

LCQ20: Combating crimes involving deliberately staged traffic accidents

Following is a question by the Hon Frankie Yick and a written reply by the Acting Secretary for Security, Mr Michael Cheuk, in the Legislative Council today (May 24):

Question:

Some commercial vehicle organisations have complained that in recent years, an increasing number of lawbreakers have deliberately staged traffic accidents (such as running off the road and pretending to be knocked down by vehicles, and intentionally slamming into vehicles) during night time to claim compensation from the motorists concerned, and some of the motorists can only give in to settle the matter and avoid troubles. Furthermore, some of these lawbreakers have even, by falsely claiming to have been injured in the accidents concerned, been given sick leave certificates issued by registered doctors, so that they can apply for the Traffic Accident Victims Assistance Scheme under the Social Welfare Department or even make fraudulent insurance claims. These lawbreakers have not only abused the use of public money and social resources, but also led to an incessant surge in the premiums of relevant insurance. In this connection, will the Government inform this Council:

- (1) whether it has compiled statistics on the number of reports and requests for assistance received by the authorities in the past three years regarding suspected frauds in relation to deliberately staged traffic accidents, and of the related number of prosecutions instituted and the penalties imposed on those convicted;
- (2) of the measures in place to assist motorists in avoiding incurring pecuniary losses arising from encountering the aforesaid frauds; and
- (3) whether the Police will set up a dedicated department to follow up on cases involving the aforesaid frauds, so as to stop such undesirable trend from spreading?

Reply:

President,

In consultation with the Police and the Labour and Welfare Bureau, the reply to the Member's question is as follows:

- (1) Fraudulent acts involving deliberately created traffic accidents, depending on the actual circumstances of each case, may involve offences such as "theft", "fraud" or "obtaining property by deception" under the Theft Ordinance (Cap. 210), and/or the common law offence of "conspiracy to

defraud", with maximum penalties of imprisonment from 10 to 14 years.

The Police do not maintain statistical breakdown of suspected fraudulent acts involving deliberately created traffic accidents.

(2) and (3) Deception is a serious offence. The Police take any forms of deception case seriously. Regardless of how it is committed, as long as there are illegal activities involved, the Police adopt a zero tolerance policy and vigorously combat such crimes on all fronts. For suspected cases of fraud relating to traffic accidents, members of the public should seek assistance from the Police immediately. If the Police find any illegal acts, they will immediately take serious and proactive follow up actions, and send dedicated personnel to conduct criminal investigation.

The Police have been conducting professional investigation into insurance fraud by, among others, establishing a task force under the Commercial Crime Bureau to monitor emerging trends and conduct targeted investigation and analysis. Police districts will also send professionally trained criminal investigation units to investigate relevant fraud cases. The Police have also maintained close liaison with other government departments, the Insurance Authority and stakeholders (such as the Hong Kong Federation of Insurers), and have enhanced intelligence gathering for intelligence-led operations.

With regard to the Traffic Accident Victims Assistance Scheme mentioned in the question, the Social Welfare Department (SWD) has put in place a series of measures to guard against abuse and fraud. These measures include seeking written confirmation from the Police on whether traffic accident is involved for every application received, and explaining clearly to the applicants during the application process that obtaining assistance payment by deception is a criminal offence. The SWD also maintains close liaison with the Hospital Authority and the Department of Health to ensure that the injuries sustained by the applicants are related to the traffic accidents concerned. Suspected cases will be referred to the Police for investigation. Any person (including insurance companies) who possesses information about improper or illegal activities by any person in applying for assistance under the Scheme may lodge a report to the SWD or the Police.

The Police will continue to pay close attention to deception cases related to traffic accidents and monitor the trends of fraud.