions. As a result, special briefings of senior officers of the three Police commands were arranged. A further joint seminar was held in December for Divisional Superintendents of Police and ICAC officers of similar rank.

1.10 While prosecutions of private citizens have increased, the Community Relations Department has certainly done its utmost to carry the Commission's messages into the private sector. Its staff has been encouraged by finding more private firms interested and even prepared to provide time and accommodation to enable their workers to attend talks and demonstrations devoted to anti-corruption themes. Nearly twelve thousand liaison activities have been conducted during 1979. This represents an increase of 72% over 1977. In addition, there was considerably more variety in the activities which included more exhibitions, competitions, camps and so on particularly for young people.

1.11 As always, the Hong Kong community has played a large part in the fight against corruption. 1,272 corruption reports were received from the public during the year, a 33% increase over the previous year. 51.5% of these were anonymous but this represents a steady improvement over the years, representing an annual reduction from 65% in 1974. It is not an easy task for a member of the public to report corruption. He, or she, may not be sure that the facts amount to corruption. He may not wish to appear stupid. He may feel that he is betraying an acquaintance or even a friend. He may fear reprisals. But, the Commission needs information about corruption, and every scrap of evidence or suspicion counts.

1.12 Of course, the Commission does not only depend upon reports from the public. It does keep its own eyes and ears open. The Operations Department in particular monitors illegal activities with which corruption has commonly been linked. Its intelligence resulted in 182 specific investigations during the year.

1.13 The major development in the field of prevention has been the increase in the external training commitment. With the acceptance by government of the concept of supervisory accountability, a number of departments have requested the Corruption Prevention Department to arrange seminars for middle and junior management at which the application of the concept of supervisory accountability could be examined in direct relationship to the work of the government department. This training role is likely to develop in future as more experience is gained about the success, or failure, of different anti-corruption measures.

1.14 The Corruption Prevention Department has also been concerned to assist the private sector. In November, together with the Hong Kong Management Association and the help of the Community Relations Department, it conducted a seminar for senior business executives on supervisory accountability. Considerable interest was shown and a similar seminar to be conducted in Cantonese is contemplated.

1.15 The study of procedures in government departments and in public bodies continued and 59 assignment reports were placed before the Corruption Prevention Advisory Committee. As the number of completed assignment reports increases, the total was 261 at the end of 1979, so does the requirement for reviews of the procedures to see that recommendations have been implemented or, where appropriate, modified to meet changed circumstances.

1.16 Representatives of the Corruption Prevention Department are participating in the Working Group studying disciplinary procedures in the civil service under the chairmanship of the Deputy Secretary for the civil service. The Commission is still concerned to see improvements in disciplinary procedures throughout the service. The aim is to make them swift, simple and just.

1.17 In addition to its normal work of analysing the many statistics gathered by the Commission, the Community Research Office has undertaken sample surveys of the public's reaction to some of the Commission's media programmes. Every media programme has its critics and such surveys are less subjective than individual opinions and should provide a better basis for future planning.

1.18 Particular interest has been shown in the work of the Commission by other countries which have similar independent organisations. Malaysia and Singapore have sent officers to make particular studies of our operations. Tanzania sent eight officers for training. There have been many other visitors who have been given general introductions to the Commission.

1.19 As usual, the Commission is indebted to the members of its advisory committees who do devote so much of their time and efforts to assist and guide the Commission's staff. They are most welcome critics who help us to keep in touch with community opinion. There has been little business for the Complaints Committee. Only seven complaints were lodged; one was later withdrawn and six investigated. Three proved to be justified and resulted in the termination of the services of two officers and the formal warning of the third.

1.20 I would also like to thank my own staff for their hard work and perseverance. It has been a busy year during which progress on all three fronts has been made. The next year should see amendments to the laws dealing with corruption offences enacted and investigatory techniques improved as local officers gain in experience. It will certainly see no reduction in the Commission's demands on its staff at all levels.

1.21 By far the most difficult task of the Commission is that of the Community Relations Department to persuade the Hong Kong community as a whole that corruption is unacceptable, it must be stopped, and everyone has a part to play in stopping it. Its efforts are ably supported by the work of the other two Departments in detection and prevention, but the task of winning the hearts and minds of the population rests entirely with the local staff of this Department. Its efforts through the media have to compete with many different publicity campaigns conducted by the government and by commercial firms. Indeed, the predominance of advertisements for consumer goods contributing to a version of "the good life" makes it an uphill struggle. But despite all the rival calls for public attention and the local tendency to think in materialistic terms, progress is being made, particularly amongst the younger people of Hong Kong.

1.22 During next year, the Commission must seek more allies amongst those who are leaders, whether of business firms, government departments or any other type of organisations or associations. They can become true allies by making it clear that they will not tolerate corrupt practices and that they will do their utmost to eliminate them. The ICAC is determined to press home the attack against corruption, but the responsibility for a corruption free society cannot be shouldered by one organisation. This is not a private fight (not only can anyone join in, everyone with the good of Hong Kong at heart must join in; there can be no "neutrals").

CHAPTER 2

ADMINISTRATION

The Administration Branch, headed by the Secretary to the Commission, is responsible for the management of the establishment, general and accounting services of the Commission. The structure and establishment of the Administration Branch is shown at Appendix II.

Establishment and Recruitment

2.2 The establishment of the Commission was decreased to 1,088 posts, a net reduction of 33 posts on the previous year. This reduction occurred mainly in clerical and other support posts as the result of a review of administrative support services following centralization of all departments of the Commission in Hutchison House and Murray Road Carpark Building. Posts in the Commission are deployed as shown at Appendices II to V. Special grades have been established for the Commission with the following titles and salary scales :-

Senior Commission Against Corruption Officer
(\$10,400 - \$11,200) - Grade I

Commission Against Corruption Officer
(\$ 7,650 - \$10,000) - Grade II (Upper)
(\$ 3,100 - \$ 7,300) - Grade II (Middle/Lower)

Assistant Commission Against Corruption Officer
(\$ 1,750 - \$ 2,950) - Grade III

Specialist posts have also been created in the following ranks :-

Senior CAC Controller	(\$4,200 - \$5,050)
CAC Controller	(\$3,100 - \$3,800)
CAC Team Leader	(\$2,650 - \$2,950)
Assistant CAC Investigator	(\$1,750 - \$2,500)

Directorate posts and posts for supporting general grades and common grades staff attract the same salaries as their counterparts in the Civil Service. In order to distinguish between general and common grade posts in the Civil Service, Commission posts in these grades carry the suffix "Commission Against Corruption" (CAC).

2.3 Appointments are normally on gratuity-bearing agreements. A number of officers are also serving on secondment from the Hong Kong Government and British Police Forces. During the year under review, 182 pensionable posts were created in the Commission to accommodate officers who were recruited early in the history of the Commission from the Civil Service and who had reason to believe that they would be able to continue their careers in the Commission on pensionable terms. 133 officers were offered pensionable terms and 118 have accepted or indicated

interest in further service on pensionable terms. The ICAC officer (Pensionable) rank does not cover a specific salary scale or duties. It is solely a mechanism whereby selected government servants can continue to serve in their respective ICAC ranks - but on pensionable terms. The posts in this pensionable rank will lapse when their present incumbents leave the Commission and the Commission's future policy will continue to be to make appointments on gratuity-bearing agreements. Pensionable officers in the ICAC like their counterparts employed on agreements are subject to dismissal by the Commissioner under Section 8(2) of the Independent Commission Against Corruption Ordinance (Cap. 204).

2.4 Post allowances, representing a non-gratuity earning supplement to salary, are paid to Commission staff in accordance with the following scale :-

	<u>Allowance Per Month</u>
Staff paid on Directorate salaries on point 2 (\$13,240) and points 46 - 48 (\$10,400 - \$11,200) of the Master Pay Scale	\$1,000
Staff paid on points 20 - 45 (\$3,100 - \$10,000) of the Master Pay Scale	\$ 700
Staff paid on points 11 - 19 (\$1,750 - \$2,950) of the Master Pay Scale	\$ 400
Staff paid on points 1 - 10 (\$1,000 - \$1,650) of the Master Pay Scale and on the MOD 1 Scale	\$ 200

2.5 Section 8 of the Independent Commission Against Corruption Ordinance provides for the Commission to follow the rules which apply generally to the public service, but the Commissioner may, with the prior approval of His Excellency the Governor, by standing order modify the application of these rules to meet the special requirements of the Commission.

2.6 A number of officers seconded from United Kingdom Police Forces completed their periods of secondment in the latter half of 1979 and more are scheduled to do so in 1980. In order to preserve a core of experienced officers, a recruitment exercise was commenced in the United Kingdom towards the end of the year. An analysis of the Commission's staffing position is at Appendix VI(a) & (b).

Financial and Accounting Arrangements

2.7 In financial and accounting matters, the Commission is required to operate within government regulations, and the Administration Branch is charged with the responsibility for ensuring that government Financial and Accounting Regulations, Stores Regulations and other standing procedures are followed

as far as possible. The annual estimates of expenditure are first considered by the Advisory Committee on Corruption, and are then processed by the Government Secretariat before submission to His Excellency the Governor for approval in accordance with Section 14(1) of the Independent Commission Against Corruption Ordinance. The Statement of Accounts for the financial year ending 31st March 1979 and the Director of Audit's report are at Appendix VII(a) & (b).

2.8 The original and revised estimates of expenditure for 1979-80 and the Commission's draft estimates for 1980-81 are shown in tabulated form at Appendix VIII.

Training

2.9 The Administration Branch is responsible for the co-ordination of training activities throughout the Commission and operates two training schools, in Murray Road Carpark Building and Hutchison House respectively. During the year, the Commission organised 51 courses which were attended by 569 officers, and made arrangements for a further 44 Commission officers to attend 16 courses run by the Civil Service Training Division. 30 Commission officers also participated in 12 training courses offered by outside agencies in Hong Kong such as the universities and technical colleges. In addition, 3 officers visited Singapore and Malaysia to study anti-corruption activities in these countries, and 2 officers visited Australia for the same purpose.

Overseas Visitors

2.10 The Commission has a growing reputation as one of the leading anti-corruption agencies, and during the course of the year, a number of overseas visitors have come to Hong Kong for consultations or training attachments. These have included five officers from the National Bureau of Investigation and two officers from the Prime Minister's Office in Malaysia, three officers from the Corrupt Practices Investigation Bureau in Singapore, eight officers from the Anti-Corruption Squad in Tanzania, one officer each from the Special Prosecutor's Office and New York City Department of Investigation in New York and one officer from the Victoria Police in Australia. A faculty member of the John Jay College of Criminal Justice in New York also visited the Commission as did two members of Her Majesty's Inspectorate of Constabulary and one member of the Foreign and Commonwealth Office in London.

Staff Relations and Welfare

2.11 The Independent Commission Against Corruption Staff Committee, which comprises the Commissioner as Chairman and 37 elected staff representatives drawn from the various departments and grades, met four times during the year. The Committee's main objectives are to provide an effective means by which all Commission staff can express their views on matters affecting them and their welfare. Meetings of the Committee provide a central forum for the discussion of subjects of mutual interest

2

and concern, in addition to the other channels of communication which exist within the departments. During the year, it was decided that the Standing Commission on Civil Service Salaries and Conditions of Service should examine the salaries of the ICAC and the ICAC Staff Committee was invited on several occasions to advise the Commissioner on points and issues which the officers of the ICAC wished to be considered by the Standing Commission.

2.12 The Staff Relations Officer continued to provide personal help and advice to officers in the Commission. This officer is also responsible for career counselling and welfare duties.

2.13 The ICAC Staff Club organised a variety of sporting, recreation and social activities during the year which included participation in many fund-raising activities for charity. The Club premises in Murray Road Carpark Building continued to provide a convenient location for lunch as well as a centre for staff to meet after office hours for social activities.

Discipline within the Commission

2.14 During the year, the services of two officers were terminated under Section 8(2) of the Independent Commission Against Corruption Ordinance. This section empowers the Commissioner to terminate the service of an officer without giving any specific reason, provided he is satisfied that it is in the best interests of the Commission to do so. All such terminations of service are reported to the Advisory Committee on Corruption.

Advisory Committee on Corruption

2.15 The Advisory Committee on Corruption, which is chaired by the Honourable Sir Yuet-keung KAN, GBE, JP, met on three occasions in 1979. The Committee advised the Commission on policy matters affecting the Commission's activities and organisation. Members of the Committee were briefed regularly on the activities of the three Departments of the Commission. The membership and terms of reference of this Committee are described on page 6.

ICAC Complaints Committee

2.16 No meetings of the ICAC Complaints Committee were held in 1979. However, the Committee considered by circulation the reports of investigations into six complaints against the ICAC - one made by an officer in the Royal Hong Kong Police Force and the others by members of the public. On investigation, three of the complaints were considered justified and appropriate disciplinary action taken against the officers concerned.

CHAPTER 3

OPERATIONS DEPARTMENT

Responsibilities, Powers of Investigation, Arrest, Search and Seizure

The Operations Department is the investigative arm of the Commission, the largest of its three Departments. Its establishment of 630 comprises 58% of the Commission's present establishment of 1,088 posts.

3.2 The duties of the Director of Operations, on behalf of the Commissioner, are :-

- (a) receiving and considering complaints alleging corrupt practices and investigating such complaints as are considered practicable;
- (b) investigating any alleged or suspected offences under the Prevention of Bribery Ordinance, the Independent Commission Against Corruption Ordinance, and the Corrupt and Illegal Practices Ordinance; and
- (c) investigating any conduct of a Crown servant which is considered to be connected with or conducive to corrupt practices and reporting thereon to the Governor.

3.3 The Department's investigating officers have full powers of arrest without warrant for offences under the three Ordinances mentioned. Additional powers of arrest without warrant exist for any other offence disclosed during the investigation of a suspected offence under the Prevention of Bribery Ordinance, when such other offence is itself reasonably suspected of either being connected with or being facilitated by the offence under the Prevention of Bribery Ordinance. Powers of arrest exist also for certain other specified offences. These powers have been found essential for effective investigation as many enquiries into allegations of suspected corruption ultimately reveal facts which amount in law to some other offence.

3.4 The powers of arrest are reinforced by various powers of search, seizure and detention of anything which is believed to be evidence of the offences for which the power of arrest exists. Special powers of investigation are also conferred by the Prevention of Bribery Ordinance, including powers to examine bank accounts; to require suspects to provide statutory declarations or statements in writing in respect of specified matters under investigation : to require information and documents from other persons, who may also be questioned on oath; to restrict the disposal of property while an investigation is underway; to obtain, through order of a magistrate, the surrender of a suspect's travel documents while an investigation is in

progress; and, where a suspect appears to be about to leave Hong Kong, to bring him, under a magistrate's arrest warrant, before a magistrate in Chambers for his decision as to whether the suspect should be placed on bail while the investigation continues.

3.5 Evidence resulting from investigations by the Operations Department is submitted to a Deputy or Assistant Crown Prosecutor who decides, on behalf of the Attorney General, which cases should be prosecuted; where necessary, cases are referred to the Attorney General for his personal consideration.

Complaints and Reports

3.6 The past year has been the first year since the inception of the Commission in which there has been an increase in reports of corruption. Pursuable reports, i.e. reports of corruption on which investigations can be based also increased over the past year. The following table shows the relevant figures for total corruption reports and pursuable reports since the Commission came into being :-

	<u>Total Corruption Reports</u>	<u>Pursuable Corruption Reports</u>
1974 (from 15/2)	3,189	1,063
1975	3,179	1,403
1976	2,433	1,117
1977	1,700	999
1978	1,234	836
1979	1,665	1,066

3.7 From these figures, it will be seen that the total number of reports now approximates those received in 1977 whilst the number of pursuable reports is the highest since 1976. There is no clear-cut explanation for these increases but the following factors, not necessarily in order of priority, all played their part :-

- (a) after the "Partial Amnesty" announced on 5th November 1977 there was some loss of public confidence in the government's determination to tackle corruption and the Commission's ability to enforce the law. This resulted in a reduction in the number of corruption complaints during the first half of 1978. Complaints started to increase during the latter part of 1978 and continued to rise during the early part of 1979 as public confidence in the Commission was restored;
- (b) the Department's external monitoring system, referred to in the report for 1978, has become

increasingly effective and has surfaced a greater number of investigations. During 1979, 182 investigations were initiated as a result of information from the Commission's own sources compared with 135 in 1978;

- (c) in 1979, 58% of the people making reports of corruption identified themselves compared with 55% in 1978, and 51% in 1977. This meant that more complainants could be interviewed personally as a result of which a greater number of investigations could be started;
- (d) more reports were received from or through government departments; 208 in 1979 compared with 142 in 1978; and
- (e) the efforts of the Community Relations Department through both its Liaison and Media Divisions have encouraged members of the public to make reports of corruption.

3.8 Other points of interest emerging from the reports of corruption received during 1979 were :-

- (a) of the 1,665 corruption reports, 71% alleged corruption offences in government departments, 5% corruption in public bodies and 24% corruption in the private sector. These percentages show little change from 1978;
- (b) just over 54% of the allegations against Crown servants related to the Royal Hong Kong Police (RHKP) compared with 55% in 1978. The Public Works Department attracted the next highest number of reports with 8% of the total made against Crown servants; and
- (c) complaints about illegal commissions in the private sector increased from 252 in 1978 to 332 in 1979. Many of these complaints were made by managers who suspected their own staff of accepting "unauthorised" commissions.

3.9 Of course, not every report of corruption, even if investigated, turns out to be justified. Some arise from genuine misunderstandings and mistakes, others from malicious attempts to cause trouble. 18 prosecutions were taken this year for knowingly making a false report. The figures in Appendix XII should be interpreted with this in mind.

3.10 Reports on a wide variety of subjects other than corruption continued to be made throughout 1979. A total of 4,137 such reports were made, of which 537 related to crime and were passed to Police, 461 were complaints against Police,

which were also passed to Police for the attention of the Complaints Against Police Office, and 489 were matters affecting other government departments, which were passed to the relevant departments for attention and action where necessary. All complaints related to crime are referred automatically; other complaints are only referred with the consent of the complainant. This is usually given as more often than not the complaint is made to ICAC because it is thought that the relevant department will take more notice if it is forwarded through the Commission than if it is made direct.

Investigations and Prosecutions

3.11 The increase in the number of reports brought in its wake an increase number of investigations which, in turn, led to more prosecutions. From 1,665 corruption reports received in 1979, 1,066 investigations were instituted, and during the year, prosecutions were initiated against 284 people for corruption or corruption related offences. Police brought 35 of these prosecutions as a result of offers made to Police officers to overlook offences of one kind or another. As at 31st December 1979, 202 of these prosecutions had concluded, resulting in 155 convictions and 47 acquittals either at the initial trial stage or on appeal.

3.12 Throughout 1979, there were no signs of any resuscitation of the large scale syndicates of the past. It is hoped that these are now dead and will remain so. However, corruption is still continuing at an unacceptable level in both the public service and the private sector and consequently there is no room for complacency.

3.13 Many of the investigations over the past year have been concerned with the "satisfied customer" type of corruption. Here the number of people involved is small; consequently security is very tight. No one apparently gets hurt and all parties involved are happy with the result. But in this type of corruption, as in any other, there is always a final victim, and invariably it is the "man in the street" who has to suffer.

3.14 Because of the clandestine way in which corruption practices of this nature are carried out, the only way to combat them is by painstaking collection of intelligence. When sufficient evidence is obtained for the suspect to be interviewed, he will have much to explain and his explanation can be checked. Investigations of this nature are, of necessity, protracted and frequently require the allocation of considerable resources. In some of these cases, the amounts involved are comparatively small; in others they run into millions of dollars.

3.15 Although the large scale syndicates are a thing of the past, smaller and more tightly knit groups continue to operate as revealed in the following cases prosecuted during the year :-

(a) Frontier Special Duties Squad Case

Four Police officers, two gambling stall operators and eleven "gamblers" were charged with conspiracy to obstruct the course of public justice in that the Police officers accepted money to forbear from taking action against premises on which gambling took place and conducted "mock" raids in connivance with the gambling staff operators. The Police officers and the gambling stall operators were convicted and sentenced to periods of imprisonment ranging from one to three years. This case is of particular interest since it was first reported by a young Police Inspector who, with the cooperation of his senior officers, acted under ICAC instructions for some weeks until arrests were made.

(b) Gin Drinkers Bay Dumping Case

Six employees of Public Works Department and a construction company employee were charged with soliciting and accepting advantages over a period of several months for not checking material dumped by lorries at the Gin Drinkers Bay dumping area. All were convicted.

(c) Hong Kong Telephone Company Case

An electrical contractor, a Chief Clerk and an Assistant Manager of the Hong Kong Telephone Company Limited were charged with conspiring together with the Property Manager of the company and others to defraud the company between 1967 and 1978. The charges related to the manipulation of various contracts under the control of the Property Department. The Property Manager, who left Hong Kong suddenly and without prior notice, was extradited from Britain and, at the end of the year, was awaiting trial in Hong Kong. The others charged pleaded guilty and were given custodial sentences ranging from 18 months to 2 years.

3.16 One of the more significant prosecutions during the year was of a witness who turned hostile in 1978 during one of the major conspiracy trials. He was convicted of three charges of attempting to pervert the course of justice and sentenced to two years imprisonment, concurrent, on each charge. His subsequent appeal was rejected. This conviction made legal history and has done much to relieve the problems reported last year of witnesses giving a completely different account when they get into the witness box to that which they gave to ICAC during the investigation. Following this prosecution, the Attorney General is considering action against other witnesses

who gave statements to ICAC, as a result of which people were charged with criminal offences, and then repudiated these statements when giving evidence during the ensuing trial.

3.17 The trials relating to the Yau Ma Tei Fruit Market conspiracy, which were referred to in detail in the Report for 1978, concluded early in the year. Of the 25 people charged in three separate trials, 19 were convicted and six acquitted. Appeals by four of those convicted have since been turned down whilst the appeals of the remaining 15 are still pending.

3.18 The influx of refugees from Vietnam and illegal immigrants from China and elsewhere created problems of their own for ICAC. Allegations were received of involvement of both Police and Immigration officers in various rackets connected with these people and intelligence from ICAC sources tended to confirm these allegations. Several investigations were started, some of which were still in progress at the end of the year. Prosecutions of interest arising from this type of activity were :-

- (a) two interpreters of the United Nations High Commission for Refugees who were convicted of conspiracy to defraud Vietnamese refugees;
- (b) A Detective Constable attached to the New Territories Police Headquarters who was convicted of soliciting and accepting money for not arresting two men who had aided and abetted illegal immigrants from China; and
- (c) two Immigration officers, one Assistant Immigration Officer, two Research Assistants and seven other people who were convicted on a charge of conspiracy to obtain Hong Kong Identity Cards for illegal immigrants from China, Taiwan and South East Asia. (This syndicate netted \$1.5 million from more than 70 illegals who paid from \$10,000 to \$30,000 each in order to stay permanently in Hong Kong).

3.19 Investigations into people for maintaining a standard of living or being in control of assets disproportionate to present or past official emoluments (offences under Section 10 of the Prevention of Bribery Ordinance) decreased considerably during the year. However, some old investigations were completed and resulted in prosecutions. In one of these, a retired junior Police officer was sentenced to two years imprisonment and ordered to forfeit a record sum of \$16 million to the Crown, whilst in another case a retired Detective Station Sergeant received a custodial sentence of two and a half years and was ordered to forfeit \$350,000 to the Crown. A third case of this type involved a junior Police officer who deserted the Police Force and fled to Taiwan in 1975 when under investigation

by ICAC. He returned to Hong Kong in early 1979 when he was arrested and charged. He was convicted and given a suspended sentence.

3.20 Other investigations covered a wide spectrum of government departments and the private sector. Prosecutions of interest resulting from these investigations were:-

- (a) A Licensing Officer of the Television and Entertainment Licensing Authority who was convicted of soliciting and accepting advantages in connection with the issue of licences for mahjong schools and billiard schools.
- (b) A Customs Officer who was convicted of conspiring with a merchant to pervert the course of justice by soliciting \$300,000 from the wife of a drug trafficker claiming that prosecution evidence could be changed and an acquittal thereby obtained for her husband.
- (c) A partner in a firm of architects who has been charged with soliciting \$775,000 and accepting \$300,000 from a sub-contractor in order not to interfere with his work. His trial is pending.
- (d) Two Police officers, an ex-Police officer and a civilian charged with armed robbery of goods worth \$130,000. This case has been committed to the High Court and hearing is set for January, 1980. It will be the first ICAC cases to go before a jury.
- (e) Four people involved in a tutorial service who were convicted of forgery and obtaining money by deception after defrauding students by claiming they possessed copies of Hong Kong Certificate of Education Examination papers.
- (f) A former television executive who was sentenced to a term of imprisonment for corruption in 1975, was convicted with two other people of conspiracy to pervert the course of justice by paying money to people he thought could influence the outcome of his trial.

3.21 During the year, 83 convicted persons appealed against conviction and/or sentence. Of these, nine appellants had their convictions quashed whilst ten had their sentences reduced. Thirty-two appeals were pending at the end of the year.

3.22 In one appeal, that of a former Police Sergeant convicted of being in control of assets incommensurate with his present or past official emoluments, the Appeal Court in rejecting the appeal conceded that it might have erred in an earlier appeal in an ICAC case.

3.23 Another appeal of significance was that of the Attorney General to the Privy Council in the case of IP Chiu and TSUI Shu-hung. In this case the defendants, who were officers of the Royal Hong Kong Police, had originally been convicted of soliciting and accepting advantages under the Prevention of Bribery Ordinance. On appeal, the convictions were quashed, it being held that the appropriate charges were blackmail. The Attorney General then appealed to the Privy Council. Although the Privy Council rejected the Attorney General's appeal, the judgement did make a clear distinction between the "official capacity" of a public servant (the wording used in the Prevention of Bribery Ordinance) and his "duty". This judgement makes it clear that if a public servant solicits or accepts money for doing something he could not have done if he had not been a public servant, then he can be charged under the Prevention of Bribery Ordinance even if it was not his duty to do the act in question. A long standing problem is resolved by this judgement.

Warrants of Arrest

3.24 During the year, twelve warrants of arrest for corruption or related offences were obtained by the Operations Department. Six of these warrants were successfully executed, whilst three were later withdrawn.

3.25 As at 31st December 1979, the Operations Department held warrants of arrest for 43 persons for various offences. Additionally, the Royal Hong Kong Police held four warrants of arrest for desertion in respect of former police officers of special interest to the ICAC.

3.26 In two instances suspects wanted on warrants voluntarily returned from abroad and were dealt with by the Courts.

Attorney General and the Deputy and Assistant Crown Prosecutors (ICAC)

3.27 During the year, there was a change in the post of Attorney General, Mr. J.W.D. Hobley, CMG, QC, JP, being succeeded by Mr. J.C. Griffiths, QC. Prior to his departure, the former Attorney General re-organised the Legal Department, as a result of which there was a reduction in both the level and number of Counsel working out of ICAC offices. The former Assistant to the Attorney General (ICAC) post was abolished and an Assistant Crown Prosecutor's post substituted. The Assistant Crown Prosecutor has a Senior Crown Counsel as a Deputy, and between them they advise on legal problems arising from ICAC investigations. When necessary, cases are referred to the Attorney General or the Deputy Crown Prosecutor for advice and

consent to prosecute. Prosecutions are conducted by Counsel allocated from the Crown Prosecutor's Chambers instead of by Counsel working out of ICAC offices. This arrangement led to some problems initially, but by the year's end, these had largely been resolved.

New Legislation

3.28 No new legislation was introduced during the year. Proposals by the Commission for a number of changes to the law, aimed at strengthening some provisions and closing off a number of loopholes which suspects have used, were under consideration by the Attorney General at the end of the year. Additionally, following comments by a High Court Judge on the Legality of the Acceptance of Advantages Regulations, a draft Governor's Notice which will replace the Acceptance of Advantages Regulations has been agreed with Civil Service Branch and the Attorney General. This Notice should be issued early in 1980.

Operations Review Committee

3.29 The composition and terms of reference of the Operations Review Committee are set out at page 6.

3.30 The Committee is briefed at regular stages on the receipt, investigation and the prosecution of all complaints of corruption; it gives its advice and recommendations wherever appropriate. A Sub-Committee considers all reports of corruption which are too tenuous to pursue, and examines reports on minor investigations. The Sub-Committee meets a few days before the main Committee, and is chaired by a member of the main Committee. No report of corruption can be written off by the Commission without the agreement of the Review Committee.

3.31 Where there is no criminal prosecution but there is evidence of corruption, discipline offences or other malpractices on the part of a Crown servant, members may recommend that details of the investigation be passed to the Secretary for Civil Service or the relevant head of department for consideration of disciplinary or administrative action. The Committee may also advise that details of a case be passed to the Corruption Prevention Department if the investigation reveals practices and procedures providing opportunities for corruption. Alternatively, a report may be passed to the Community Relations Department, if it is felt there is a need for publicity on certain aspects of the investigation or for public information on some points of law.

3.32 The main Committee met on nine occasions in 1979 and gave advice and guidance on 446 cases. Its Sub-Committee met on ten occasions, and considered reports on 370 minor investigations and 533 non-pursuable allegations of corruption; the advice and recommendations given in these minor cases were subsequently endorsed by the main Committee.

3.33 There has been a change in the ex-officio membership in that Mr. J.C. Griffiths replaced Mr. J.W.D. Hobley as Attorney General. Mr. Hobley left on retirement. The presence and advice of Mr. Hobley over the years added immeasurably to the effectiveness of the Committee's considerations.

3.34 The vacancies created by the retirement from the Committee of Dr. Rayson L. HUANG and Mr. Paul K.C. TSUI were filled at the beginning of the year by the appointment of Dr. HO Kam-fai, of The Chinese University of Hong Kong, and Mr. J.L. SOONG, Chairman and Managing Director of Mobil Oil Hong Kong Limited.

Disciplinary or Administrative Action against Crown Servants

3.35 During 1979, on the advice of the Operations Review Committee, the Operations Department forwarded reports on a total of 73 serving or former government officers, to the Secretary for the Civil Service or heads of departments for their consideration of disciplinary or administrative action against the officers.

3.36 Details of action taken, as a result of these reports, are given at Appendix XVIII. From this Appendix it will be seen that there was a large reduction from the 388 cases referred for disciplinary or administrative action last year to 73 referred during 1979. The vast majority of the 1978 cases concerned Police officers (301) nearly all of whom were suspected of involvement in the old major corruption syndicates.

3.37 Of the 189 cases outstanding at the beginning of 1979 and the 73 referred during 1979, only 17 resulted in any positive action other than a warning. There were 27 cases still outstanding at the end of the year, two of which were referred in 1978.

3.38 There seems to be an increasing reluctance by departments to initiate disciplinary proceedings and an increasing reliance on legal advice which tends to treat disciplinary action as if it were a criminal trial. Whilst it is appreciated that the rights of individual Crown servants should be protected, a much firmer stand by government is required in relation to Crown servants who lack integrity, if corruption is to be held in check.

Structure, Establishment and Systems

3.39 Although the basic structure of the Operations Department remained the same throughout 1979, there was a change in the responsibilities of the two Investigation Branches. Until this year one Investigation Branch had been predominantly responsible for investigating cases of Crown servants alleged to be in control of assets incommensurate with known present or past emoluments, an offence under Section 10 of the Prevention of Bribery Ordinance. These enquiries tended to be extremely complex and protracted. The other Investigation Branch dealt with syndicated corruption and short term enquiries. During 1978, it became apparent that there would be a reduction in

Section 10 cases and that greater attention would have to be paid to the satisfied customer type of corruption. Consequently an internal re-organisation was effected which gave one branch the responsibility of investigating all corruption relating to the Royal Hong Kong Police and the Public Works Department (Investigation Branch 1), whilst the other branch became responsible for investigating corruption in the remainder of the Civil Service, in scheduled bodies and the private sector (Investigation Branch 2). The third branch (Monitoring and Support Branch) is responsible for intelligence collection and collation as well as providing technical and administrative support facilities for the Investigation Branches. Each branch is under the control of an Assistant Director.

3.40 There was a slight reduction from 633 to 630 posts in the establishment of the Department during the year. This came about by the centralisation of administrative services as a result of which eight posts were surrendered whilst at the same time five additional posts for the Technical Section were approved.

3.41 A step forward was taken towards the end of the year by the Confidential Registry when a start was made on microfilming of investigation files more than 10 years old. The microfilming will result in a considerable saving of space in the Registry.

3.42 During 1979, a total of 447 persons were detained in the ICAC Detention Centre after arrest, whilst 89 others were arrested and bailed without detention. A total of 23 inspections of the Detention Centre by Justices of the Peace approved under the provisions of the ICAC (Treatment of Detained Prisoners) Order took place. Comments made by these visiting Justices after each visit are forwarded to the Councils Section of the Government Secretariat for information. The Justices recorded no complaints but action was taken on a number of minor suggestions relating to the welfare of detainees.

Staff

3.43 Nine expatriate investigating officers completed their tours during 1979 and left Hong Kong, two of them returning to their parent Police Forces in Britain. Two other expatriate officers and one local officer had their agreements terminated. Thirty other local officers completed their tours and either did not have or did not wish to have their agreements renewed. One expatriate officer was allowed to curtail his agreement on compassionate grounds whilst another resigned in mid-tour.

3.44 At the end of the year, the number of officers on secondment from British Police Forces totalled 39 and a further 18 officers who had retired from British Police were serving on agreement terms. A further 39 expatriates, including support staff, were serving with the Department making a total expatriate strength of 96 officers out of a total establishment of 630 and a strength of 568. This compares with 106 expatriates at the beginning of the year.

3.45 A total of 177 officers renewed their agreements or sought further periods of secondment during the year. Recruitment continued and 39 local officers were inducted and one Police officer arrived on secondment from Britain.

3.46 Towards the end of the year, a recruitment campaign was held for Assistant Officers. Nearly 1,500 applications were received and a total of some 1,300 preliminary and final interviews held to fill the 40 vacancies expected by the middle of 1980. Every effort was made to select the best possible candidates as the majority of future officers will be drawn from the Assistant Officer grade.

3.47 During the coming year, the Department is expected to lose the services of over 20 expatriate officers many of whom will be returning to Britain to rejoin their parent Police Forces. To compensate for these losses and for the 13 expatriate officers who left in 1979, a recruitment exercise will be held in London in January, 1980. In response to an advertisement in Britain, 171 applications were received from experienced Police officers ranging in rank from Detective Sergeant to Detective Chief Superintendent. Seventy-four officers have been selected for interview and it is anticipated that about 20 officers will be selected for appointment.

3.48 Approval was given in 1979 for Investigating Officers in the Operations Department to draw detective allowance when such officers perform regular and frequent detective duties.

3.49 Thirty local and seven expatriate officers were promoted during the year. Eight local officers now occupy substantive posts as Commission Against Corruption Officer (Upper) out of a total of 41 substantive officers at this level. This rank equates roughly with that of Police Superintendent. Five other local officers have acted at this level for administrative convenience.

3.50 The first death on duty of an officer of the ICAC occurred during the year when a female surveillance agent was fatally injured following a collision between a motor cycle on which she was a pillion passenger, and a bus. The driver of the bus has been charged by Police with causing death by dangerous driving.

3.51 Two separate civil suits against ICAC officers for unlawful arrest were heard during the year. In one of these, by a Police Constable who was arrested following a complaint by a taxi driver, the Court found in favour of the plaintiff and awarded \$5,000 damages. An appeal, which will be heard in January, 1980 has been lodged. In the other case, a Detective Constable claimed damages of \$30,000 on the grounds he had been arrested without reasonable cause. His suit was rejected, the Court holding that he had only himself to blame for the arrest as he had not reported to his senior officer improper approaches which had been made to him.

Training

3.52 For the purpose of centralising the Commission's training facilities, the Operations Department Training Section is placed under the Administration Branch of the Commission. The staff of this Section is drawn from Operations Department and to all intents and purposes control of the Section is still vested in senior officers of this Department. At the year's end, a review of staffing and administrative control of this Section was taking place.

3.53 An exhaustive review of training requirements and the facilities required to meet these needs was undertaken during the year. As a result of this review, formalized induction training has been broken into two parts divided by a period of "in-house" training during which the trainee is attached to an experienced investigator. Other training courses are being completely revamped and all officers will be subject to refresher and continuation training at regular intervals throughout their careers as well as undergoing specialised training courses on subjects related to their own particular work. Study courses are also organised for officers preparing themselves for promotion examinations.

3.54 The year saw the introduction of a series of three week Command Courses for officers in charge of Sections. Four such courses were run for 39 officers from Operations Department and nine officers from other Departments of the Commission. The aims of these courses were threefold :-

- (a) to improve management skills;
- (b) to extend knowledge of Hong Kong with particular reference to the economic and sociological background; and
- (c) to enhance knowledge of the work of other Departments of the Commission.

The majority of the discussions which took place on these courses were conducted by guest speakers who were experts in their own particular field.

3.55 In addition to the Command Courses, 19 courses of different types were run by the Training Section during 1979 for 213 students. Talks were also given throughout the year to Royal Hong Kong Police and Prisons Department Training Courses. Additionally, three joint Police/ICAC Seminars were held which did much to improve relations between the two organisations and to increase appreciation of each others problems.

Internal Monitoring

3.56 Internal vetting and monitoring of ICAC officers continued during the year. Procedures laid down require every allegation of corruption involving an ICAC officer to be referred

to the Attorney General for decision on the action which is to be taken. If the Attorney General decides that the investigation is to be undertaken by the ICAC, report of the outcome is subsequently placed before the Attorney General with whatever recommendations are appropriate. The Operations Review Committee is also informed of the allegation and the result of the investigation.

3.57 One allegation of corruption against an ICAC officer, received and investigated in 1978 but not finalized by the end of that year, was completed in 1979. The allegation that an ICAC officer was maintaining a high standard of living, was resolved when the officer gave a satisfactory explanation for the assets in his possession. The Attorney General directed that no further action should be taken.

3.58 Only one allegation of corruption involving ICAC officers was received by the Commission during 1979. The informant in this case claimed to have overheard an officer say that a large sum of money had been spent to secure a further agreement with the Commission. An investigation revealed that the informant had been in dispute with the ICAC officer's family and that there was no substance to the allegation. The Attorney General directed that no further action should be taken.

The Future

3.59 The Operations Department can look back on 1979 as its most successful year to date. Throughout the year, constant pressure was exerted against the corrupt across a wide spectrum of government departments as well as in scheduled bodies and the private sector. This pressure resulted in a record number of prosecutions and a high conviction rate with a minimum of fuss. This record number of prosecutions when coupled with the paucity of complaints lodged against ICAC officers illustrates that staff of the Operations Department are carrying out their duties in an efficient but fair and just manner.

3.60 However, as the Governor stressed in his address to the opening session of Legislative Council on 10th October - "the greatest danger is complacency and there is a long way to go before Hong Kong has any right to be complacent." Corruption still exists at an unacceptable level and pressure must be maintained if we are not to slip back.

3.61 It has been refreshing over the past year to see the increase in the number of government officers, and particularly young Police officers, who are prepared to stand up and be counted by reporting corruption, even at the risk of being ostracised by their colleagues. It is to be hoped that more such officers will come forward in 1980 and that in years to come, such actions will be the general rule rather than the exception. Indeed, it is still a sad commentary on the standard of morality in Hong Kong that, even today, some government officers condemn an honest man who reports corruption.

3.62 The major targets for 1980 will be the "satisfied customer" - the most difficult corruption targets of all. As the number of people involved in any one transaction in this type of corruption is small, it is very difficult to get evidence which can be used in Court; even where such evidence is forthcoming, it is usually obtained from an accomplice and is therefore distrusted by the Courts unless there is independent corroboration. Nevertheless, a start has been made to the attack on satisfied customer corruption and a number of successful prosecutions have taken place. Further prosecutions are pending at the year's end and other cases are under investigation.

3.63 This Department is determined to continue its relentless attack upon corruption whenever and wherever it is found. But it cannot do the job alone. Government departments, managers of scheduled bodies as well as directors and managers of private companies all must be seen to be taking positive action if corruption is to be eradicated.

CHAPTER 4

CORRUPTION PREVENTION DEPARTMENT

Role

The task of the Corruption Prevention Department is defined in Section 12(d), (e) and (f) of the Independent Commission Against Corruption Ordinance. It is required to give advice on how to reduce corruption opportunities arising out of the practices and procedures of government departments and public bodies, and of others who may ask for assistance. It must also carry out, on the Commissioner's behalf, his statutory duty to secure revision of those methods of work or procedures which may be conducive to corrupt practices in government departments and public bodies. The Department can thus insist on carrying out a study in government departments and public bodies, but must be invited to study a private concern. In practice, both departments and public bodies have, for the most part, welcomed such studies, seeing in them advantages in managerial terms as well as in their basic aim of reducing or blocking off opportunities which could be exploited by the venal. Requests for assistance and advice have been received from firms and organisations in the private sector. Where possible, these have been met but they have had to take third place behind government departments and public bodies which will, for some time, fully occupy the limited staff available.

Corruption Prevention Advisory Committee

4.2 The Commissioner is advised and assisted in discharging his statutory duties by the Corruption Prevention Advisory Committee, details of which are given at page 7. The Committee considers and makes recommendations on all assignment reports prepared by the Corruption Prevention Department. In 1979 it met on 12 occasions.

4.3 A Sub-Committee examines and advises on work priorities, using as a basis information and suggestions reaching the Commission from the public, from government departments; or resulting from Operations Department's investigations, Community Relations Department liaison sources or review studies of corruption prone areas carried out within the Department. The Sub-Committee also considers and makes recommendations on minor monitoring reports and miscellaneous studies, and keeps an eye on progress with assignments, both in the initial stages and during the negotiation stage with client departments. The Sub-Committee met 12 times in 1979.

4.4 Assignment staff at all levels have always been very grateful for the professional advice and informed suggestions provided by members of the Corruption Prevention Advisory Committee, and have been greatly encouraged by the interest and commitment of members of the Committee. The workload is not inconsiderable since an average of six papers has to be dealt with at each full meeting, some of them long and complex

procedural studies. It is with regret that we mark the retirement of two founder members and of four others, all of whom have found that their other commitments do not leave them with sufficient time to tackle the demands which the Committee makes of its members. It is only right to acknowledge here the debt which is owed by the Department to them, and to all those who have served on the Committee since 1975 and have played an important part in shaping and directing the development of the Department.

Structure and Establishment

4.5 The establishment provides for a Director of Corruption Prevention and two Assistant Directors, each in charge of an Examination Division with four Examination Groups, and served by a Management Group. The post of Director remains unfilled: a Senior Assistant Director heads the Department. With the move to Hutchison House, some administrative tasks have been centralized and the establishment has been reduced from 104 to 78. The strength on 31st December 1979 was 57, which is slightly below that thought to be desirable: steps are being taken to recruit more assignment staff. Creation of an External Training Group has increased the problem because it is desirable to use the more experienced officers in this task. It is unlikely, however, that it will be possible or even necessary at this stage to recruit to full strength, because a projection of workload based on present productivity and forecast demand indicates that the present level is not far below what is needed. The ability of government departments and public bodies to digest and profit from recommendations arising from assignments is also a limiting factor. The present structure, establishment and strength of the Department at 31st December 1979 are shown at Appendix IV.

Review of Work

4.6 The pattern of Corruption Prevention Department's work can now clearly be seen to fall into four categories :-

- (a) Conventional Studies These constitute the main workload and entail detailed examination of practices and procedures, followed by formal reports to, and negotiations with, the client department or public body, acceptance of recommendations and implementation. During the year, 59 such studies were carried out.
- (b) Monitoring This is the essential follow-up of a completed assignment to check whether the agreed recommendations have been put into effect and to see whether changes in work patterns, either because of the recommendations or because of new demands have opened up further opportunities for corrupt exploitation. During the year, 32 earlier reports were re-examined, some for the second and even third time; revised and new recommendations were made. On 31st December

1979, 220 assignments had been completed and recommendations agreed with the client; the scope for monitoring is therefore considerable, and increasing.

- (c) Advisory This ranges from advice on the implications in corruption prevention terms of draft or proposed legislation to joint exercises with departments in which cooperation goes further than the slightly formal relationship in a conventional study. The advisory role is becoming increasingly important.
- (d) Training There are two main programmes: the first is designed to put over the theory of supervisory accountability at managerial level specifically in the context of countering corruption, and the second to help more junior staff recognise the particular problems of their job, how to avoid or discourage the offer of a bribe, and what to do if offered one. So far, training sessions have been run for 7 government departments involving over 1,433 civil servants, all of them with managerial or supervisory responsibilities.

Conventional Studies

4.7 Details of all assignments carried out in 1979 are at Appendices XIX and XX. Aspects of the work of 20 departments and 5 public bodies were studied during the year. Details of the more interesting or important assignments are given below.

4.8 Immigration Problems Corruption Prevention Department maintained a strong interest throughout the year in immigration problems. A study was completed for the Secretary for Security on the management of detention centres occupied by illegal immigrants from Vietnam, and it was complemented by an Immigration Department assignment on the initial processing procedures for Vietnamese coming in by sea. Other studies completed or begun for Immigration Department were the grant of extensions of stay to visitors; procedures at Victoria Barracks in the initial processing of illegal immigrants from China; and the processing of legal immigrants from China. Advice was sought and given to the voluntary organisation responsible for one of the open refugee camps.

4.9 Royal Hong Kong Police An assignment was completed on road traffic control and enforcement staff, and a study has begun on death enquiry procedures other than those investigated by the Criminal Investigation Department or Traffic Division.

4.10 Labour Department A study of the Factory Inspectorate showed that the effect of new legislation designed to protect and to better the lot of the work force had been greatly to increase the workload of the Factory Inspectorate which has both an

advisory and an enforcement role. It is axiomatic in corruption prevention terms that any inspectorial function carrying enforcement powers provides the opportunity for corrupt exactions. Although Labour Inspectors are thus in a very vulnerable position, there have been no recent complaints. An assignment has been started into procedures for inspections of building and engineering sites: the Commissioner for Labour laid particular stress on industrial safety during 1979 which makes this study very timely, safety precautions being the most important consideration in such inspections. Public Works Department, of course, is also involved.

4.11 Trade, Industry and Customs Department Two studies of certification of exports from Hong Kong were carried out; the first dealt with the department's procedures for certification, for checking the validity of claims by applicants for certificates, and for investigating any reported breaches of regulations; the second looked into the complementary services provided by the five Chambers of Commerce and Manufacturers Associations which have been authorised to issue certificates. 54% of all Hong Kong's exports are covered by certificates which either establish the origin of goods and enable them to gain access to a market, or allow the exporter to claim preferential tariffs offered by the importing country. At a time when quotas and trade protection barriers are of growing significance in international commerce, it is essential that Hong Kong's certification systems be recognised worldwide as effective, closely supervised and trustworthy.

4.12 The Post Office This is a relatively new area. The recommendations of an assignment on delivery postmen were agreed with the Postmaster General in early 1979, and a second report on Post Office counter staff duties was presented to him in the summer. These were major studies in particularly interesting areas. In the course of the study, a number of points of purely managerial importance were made which the Postmaster General considered to be of use: these were therefore reported to him in full in a separate paper.

4.13 Purchasing Procedures The working of government's five subsidiary tender boards have been studied, and the opportunity taken to monitor certain of the procedures of the Central Tender Board. The pressure on government's purchasing departments, particularly Government Supplies Department, has been steadily increasing, and the need has now been recognised for a review of recommendations made in the past to ensure that these are not unreasonably constricting in their effects. This review will take place as early as possible in 1980. At the same time, further studies will be made of purchasing procedure in public bodies, while an assignment into China Motor Bus Co. Ltd's procedures is already well in train. Other subjects examined in 1979 were the Medical & Health Department's procedures for buying general stores and equipment, and the Urban Council's arrangements for obtaining plants and shrubs from suppliers rather than from their own gardens and nurseries.

4.14 Marine Department The system for granting certificates of competency to local sea goers, and to pleasure craft owners and operators, has been looked at; so has the allocation of moorings. There is a waiting list of 3,100 for certificates of competency, mostly pleasure craft owners, while the shortage of moorings is such that there is a brisk private trade in them.

4.15 Agriculture & Fisheries Department This department's responsibilities for the protection of endangered species has been brought to the notice of the public through well publicized cases dealing with the illegal import of animal skins; there is also the continuing problem of the supply of elephant tusks for the local ivory carving industry. Procedures for enforcing the law in order to preserve endangered species were looked at, and so was an allied subject - the control of the sale of animals and birds: both are areas of growing public concern. Building development inside Country Parks and the management of Agriculture and Fisheries Department's construction contracts were also studied. Following the sudden departure of certain staff of the Fish Marketing Organisation, a check was made of the accounting systems of this public body, for which the Director of Agriculture & Fisheries has administrative responsibility.

4.16 Urban Services Department The many facets of the work of this large and most cooperative department continued to receive attention, the more notable assignments dealing with the policies and procedures for licensing cooked food stalls, and the way in which articles seized from hawkers are handled and disposed of.

4.17 Housing Department The management of flatted factories was a particularly interesting study completed in 1979. Procedures for allotting parking spaces and for controlling vehicle access in housing estates were also examined.

Monitoring

4.18 Details of monitoring studies are at Appendix XXI. The procedures for the licensing and control of food businesses in the urban areas and the New Territories were looked at again, and residual corruption loopholes drawn to the attention of the Urban Services Department. Continuing attention was paid to weaknesses in the Legal Aid Department; these resulted mainly from the great expansion of the department's workload, and the limited time which senior staff can devote to administrative matters. A preliminary study of long standing reports on Housing Department work showed that circumstances had so changed that monitoring the original assignments could not meet the need; completely new studies will be required. This is the first time that such a problem has been met, but it is to be expected that there will be others in departments where changes in priorities and pressures have led to fundamental alterations in corruption opportunities.

Advisory

4.19 Legislation The Corruption Prevention Department examines the lists of draft legislation published monthly by the Secretariat and maintains contact with government departments to ensure that corruption prevention considerations are weighed carefully before new laws or regulations are introduced. The Department's principal interest is that there should be a recognition of the problems of enforcement: it is easy to prescribe penalties, but quite another thing to bring people to book. Only too often the enforcement task falls upon the Royal Hong Kong Police, a body which is already hard pressed to meet its basic law and order commitments. Another difficulty is that departmental staff are often required to combine an advisory with an enforcement role, which places a heavy burden upon them and requires both clear definitions of what can be tolerated and effective monitoring by supervisory staff. Advice was given during 1979 on draft legislation relating to noise control, water pollution, advertising signs and road traffic regulations.

4.20 Ballotting There was an increase in the number of requests from government departments, public bodies and the private sector for advice on systems of allocating scarce resources, for example flats in home ownership schemes, both public and private, recreation facilities and market stalls. The advice given often went beyond commenting on systems and extended to such considerations as establishment of criteria, secure handling of applications and publicity arrangements.

4.21 Management Audit For the last four years, the Corruption Prevention Department has been examining with several government departments the advantages of establishing an inspectorate unit which could strengthen supervision and provide an independent check on performance. The concept is of a unit commanded by a high ranking officer reporting direct to the head of department, but independent of the normal management structure. All its members would have to be highly professional in their field and acknowledged as such throughout the department. One task would be unannounced visits to places where corruption or malpractice could occur: the random nature of such inspections would be known to staff and, therefore, would serve as a powerful disincentive to irregular behaviour. Another would be to write and up-date standing instructions, orders etc. so that staff would know exactly where they stood: flexibility, efficiency and staff development all demand delegation of discretion and authority, but the exercise of these must be within defined limits and must be monitored. The unit cannot just be the eyes and ears of the head of department: it must make a positive contribution at every working level, using its expertise to help solve problems and to advise, otherwise it will be regarded with such mistrust and resentment that it will be unable to do its job. The Prisons Service, in the Inspector of Prisons, already has such an independent monitoring and advisory capability. The Customs and Excise Service has obtained financial approval for a small but very senior management audit team, while Housing Department

is examining the concept with interest. It is undeniable that, with the increasing complexity and scope of their work, few departmental heads can keep as closely in touch as they would wish with the way their policies are being put into effect: it is also undeniable that staff of the calibre required to man such a unit are scarce, and are desperately needed in the normal management structure. It is not easy to strike the right balance between these conflicting demands.

4.22 Supervisory Accountability As a follow up of this study, completed in 1978, Civil Service Branch has convened a Working Party, with representation from Corruption Prevention Department, to examine disciplinary procedures within the Civil Service. Codes of conduct and more definitive advice on conflict of interest are being drafted. Recommendations for speeding up and simplifying the disciplinary process, without detriment to individuals, are under consideration.

4.23 Joint Studies The first such assignment was with the Buildings Ordinance Office, involving a study of Occupation Permits: it was followed in 1979 by a related study into the issue of the Director of Fire Services' Certificate before occupation of a new, private building, in which the Fire Prevention Bureau and Corruption Prevention Department played complementary roles. Further joint reviews with the Fire Prevention Bureau are under consideration, and joint assignments have been undertaken with the Highways Office (the reinstatement of roads and paths after work by public utilities, and the administration of road maintenance contracts) and with the Waterworks Office (licensing of plumbers and testing of taps and fittings). The joint study approach is particularly useful when procedures are complex and include a strong professional or technical element. In other areas, joint consultation is a useful substitute, Immigration, Transport and Education Departments being examples where this approach is used. The intention is that the joint approach, in one shape or another, should be common to all departments.

External Training

4.24 An experimental External Training Team was established in 1978 to meet a need identified as a result of the study on supervisory accountability. Its original task was to run seminars during which the principles of accountability would be discussed in the context of a department's work, followed by a second discussion of specific corruption opportunities within the audience's areas of responsibility and of the managerial means by which these could be contained or eliminated. The programme was designed for junior managers but it soon became clear that all management levels should be covered. Experience with disciplined services pointed to the need to start at the top and work downwards, and this has become the general policy, though it has been rare for directorate staff to take part. A later development was the designing of seminars specifically to meet the needs of more junior supervisory staff who, by the very nature of their work, are either vulnerable themselves or are responsible for staff who are vulnerable to offers of bribes or to allegations of soliciting them.

4.25 The departments for which seminars have so far been run include Prisons, Urban Services, Fire Services, Immigration, Customs and Excise, Housing and Government Supplies; further courses are in the pipeline. There has been close liaison with Civil Service Training Division which has assisted in training Corruption Prevention staff, some of whom have, in return, been speakers at Civil Service Training Division management courses. What began as an experimental team has now become a full strength group with a heavy workload, and a task which will take it well into the 1980s. However, the principle remains that the responsibility for taking measures to educate staff in the dangers of corruption must be that of the departmental head and not of any outside body. Hence the eventual aim is that departments should take over this training task themselves: the Royal Hong Kong Police Force and Prisons Department have already taken steps in this direction.

4.26 The Corruption Prevention and Community Relations staff combined with the Hong Kong Management Association to run a seminar on managerial accountability for senior executives in the private sector. The proposals for establishing an accountable system in government were explained and discussed, and then Mr. Gordon Macwhinnie, a member of the Corruption Prevention Advisory Committee, put over his view on the concept of accountability in the private sector from the standpoint of a chartered accountant and management consultant.

4.27 Interest has been expressed by corruption investigation forces in Malaysia, Singapore and Tanzania in the concepts and practices of the Corruption Prevention Department. Visiting teams, primarily concerned with operational matters, have also spent some time in looking at the way the task of corruption prevention is tackled.

Conclusions

4.28 In 1974, the Corruption Prevention Department chapter of the ICAC Annual Report identified nine factors which were conducive to corruption. This analysis has stood the test of time. The nine are listed below, the more pernicious and prevalent being in the right hand group :

Policy inadequacies	Delay
Unenforced laws and regulations	Public ignorance
Inadequate instructions	Excessive discretion
Unnecessary procedures	Lack of supervision
Abuse of position	

4.29 Delay provides both the opportunity to extort a bribe and the incentive to offer one. It is also an inevitable consequence of the complex bureaucratic processes of a society as sophisticated as that of Hong Kong.

4.30 Public ignorance of the services provided by government and of the bureaucratic process leads to frustration and increases the chances of a resort to bribery. Even so, departments are often reluctant to publicise their procedures and time limits.

4.31 Every department tries to speed up its processes. The quickest way to do this is by delegating the authority to make decisions but it can be difficult to draw a line between acceptable and excessive discretion, and that line is sometimes overstepped.

4.32 The exercise of delegated authority must be monitored and lack of effective supervision is a very common weakness. There are many problems: the shortage of qualified or experienced staff; the burden of paper which rapidly converts the supervisor into a desk-bound staff officer, who monitors his subordinates through file checks rather than observation of performance; traffic build-up which has meant that movements have to be measured in time rather than in distance, compounded by the shortage of official transport, lack of parking spaces, both official and casual, and limited funds available for mileage allowance. New Territories Administration and Public Works Department staff are particularly restricted in their supervisory tasks by the sheer difficulties of movement, though the problem is common to all.

4.33 The idea of a corruption prevention organisation developed from an assessment that it was the working environment of many civil servants which not only provided the opportunity for malpractice, but virtually encouraged the weak and greedy to be corrupt. The working environment of a department is the responsibility of its head. Corruption prevention is thus an essential management function within government departments and other organisations, not just the preserve of a small group within the ICAC. Corruption Prevention Department stands ready to assist any department in reviewing its procedures: best use of its services can be made by a joint approach to problems because then there is benefit in both general management and corruption prevention terms.

CHAPTER 5

COMMUNITY RELATIONS DEPARTMENT

"I am sure that ... if people are basically honest and concerned about their personal integrity, they will not resort to corruption. Greed, the basic cause of most corruption in Hong Kong today, can only be held in check by an individual's code of honesty and his personal integrity. Fear of being caught and punished is not an adequate control."

So said the Commissioner, Sir Donald LUDDINGTON, in opening a series of workshops for teachers on 8th December 1979. This sums up the basis and the object of the ICAC's community education effort.

5.2 The Community Relations Department is responsible for educating the public against the evils of corruption and fostering public support in the fight against it. These aims are far-reaching and involve not only the promotion of better personal moral standards but also a greater awareness of a citizen's role in a complex urban community and a stronger faith in the government.

General Review

5.3 1979 was a year which saw the Community Relations Department intensifying its activities on all fronts. In addition to broadening and deepening its liaison efforts with established groups and individuals, the Department placed special emphasis on liaison programmes with young Hong Kong.

5.4 Liaison with working youths and students remained a most important feature of the Department's activities. Programmes within and outside the classroom, on and beyond the office or the shop floor were organised to develop amongst the young a greater sense of civic responsibility and to equip them with knowledge of the ICAC and anti-bribery laws. These activities also helped to identify youth leaders to assist in spreading the Commission's message.

5.5 In addition to working directly with students and young people, the Department endeavoured to involve the teaching profession in promoting civic responsibility and cultivating honesty and integrity amongst those under their care. Not only did community relations staff continue to be regularly in touch with practising and student teachers but they also ran special seminars and workshops to explore jointly with them means of achieving the common objectives.

5.6 The business and the industrial sectors on the whole responded favourably to the efforts of the Department. A growing number of business and industrial establishments showed their support for honest dealings by publicly declaring their

disapproval of unauthorised commissions. Many also made it possible for ICAC liaison officers to meet their staff to discuss with them anti-bribery laws and corruption-related subjects in company time or at company-sponsored outings and gatherings.

5.7 The Commission's eighth local office, in Wong Chuk Hang opened in March 1979. By the end of the year, fitting out work for the ninth local office, located in Yau Ma Tei, was nearing completion and the office was expected to start operation in March 1980.

5.8 During the year, the Department concentrated on a multi-media approach for the Commission's publicity packages appealing for the support of the community. Each package comprised a coordinated spread of a selected message through short TV Announcements of Public Interest (APIs), press advertisements, posters, radio announcements and other aids.

5.9 The Commission continued to feature its objectives and anti-corruption themes in five-minute TV programmes produced by the Department. Materials was also fed into some highly popular productions of Radio Television Hong Kong.

5.10 The Department's Community Research Unit completed its final report on a major study of the public's perception of and attitudes towards corruption, conducted in late 1978. The Unit also undertook two qualitative studies of the Commission's publicity efforts on TV. The findings from these studies will assist in the planning of the Commission's overall strategy for community relations.

5.11 Public support for the Commission in 1979 was most encouraging. Throughout the year, many sectors of the community joined forces - a good number initiating contact themselves with the ICAC - to promote a better awareness of the need to root out corruption and to generate a climate of higher social ethics. If the Department's experience in the past year is an indication of things to come, the 1980's should see a community even more determined to rid Hong Kong of corruption.

Citizens Advisory Committee on Community Relations

5.12 The Department continued to be guided by the Citizens Advisory Committee on Community Relations (CACCR) appointed by the Governor to advise the Commissioner on community relations activities.

5.13 During the year, four new members replaced retiring members. In addition, six persons were co-opted to provide sub-committees with their expertise. The terms of reference and the membership of the Committee as at 31st December are shown at page 7.

5.14 The main Committee held three meetings during the year. The bulk of activities continued to be carried by four sub-committees which met on twenty occasions:

The Mass Media Sub-Committee (MMSC)
convened by Mr. Andrew K.N. LI

The Public Education Sub-Committee (PESC)
convened by Dr. Daniel C.W. TSE

The Community Liaison Sub-Committee (CLSC)
convened by Mrs. KWAN KO Siu-wah

The Community Research Sub-Committee (CRSC)
convened by Dr. Ambrose Y.C. KING

5.15 The Department is indebted to members of the CACCR and its sub-committees for their personal support and invaluable contribution to the work and development of the Department.

Structure and Establishment

5.16 The year 1979 began with the Department on a strength of 235 against an approved establishment of 306. However, during the year as a result of the Commission's Administration Branch, Community Relations and Corruption Prevention Departments coming under one roof, it was possible to centralise administrative, training and support services. Consequently, the Department's general support services were reduced and the establishment was adjusted by 32 posts to 274. At the end of the year, 212 posts were filled.

5.17 The staffing position in the Department's specialist units eased somewhat during the year with the filling of several middle-management posts. Activities in these areas were subsequently increased.

5.18 The Department is organised into two divisions: one concentrating on direct personal contact with the public, as individuals or in groups; the other seeking to achieve a broader impact by reaching the general public through the mass media and the field of education. In addition, there is a small Community Research unit.

Media and Education Division

5.19 (a) Press Information Unit The Press Information Unit acts as an important link with the news media. It is the Commission's spokesman and provides a round-the-clock news enquiry service. During the year, the Unit issued press bulletins and releases on various aspects of the Commission's work and, in particular, on activities of the Operations Department. There was a growing press interest in the Commission's community relations efforts which were featured more regularly in the local press.

5.20 Apart from maintaining day-to-day contact with members of the news media, the Unit continued to arrange regular briefings for editors and individual interviews for local and foreign journalists from time to time.

5.21 The Unit managed to improve the publicity given to ICAC court cases. In addition to putting out the usual "weekly court calendar" to announce cases which would appear in the courts the following week, press information staff made a special effort to maintain close contact with court reporters. Press releases on court hearings and their results were issued wherever possible.

5.22 The Unit through its Daily Press Review, continued to monitor coverage and comments on anti-corruption work and the Commission as a whole in a wide selection of Chinese and English newspapers. The Review is circulated within the Commission and to Advisory Committee members, community organisations and government departments.

5.23 (b) Media Programme Unit The Media Programme Unit is responsible for collating and producing the Commission's publicity programmes through radio and television. Its efforts were concentrated on television and 26 five-minute "ICAC Spot" programmes, in two series, were produced for screening on the Chinese television channels. The two series, entitled "Message from the ICAC", were presented in semi-documentary and drama format. In addition to presenting the Commission's activities, the series also sought to promote honesty and social ethics.

5.24 As in 1978, material was supplied to Radio Television Hong Kong for anti-corruption messages to be featured in three episodes of a popular series.

5.25 The Unit coordinated two publicity packages. The first package, represented on television by three TV APIs extolling the merits of a corruption-free society, was launched in the middle of the year. The second package was introduced in December using the slogan "Walk tall - Report corruption". It aimed to touch the unconcerned and to move them to come forward to report corruption. The package, with a 30-second API in animation in both Chinese and English, will be maintained until mid-1980 and backed up by press and radio appeals from time to time.

5.26 At the end of the year, the Department was considering the possibility of engaging the services of an advertising agency to plan and design publicity packages during the coming year. It is hoped that with the benefit of the expertise of such an agency, the Commission would be able to achieve greater variety and impact in its publicity efforts.

5.27 The Unit also coordinated the production of four 12-minute filmlets for use in the Commission's local liaison activities with four important groups : blue collar workers, students, housewives and mutual aid committees.

5.28 (c) Media Design Unit The Media Design Unit is the Commission's art section, working hand in hand with Media Programme colleagues especially in the creation and execution of publicity packages. Items produced by the Unit ranged from

posters and book-marks to press advertisements and window displays at local offices to complement television and radio publicity to achieve a coordinated impact.

5.29 The Unit was able to meet an increasing number of requests from local offices to produce a wide range of liaison aids: e.g. a set of pamphlets on different aspects of anti-bribery legislation and various facets of the Commission's work, mail shots publicising the addresses and telephone numbers of local offices, cartoon booklets, stickers and colouring sheets.

5.30 Seven booklets were designed for the Public Education Unit on historical Chinese personalities noted for their integrity.

5.31 A board game devised by a member of the Department and prepared by the Unit attracted considerable press interest, both locally and abroad. Apart from providing entertainment, the game contained messages of civic responsibility and information on anti-corruption work. 1,300 sets were produced under the sponsorship of the Rotary Club of Kowloon West for distribution through the Commission's local offices to youth centres, community centres and other local youth agencies. While playing the game, young people should learn more about the ICAC and the importance of honesty.

5.32 (d) Public Education Unit The Public Education Unit is a small specialist team whose task is to inculcate among students positive social attitudes towards corruption and the basic virtues of honesty and integrity, in consultation with the teaching profession and education authorities associated with curricular and other training programmes.

5.33 Two one-day seminars on "Cultivating Citizens for Tomorrow" were held in February to emphasise to the teaching profession the importance of their role in influencing social behaviour and providing moral education for the young. The seminars attracted 120 participants from primary and secondary schools.

5.34 In December, a series of workshops was organised for 120 school heads and practising and student teachers to identify ways of promoting a stronger sense of civic responsibility and integrity among students of Hong Kong. The Unit was honoured to have Dr. Rayson HUANG to deliver the keynote address on that occasion. Ideas and suggestions aired in these workshops were being compiled at the end of the year for dissemination to schools.

5.35 A city-wide contest in creative writing was launched jointly with the Lions Club International District 303 in December. At the close of 1979, entries were beginning to come in from students and members of the public.

5.36 The Unit stepped up contact with publishers of children's magazines with the aim of putting across anti-corruption messages through extra-curricular reading material.

The response to these approaches was favourable and the Unit began contributing pictorial stories to one magazine in late 1979. Scripts for a series of ten pictorial booklets on officials from Chinese history noted for their integrity were completed during the year. These were for distribution free of charge to primary schools, voluntary agencies and youth libraries.

5.37 Liaison with the Education Department remained close and regular. Staff of the Unit continued to serve on the following curriculum development subject committees :

Social Studies	(Primary and Secondary)
Economics	(Secondary)
Economics and Public Affairs	(Secondary)
ETV Social Studies Programme	(Primary and Secondary)

Liaison with the two universities and colleges of education was also maintained.

Liaison Division

5.38 The aim of the Commission's liaison efforts is to involve the community in the fight against corruption. The liaison staff continued to establish and to maintain contact with as many individuals and organisations as possible to discuss personally the ICAC's aims and aspirations and to enlist support for them. To achieve a comprehensive coverage, liaison programmes are implemented at two levels :

at central level, through a Regional Liaison Unit based in the Commission's head office; and

at district level, through the Commission's local offices.

5.39 (a) Regional Liaison Unit The Regional Liaison Unit carries out liaison with organisations which are city-wide or cut across district boundaries. These include government department headquarters, public bodies as defined in the Prevention of Bribery Ordinance, federated organisations, welfare and religious bodies, professional and trade associations.

5.40 In 1979, regional liaison staff took part in 558 meetings, of which 178 were with government departments and 159 with public bodies.

5.41 A great deal of emphasis was placed on liaison with those civil servants who are in constant contact with the public. "ICAC sessions" featured regularly in induction and refresher training programmes of major government departments, particularly in the disciplined services. The aims were to explain anti-bribery laws, to emphasise the importance of a good service attitude and to discuss how civil servants could assist in the fight against corruption. Where supervisory staff were involved, their responsibility as a supervisor was invariably underlined.

5.42 During the year, arrangements were made with the administration of several civil defence auxiliary services to meet their volunteer members. These volunteers, already committed to public service, expressed support for the Commission's cause.

5.43 The liaison net was extended to cover almost all the public bodies listed in the schedule to the Prevention of Bribery Ordinance. Where possible, regular meetings with regional liaison staff were organised for their new entrants and in-service supervisory staff. Issues such as tipping, corruption prevention and service attitude were amongst the topics discussed.

5.44 Discussions with young people and students often centred on civic responsibility and citizens' rights. They wanted to know how they could contribute towards making Hong Kong a better and cleaner society. In camps and on various apprenticeship training schemes as well as in schools and colleges, simulation exercises were used to heighten an awareness of the evils of corruption. Other aids such as films and slides were found to be particularly effective in stimulating thought on these subjects.

5.45 (b) District Liaison The Commission has established local offices in various districts :-

- (i) to receive reports of acts of or opportunities for corruption and to answer enquiries on laws and other matters relating to corruption; and
- (ii) to serve as local centres to establish and maintain contact with the community, individually and in groups, in an attempt to bring about a concerted effort in the fight against corruption.

5.46 With the opening of the eighth local office in Wong Chuk Hang in March 1979, there are now three local offices on Hong Kong Island, three in Kowloon and two in the New Territories. Suitable premises at reasonable rental for a local office in the Mong Kok/Yau Ma Tei area were found at last and fitting-out work commenced in November 1979. This, the ninth ICAC local office, would be opened in March 1980 to serve Mong Kok, Tai Kok Tsui, Tsim Sha Tsui and Yau Ma Tei. Additional local offices, for Tuen Mun and Sha Tin, are being planned.

5.47 The reports received at local offices were generally of a good quality: over 66% of these were made by people prepared to identify themselves. In handling reports of corruption, close contact was maintained with the Report Centre in the Operations Department. As shown in Appendix XXIV, a large number non-corruption reports and general enquiries were also received. Many members of the public apparently still regard the Commission as having an "ombudsman" role.

5.48 In the light of experience gained since the first office was set up in 1975 and to make better use of manpower, the opening hours of local offices were altered in March 1979. They are now open from 9.00 a.m. - 9.00 p.m. from Monday to Saturday including public holidays.

5.49 ICAC local offices embarked on a variety of activities during the year to get members of the public to use the Commission's facilities. Film sessions were held regularly for local residents and passers-by while tea sessions gathered groups from the neighbourhood and surrounding areas. Exhibitions held inside local offices also encouraged people to drop in. Staff participated in liaison functions with a range of different groups including many in trade, commerce and industry. Details of the types of organisations reached are at Appendix XXIII.

5.50 Programmes intended to increase awareness of anti-bribery laws and to move the community against corruption included seminars, training camps and involvement projects. (See Appendix XXIV). Many of these programmes relied on the assistance of district groups, voluntary agencies, local schools and government branch offices.

5.51 Liaison with schools in 1979 involved many different activities. In addition to organising district-wide competitions and contests, local offices also designed involvement projects jointly with schools. Debates, exhibitions and competitions were but some of the features included in these projects.

5.52 Special mention must be made of the Commission's contact with senior and middle management of industrial concerns. Many arranged for ICAC liaison officers to meet young workers for discussions on corruption. Some factories even set aside a short period during operating hours to facilitate such an exchange. Others invited members of the Commission to join in their outings and gatherings to promote the anti-corruption cause amongst workers. More trade, business and professional organisations are preparing clearer codes of conduct and practice.

5.53 During the year, in an attempt to reach those not belonging to established groups, local offices went on many more household visits in public housing estates and private residential buildings. These often led to fun fairs and gala nights which took place on rooftops or in playground and open spaces close to those blocks. At other times, similar discussions resulted in a free flow of information and opinion.

5.54 Other "harder-to-reach" members of the community were not overlooked. An experimental programme was conducted to liaise with taxi-drivers and activities were organised for juvenile delinquents, ex-drug addicts, Vietnamese refugees, China immigrants and the physically handicapped.

Community Research Unit

5.55 The Community Research Unit carries the function of assessing and monitoring community perception of and attitudes towards corruption in general and public response to the Commission's efforts, with special reference to community relations activities.

5.56 The final report of a survey of public attitudes conducted in November 1978, primarily to identify any changes in the community's attitudes since the 'bench-mark' survey of September 1977, was distributed. The report provided a basis for a review of the Commission's activities and the direction of future efforts.

5.57 Two qualitative studies coordinated by the Unit in 1979 provided a better understanding of the public's expectations of and response towards the Commission's publicity programmes on television. These studies supplemented the findings from the quantitative media survey conducted in early 1978 and will assist in the planning of the Commission's media work.

5.58 Apart from maintaining regular statistics for general information and management monitoring, community research staff were called upon to advise and assist in evaluation studies of specific educational and liaison activities of the Department.

The Way Ahead

5.59 There are limits to the extent to which a comparatively small organisation can hope to influence the thoughts and behaviour of a population of over five million people. But the Department has been fortunate to have the help of many interested organisations, of the media and of schools and churches. In addition, through taking corruption cases to court, the Operations Department continues to provide vivid up-to-date examples of corruption which can be used to drive home the lesson that the evil is still present.

5.60 A great many people have recently arrived in Hong Kong, attracted by pictures and stories of its affluence and opportunities. Increased demands for scarce resources, particularly housing, will give rise to new temptation. The contrasts between Rolls Royces and refugee camps do not help to illustrate the virtues of fairness and honesty. Hong Kong must absorb its newcomers and make sure that standards which have improved over recent years are not lowered because of new stresses and strains.

5.61. It will be the task of the Community Relations Department to focus on groups which are particularly likely to turn to corruption in their efforts to survive and to thrive in a fiercely competitive environment. To assist in this task, it will have to continue to seek the assistance of all who have shown their commitment in one field or another towards making Hong Kong a better place for all its residents.

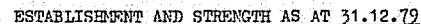
DUTIES OF THE COMMISSIONER

The duties of the Commissioner, as described in Section 12 of the Independent Commission Against Corruption Ordinance, (Cap. 204), are as follows :-

It shall be the duty of the Commissioner, on behalf of the Governor, to -

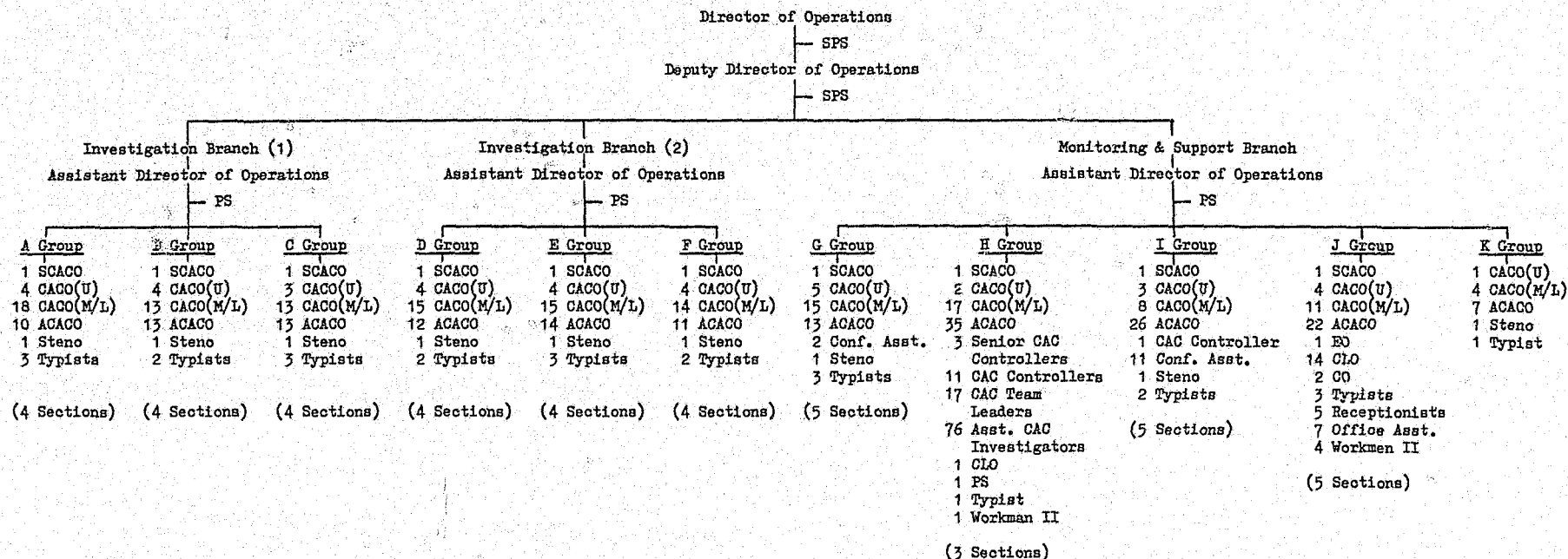
- (a) receive and consider complaints alleging corrupt practices and investigate such of those complaints as he considers practicable;
- (b) investigate any alleged or suspected offences under this Ordinance, the Prevention of Bribery Ordinance or the Corrupt and Illegal Practices Ordinance;
- (c) investigate any conduct of a Crown servant which, in the opinion of the Commissioner, is connected with or conducive to corrupt practices and to report thereon to the Governor;
- (d) examine the practices and procedures of government departments and public bodies, in order to facilitate the discovery of corrupt practices and to secure the revision of methods of work or procedures which, in the opinion of the Commissioner, may be conducive to corrupt practices;
- (e) instruct, advise and assist any person, on the latter's request, on ways in which corrupt practices may be eliminated by such person;
- (f) advise heads of government departments or of public bodies of changes in practices or procedures compatible with the effective discharge of the duties of such departments or public bodies which the Commissioner thinks necessary to reduce the likelihood of the occurrence of corrupt practices;
- (g) educate the public against the evils of corruption; and
- (h) enlist and foster public support in combatting corruption.

57



Appendix II

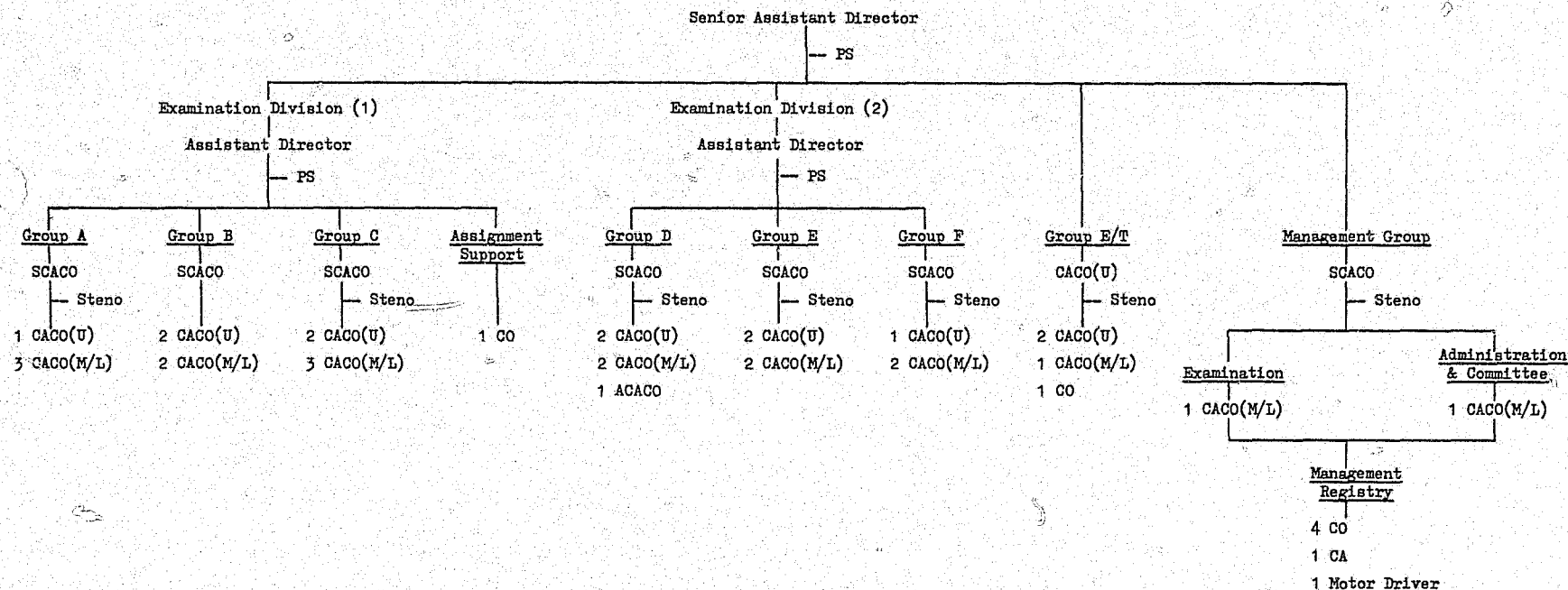
ORGANISATION OF THE OPERATIONS DEPARTMENT AS AT 31ST DECEMBER 1979



ESTABLISHMENT AND STRENGTH AS AT 31.12.79

	Est.	Str.		Est.	Str.
Director (\$17,500)	1	1	Senior Chinese Language Officer (CAC) (\$7,300 - \$10,000)	1	-
Deputy Director (\$16,200)	1	1	Chinese Language Officer I/II (CAC) (\$5,550-\$6,950)/(\$3,100-\$5,300)	15	15
Assistant Director (\$13,240)	3	3	Clerical Officer I/II (CAC) (\$2,950-\$3,800)/(\$1,200-\$2,800)	2	2
Senior CAC Officer (\$10,400 - \$11,200)	11	10	Confidential Assistant (CAC) (\$1,750 - \$3,100)	13	13
CAC Officer (Upper)(\$7,650 - \$10,000)	46	38	Senior Personal Secretary (CAC) (\$4,000 - \$5,050)	2	2
CAC Officer (Middle/Lower)(\$5,300 - \$7,300)/(\$3,100 - \$5,050)	170	143	Personal Secretary (CAC) (\$2,950 - \$3,800)	5	4
Assistant CAC Officer (\$1,750 - \$2,950)	184	176	Stenographer (CAC) (\$1,275 - \$2,800)	9	9
Senior CAC Controller (\$4,200 - \$5,050)	3	3	Typist (CAC) (\$1,100 - \$2,050)	26	25
CAC Controller (\$3,100 - \$3,800)	14	12	Receptionist (CAC) (\$1,275 - \$2,500)	5	5
CAC Team Leader (\$2,650 - \$2,950)	19	17	Office Assistant (CAC) (\$1,000 - \$1,450)	8	7
Assistant CAC Investigator (\$1,750 - \$2,500)	84	76	Supplies Assistant (CAC) (\$1,050 - \$2,050)	1	-
Executive Officer I/II (CAC) (\$5,550-\$6,950)/(\$3,100-\$5,300)	1	1	Workman II (CAC) (\$1,175 - \$1,250)	6	5
			Total :	630	568
				=====	=====

ORGANISATION OF THE CORRUPTION PREVENTION DEPARTMENT AS AT 31ST DECEMBER 1979



ESTABLISHMENT AND STRENGTH AS AT 31.12.79

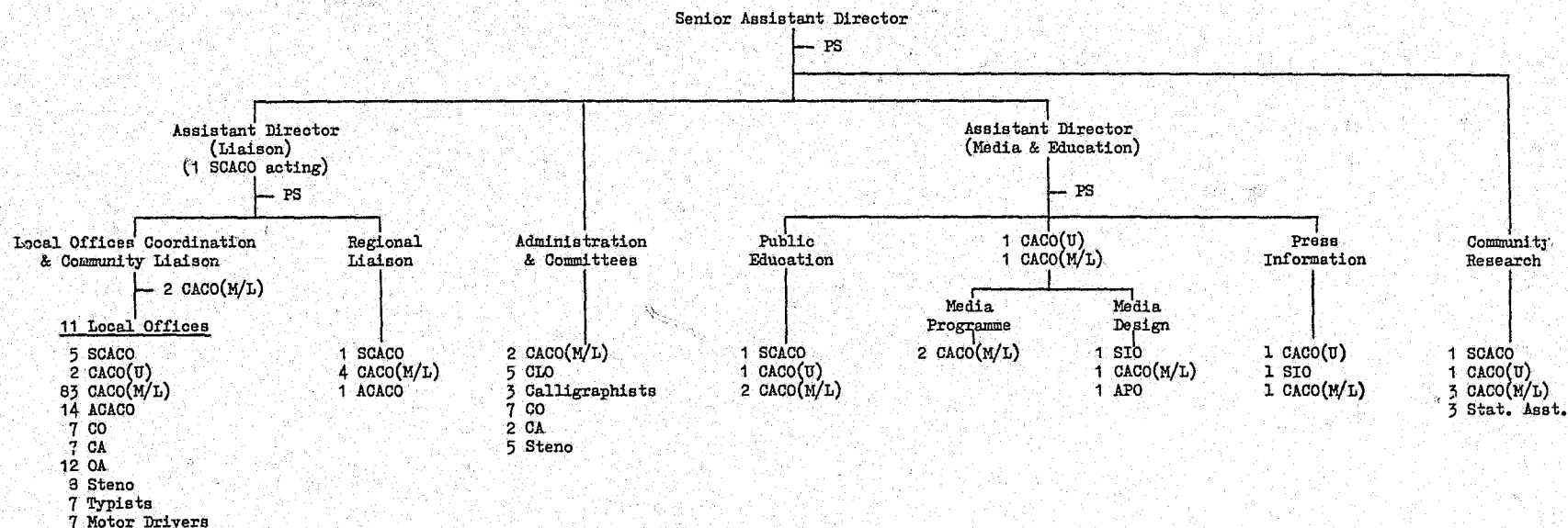
	Est.	Str.		Est.	Str.
Director (\$17,500)	1	-	Senior Personal Secretary (CAC) (\$4,000 - \$5,050)	1	-
Senior Assistant Director (\$15,140)	1*	1	Personal Secretary (CAC) (\$2,950 - \$3,800)	36	3
Assistant Director (\$13,240)	2	2	Stenographer (CAC) (\$1,275 - \$2,800)	9	7
Senior CAC Officer (\$10,400 - \$11,200)	9	7	Clerical Officer I/II (CAC) (\$2,950-\$3,800)/(\$1,200-\$2,800)	8	6
CAC Officer (Upper)(\$7,650 - \$10,000)	24	13	Clerical Assistant (CAC) (\$1,050 - \$2,050)	1	1
CAC Officer (Middle/Lower)(\$5,300 - \$7,300)/(\$3,100 - \$5,050)	20	17	Motor Driver (CAC) (\$1,525 - \$1,705)	1	1
Assistant CAC Officer (\$1,750 - \$2,950)	1+	1			
			Total :	78	59

* including 1 supernumerary post

+ including 1 supernumerary post

6 including 1 supernumerary post

ORGANISATION OF THE COMMUNITY RELATIONS DEPARTMENT AS AT 31ST DECEMBER 1979



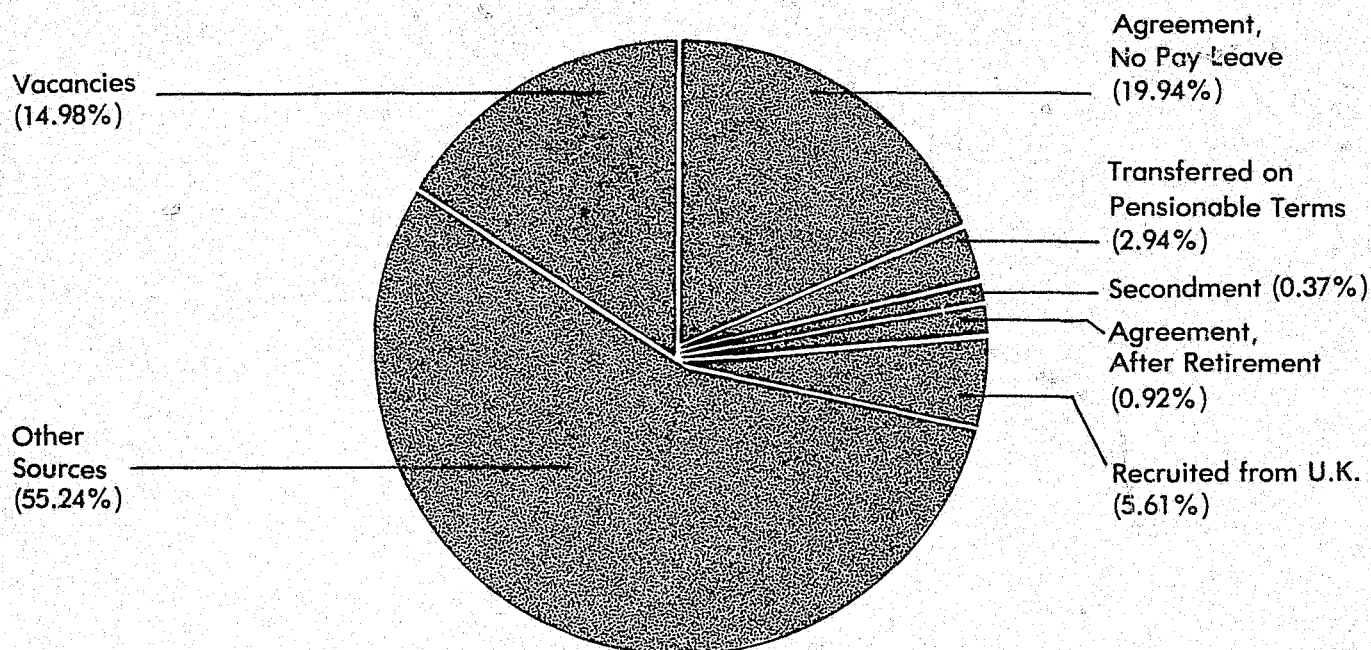
ESTABLISHMENT AND STRENGTH AS AT 31.12.79

	<u>Est.</u>	<u>Str.</u>		<u>Est.</u>	<u>Str.</u>
Director (\$17,500)	1	-	Assistant Programme Officer (CAC) (\$2,800 - \$5,300)	1	1
Senior Assistant Director (\$15,140)	1	1	Senior Personal Secretary (CAC) (\$4,000 - \$5,050)	1	-
Assistant Director (\$13,240)	2*	1	Personal Secretary (CAC) (\$2,950 - \$3,800)	3+	3
Senior CAC Officer (\$10,400 - \$11,200)	12	9	Stenographer (CAC) (\$1,275 - \$2,800)	16	13
CAC Officer (Upper)(\$7,650 - \$10,000)	15	6	Calligraphist (CAC) (\$1,200 - \$2,800)	3	3
CAC Officer (Middle/Lower)(\$5,300 - \$7,300)/(\$3,100 - \$5,050)	118	101	Clerical Officer I/II (CAC) (\$2,950-\$3,800)/(\$1,200-\$2,800)	16	14
Assistant CAC Officer (\$1,750 - \$2,950)	21	15	Clerical Assistant (CAC) (\$1,050 - \$2,050)	13	9
Senior Information Officer (CAC) (\$7,300 - \$8,800)	5	2	Typist (CAC) (\$1,100 - \$2,050)	8	7
Chinese Language Officer I/II (CAC) (\$5,550 - \$6,950)/(\$3,100 - \$5,300)	5	5	Motor Driver (CAC) (\$1,525 - \$1,705)	10	7
Statistical Assistant/Student Statistical Assistant (CAC) (\$1,900 - \$3,600)/(\$1,550 - \$1,650)	3	3	Office Assistant (CAC) (\$1,000 - \$1,450)	22	12
			Total :	274	212

* including 1 supernumerary post

+ including 1 supernumerary post

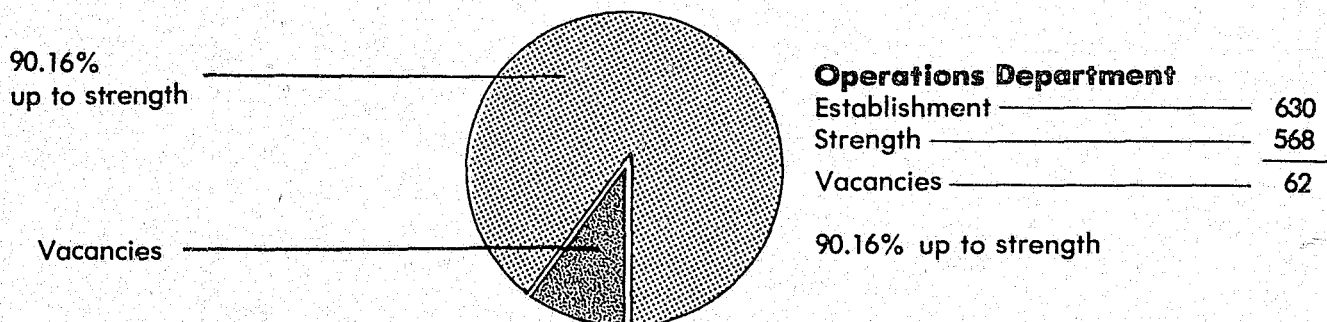
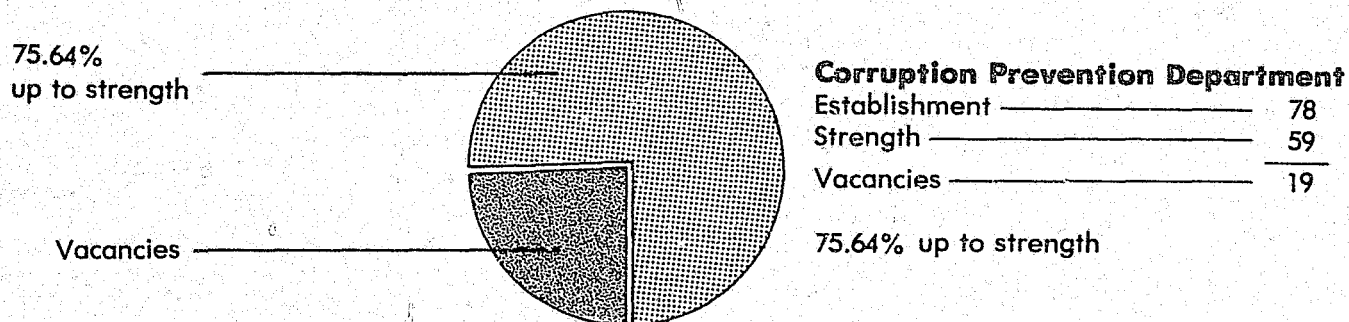
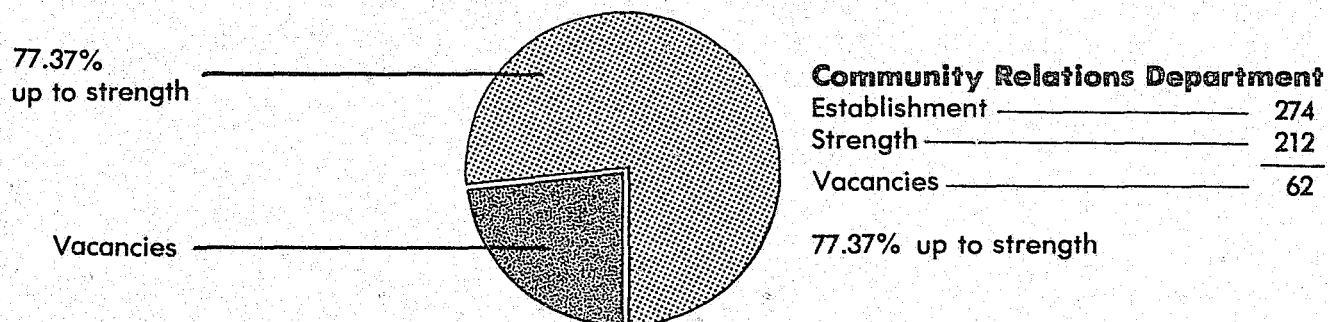
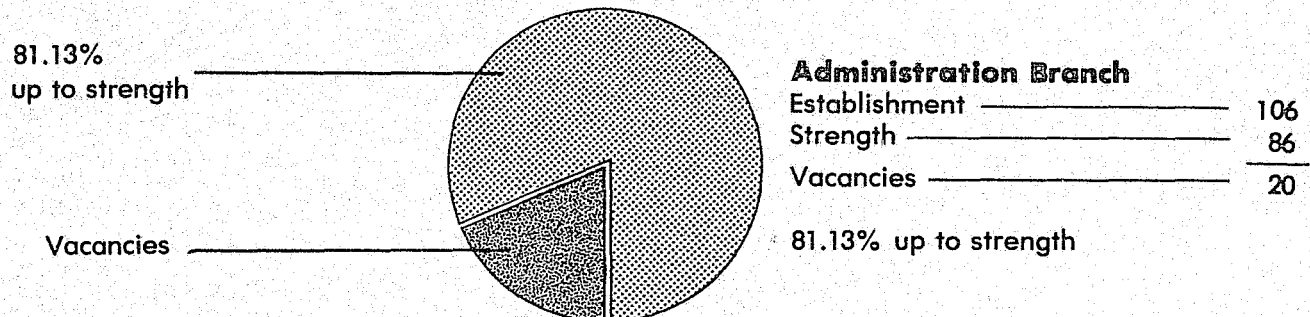
STAFFING POSITION
Analysis by Origin of Officers
As at 31st December 1979



Hong Kong Government Officers

Agreement, No Pay Leave	217	(19.94%)
Transferred on Pensionable Terms	32	(2.94%)
Secondment	4	(0.37%)
Agreement, After Retirement	10	(0.92%)
Recruited from U.K.	61	(5.61%)
Other Sources	601	(55.24%)
Vacancies	163	(14.98%)
Total Establishment	1,088	(100%)

STAFFING POSITION
Analysis of Strength by Departments
As at 31st December 1979



INDEPENDENT COMMISSION AGAINST CORRUPTION
STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1979
REPORT AND CERTIFICATE OF THE DIRECTOR OF AUDIT

I have examined the attached Statement of Estimated and Actual Expenditure in accordance with the provisions of Section 16(2) of the Independent Commission Against Corruption Ordinance. Subject to the following observation, I have obtained all the information and explanations that I have required and I certify as a result of my audit that in my opinion the attached Statement is correct.

2. Rewards and special services Expenditure from Subhead 104, which during the year amounted to \$2,319,118.32, comprising approximately 48% of the expenditure on "Other Charges", was incurred under the terms of Colonial Regulation 232, which provide that any necessary expenditure on services of a confidential nature, the purpose and particulars of which cannot be made public, shall be supported in the accounts by the Governor's certificate of payment and declaration that he has satisfied himself that the money has been properly expended. In practice the certificates of payment and declarations were given under expressly delegated authority and conditions by designated senior officers of the Commission. The expenditure so covered has not been subjected to audit in the normal manner, the certified statements of payment having been accepted as an adequate discharge of expenditure against the vote.

Signed
(G.E. Lyth)
Director of Audit

Audit Department,
Hong Kong.

3rd December 1979

INDEPENDENT COMMISSION AGAINST CORRUPTION
STATEMENT OF ESTIMATED AND ACTUAL EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 1979

Nature of Expenditure		Expenditure Originally Estimated (1)	Expenditure Actually Incurred	Over the Estimate	Under the Estimate	Additional Provision (1) By Reallocation
		\$	\$	\$	\$	\$
<u>I - Personal Emoluments</u>						
001	Personal Emoluments	45,000,000 (2)	43,741,826.37		1,258,173.63 (2)	
<u>II - Other Charges</u>						
002	Administration	510,000	269,907.50		240,092.50	- 1,848 (3)
004	Entertainment	15,000	9,963.10		5,036.90	
005	Hire of services	1,200,000	372,939.70		827,060.30	- 43,000 (4)
007	Relief and welfare of ICAC officers:					
001	Relief	2,000	2,000.00			
002	Welfare	1,000	2,848.00	1,848.00		+ 1,848 (5)
008	Stores and equipment	592,000	496,453.78		95,546.22	
009	Temporary staff	53,000	-		53,000.00	
010	Training expenses	10,000	8,865.00		1,135.00	
011	Transport and travelling	233,000	197,779.63		35,220.37	
100	Expenses of the Office of the Commissioner	337,000	349,995.19	12,995.19		+ 43,000 (6)
107	Expenses of witnesses, suspects and detainees	18,000	4,546.40		13,453.60	
102	Publicity	1,301,000	706,083.02		594,916.98	
103	Recruiting expenses	150,000	72,678.42		77,321.58	
104	Rewards and special services	2,332,000	2,319,118.32		12,881.68	
Total, Other Charges		6,754,000	4,813,178.06			
Total, Annually Recurrent		51,754,000	48,555,004.43			
<u>III - Special Expenditure</u>						
300	Motor vehicles	56,000	37,034.00		18,966.00	
350	PABX system	993,000	132,191.00		860,809.00	
351	Photographic equipment	118,000	41,101.94		76,898.06	
352	Radio network	418,000	402,852.75		15,147.25	
-	Microwave radio link	-	-			
Total, Special Expenditure		1,585,000	613,179.69			
Total, Gross Expenditure		53,339,000 (1)	49,168,184.12	14,843.19	4,185,659.07	
Less increase					14,843.19	
Net decrease					4,170,815.88	

(1) A sum of \$53,339,000 was voted in the Government Estimates for 1978-79 under Head 40 and was approved by His Excellency the Governor under Section 14 of the Independent Commission Against Corruption Ordinance, Cap. 204. The additional provision by reallocations was approved by the Finance Branch of the Government Secretariat. His Excellency the Acting Governor approved retrospectively the final revised estimates incorporating the additional provision.

(2) Includes a sum of \$1,000,000 held in reserve under the General Warrant.

(3) Frozen to allow for supplementary provision to Subhead 007 - Relief and Welfare of ICAC officers, item 002 - Welfare.

(4) Frozen to allow for virement to Subhead 100 - Expenses of the Office of the Commissioner.

(5) Supplementary provision offset by savings from Subhead 002 - Administration (Note (3) above refers).

(6) Virement from Subhead 005 - Hire of Services (Note (4) above refers).

(7) Other expenditure on contract gratuities, electricity and cleaning of offices in joint-user buildings, fitting-out of premises, furniture and fittings, hotel subsistence allowances, passages, printing and stationery, quarters, rent of office accommodation, telegrams and telex charges, telephone rentals has been charged to block votes in the Government Accounts.

Signed
(G.A. Harknett)
Acting Commissioner of the
Independent Commission Against Corruption
15th July, 1979

Appendix VIII

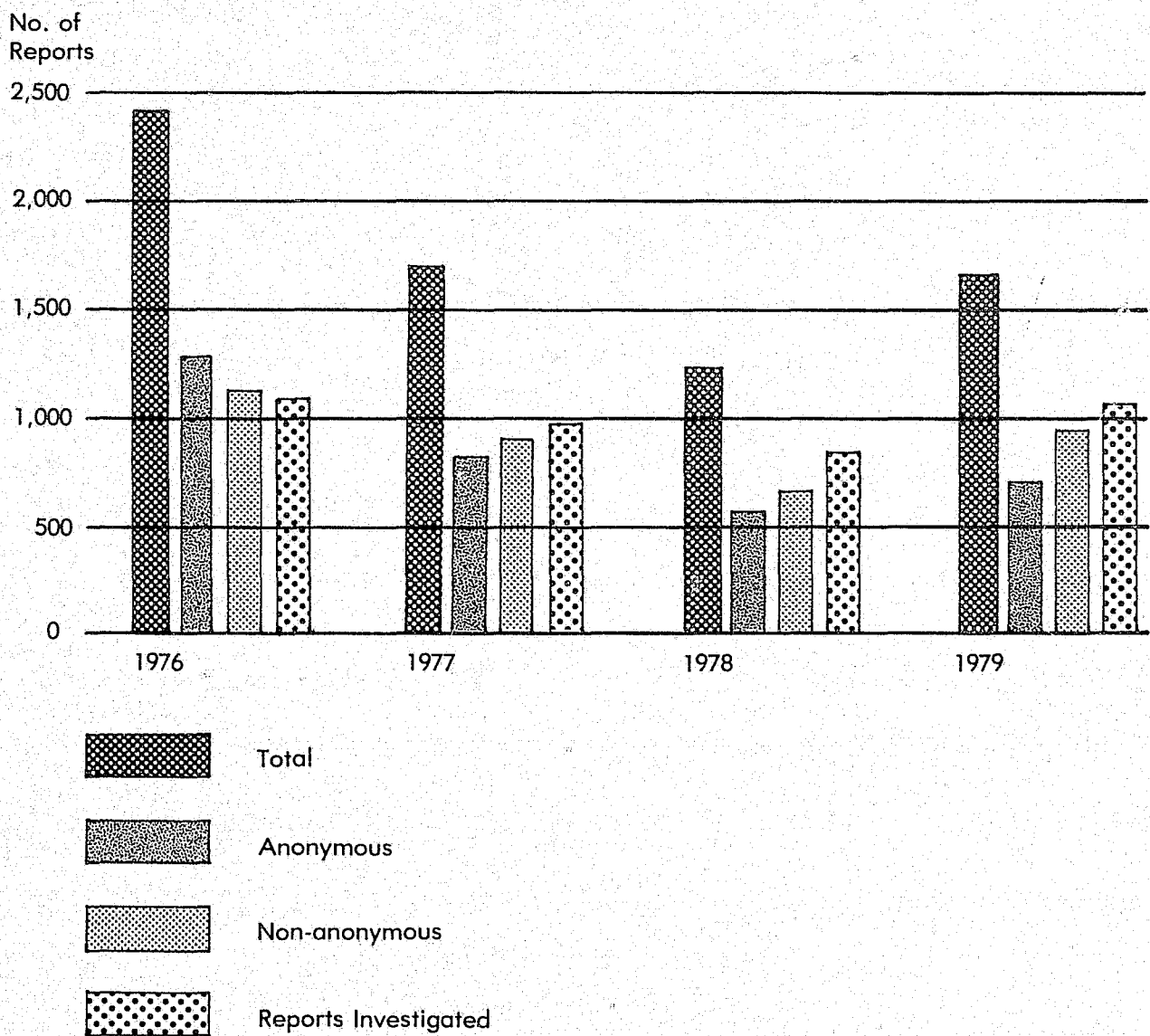
COMPARATIVE STATEMENT OF APPROVED AND REVISED ESTIMATES OF EXPENDITURE FOR 1979-80
AND DRAFT ESTIMATES FOR 1980-81

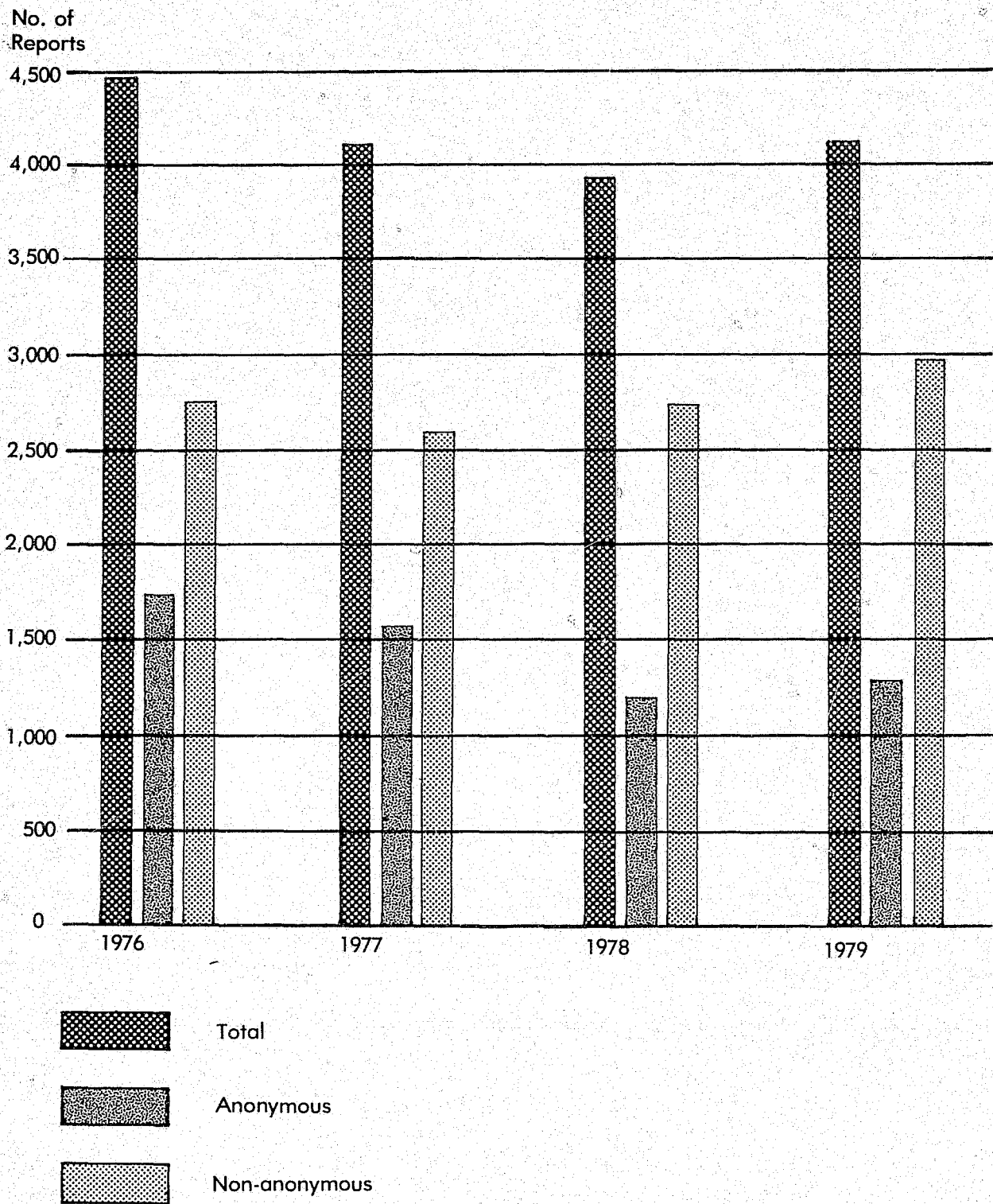
Nature of Expenditure	1979-80 Approved Estimates at 1.4.79	1979-80 Revised Estimates at 31.12.79	1980-81 Draft Estimates
	\$	\$	\$
<u>I - Personal Emoluments</u>			
Personal Emoluments	50,783,000	49,577,000	56,814,000
<u>II - Other Charges</u>			
Administration			
(1) General expenses			
- Consultations, conferences and committees	183,000	183,000	280,000
- Incidental expenses	49,000	51,000	78,000
- Subsistence allowances	58,000	60,000	63,000
(2) Fuel, light and power	220,000	150,000	190,000
(3) Telephones and telegrams (Note 1)	-	-	389,000
Entertainment	15,000	15,000	25,000
Hire of services	900,000	319,000	533,000
Relief and welfare of ICAC officers			
(1) Relief	2,000	2,000	2,000
(2) Welfare	4,000	4,000	4,000
(3) Welfare fund (Note 2)	-	6,000	14,000
Stores and equipment			
(1) Publications	40,000	43,000	65,000
(2) Hire and maintenance of office equipment	200,000	200,000	200,000
(3) Stores and equipment	333,000	330,000	422,000
(4) Paper stationery	100,000	100,000	110,000
(5) Telex charges and hire of telex circuit (Note 3)	-	673,000	14,000
Temporary staff	35,000	-	1,000
Training expenses	10,000	40,000	35,000
Transport and travelling			
(1) Running expenses of vehicles	54,000	54,000	60,000
(2) Travelling expenses	206,000	206,000	240,000
Expenses of the Office of the Commissioner	271,000	271,000	286,000
Expenses of witnesses, suspects and detainees	18,000	6,000	10,000
Publicity	1,301,000	1,501,000	2,400,000
Recruiting expenses	100,000	100,000	80,000
Rewards and special services	2,332,000	2,422,000	2,565,000
Total, Other Charges	6,431,000	6,057,000	8,066,000
<u>III - Special Expenditure</u>			
Plant and equipment			
(1) Additional motor vehicles	22,000	22,000	21,000
(2) Closed circuit television equipment	-	-	70,000
(3) Microfilming equipment	18,000	78,000	41,000
(4) Microwave radio link	-	-	725,000
(5) PABX system	195,000	-	5,000
(6) Photographic equipment	109,000	-	77,000
Replacement motor vehicles	56,000	20,000	36,000
Total, Special Expenditure	400,000	120,000	975,000
Total, Expenditure	57,614,000	55,754,000	65,855,000

Notes 1, 2 & 3

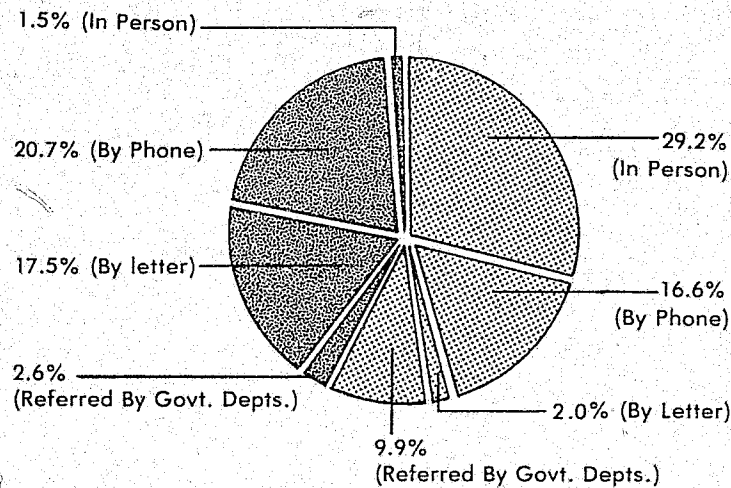
New items for 1980-81 Estimates

CORRUPTION REPORTS RECEIVED AND INVESTIGATED



NON-CORRUPTION REPORTS RECEIVED

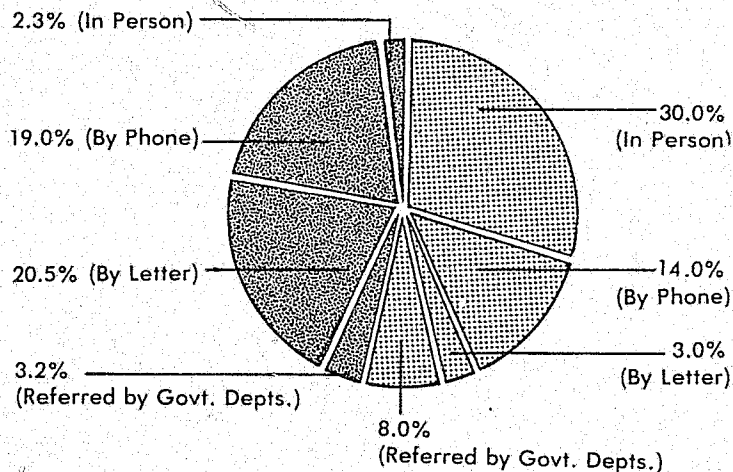
CORRUPTION REPORTS BY MODES OF REPORT



1979

Total Number of Reports: 1665

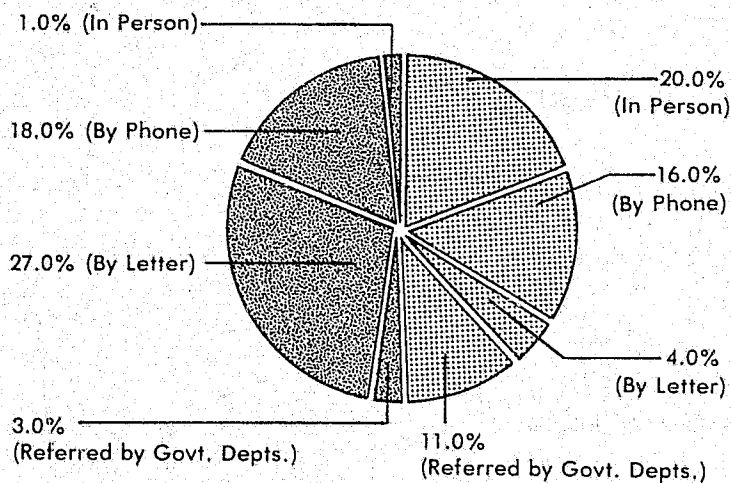
	Anonymous	Non-anonymous
In Person	24 (1.5%)	487 (29.2%)
By Phone	345 (20.7%)	276 (16.6%)
By Letter	292 (17.5%)	33 (2.0%)
Referred by Govt. Depts.	43 (2.6%)	165 (9.9%)
Total	704 (42.3%)	961 (57.7%)



1978

Total Number of Reports: 1234

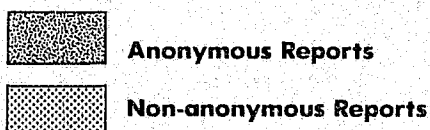
	Anonymous	Non-anonymous
In Person	28 (2.3%)	372 (30.0%)
By Phone	232 (19.0%)	174 (14.0%)
By Letter	252 (20.5%)	34 (3.0%)
Referred by Govt. Depts.	39 (3.2%)	103 (8.0%)
Total	551 (45.0%)	683 (55.0%)



1977

Total Number of Reports: 1700

	Anonymous	Non-anonymous
In Person	20 (1.0%)	331 (20.0%)
By Phone	299 (18.0%)	274 (16.0%)
By Letter	465 (27.0%)	72 (4.0%)
Referred by Govt. Depts.	48 (3.0%)	191 (11.0%)
Total	832 (49.0%)	868 (51.0%)



CORRUPTION REPORTS
(CLASSIFIED BY GOVERNMENT DEPARTMENTS AND OTHERS)

	1979			1978	1977
	Non-				
Government Departments	Anonymous	anonymous	Total	Total	Total
Agriculture & Fisheries	-	2	2	8	5
Audit	-	-	-	1	-
Civil Aviation	1	1	2	-	-
Education	5	2	7	12	11
Fire Services	7	12	19	21	34
Government Laboratory	-	-	-	1	-
Government Secretariat	-	1	1	1	2
Government Supplies	2	1	3	4	7
Home Affairs	5	3	8	6	3
Housing	34	30	64	44	66
Immigration	34	22	56	28	35
Inland Revenue	6	2	8	4	4
Kowloon-Canton Railway	1	2	3	-	1
Labour & Mines					
Labour	3	1	4	4	3
Mines	1	-	1	-	2
Legal Aid	-	5	5	-	2
Marine	3	1	4	4	13
Medical & Health	5	3	8	15	35
New Territories Administration	30	29	59	38	40
Post Office	9	1	10	7	15
Printing	-	1	1	-	-
Prisons	2	24	26	20	19
Public Works	34	57	91	59	74
Radio Television Hong Kong	1	-	1	3	1
Rating & Valuation	-	1	1	-	1
Registrar General's	1	2	3	4	1
Royal Hong Kong Police Force	275	360	635	487	729
Social Welfare	5	7	12	3	8
Television & Entertainment Licensing Authority	2	2	4	3	-
Trade, Industry & Customs					
Trade & Industry	-	3	3	1	6
Customs & Excise Service	4	7	11	16	16
Transport	13	22	35	18	11
Treasury	-	1	1	-	1
Urban Services	32	47	79	65	96
Others					
British Armed Forces	2	2	4	4	5
ICAC	-	1	1	2	14
Judiciary	4	10	14	8	16
Private Sector	148	250	398	301	378
Public Bodies*	35	46	81	42	46
GRAND TOTAL	704	961	1,665	1,234	1,700

* As defined in the Prevention of Bribery Ordinance

**CORRUPTION REPORTS RECEIVED AND INVESTIGATED AND PERSONS PROSECUTED
(CLASSIFIED BY GOVERNMENT DEPARTMENTS AND OTHERS)**

Governments Departments	Reports Received			Reports Investigated			Persons Prosecuted		
	1979	1978	1977	1979	1978	1977	1979	1978	1977
Agriculture & Fisheries	2	8	5	1	6	5	-	-	1
Audit	-	1	-	-	-	-	-	-	-
Civil Aviation	2	-	-	2	-	-	-	-	-
Education	7	12	11	3	3	9	1	-	-
Fire Services	19	21	34	9	16	16	1	1	6
Government Laboratory	-	1	-	-	1	-	-	-	-
Government Secretariat	1	1	2	1	1	2	-	-	1
Government Supplies	3	4	7	1	3	3	-	1	-
Home Affairs	8	6	3	4	2	-	-	-	-
Housing	64	44	66	35	24	42	2	1	-
Immigration	56	28	35	36	23	19	5	1	-
Inland Revenue	8	4	4	6	3	3	-	-	-
Kowloon-Canton Railway	3	-	1	2	-	1	-	-	-
Labour & Mines									
Labour	4	4	3	1	1	2	-	-	-
Mines	1	-	2	-	-	2	-	-	-
Legal Aid	5	-	2	5	-	1	-	-	1
Marine	4	4	13	1	-	5	-	-	-
Medical & Health	8	15	35	3	6	17	-	-	1
New Territories	59	38	40	42	27	23	2	-	1
Administration									
Post Office	10	7	15	5	5	7	2	4	-
Printing	1	-	-	1	-	-	-	-	-
Prisons	26	20	19	24	16	18	3	7	2
Public Works	91	59	74	72	30	39	12	-	6
Radio Television	1	3	1	-	-	-	-	-	-
Hong Kong									
Rating & Valuation	1	-	1	1	-	-	1	-	-
Registrar General's	3	4	1	2	1	1	-	-	-
Royal Hong Kong Police	635	487	729	397	344	386	44	62	126
Force									
Social Welfare	12	3	8	9	3	7	1	-	2
Television & Entertainment Licensing Authority	4	3	-	4	2	-	1	-	-
Trade, Industry & Customs									
Trade & Industry	3	1	6	2	-	6	7	-	-
Customs & Excise Service	11	16	16	9	10	4	1	3	1
Transport	35	18	11	23	11	6	1	-	-
Treasury	1	-	1	1	-	1	-	-	-
Urban Services	79	65	96	46	46	68	4	2	11
<u>Others</u>									
British Armed Forces	4	4	5	1	4	3	1	1	-
ICAC	1	2	14	1	2	14	-	-	-
Judiciary	14	8	16	5	4	11	-	-	1
Private Sector	398	301	378	262	214	255	192*	94*	109*
Public Bodies+	81	42	46	49	28	23	3	4	3
GRAND TOTAL	1,665	1,234	1,700	1,066	836	999	284	181	272
	=====	=====	=====	=====	=====	=====	=====	=====	=====

* These include 72, 45 and 88 cases in 1977, 1978 and 1979 respectively in which Crown/Public servants and private individuals were involved.

+ As defined in the Prevention of Bribery Ordinance

CORRUPTION REPORTS INVESTIGATED

	<u>1979</u>	<u>1978</u>	<u>1977</u>
Investigations brought forward from previous years	332	270	293
Investigations commenced	1,066	836	999
Investigations completed	1,031	774	1,022

Cases under investigation : 367 (including 75 from
as at 31st December 1979 previous years)

CORRUPTION REPORTS INVESTIGATED
(CLASSIFIED BY GOVERNMENT DEPARTMENTS AND OTHERS)

Government Departments	1979			1978	1977
	On Going Investigation	Investigation Completed	Total	Total	Total
Agriculture & Fisheries	-	1	1	6	5
Civil Aviation	-	2	2	-	-
Education	1	2	3	3	9
Fire Services	1	8	9	16	16
Government Laboratory	-	-	-	1	-
Government Secretariat	1	-	1	1	2
Government Supplies	-	1	1	3	3
Home Affairs	-	4	4	2	-
Housing	11	24	35	24	42
Immigration	7	29	36	23	19
Inland Revenue	3	3	6	3	3
Kowloon-Canton Railway	-	2	2	-	1
Labour & Mines					
Labour	-	1	1	1	2
Mines	-	-	-	-	2
Legal Aid	-	5	5	-	1
Marine	-	1	1	-	5
Medical & Health	3	-	3	6	17
New Territories Administration	14	28	42	27	23
Post Office	1	4	5	5	7
Printing	1	-	1	-	-
Prisons	7	17	24	16	18
Public Works	37	35	72	30	39
Rating & Valuation	-	1	1	-	-
Registrar General's	-	2	2	1	1
Royal Hong Kong Police Force	109	288	397	344	386
Social Welfare	-	9	9	3	7
Television & Entertainment Licensing Authority	1	3	4	2	-
Trade, Industry & Customs					
Trade & Industry	-	2	2	-	6
Customs & Excise Service	4	5	9	10	4
Transport	12	11	23	11	6
Treasury	-	1	1	-	1
Urban Services	8	38	46	46	68
Others					
British Armed Forces	-	1	1	4	3
ICAC	-	1	1	2	14
Judiciary	1	4	5	4	11
Private Sector	61	201	262	214	255
Public Bodies*	9	40	49	28	23
GRAND TOTAL	292	774	1,066	836	999

* As defined in the Prevention of Bribery Ordinance

CORRUPTION AND RELATED OFFENCES PROSECUTED
(CLASSIFIED BY TYPE OF OFFENCES)

Type of Offences	1979				1978	1977
	Govt. Depts./ Crown Service	Private* Individuals and Crown/Public Servants	Public+ Bodies	Private Sector	Total	Total
Soliciting/Accepting						
S.3 Cap.201 ^φ	13	-	-	-	13	3 8
S.4(2) Cap.201	34	-	2	-	36	27 37
S.5(2) Cap.201	-	-	-	-	-	- -
S.9(1) Cap.201	-	-	-	18	18	11 6
Offering						
S.4(1) Cap.201	2	42	-	-	44	35 56
S.8 Cap.201	-	5	-	-	5	- -
S.9(2) Cap.201	-	-	-	7	7	- 2
Unexplained Resources						
S.10(1)(a) Cap.201	-	-	-	-	-	- 1
S.10(1)(b) Cap.201	2	-	-	-	2	5 10
Deceiving Principal by false document						
S.9(3) Cap.201	-	-	-	2	2	2 3
Failing to provide specific information relating to an investigation						
S.14(4) Cap.201	-	-	-	-	-	- 1
Disclosing identity of persons being investigated						
S.30(1) Cap.201	-	1	-	-	1	- -
Offence connected with or facilitated by corruption offences						
S.10(2)(a) Cap.204 [#]	8	7	-	22	37	29 82
Resisting ICAC officers						
S.13A Cap.204	-	-	-	2	2	- -
Giving false reports						
S.13B Cap.204	-	-	-	18	18	11 8
Impersonation						
S.13C Cap.204	-	-	-	2	2	- -
Offences listed in						
S.10(5) Cap.204	29	33	1	34	97	58 58
GRAND TOTAL	88	88	3	105	284	181 272

* These are cases in which private individuals were charged for their dealings with Crown/Public Servants.

+ As defined in the Prevention of Bribery Ordinance.

^φ Cap.201 is the Prevention of Bribery Ordinance.

[#] Cap.204 is the ICAC Ordinance.

CORRUPTION AND RELATED OFFENCES PROSECUTED
(CLASSIFIED BY GOVERNMENT DEPARTMENTS AND OTHERS)

Government Departments	1979					1978	1977
	Pending	Convicted	Acquitted	Nolle Prosequi	Total	Total	Total
Agriculture & Fisheries	-	-	-	-	-	-	1
Education	1	-	-	-	1	-	-
Fire Services	-	1	-	-	1	1	6
Government Secretariat	-	-	-	-	-	-	1
Government Supplies	-	-	-	-	-	1	-
Housing	1	-	1	-	2	1	-
Immigration	-	5	-	-	5	1	-
Legal Aid	-	-	-	-	-	-	1
Medical & Health	-	-	-	-	-	-	1
New Territories Administration	1	-	-	1	2	-	1
Post Office	-	2	-	-	2	4	-
Prisons	-	2	1	-	3	7	2
Public Works	-	11	1	-	12	-	6
Rating & Valuation	1	-	-	-	1	-	-
Royal Hong Kong Police Force	17	17	10	-	44	62	126
Social Welfare	-	1	-	-	1	-	2
Television & Entertainment Licensing Authority	-	1	-	-	1	-	-
Trade, Industry & Customs							
Trade & Industry	6	1	-	-	7	-	-
Customs & Excise Service	-	1	-	-	1	3	1
Transport	-	1	-	-	1	-	-
Urban Services	1	3	-	-	4	2	11
Others							
Judiciary	-	-	-	-	-	-	1
Private Individuals/ Crown Servants*	16	47	20	2	85	44	69
Public Bodies+	1	2	-	-	3	4	3
Private Individuals/ Public Bodies*	1	2	-	-	3	1	3
Private Sector	33	58	14	-	105	50	37
GRAND TOTAL	79	155 ϕ	47#	3	284	181	272

* These are cases in which private individuals were charged for their dealings with Crown/Public Servants.

+ As defined in the Prevention of Bribery Ordinance.

ϕ In 1979 there were three cases where charges were proved but no convictions were recorded: two in the Royal Hong Kong Police Force and one in the Urban Services Department. Similarly in 1978 there were three such cases: one in the Post Office and two in the private sector; and in 1977, there were five such cases: one in the Royal Hong Kong Police Force, one in the Social Welfare Department and three in the private sector.

This figure includes six persons with no case to answer, three persons whose cases were dismissed and seven persons where no evidence was offered by the Crown.

CASES REFERRED TO GOVERNMENT DEPARTMENTS AND OTHERS
FOR DISCIPLINARY OR ADMINISTRATIVE ACTION

	1979							1978	1977		
	No. of Persons Involved										
	Disciplinary Action Taken										
	Dismissal/ Termination	Compulsory retirement	Reprimanded	Admonished/ Warned	Pension cancelled/reduced*	Others	No Disciplinary Action Taken	Outstanding	Total	Total	Total
<u>Government Departments</u>											
Agriculture & Fisheries	-	-	-	-	-	-	-	-	-	1	1
Education	-	-	1	-	-	-	-	-	1	-	-
Fire Services	-	-	-	-	-	-	-	-	-	56	-
Government Supplies	-	-	-	-	-	-	1	-	1	-	-
Housing	-	-	-	-	-	-	-	-	-	-	2
Immigration	-	-	-	-	-	-	-	1	1	1	2
Inland Revenue	-	-	-	-	-	-	-	-	-	-	1
Labour	-	-	-	-	-	-	-	-	-	-	105
Marine	-	-	-	-	-	-	-	-	-	-	23
Medical & Health	-	-	-	-	-	-	1	-	1	1	1
New Territories Administration	-	-	1	1	-	-	1	2	5	7	2
Post Office	-	-	-	-	-	-	-	-	-	1	-
Prisons	1	-	-	-	-	1	3	1	6	-	1
Public Works	-	-	1	-	-	-	-	-	1	-	14
Royal Hong Kong Police Force	2	-	3	8	-	4	12	14	43	301	103
Social Welfare	-	-	-	-	-	-	-	1	1	-	-
Television Entertainment & Licensing Authority	-	-	-	-	-	-	-	1	1	-	-
Trade, Industry & Customs	-	-	-	-	-	-	-	1	1	2	-
Urban Service	-	-	-	2	-	1	2	6	11	16	5
<u>Others</u>											
Judiciary	-	-	-	-	-	-	-	-	-	2	5
GRAND TOTAL	3	-	6	11	-	6	20	27	73	388 ⁺	265

* This category only applies to persons in retirement.

+ In addition, the attention of department heads was drawn to the conduct of 33 of their subordinates.

REPORTS FORWARDED TO CLIENT ORGANISATIONS
BY CORRUPTION PREVENTION DEPARTMENT IN 1979

I. Government Departments

Government Secretariat

Management of detention centres occupied by illegal
immigrants from Vietnam

Management of the Kai Tak Detention Centre
(the camp) opened for the sudden influx of Vietnamese
refugees.

Control of building development density in New
Territories

Examination of the practices and procedures for
restricting private development density in the New
Territories.

Agriculture & Fisheries

Administration of works contracts

Practices followed by the Engineering Division
in administering works contracts from the time a
decision is made to call for tenders to the time that
the work has been completed, maintained and the final
account settled.

Control of development in Country Parks

Policy and procedures relating to the designation
of Country Parks.

Enforcement of licence conditions for preservation of
endangered species

Procedures for issuing licences to import, export
and possess endangered animals and animal parts, and
the enforcement of licence conditions in preventing
illegal trade in endangered species.

Control of sale of animals and birds

Practices and procedures in the issue and renewal
of licences to animal traders, the enforcement of
licence conditions and the detection of illegal trading.

Education

The work of the Recreation and Sport Service

Systems and procedures of the Recreation & Sport Service in organising and conducting recreational and sporting activities and the procedures used for inviting and selecting applicants for participation.

Promotion of government school teachers

Policy, procedures and system of staff assessment in the promotion of government school teachers.

Fire Services

Issue of Director of Fire Services' Certificates prior to occupation of new private buildings

Practices and procedures of the Fire Prevention Bureau.

Housing

Allocation and management of car parks and roads in public housing estates

Management and control of roads and car parking in public housing estates, including control of entry of vehicles to restricted roads, allocation of parking places, and operation of car parks.

Allocation and management of flatted factories

Allocation of factory units and management procedures of Housing Department's ten flatted factory estates.

Immigration

Grant of extension of stay to visitors

Practices and procedures for granting extension of stay to persons permitted to land in Hong Kong as visitors, without corresponding change of visitor status.

Immigration (Cont'd)

Procedures adopted by the Chinese Visitors Office in processing legal immigrants from China

Practices and procedures for granting extension of stay to legal immigrants from China.

Immigration procedures for former Vietnamese residents illegally entering Hong Kong by sea

Documentation and procedures followed by officers of the Special Duties Section in processing illegal Vietnamese entering Hong Kong by sea.

Information Services

Letting and administration of film-making contracts

Procedures for letting and administering government contracts for film-making.

Inland Revenue

Business Registration Office - business registration procedures

Practices and procedures of the Business Registration Office for handling business registration.

Reservoir and Review & Temporary Files Sections - assessment of profits tax

Procedures for recording, processing and reviewing information for the purpose of assessing liability to profits tax.

Profits Tax Sections - assessment of profits tax

Working procedures for assessment of profits tax, physical checks of tax files, issue of profits tax returns and follow-up action.

Kowloon-Canton Railway

Leasing & administration of railway land

Practices and procedures of Kowloon-Canton Railway for the control and management of railway land not required for immediate use.

Kowloon-Canton Railway (Cont'd)

Letting of contracts and licences for use of railway facilities and premises

Practices and procedures for letting of contracts and licences for use of railway premises, properties and other facilities.

Labour

Work of the Factory Inspectorate

Work of the Factory Inspectorate in inspection and registration of factories.

Marine

Issue of local certificates of competency

Practices and procedures for the issue of local certificates of competency.

Allocation and control of private mooring spaces

Practices followed by the Marine Department for the allocation and control of private mooring spaces.

Medical & Health

Control of pharmaceuticals & anti-biotics

Control of the import, manufacture, distribution and sale of pharmaceutical substances, poisons, and anti-biotics listed in the schedules to the Pharmacy & Poisons Ordinance and the Anti-biotics Ordinance.

Control and administration of the School Medical Services

Operation of the school medical scheme under the administration of the School Medical Services Board.

Allocation and control of spending of government funds by subvented medical organisations

Procedures for allocating government funds to hospitals, clinics etc., and for controlling their expenditure of these funds.

New Territories Administration

Land development

Examination of land development, the types of plans prepared, the policy and planning committees involved.

Issue of Certificates of Compliance in the New Territories

Practices and procedures for issuing certificates of compliance for building development purposes.

Enforcement of user conditions in non-industrial buildings

System and procedures for implementing the Lease Enforcement Policy.

New Territories exempted houses

Policy, practices and procedures concerning the administrative controls over exempted houses.

Post Office

Supervision on the duties of Delivery Postmen

Duties and responsibilities of Delivery Postmen and the systems in operation for their supervision and control.

Supervision of the duties of Post Office counter staff

Work of the Postal Services Division in providing counter services in post offices and supervision of officers providing those services.

Allocation and management of Post Office boxes

Examination of the work of the Post Office Boxes Section of the Post Office's Accounts Division, involving the allocation and management of all Post Office boxes.

Public Works

Approval and testing of water supply fittings

Examination of the practices and procedures of the Water Supplies Department for testing and approving of fittings.

Public Works (Cont'd)

Buildings Ordinance Office - issue of occupation permits

Practices and procedures in the Buildings Ordinance Office leading to the issue of occupation permits for new buildings.

Control of quarries and stone crushing plants

The control exercised by government over quarries and stone crushing plants and the specific responsibilities, practices and procedures of the Quarries Section of the Materials Division of the Geotechnical Control Office in this aspect.

Crown Lands & Survey Office - issue of short term tenancies in the urban areas

Policies and procedures for short term tenancies issued in the urban area both under the recently introduced Abbreviated Tender System and on application.

Survey of duties and functions of the Geotechnical Control Organisation

Survey of the Organisation's work involving practices and procedures.

Registrar General

Company names clearance procedures in Companies Registry

Practices and procedures of the Companies Registry of the Registrar General's Department for the clearance and reservation of company names.

Royal Hong Kong Police

Practices and procedures of Royal Hong Kong Police - traffic enforcement and control

Practices and procedures of the Royal Hong Kong Police in enforcing traffic laws and in controlling and regulating the flow of traffic.

Social Welfare

Enforcement of Child Care Centres Ordinance

Procedures for registration of child care centres and child care centre supervisors and workers and the enforcement of the Child Care Centres Ordinance and Regulations.

Trade, Industry & Customs

Certification of H.K. exports

Practices and procedures for the issue of certificates for Hong Kong exports.

Government Authorised Certification Organisations - Non-Government certification of Hong Kong exports

Certification of Hong Kong exports by the five non-Government organisations authorised by Government to issue certificates of origin.

Customs & Excise Service, Harbour Division - procedures for the clearance of vessels

Operations and procedures in the searching of ships and the examination of imported cargo.

Issue and enforcement - liquor dealers' and retailers' licences

Law, policy, practices and procedures of the Customs and Excise Service in the issue and enforcement of conditions of liquor dealers' and retailers' licences permitting sale of liquor for consumption off licensed premises.

Customs and Excise Service, Excise Division - procedures for the assessment of duty, refund of duty, and drawback

Practices and procedures for assessing duty, refund of duty and drawback on goods covered by the Dutiable Commodities Ordinance.

Urban Services

Licensed cooked food stalls - policy and procedures for enforcement of licence conditions

Policy of the Urban Council relating to licensed cooked food stalls, and procedures of the Urban Services Department and the New Territories Services Department for the enforcement of licence conditions.

Urban Services (Cont'd)

Procedures for places of amusement licensing, places of public entertainment licensing and liquor licensing

Procedures for issue and renewal of licences and enforcement of licensing conditions for places of amusement, places of public entertainment and liquor licences in the urban area, for which Urban Council is the licensing authority.

Refuse collection, street washing and street sweeping

Examination of cleansing activities including special cleansing service, street washing, street sweeping, refuse and junk collection, and problem of trade refuse.

Seizure and disposal of articles seized from hawkers

Procedures relating to the seizure of hawker equipment and goods for sale, their storage, return of these articles to hawkers, and the disposal of non-returnable and unclaimed articles.

Operation of the Hung Hom Public Funeral Hall

Operational procedures of the Hung Hom Public Funeral Hall in providing low cost funerals for the public.

Direct local purchase of plants and shrubs

Practices and procedures for the control and management of direct local purchase of plants and shrubs and certain trees for the Urban Council's new projects and landscape schemes in the urban areas.

Work of the Projects Section

The work of the Projects Section, the administration of the Urban Council's Chinese Orchestra and Repertory Theatre and the production of concerts and dramas.

Cultural Services Division - organisation of festivals

Procedures for the organisation of Urban Council's cultural and entertainment presentations.

Payment of public cultural and entertainment activities

Payment arrangements for public cultural and entertainment activities organised by the Urban Council and payments for artists fees and other expenditure associated with the organisation of the functions and performances.

Urban Services (Cont'd)

Corruption prevention review and profile

An overall review of urban services activities in the light of existing and completed corruption prevention studies, with a view to a systematic approach to further studies in the Urban Services Department.

II. Public Bodies

Fish Marketing Organisation

Accounting procedures in wholesale fish markets

System and procedures of accounting in the sale of fish between fishermen and wholesalers.

Hong Kong Export Credit Insurance Corporation

The work of the Underwriting Division

Practices and procedures of the Policy Underwriting Section of the Underwriting Division.

Royal Hong Kong Jockey Club

Recruitment, training, deployment and supervision of on-course and off-course payout staff

Systems and procedures for recruitment, training, deployment and supervision of payout staff working at race-courses and off-course betting centres.

STUDIES BEING CONDUCTED BY
CORRUPTION PREVENTION DEPARTMENT
AS AT 31ST DECEMBER 1979

I. Government Departments

Fire Services

Fire Prevention Bureau - registration of fire services
installation contractors

Practices and procedures for registration of fire services installation contractors under the provisions of the Fire Services Ordinance.

Government Secretariat

Civil Service disciplinary procedures

Disciplinary procedures and attitudes towards discipline in the Civil Service.

Finance Branch - review of subsidiary tender board
procedures

Procedures of the subsidiary tender boards appointed under Stores Regulation 226 for processing tenders.

Immigration

Issue of certificates of identity

Practices and procedures followed by the Immigration Department for the issue of certificates of identity.

Labour

Inspection of building and engineering sites

The work of the Factory Inspectorate in enforcing the safety regulations for the promotion of safety in construction industry.

Marine

Enforcement and control activities of the Cargo Handling Section

Practices and procedures for the control of vessels and vehicles using the cargo handling areas administered by the Marine Department

Post Office

Postal Operations Division - approval and allocation of overtime duty to Postmen and Postal Officers

System of assessing and approving overtime, and the existing method of allocation to Postal Officers, Delivery Postmen and Postmen Drivers.

Prisons

After-care Service

Counselling and rehabilitative work undertaken by After-care Officers, concentrating on the casework relationship between them and their supervisees.

Public Works

Enforcement of conditions of short term tenancies in the urban area

Practices and procedures for the enforcement of tenancy conditions by staff of the Crown Lands and Survey Office.

Buildings Ordinance Office - issue of closure orders

Issue of closure orders in respect of buildings which are dangerous or liable to become dangerous.

Highways Office - administration of maintenance contracts for (a) trench reinstatement and (b) maintenance of roads and footpaths

Examination of the way in which Highways Office regulates the digging of excavations in roads and footpaths, reinstatement and general repairs and maintenance.

Royal Hong Kong Police

Death enquiry procedures

Police enquiries into sudden and unnatural deaths, excluding CID and traffic accident investigations.

Urban Services

Allocation and management of public markets in urban areas

Management of public markets in urban areas including allocation procedures.

II. Public Bodies

China Motor Bus Co. Ltd.

Purchasing procedures

Procedures involved in purchasing materials from suppliers and awarding services to contractors.

Kowloon Motor Bus Co. Ltd.

Administration of bus drivers

System of recruitment, training, deployment and supervision of KMB drivers.

MONITORING STUDIES COMPLETED BY
CORRUPTION PREVENTION DEPARTMENT IN 1979

I. Government Departments

Government Secretariat

Opportunities for corruption in the Government
Quartering Office

Procedures for allocating suitable accommodation to eligible government officers.

Government Supplies

Direct local purchase arrangements for minor and non-
standard stores not exceeding \$250 in value

Procedures relating to the direct purchase by government departments of minor and non-standard items not exceeding \$250 in value.

Housing

Claims, liquidated damages and disputes arising from
capital works contracts

Procedures for dealing with claims, disputes and liquidated damages resulting from capital works contracts let by the Housing Authority.

Minor routine building repairs in public housing estates

Procedures for carrying out day-to-day maintenance works in public housing estates.

Legal Aid

Assignment of legal aid cases to private practitioners

System of assignment (allocation) of legal aid cases to lawyers in private practice.

Legal Aid (Cont'd)

Payment of damages, compensation and maintenance to legally aided persons

Payment to legally aided persons of monies due to them arising from damages, compensation and maintenance.

Eligibility for legal aid

Procedures of the Legal Aid Department in determining the eligibility of an applicant for legal aid.

Medical & Health

Unregistrable doctors - licensing procedures

Scheme for the licensing of doctors who are previously ineligible for registration in Hong Kong.

Government clinics - Outpatients Department

Procedures for queueing, registration and payment of consultation fee in government clinics.

New Territories Administration

Compensation for graves and urns in the New Territories

Policy and practices regarding payment of ex-gratia compensation for the removal of graves and urns from Crown land in the New Territories.

Procedures relating to special acquisition areas in the New Territories

Principles underlying the scheme for the designation of special acquisition areas and associated land exchanges and its management.

Local public works in the New Territories

Administration and financial control of local public works projects in the New Territories.

Public Works

Water Supplies Department - Application for water supply and installation of water meters

Practices and procedures relating to applications for water supply and the installation of water meters.

Illegal interference with water meters and water supplies

Procedures during which illegal interference with water meters and water supplies can be identified. These include routine meter reading and reporting, replacement and repair of faulty meters, and waste detection procedures.

Assignment of government vehicles for repair and maintenance

Tendering and administration of contracts for body repairing, repainting and engine overhauling of government vehicles.

Administration of cleaning contracts by Architectural Office

Letting and administration of cleaning contracts for government premises by the Architectural Office, as well as the part played by user departments in the day-to-day supervision of the service.

Registrar General

Lease Enforcement Unit

Policy and procedures of the Lease Enforcement Unit relating to factories in non-industrial buildings.

Social Welfare

Field Unit procedures of the Public Assistance and Disability and Infirmity Allowance Schemes

Procedures in the Field Units of the Social Security Division for dealing with applications for Public Assistance and Disability and Infirmity Allowance.

Television & Entertainment Licensing Authority

Entertainment licensing procedures

Practices and procedures adopted by the Television & Entertainment Licensing Authority in relation to the issue and renewal of entertainment licences and permits.

Trade, Industry and Customs

Operation of the Customs & Excise Service at Kai Tak Passenger Terminal

Practices and procedures of the Customs & Excise Service at the Kai Tak Passenger Terminal, including the collection and protection of revenue on dutiable commodities, and the prevention of illicit trafficking in narcotics, etc.

Operation of the Customs & Excise Service at Kai Tak Airport Air Cargo Terminal

Work of the Customs & Excise Service at the Air Cargo Terminal, including the collection of duty on dutiable commodities, anti-narcotics and anti-smuggling operations and other duties.

Transport

Procedures relating to the issue of driving licences

Examination of the drivers licensing procedures from the lodging of the initial application, issue of provisional licence, appointments for written and practical tests, conduct of tests, advice of results and issue of a licence.

Urban Services

Licensing and inspection of restaurants in the urban area

- (a) The enforcement of licence conditions for restaurants in the urban area;
- (b) the licensing of restaurants in the urban area;
- (c) the discovery of unlicensed restaurants and subsequent action.

Urban Services (Cont'd)

Food businesses in the New Territories

- (a) The licensing of food businesses in the New Territories;
- (b) the enforcement of licence conditions for food businesses in the New Territories;
- (c) the discovery of unlicensed food businesses and subsequent action in the New Territories.

Letting and operation of contracts for the supply of topsoil and turfing, cutting of undergrowth, repair of playground equipment and the supply and planting of trees

Procedures in the Recreation and Amenities Section for letting contracts for turfing and the supply of topsoil, the supply and planting of trees, undergrowth cutting and repair and replacement of playground equipments.

Allocation of hard-surfaced tennis courts

Procedures for the allocation of hard-surfaced tennis courts, for the use of which a fee is charged.

Allocation of hard-surfaced football pitches

Procedures for booking and control of hard-surfaced football pitches in Victoria Park only.

Cultural Services Division - acquisition of museum material

Procedures for acquiring materials both locally and from overseas for both the Museum of Art and the Museum of History.

Management of Wo Hop Shek Cemetery

Burial and exhumation procedures in the Wo Hop Shek Cemetery.

Urban Council

Urban Council Elections 1979

Measures adopted during Urban Council Elections to ensure that the Corrupt and Illegal Practices Ordinance is enforced.

SUB-COMMITTEES OF
CITIZENS ADVISORY COMMITTEE ON COMMUNITY RELATIONS
TERMS OF REFERENCE AND MEMBERSHIP

A. Mass Media Sub-Committee (set up in June 1975)

<u>Terms of Reference</u>	<u>Membership</u>
(1) To call for reports from the Media Programme and Press Information Offices of the Community Relations Department.	Mr. Andrew K.N. LI (Convenor) Mrs. LEE LO Yuk-sim, J.P. Mr. PONG Ding-yuen, O.B.E.
(2) To advise the Main Committee on the means to foster public support in combatting corruption through the various forms of mass communication.	Mr. Michael STEVENSON Mr. TSIM Tak-lung Mr. HUI Koon-man Mr. LO King-man, J.P. Miss Annie WU
(3) To monitor public and media reaction to the mass media programmes of the department.)) (by co-option)))

B. Public Education Sub-Committee (set up in June 1975)

<u>Terms of Reference</u>	<u>Membership</u>
(1) To call for reports from the Public Education Office of the Community Relations Department.	Dr. Daniel C.W. TSE, J.P. (Convenor) Dr. David FAURE Mr. SO Cherk-ming, J.P.
(2) To advise the Main Committee on how to put across the anti-corruption message through curriculum development and group training especially in institutions.	Mr. YEUNG Po-kwan Miss Stella CHAN Mr. LO King-man, J.P. Director of Education (or his representative)
(3) To monitor community and media response to the public education activities of the department.))) (by co-option)))

C. Community Liaison Sub-Committee (set up in November 1975)

Terms of Reference

- (1) To call for reports from the Community Liaison unit and the Regional Liaison unit of the Community Relations Department.
- (2) To advise the Main Committee on the means to foster public support in combatting corruption through liaison work at all levels.
- (3) To monitor public response to the work of the Community Liaison and Regional Liaison units.

Membership

Mrs. KWAN KO Siu-wah, O.B.E., J.P. (Convenor)
 Mrs. LEE LO Yuk-sim, J.P.
 Mr. PONG Ding-yuen, O.B.E.
 The Hon. Andrew SO Kwok-wing
 Mr. Michael STEVENSON
 Mrs. WONG LEUNG Chiu-ping
 Secretary for the New Territories
 Mr. Vincent KO (by co-option)

D. Community Research Sub-Committee (set up in November 1977)

Terms of Reference

- (1) To monitor the work and the development of the Community Research unit of the Community Relations Department.
- (2) To advise the Main Committee on the means to evaluate and monitor community perception of and attitudes towards corruption in general and to reflect and assess public reactions and response to the Commission's efforts in particular.
- (3) To monitor public and media reaction to the Community Research activities of the department.

Membership

Dr. Ambrose Y.C. KING (Convenor)
 Dr. David FAURE
 Dr. HWANG King-hung
 Mr. Stephen K.C. CHEONG
 Dr. Daniel C.W. TSE, J.P.
 Dr. Fanny CHEUNG)
 Director of Home Affairs)
 (or his representative)) (by co-option)
 Commissioner for Census &)
 Statistics Department)
 (or his representative))

COMMUNITY RELATIONS DEPARTMENT
LIAISON FUNCTIONS

<u>Type of Organisations/Institutions</u>	<u>Liaison Functions*</u>		
	<u>1979</u>	<u>1978</u>	<u>1977</u>
Adult Education Centres/Institutes	451	67	73
Post Secondary Colleges/Universities	98	111	102
(Primary	1,395	1,311	1,729
Schools (
(Secondary/Technical and	1,214	1,171	
(Vocational			
Clansmen/District/Kaifong Associations	147	117	136
Area/District/Rural Committees/Villages	218	121	106
MACs/Owners' Incorporations	696	619	512
Religious Organisations	212	273	222
Charitable/Welfare/Voluntary Agencies	475	401	373
Youth Groups	498	411	365
Factories/Offices/Shops	1,734	1,023	646
Professional/Trade Associations	80	123	167
Government Departments (including staff associations)	1,304	795	588
Public Bodies ⁺	231	72	54
Hospital/Clinics	61	74	28
Others	209	459	293
GRAND TOTAL	9,023 =====	7,148 =====	5,394 =====

* These figures include liaison activities previously categorized as meetings as well as activities previously categorized as visits.

+ As defined in the Prevention of Bribery Ordinance.

ACTIVITIES UNDERTAKEN BY ICAC LOCAL OFFICES

<u>Liaison</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>
Liaison Functions*	8,321	6,470	4,904
Special Activities			
Exhibitions	71	44	31
Door-to-door visits	2,192	1,998	1,575
Competitions	91	18	24
Camps	15	1	1
Related Meetings	1,131	441	277
Others ⁺	66	20	-
 <u>Referral</u>			
Reports for ICAC consideration	334	289	368
Non-anonymous	226	192	240
Anonymous	108	97	128
Reports not for ICAC consideration	1,679	1,622	1,531
Enquiries	2,220	1,592	1,504

* These figures include liaison activities previously categorized as meetings as well as activities previously categorized as visits.

+ This figure includes games-stalls, fun-fairs and variety shows.

CONTINUED

1 OF 2

A SAMPLING OF SPECIAL ACTIVITIES
ORGANISED BY THE ICAC LOCAL OFFICES IN 1979

The Mount Davis Programme

A joint programme with Mt. Davis Kaifong Welfare Association and Chung Sing Benevolent Society to enhance residents' understanding of anti-corruption work and to promote civic awareness.

Tai Hing Estate Programme

An estate-bound one week programme aimed at publicising the work of ICAC to residents who have moved into this new estate.

Southern District Inhabitants' Night

A programme aimed at reaching residents of Wong Chuk Hang Estate in connection with the opening of Wong Chuk Hang Sub-office.

Promotion of Probity Activities in Un Chau/Cheung Sha Wan Estate and Li Chèng Uk/So Uk Estate

A series of activities including poster design, calligraphy and colouring competitions culminating to a carnival with game stalls, drama and an ICAC exhibition together with winning entries from the competitions.

Seminar for Management Staff of Commercial Firms in Wanchai District

Visits to commercial firms in Wanchai. Tea sessions were held with the management. Activities with white collar workers were arranged as response of the management was good.

Workers Camps

A series of camps organised by various local offices to instil amongst working youths, knowledge about anti-corruption work and evils of corruption.

YWCA Ann Black Centre Liaison Programme

A joint programme with YWCA Ann Black Centre with two training courses for volunteers to develop skills in organising community activities and in spreading ICAC messages.

Youth Education Programme

A summer programme to provide indepth knowledge of evils of corruption for youths in Kwai Chung.

Wanchai District Joint Secondary School Drama Performance

A programme aimed at inculcating a sense of integrity and civic awareness among senior form students through script writing and drama performance.

Students Camps

A total of five camps organised for over 300 students to prepare them to assist in ICAC activities.

Civic Responsibility Training Programmes

Training sessions on civic responsibility for students of Mun Sang College, St. Mary's Church Secondary School and La Salle Secondary School (New Territories).

1979 Tuen Mun District Good Children Programme

A programme participated by all primary schools in Tuen Mun in a series of activities like choral singing, drawing, essay writing, slogan and story telling.

Probity Fortnight in Mui Wo Primary School

A programme aimed at involving teachers in inculcating honesty and integrity to students.

Games Design Competition & Games Day Programme

A joint inter-school programme with the New Territories North District School Sports Association and the Recreation & Sport Service to promote integrity through games.

Probity and Recreation Programme

A joint programme with Wanchai Adult Education and Recreation Centre to introduce ICAC messages to those studying there and also the surrounding residents by inviting them to the exhibition-cum-variety show evening.

O Pui Shan Boys' Home Programme

A pilot programme aimed at spreading ICAC messages to juvenile delinquents of the Boys' Home.

Taxi Drivers Liaison Experiment

A pilot programme to help taxi drivers gain an understanding of anti-bribery laws and the work of ICAC local offices.

Liaison with Chinese Immigrants in the Victoria Barracks

An educational programme aimed at reaching legal and illegal immigrants from China.

Lam Tin Estate Housewives Involvements Programme

A programme aimed at preparing housewives in selected estate blocks to serve as ICAC "multipliers".

Liaison with Methadone Maintenance Centre in Western District

A programme to reach drug addicts to help them know of the services of the ICAC.

Heung Che Street Hawker Programme

A series of door-to-door visits to hawker stalls, followed by a tea session and an exhibition, to introduce the work of the Sub-office.

Special Programme for Island District Rural Committee Members

A series of visits to Operations Department to facilitate the visitors a good understanding of anti-corruption work in Hong Kong.

"Probity Night" with the Hong Kong Society for the Deaf

A programme intended to spread probity and anti-corruption messages to deaf members of the Society.

END