



**Legislative Council of the
Hong Kong Special Administrative Region**

Finance Committee

**Report on the examination of the
Estimates of Expenditure 2020-2021**

July 2020

Finance Committee

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Chapter I : Introduction

1.1 At the Legislative Council meeting of 26 February 2020, the Financial Secretary of the Hong Kong Special Administrative Region Government introduced the Appropriation Bill 2020. Following the adjournment of the Bill at Second Reading and in accordance with Rule 71(11) of the Rules of Procedure, the President of the Legislative Council referred the Estimates of Expenditure to the Finance Committee for detailed examination before the Bill was further proceeded with in the Council.

1.2 The Finance Committee set up under Rule 71(1) of the Rules of Procedure comprises all Members of the Council except the President. The Committee held 21 sessions of special meetings over four days from 6 to 9 April 2020 to examine the Estimates of Expenditure. The purpose of these special meetings was to ensure that the Administration was seeking a provision no more than was necessary for the execution of the policies of the Government for 2020-2021.

1.3 To facilitate the smooth conduct of business, members of the Committee were invited to submit written questions on the Estimates of Expenditure using a web-based application system. A total of 6 722 written questions were received and forwarded to the Administration for replies. The Administration provided replies to the first 3 300 questions before the special meetings and replies to the remaining questions that were in order before the third Budget meeting of 29 April 2020. Members' questions and the Administration's replies have been uploaded onto the Council's website.

1.4 Each session of the special meetings from 6 to 9 April 2020 was dedicated to a specific policy area and attended by the respective Director of Bureau and Controlling Officer. The schedule of the 21 sessions is given in **Appendix I**. At the start of each session, the Director of Bureau/Controlling Officer concerned gave a brief presentation on the spending priorities and provisions sought under his/her programme areas. The Chairman then invited members to put questions to the Administration. The records of the proceedings of the 21 sessions are given in Chapters II to XXII. Supplementary questions and requests for further information from members were referred to the Administration for written replies after the meetings, while broad policy issues raised during the meetings were referred to

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the respective panels for follow up, where necessary.

1.5 A total of 140 supplementary questions and requests for additional information were referred to the Administration for reply after the special meetings. All the written replies to these questions were forwarded to members prior to the third Budget meeting on 29 April 2020. A summary of the number of the questions and additional requests for information is given in **Appendix II**.

1.6 The attendance of members and public officers at the special meetings is given in **Appendix III**. The speaking notes of Directors of Bureaux, the Secretary for Justice and the Judiciary Administrator at the special meetings are contained in **Appendix IV**.

1.7 This report, published in both Chinese and English, would be presented to the Legislative Council on 8 July 2020 in accordance with Paragraph 53 of the Finance Committee Procedure.

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2.1 At the invitation of the Deputy Chairman, Mr James LAU, Secretary for Financial Services and the Treasury ("SFST") briefed members on the main initiatives and expenditure relating to the policy area of financial services in 2020-2021 (Appendix IV-1).

Introduction of relief measures in response to the novel coronavirus epidemic

Capital requirements on banks

2.2 Mr Kenneth LEUNG cited the Financial Times that in face of the serious novel coronavirus epidemic, central banks of various countries had successively relaxed certain capital requirements on banks to release funding, so that banks could offer loans to enterprises in difficulty. He enquired whether the Hong Kong Monetary Authority ("HKMA") would implement similar measures, and whether it would consider relaxing the stipulation concerning the expected credit loss under the International Financial Report Standard 9.

2.3 Mr Jeffrey LAM welcomed the introduction of a series of measures by the Administration and HKMA within a short time to further relieve the cash flow pressure on enterprises. The measures included lowering the current level of banks' regulatory reserves by half to release over \$200 billion of lending capacity, and encouraging banks to allow their customers to further extend the repayment period of trade financing facilities and to waive the fines concerned, so that customers could manage their cash flow more flexibly. He opined that by extending the repayment period of trade financing facilities of small and medium enterprises ("SMEs"), banks could not only reduce their bad debts, but also avoid the risk of their credit ratings being downgraded due to the increase in bad debts. He urged HKMA to further call on banks of various sizes to allow their customers to further extend the repayment period of trade financing facilities.

2.4 Executive Director (External), Hong Kong Monetary Authority ("ED(E)/HKMA") advised that given the impact of the epidemic on Hong Kong's overall economy and following the reduction of the countercyclical capital buffer ("CCyB") from 2.5% to 2.0% last year, HKMA even reduced the CCyB ratio to 1.0% recently to allow

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banks to be more supportive to the domestic economy and to provide support for those enterprises and individuals that were under stress due to the impact arising from the novel coronavirus epidemic. Furthermore, HKMA also reduced the current level of banks' regulatory reserves by half recently to release capital to cater for future financing needs, and established with the banking industry the Banking Sector SME Lending Coordination Mechanism ("Lending Coordination Mechanism") to encourage banks to provide funding support for SMEs in Hong Kong, with a view to easing the enterprises' cash flow pressure. Regarding the relaxation of the stipulation under the International Financial Report Standard 9, ED(E)/HKMA advised that HKMA was aware of similar requests made by banks in other jurisdictions, HKMA would continue to keep track of the latest international development in this regard.

Principal moratoriums

2.5 Noting that to provide support for SMEs that were affected by the novel coronavirus epidemic, some banks had introduced principal moratoriums for eligible SME customers to relief their cash flow pressure, Ms Elizabeth QUAT urged HKMA to further liaise with the banks and issue a guideline to require them to offer principal moratoriums to eligible borrowers including enterprises and residential mortgages. Mr SHIU Ka-fai also expressed similar views and suggested that the banks should take the initiative to contact those eligible enterprises and residential mortgage borrowers to introduce to them the principal moratoriums. Mr WU Chi-wai was also in support of the introduction of principal moratoriums by the banks to relieve the cash flow pressure faced by SMEs.

2.6 Mr Holden CHOW was concerned that as the spread of the epidemic had given rise to the deterioration of the economic situation, banks might request for early repayments upon re-examining the borrowers' financial means and the condition of the property mortgages. He urged HKMA to encourage the banking industry to offer principal moratoriums to those customers with residential mortgages and avoid making requests for early repayments as far as possible.

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2.7 Ms Alice MAK pointed out that quite a number of individuals and enterprises operating commercial vehicles, particularly coaches, school buses and nanny vans, were affected by the epidemic and suffered from a significant decrease in income. She was of the view that the banks should also offer principal moratoriums to these types of commercial vehicles under mortgage in order to help the vehicle owners and the enterprises concerned to tide over the difficult times, and called on HKMA to pursue discussion with the relevant banks as soon as possible.

2.8 SFST advised that as stated in a recent press release issued by HKMA, the banking industry had given positive responses to a call of HKMA to introduce to SMEs and personal customers measures including the principal moratoriums for SMEs and residential mortgages, and loan tenor extensions for SMEs. Since the establishment of the Lending Coordination Mechanism, the banking industry had already approved nearly 9 000 applications for supportive measures such as principal moratoriums for SMEs, extensions of loan repayment schedules and relief loans, which were effective in relieving the cash flow pressure faced by the customers and alleviating the impacts of the epidemic on Hong Kong's economy. For personal customers, banks had also approved 2 800 applications for measures including principal moratoriums for residential mortgages and relief loans. Furthermore, he also advised that the Administration acknowledged the difficulties faced by the individuals and enterprises that operated commercial vehicles, and had requested HKMA to discuss with banks to offer principal moratoriums for commercial vehicle mortgages.

2.9 Mr James TO indicated that he had received requests for assistance, in which banks claimed that principal moratoriums would not be provided for borrowers granted with second mortgage loans unless consent from the providers of the second mortgages (usually developers) had been obtained. He was concerned that banks might use this as an excuse to reject the borrowers' applications. He sought follow-up actions from HKMA. ED(E)/HKMA advised that HKMA was not aware of such situation. HKMA undertook to liaise with the banking industry for further details for follow-up actions.

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SME Financing Guarantee Scheme

2.10 Mr Holden CHOW noted that in view of the novel coronavirus epidemic, a concessionary low-interest loan with 100% guarantee provided by the Government (i.e. Special 100% Guarantee Product) would be introduced under the SME Financing Guarantee Scheme managed by the HKMC Insurance Limited ("HKMCI"), with a view to helping the enterprises to tide over difficult times. The application period would last for six months from the launch of the product. He suggested that the application period should be extended to nine or 12 months, and the application periods for the 80% and 90% Guarantee Products should also be extended.

2.11 Pointing out that SMEs had strong expectations of the Special 100% Guarantee Products, Mr SHIU Ka-fai urged HKMA to call on the banks to accept applications expeditiously. Given that the maximum amount of loan under the Special 100% Guarantee Product was only \$2 million, while those for the 80% and 90% Guarantee Products were \$15 million and \$6 million respectively, which could better help SMEs to tide over the liquidity problem, he suggested that banks should relax the loan terms of these products.

2.12 Mr Tommy CHEUNG enquired about the time required for HKMCI to vet and approve the Special 100% Guarantee Product. He further requested the Administration to exempt SMEs from the requirement that in order to apply for the Special 100% Guarantee Product, personal guarantee would need to be provided by individual shareholder(s) or partners who directly or indirectly held more than 70% of the equity interest of the enterprise.

2.13 In response, SFST advised that as banks had to undertake part of the risks of the 80% and 90% Guarantee Products, their vetting and approval would be more stringent. To provide further assistance for all sectors to tide over this difficult time, the Administration introduced the Special 100% Guarantee Product, for which enterprises making applications were only required to produce brief documentary proof to be granted with the loans. For the vetting and approval of the Special 100% Guarantee Product, Senior Vice President (Operations), Hong Kong Mortgage Corporation Limited advised that it was expected that

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applications for the Special 100% Guarantee Product could commence in April 2020, while the application procedures would be simple and it was not necessary for banks to conduct detailed credit risk assessments on the enterprises concerned. Upon receiving all necessary documents from the banks, HKMCI would issue a response within three working days.

Other relief measures

2.14 Referring to the \$10,000 cash payout to Hong Kong permanent residents aged 18 or above and the expected commencement of registration in July 2020 as announced in the Budget, Ms Elizabeth QUAT enquired whether the Administration could allow advance registration and collection of such payout by the public, and whether the computer system and the registered information concerned could be retained for use by the authorities in rolling out similar measures in the future.

2.15 SFST pointed out that prior to the announcement of the Budget by the Financial Secretary, the bureaux concerned had already had discussions with the banking industry and the relevant stakeholders about the design of the computer system and the application process, with a view to facilitating the public's registration for the collection of such payout in July 2020 at the earliest. Given the provisions regarding the collection, holding, processing or use of personal data stipulated in the Personal Data (Privacy) Ordinance (Cap. 486), the Administration was exploring whether it was possible to seek the public's consent for retaining their personal data for use in similar measures rolled out in the future during their registration for the collection of the payout.

2.16 Mr Jeffrey LAM pointed out that as the property market was hit by the epidemic, there was a downward adjustment in the property prices, and many people in the commerce and industry sector had to cash out their properties to help relief their current financial difficulties. Hence, in his opinion, the Administration should promptly consider withdrawing the demand-side management measures, including the Special Stamp Duty, the Buyer's Stamp Duty and the doubled ad valorem stamp duty.

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2.17 SFST replied that while the epidemic had an impact on the property market, the overall decline in prices remained limited, in particular both the residential property prices and the housing affordability ratio were still high. As such, the Government was of the view that it was not the right time to withdraw the demand-side management measures. Nevertheless, under the broad directions of supporting enterprises and safeguarding jobs, the Administration would continue to explore more relief measures to support those industries that were hit by the epidemic.

2.18 Mr Jeffrey LAM considered that the application procedures for holding over of the whole or part of the provisional tax were complicated, the Administration should streamline such procedures as far as possible. Mr WU Chi-wai suggested that a six-month extension period should be provided for the taxpayers. SFST replied that those in need were encouraged to make an application to the Government for holding over of their tax payments, and the relevant application procedures had been streamlined as far as possible.

2.19 Mr Tommy CHEUNG pointed out that the various public health measures recently taken by the Government for the purpose of controlling the spread of the novel coronavirus, including the restrictions imposed upon the operation of businesses such as catering business premises and places of public entertainment, had hard hit the catering industry. He strongly requested that the rates, Government rents and rents of short term tenancies ("STTs") payable by the catering business premises for the second quarter of 2020 be waived without a cap imposed.

2.20 In response, SFST advised that as the Basic Law had stipulated the obligation to pay Government rent for the relevant land leases, the Administration was not able to provide any form of concession on Government rent. Regarding the rates, it was proposed in the Budget to waive rates for four quarters of 2020-2021, subject to a ceiling of \$1,500 per quarter for each domestic tenement. To provide additional support for enterprises amid the economic downturn, the ceiling of concession for each non-domestic tenement would be \$5,000 per quarter for the first two quarters, and \$1,500 per quarter for the following two quarters. Tenants of STTs had also been given a

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concession of 50% of the rents payable from October 2019 to September 2020.

Developing financial market and enhancing financial co-operation with the Mainland

2.21 Mr Kenneth LEUNG enquired about the specific strategies adopted for and their effectiveness in promoting the development of private wealth management and family offices.

2.22 SFST advised that the Administration had been in close liaison with the family offices in Hong Kong. A Family Office Symposium was also incorporated in the Asian Financial Forum held this year. Apart from awaiting the further study to be conducted by the Financial Services Development Council in this regard and its report thereof, the Administration was also exploring measures, including tax and other arrangements, so as to provide a more enabling environment for family offices to operate in Hong Kong.

2.23 Pointing out that the Government only focused on the financial cooperation with the Mainland in recent years, Mr WU Chi-wai opined that giving undue weight to the Mainland market might not be the most conducive to the long-term economic development of Hong Kong. He suggested that the Administration should take the initiative to contact the potential enterprises in the international arena, especially those in the field of healthcare and medical items, and invite them come to Hong Kong for fundraising, so as to help facilitate the diversified development of the financial market in Hong Kong.

2.24 In response, SFST advised that cooperation in various aspects (such as economic, trading and financial cooperation) between Hong Kong and the Mainland was effective, and there was room for further cooperation. Besides, the Administration also attached importance to developing Hong Kong into a more diversified and international listing platform, as well as reinforcing Hong Kong's position as an international financial centre. In this regard, Hong Kong Exchanges and Clearing Limited had commenced a review that aimed to address the regulatory challenges faced by overseas companies seeking listing in Hong Kong, with a view to attracting more overseas companies to

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list in Hong Kong.

2.25 Mr Christopher CHEUNG referred to a recent announcement of HSBC Holdings Plc in respect of the decision of withdrawing the dividend payments already announced. He considered that the withdrawal did not only upset the plans of many people who relied upon the dividends of HSBC Holdings Plc as their retirement income, but also caused investors to lose confidence in the securities market of Hong Kong, thereby damaging the image of Hong Kong as an international financial centre. He expressed the view that while the withdrawal was made by HSBC Holdings Plc in response to the request of the regulatory authority in the United Kingdom ("UK"), its Board had an obligation to stand up for the rights and interests of their investors. He enquired whether the Administration would invite the Securities and Futures Commission ("SFC") and HKMA to intervene and request that HSBC Holdings Plc's decision of withdrawing the dividends be withdrawn, or dividends be given in the form of new shares instead of cash. He also queried whether the local management of HSBC Holdings Plc had strived for dividend payments as announced for the Hong Kong investors from the regulatory authorities in the UK; if not, it was a dereliction of duty on their part and they should not be entitled to the directors fees and bonuses.

2.26 SFST advised that HSBC Holdings Plc was headquartered in London, and it was subject to regulation by the Bank of England and its Prudential Regulation Authority. HSBC Holdings Plc's decision of not making dividend payments was a commercial decision made by its Board having regard to the request of the regulatory authority in the UK, and such request was mainly due to the consideration of the need for banks in the UK to preserve their capital and liquidity. While the Administration understood that HSBC Holdings Plc's decision of withdrawing the dividend payments would impact on local investors, including individual and institutional investors as well as pension funds, it was of the view that it was inappropriate to comment on individual cases in the public. He added that SFC and HKMA had been maintaining dialogues and exchanging views with the relevant regulatory authorities of various countries on different regulatory matters and market situations.

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2.27 Mr Holden CHOW enquired whether the Administration had assessed if local listed enterprises would follow the decision of HSBC Holdings Plc by not making dividend payments. SFST replied that HKMA had indicated earlier on that banks would not be requested to stop making dividend payments. He was of the view that the dividend policies of various enterprises were their own commercial decisions having regard to different factors including the overall economic situation and their respective operating conditions.

Investment strategies of the Future Fund

2.28 Dr KWOK Ka-ki noted that while the Administration planned to establish a new Hong Kong Growth Portfolio ("HKGP") with an initial allocation of 10% from the Future Fund (i.e. about \$22 billion), the return of HKGP would only be disclosed five years after its establishment. He criticized that the practice of not requiring HKGP to disclose its return in the first five years after establishment lacked transparency. Dr KWOK also pointed out that some members of the Group of Experienced Leaders working on the investment strategies and portfolios of HKGP under the Future Fund were persons who had maintained close contact with the Chinese side, such as Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference and governing board members of the China-United States Exchange Foundation, while the allocation of HKGP could help the Mainland innovative firms to raise capital by ways such as establishing venture capital funds and new listings. He queried that the purpose of establishing HKGP was to raise capital for Mainland companies instead of preparing for the long-term needs of Hong Kong, and enquired about the parties to be held responsible for any investment loss of HKGP in future.

2.29 In response, SFST advised that the allocation of HKGP was used to make strategic investments in projects with a Hong Kong nexus. For instance, if a project would be undertaken by a Hong Kong-based company, or would take place in Hong Kong, or both, such project could be regarded as having a Hong Kong nexus, but merits and relevance of individual projects would also be considered. Given that investments in private equity were usually long-term investments that would take longer time to realize their return, it would be more

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appropriate to appraise the outcome of HKGP in the longer-term context. However, having regard to the fact that members of the public would regard the outcome of HKGP as one of the important criteria in appraising its effectiveness, the Government agreed that it should be responsible for making reasonable disclosure and decided to accept the Group's recommendations that the return of HKGP should be disclosed after five years of establishment. The Administration would be accountable for the overall gains and losses of HKGP's investments.

Deferred annuity and the Mandatory Provident Fund System

2.30 Pointing out that deferred annuity products were generally well-received, Ms Elizabeth QUAT enquired whether, apart from the annuity plan that served the purpose of a retirement planning tool for people near the retirement age, the Administration would recommend the industry introducing different annuity products to encourage the public to start making additional savings at a young age.

2.31 SFST replied that apart from those annuity products targeting at the post-retirement lives of mature persons, there were also annuity products available in the market that were suitable for purchase by people of all ages and served to accumulate savings and provide the annuitants with a stable stream of income over a period of time. Currently, any person of any age who had purchased qualifying deferred annuity products would be entitled to tax deduction.

2.32 Mr WU Chi-wai was of the view that the Administration should consider making contributions to the Mandatory Provident Fund ("MPF") schemes for both employers and employees in a prescribed period, or granting them a respite from making contributions, so that SMEs and members of the public would be able to retain cash to cope with pressure arising from the economic downturn. Mr SHIU Ka-fai shared the view that the Administration should make MPF contributions for both employers and employees or grant them a respite from making contributions for half a year.

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2.33 Mr James TO said that the Administration might not be able to provide appropriate support for self-employed persons, and suggested that these self-employed persons be permitted to withdraw part of their accrued benefits under MPF or use such accrued benefits under MPF as guarantees for loans to cope with the urgent financial need.

2.34 Ms Alice MAK opined that as the purpose of establishing the MPF system was to provide retirement benefits for employees, she was of the view that notwithstanding the current difficult time, both employers and employees should not be granted a respite from making contributions which would prejudice the retirement benefits of the employees. Instead, the Administration should assist those employers and employees who encountered difficulties financially or in liquidity with other supporting measures.

2.35 SFST advised that the Mandatory Provident Fund Schemes Ordinance (Cap. 485) did not empower the Administration to grant a respite to employers or employees from making MPF contributions, and there were stringent requirements for withdrawal of the accrued benefits, i.e. withdrawal could only take place under certain specified circumstances such as reaching the age of 65 and permanent departure from Hong Kong. To strengthen the support and protection for the grass-roots workforce, the Government had announced earlier on that upon the implementation of the eMPF Platform by the Mandatory Provident Fund Schemes Authority, it would pay the 5% contributions on behalf of low-income employees whose monthly income was less than \$7,100 and were exempted from making MPF contributions. The Administration would also continue to review the difficulties faced by employers, employees and self-employed persons, and introduce relief measures that suited their needs in a timely manner.

Regulation of money lenders and financial intermediaries

2.36 Ms Alice MAK was concerned that the Administration did not provide specific resources for the regulation of money lenders and financial intermediaries. She pointed out that the economy was severely hit by the ongoing epidemic, the number of members of the public who had to borrow money to make ends meet was on the rise

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and the number of complaints involving unscrupulous intermediaries also increased. She opined that the Administration should step up onsite inspections of, particularly surprise visits to, the money lenders and financial intermediaries, with a view to tackling money lending-related malpractices. In addition, Ms MAK suggested that the Administration should enhance public education and publicity to raise people's awareness of and alertness to money lending-related malpractices, such as providing additional resources for the two non-governmental organizations that had participated in the pilot programme launched by the Administration, so as to enhance their assistance/counseling service to people in financial distress.

2.37 SFST advised that the Money Lenders Section ("MLS") of the Companies Registry had been carrying out onsite inspections and surprise visits to tackle money lending-related malpractices. MLS would also arrange follow up inspections for rectification orders issued to ensure that the orders had been complied with. The Administration would continue to provide resources for the departments concerned to strengthen the regulation of money lenders and their financial intermediaries.

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3.1 At the invitation of the Deputy Chairman, Mr James LAU, Secretary for Financial Services and the Treasury ("SFST"), briefed members on the main initiatives and expenditure of the Treasury Branch of the Financial Services and the Treasury Bureau ("FSTB") and the relevant departments relating to the area of public finance in 2020-2021 (Appendix IV-2).

Implementation details of the cash payout scheme

3.2 Mr Michael TIEN pointed out that it was anticipated that the \$10,000 cash payout scheme proposed by the Administration could not be open for public registration until early July, and the cash would be disbursed during the summer vacation. In his view, the scheme was unable to ease the financial pressure on the public in a timely manner as its implementation was too slow. Given that the Administration had introduced a similar cash disbursement scheme in 2011 (i.e. "Scheme \$6,000"), both the Administration and the disbursing banks should have accumulated relevant experience and be able to reuse the developed computer systems for disbursing the cash to eligible citizens expeditiously. He enquired whether the Administration could undertake that if the Appropriation Bill could be passed in late April, it would commence registration for the scheme in a week, so that the cash could be disbursed to the public as early as possible.

3.3 Mr Charles Peter MOK noted that the Administration would incur administrative expenses of some \$1 billion in implementing the cash payout scheme, including setting up related computer systems. In his view, the Administration should develop reusable computer systems for application in similar cash payout schemes that might be introduced in the future, so as to shorten the relevant preparation time and reduce the administrative expenses. Moreover, as the use of stored value facilities ("SVFs") had become increasingly popular among the public, Mr MOK suggested that, in addition to banks, the Administration should consider disbursing cash through SVFs to enhance the disbursement efficiency.

3.4 Given that the administrative cost of implementing Scheme \$6,000 was about \$100 million and the Government had accumulated experience of implementing similar cash disbursement

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schemes, Dr KWOK Ka-ki queried why the administrative cost of implementing the forthcoming cash payout scheme would be as high as \$1 billion.

3.5 Pointing out that the Administration would use computer systems for implementing the cash payout scheme, Mr Kenneth LEUNG questioned why it would still need to recruit additional short-term contract staff to assist in implementing the scheme, and enquired about the specific responsibilities of such staff.

3.6 SFST responded that the Administration had already advanced the commencement of the scheme by two months, compared with the cash disbursement scheme implemented in 2011. As the computer systems used in 2011 were now out of date, the banks would need time to design and develop new systems. The Administration's current plan was to develop a computer system that could be used on a permanent basis. It was expected that the system could flexibly handle certain terms and conditions (including the eligibility criteria, disbursement methods, etc.) under similar cash payout schemes, so that if a similar scheme was to be implemented in the future, its efficiency could be enhanced. The Administration was willing to listen to the views of SVF companies regarding participation in similar schemes in the future. Besides, due to the constraints of the specific requirements for personal data collection during the implementation of Scheme \$6,000, the Administration could not reuse the personal data collected back then. Therefore, the Administration would need to allow time for members of the public to register, so that it could verify and confirm the eligibility of registered citizens and proceed to disburse the cash.

3.7 SFST added that the experience of implementing Scheme \$6,000 showed that while most applications could be handled smoothly, a small number of applicants failed to properly complete the application forms or did not open bank accounts, and thus the Administration needed to recruit additional staff to handle and verify such applications. The Administration would also invite other departments (such as Hongkong Post) to assist in handling and verifying applications from people opting to collect cheques. SFST advised that the administrative expenses of the cash payout scheme

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would include the expenditure on developing new computer systems and ancillary facilities, paying service fees to assisting agencies, conducting publicity and promotion, and contingency, etc. He explained that since the implementation of Scheme \$6,000, prices had risen and this had in turn pushed up administrative expenses. He emphasized that the administrative cost of \$1 billion was only the Government's current estimation, and the Administration would keep the actual expenses to a minimum.

3.8 Mr WU Chi-wai considered it unreasonable for the Administration to set the qualifying age for the cash payout scheme at 18 or above. He anticipated that the economic situation in Hong Kong would further deteriorate, and Hong Kong permanent residents aged below 18 and their families would face more financial pressure. Including these persons in the scope of the cash payout scheme would be in line with the scheme's purposes of "encouraging and boosting local consumption" and "relieving people's financial burden". He urged the Administration to consider expanding the coverage of the cash payout scheme to include Hong Kong permanent residents aged below 18.

3.9 SFST responded that the Administration would increase the Student Grant for each recipient from \$2,500 to \$3,500 through the Anti-epidemic Fund. This initiative could ease the financial pressure on families with dependent students. In addition, the Budget also contained relief measures targeted at low-income persons, including providing for eligible social security recipients an extra allowance equal to one month of the standard rate Comprehensive Social Security Assistance payments. Such measures would help alleviate the financial pressure on people who had to provide for students aged below 18.

The Government's mask procurement procedures and stock of masks

3.10 Ms Claudia MO pointed out that in its replies to questions, the Administration refused to provide information about the consumption, stock level and value of masks produced by the Correctional Services Department ("CSD") in the past three years (up to March 2020) on the

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ground of having to avoid affecting the Government's bargaining power in the procurement of masks from external sources, which was very far-fetched. She stressed that as the purchase of raw materials for the production of masks and the purchase of masks from CSD by the Government Logistics Department ("GLD") involved public funds, Members of the Legislative Council were entitled to raise relevant questions. Ms MO also enquired why some of the masks produced by CSD were available for sale on the private market.

3.11 Dr KWOK Ka-ki was concerned about the problem of masks produced by CSD being sold on the private market. He criticized the Administration for being unreasonable in claiming that disclosing the quantity of masks distributed by GLD to individual departments last year would affect the Government's bargaining power in the procurement of masks in the future.

3.12 Mr CHU Hoi-dick queried whether the reason why the Administration was unwilling to disclose the quantity of masks procured by it and the details of the distribution of masks to individual departments was that it wanted to avoid embarrassing those departments to which a large number of masks were distributed (such as the Hong Kong Police Force ("HKPF")).

3.13 Mr KWONG Chun-yu noted from the written reply of the Legislative Council Secretariat regarding its purchase of masks that the average unit price of the masks purchased by the Legislative Council Commission was about \$4.6. He asked whether this price was reasonable, compared with the prices of the masks procured by the Government. He also enquired when the Administration was going to disclose information on the production of masks by CSD and the distribution of masks by GLD.

3.14 SFST responded that before the outbreak of the Coronavirus Disease 2019 ("COVID-19") epidemic, apart from being distributed to different departments via GLD, the masks produced by CSD would also be sold to non-governmental organizations. After the epidemic broke out, in addition to using the masks produced by CSD, GLD and some departments also started to procure masks on their own through different channels and ways. According to the Government's

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experience of procuring masks, some mask suppliers were suspected of raising the prices of masks as the Government was facing pressure on the supply of masks. Therefore, it was not appropriate at this stage to disclose specific information about the consumption, stock level and prices of the Government's masks. The idea was not to deliberately keep the public in the dark, but to avoid affecting the bargaining power in the procurement of masks.

3.15 SFST further advised that as the prices of masks changed rapidly under the influence of a number of factors, including the needs of different countries and the development of the COVID-19 epidemic, it was hard to comment on whether the prices of the masks procured by different bodies were reasonable or not. He remarked that after the end of the epidemic, the Administration would further disclose information on the Government's procurement of masks to the public in due course.

Expanding the network of Comprehensive Avoidance of Double Taxation Agreements

3.16 Mr Kenneth LEUNG noted that the Administration would continue to expand Hong Kong's network of Comprehensive Avoidance of Double Taxation Agreements ("CDTAs"), and was negotiating CDTAs with 14 tax jurisdictions. As the 14 tax jurisdictions did not have significant trade flows with Hong Kong, he asked why the Administration chose to sign CDTAs with them. Mr LEUNG also enquired why the Administration had yet to conclude CDTAs with some major trading partners of Hong Kong (such as the United States and Australia).

3.17 SFST responded that currently, among the 43 tax jurisdictions which had signed CDTAs with Hong Kong, 14 were among the top 20 major trading partners of Hong Kong, accounting for about 74% of Hong Kong's total external trade in 2019. The Administration would continue to expand Hong Kong's CDTA network to cover the remaining major trading partners. He added that while some tax jurisdictions had significant trade flows with Hong Kong, they considered that signing CDTAs with Hong Kong might not necessarily bring them more benefits on the taxation front taking into account the differences

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between the respective tax regimes, and therefore had not signed CDTAs with Hong Kong.

Alleviating the pressure of tax payment on enterprises

3.18 Mr CHUNG Kwok-pan pointed out that as the outlook for both the local and global economies was not optimistic, it was expected that some Hong Kong enterprises would be affected and unable to pay tax for the current year, and might need to apply for holding over of tax. He enquired about the measures put in place by the Administration to assist enterprises failing to pay tax. Also, some enterprises had relayed that the instructions given by the Inland Revenue Department ("IRD") on holdover applications were not clear. For example, no relevant application form was available, and the application procedures were complicated.

3.19 SFST and Commissioner of Inland Revenue ("CIR") responded that IRD had simplified the procedures for enterprises to apply for holding over of tax or payment of tax by instalments, and adopted a lenient approach for handling such applications in the light of the financial positions of individual applicant enterprises. CIR added that IRD had approved quite a number of holdover applications from enterprises to date, and had further simplified the procedures for making holdover applications since December 2019, with the relevant application form and application guide uploaded to IRD's website for easy access by applicants.

Relief measures offering direct support to employees

3.20 Mr CHU Hoi-dick said that as COVID-19 might lead to higher unemployment rates, many countries had rolled out a host of relief measures to stabilize unemployment rates, such as dipping into government coffers to fund employers' payment of wages to employees. The spending on such measures as a percentage of gross domestic product ("GDP") in those countries was invariably higher than that in Hong Kong. For instance, the spending on government relief measures as a percentage of GDP in the United Kingdom and Singapore stood at some 22% and 11% respectively, while the relief measures introduced in Hong Kong only accounted for some 5.3% of

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GDP. Mr CHU enquired whether the Administration had assessed the effectiveness of its relief measures (including the Anti-epidemic Fund established in February and the cash payout scheme) in stabilizing the local unemployment rate, and whether the Government would draw reference from the measures introduced in other countries and offer financial support to employees directly.

3.21 SFST responded that the Budget was packed with relief measures to alleviate the financial pressure on both individuals and enterprises. The Government was also studying the introduction of the second round of relief measures under the Anti-epidemic Fund.

Acquisitions of properties in Hong Kong by the organs of the Central People's Government in Hong Kong

3.22 Ms Claudia MO noted that in 2019-2020 (up to 29 February 2020), the organs of the Central People's Government ("CPG") in Hong Kong or their subsidiary companies acquired a total of 22 properties in Hong Kong, with the amount of stamp duty remitted reaching \$80.4 million. She enquired about the uses of the aforesaid properties, and the reasons why most of the acquired properties were located in the Kwun Tong district.

3.23 SFST responded that the acquisitions of properties in Hong Kong by the organs of CPG in Hong Kong or their subsidiary companies, as well as the choices of districts where such acquisitions were made, were the decisions of those organs. To the knowledge of the Administration, all the properties acquired by them were for their own use.

The Administration's arrangement for responding to Members' written questions

3.24 Mr Alvin YEUNG remarked that he and Mr Jeremy TAM had separately submitted a number of written questions regarding the amounts of funding obtained by HKPF through allocation warrants issued by the controlling officers of other departments, as well as the number of times HKPF had obtained funding under the delegated power of the Financial Secretary ("FS") instead of the funding approval

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of the Finance Committee ("FC"), in previous financial years. Considering that the said questions were related to the functions and powers of FSTB, Mr YEUNG specified in the questions submitted by him that they were to be answered by FSTB. He was dissatisfied that FSTB had passed the questions to the Security Bureau for response, and enquired about the reasons for this arrangement.

3.25 Permanent Secretary for Financial Services and the Treasury (Treasury) responded that while the exercise of the power delegated by the Legislative Council to FS in respect of general matters was related to FSTB, when replying to specific written questions for special FC meetings, the Administration would, having regard to the heads of expenditure involved in the questions, pass the questions to the controlling officers in possession of the relevant information for response, and those written questions would be arranged to be followed up at designated special FC meetings accordingly. The Deputy Chairman added that the Administration would, by 29 April, provide written replies to the questions beyond the first 3 300 written questions, as well as other supplementary questions, raised by Members.

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4.1 The Deputy Chairman welcomed the representatives of the Administration Wing, Audit Commission, Chief Executive's Office ("CEO"), Independent Commission Against Corruption ("ICAC"), Legislative Council ("LegCo") Secretariat and the Office of The Ombudsman to attend the session.

Administration Wing

4.2 Referring to Reply Serial No. CSO012, Mr Holden CHOW said that among the measures coordinated and formulated by the Steering Committee on Ethnic Minorities Affairs ("the Steering Committee") to enhance support for ethnic minorities ("EMs"), none was related to the provision of venues for EMs (particularly those living in the New Territories) to organize various activities. Mr CHOW suggested that when the coronavirus disease 2019 ("COVID-19") epidemic was over, the Human Resources Planning and Poverty Co-ordination Unit ("HRPPCU") should coordinate with the Education Bureau and various District Offices so that school premises or government facilities available for public use might be opened for EMs to organize activities during weekends.

4.3 In response, Head, Human Resources Planning and Poverty Co-ordination Unit advised that the Chairman of the Steering Committee (i.e. the Chief Secretary for Administration ("CS")) had, for a period of time in the past, met with a number of EM groups which reflected to CS from time to time their concerns on the lack of venues for organizing activities. She said that currently, several EM centres under various District Offices had been organizing many activities dedicated for EMs. Regarding requests for hiring other government venues, HRPPCU, which was the Secretariat servicing the Steering Committee, could relay relevant requests to the bureaux/departments ("B/Ds") responsible for managing the venues concerned for their follow-up upon receipt of such requests. At the suggestion of Mr CHOW, she agreed to coordinate with the Education Bureau and various District Offices in considering matters relating to the hiring of venues.

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The Dialogue Office

4.4 Mr Charles Peter MOK enquired about the current operation of the Dialogue Office, the manpower arrangement for steering the Office as well as the results of its work.

4.5 Mr CHAN Chi-chuen said that neither the setting up nor staff establishment of the Dialogue Office had been discussed or examined by LegCo. He considered that the work of the Dialogue Office was not effective at all.

4.6 Following up on Reply Serial No. CSO037, Dr Helena WONG asked whether the Administration would, having conducted a number of exchanges in different forms with people from different sectors through the Dialogue Office, publicize the outcome of those exchanges, such as views gathered and follow-up actions taken, and whether it would release a report so as to enable LegCo and the public to monitor the effectiveness of the work of the Dialogue Office.

4.7 Deputy Director, Dialogue Office ("DD/DO") replied that the tenure of the Director was six months and had ended in mid-March 2020. As for other staff members previously seconded to the Dialogue Office, their terms of office would also end soon. At present, the Dialogue Office was consolidating its remaining work and dealing with handover matters. The relevant work would be supported by other government offices when the epidemic had stabilized.

4.8 DD/DO explained that the Dialogue Office was mainly responsible for coordinating and supporting the Chief Executive ("CE") and her political team in engaging in dialogues with people from different backgrounds, sectors and age groups in the community. Since its establishment, the Dialogue Office had arranged and participated in a total of 37 dialogue sessions, meetings and exchanges, including "the Community Dialogue" attended by CE on 26 September 2019, in-depth dialogues conducted by CE and Principal Officials with members of the public and people from different sectors in closed-door setting, Facebook live chats conducted by CE and three Bureau Directors respectively, and other relevant exchanges. Due to the COVID-19 epidemic, 16 in-depth dialogues and Facebook live chats

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originally scheduled for February and March 2020 had to be postponed. To achieve candid exchanges with participants, some of the dialogues were conducted in closed-door setting. The Administration had promised the participants that the relevant contents of the dialogues would not be disclosed.

4.9 DD/DO supplemented that apart from the dialogue platform, the Dialogue Office had been providing secretariat support for the Inter-departmental Action Task Force chaired by CS since November 2019, supporting him in synergizing and coordinating the response actions, follow-up work, information dissemination etc. by the relevant B/Ds in response to social incidents.

The Policy Innovation and Co-ordination Office

4.10 Following up on Reply Serial No. CSO001, Mr CHAN Chi-chuen enquired about the respective research contents in the 210 proposals received by the Policy Innovation and Co-ordination Office ("PICO") under the special round of applications for the Public Policy Research ("PPR") Funding Scheme launched in November 2019; and whether the Administration would publicize the research reports of projects which had been granted funding for conducting researches. Mr CHAN was concerned whether the research proposals could really arrive at a solution to the recent social incidents and deep-seated problems of society. Mr CHAN considered that the above problems could only be truly solved by addressing the five demands and setting up an independent commission of inquiry. In addition, Mr CHAN was concerned that apart from the special meetings of the Finance Committee, no other channels were available for LegCo to examine the work and performance of PICO.

4.11 Following up on Reply Serial No. CSO038, Dr Helena WONG said that CE was regarded as "mother of mutual destruction". Dr WONG enquired that among the possible research topics identified for the special round of applications for the PPR Funding Scheme, whether the topic on the public's attitude to violence or "mutual destruction" covered the issue of whether CE had played a part in fostering mutual destruction.

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4.12 In response, Head, Policy Innovation and Co-ordination Office ("H/PICO") pointed out that the independent Assessment Panel set up for the two PPR Funding Schemes had identified 12 possible research topics for the special round (set out in the Annex to Reply Serial No. CSO023), and the research projects proposed in the 210 proposals received by PICO also covered the 12 topics. Among such proposals, many of them touched upon the underlying causes of the recent social incidents and the public's attitude to violence or "mutual destruction". Applications received were assessed by the Assessment Panel. So far, 76 proposals had been granted funding upon assessment, and PICO would later notify other applicants whose projects had been approved. She further advised that upon the completion of all relevant vetting and approval procedures, it was expected that the application results for the special round would be announced by the end of April 2020, including the total number of approved projects, amount of funding granted to each project, and the research topics covered by respective projects. In general, it took about six months to complete the approved projects under the special round, with the first batch expected to be completed in October 2020. In line with established practices of the PPR Funding Scheme, completed research reports rated "satisfactory" under the special round would be uploaded to PICO's website for public reference. Furthermore, she said that PICO would be happy to attend the meetings of relevant LegCo Panel(s) to explain its work.

4.13 Following up on Reply Serial Nos. CSO010, 014 and 016, Dr CHENG Chung-tai said that although PICO would determine the strategic themes for the Strategic Public Policy Research ("SPPR") Funding Scheme, judging from the projects approved under the SPPR Funding Scheme, it appeared that starting from the 2016-2017 financial year, the Administration tended to favour projects focusing on topics relating to the Guangdong-Hong Kong-Macao Greater Bay Area. Dr CHENG sought information on the assessment criteria as well as a list of applications (including projects approved and rejected) made under the PPR Funding Scheme and the SPPR Funding Scheme. Dr CHENG also said that changes in international landscape in response to the recent social incidents and the development of the COVID-19 epidemic would affect the future development of Hong Kong. He suggested that in identifying the strategic themes for the

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2020-2021 SPPR Funding Scheme, the Administration should consider including themes relating to the development of Hong Kong per se amid the impacts of the above incidents, including Hong Kong's healthcare system innovation and the impact brought by the Hong Kong Human Rights and Democracy Act passed by the United States.

4.14 H/PICO replied that applications received under the PPR Funding Scheme and the SPPR Funding Scheme were not vetted and approved by PICO on its own. The assessment was solely undertaken by an independent Assessment Panel, which was chaired by and comprised experienced academics. Peer review formed part of the assessment mechanism, and all applications would be assessed by Panel Readers as well as reviewers who were not members of the Assessment Panel (non-Panel reviewers). Afterwards, they would be referred to the Assessment Panel for vetting and approval. PICO identified 12 strategic themes for the 2019-2020 SPPR Funding Scheme, with development of the Guangdong-Hong Kong-Macao Greater Bay Area being only one of the strategic themes. Among other themes, a number of them were related to local livelihood issues, such as transitional housing, child and youth development, ageing population, healthcare system innovation, etc. Applications received in the past few years covered an array of themes, and after being assessed by the Assessment Panel, three projects were granted funding under the SPPR Funding Scheme each year on average. Among them, while a relatively large number of researches were about the development of the Guangdong-Hong Kong-Macao Greater Bay Area, the contents of such themes were also related to livelihood issues, environmental protection or technological development, etc. She believed that the research institutes which applied for funds under the SPPR Funding Scheme hoped to make use of funding granted under the Scheme to conduct longer-term researches (a research period of three to five years) with wider geographical coverage. PICO would, after the meeting, provide a list of applications received in the past three years. H/PICO advised that in identifying the strategic themes, PICO would consult various bureaux for suggestions and views. In view of the epidemic in recent months, she believed that healthcare system innovation would continue to be one of the strategic themes for 2020-2021.

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4.15 Following up on Reply Serial No. CSO029, Mr Tony TSE enquired that apart from being responsible for providing "first-stop and one-stop" project consultation and coordination services, whether the Project Co-ordination Team ("PCT") under PICO would, at the same time, collect information on the idle periods of government sites or buildings for analysis, so that the Administration might, in future, identify government sites/buildings which had been left idle for a long time for more gainful development purposes in a more efficient manner. Mr TSE expressed concern about the situation that individual government departments would rather allow the land or properties managed by them to be left idle than hand them over to other departments for development. Given that the government officer overseeing PCT had to communicate with various B/Ds in order to discharge his or her coordination duties, Mr TSE was concerned that the officer, being a Senior Town Planner, might not be high-ranking enough to motivate the officers-in-charge in relevant B/Ds to proactively cooperate with him/her in putting forward various projects. Mr TSE enquired whether a four-member-strong PCT was sufficient to cope with the workload of providing "first-stop and one-stop" project consultation and coordination services.

4.16 H/PICO replied that the "first-stop and one-stop" project consultation and coordination services provided by PICO aimed to help organizations hire idle government sites or buildings by means of private land or short-term tenancies, for the purpose of taking forward projects that would bring benefits to the public. To deliver these services, PICO worked with non-profit-making organizations which would assist various bodies in identifying appropriate sites in the community, while PICO would coordinate with B/Ds responsible for managing the sites for leasing such sites on short-term tenancies. She advised that in case a department refused to release the site concerned for short-term uses due to various reasons, PICO would tenaciously request the relevant department to state the plan and time frame for the development of the relevant site, so as to make the best endeavours to put the site to other gainful uses during its pre-development idle period. If necessary, she would follow up on the case by liaising directly with the Permanent Secretaries of the relevant bureaux or heads of departments. She said that apart from the four officers in PCT, other officers in PICO would also provide support for PCT.

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Government Records Service

4.17 Following up on Reply Serial No. CSO004, Mr CHU Hoi-dick expressed concern about the consequences caused by the loss of confidential records and enquired whether deliberate concealment or criminal offences were involved in such cases. He also enquired about the follow-up actions taken by the relevant departments, and whether the officers concerned had been punished.

4.18 Director of Administration ("D of Admin") replied that any loss or unauthorized destruction of records had to be reported to the Departmental Records Managers ("DRMs") of respective B/Ds. Upon receipt of a report, the DRM must ascertain the facts and identify the circumstances and details of the incident, reconstruct the records where necessary, take steps to prevent recurrence. She advised that the Government Records Service ("GRS") would follow up on each and every case of loss or unauthorized destruction of records. From 2015 to 2019, a total of 18 confidential records were lost by three departments. Upon the completion of investigation into cases involving loss of records, the Administration took disciplinary actions or other administrative actions against the officers concerned. She undertook to provide the information sought by Mr CHU to LegCo after the meeting.

4.19 Following up on Reply Serial No. CSO024, Mr MA Fung-kwok enquired about the reasons why the estimate for GRS in 2020-2021 had increased by more than 20% as compared with its revised estimate last year, given that the growth in the manpower of GRS was less than 10% and the expenditure incurred by newly provided services was partly offset by the reduced provision for replacement of minor plant and equipment. Mr MA supported the Administration's goals of enhancing records management work and enriching the archival holdings pertaining to Hong Kong.

4.20 D of Admin explained that comparing to its revised estimate in 2019-2020, the provision for GRS in 2020-2021 had increased by \$19.9 million (21.7%). The additional provision was required mainly to cover the anticipated increase in expenditures in the following aspects:

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- (a) the creation of additional long-term and short-term posts would entail the need for additional payroll and related costs;
- (b) supporting and promotion work was required to assist various B/Ds in implementing electronic recordkeeping system by 2025; such work had to be undertaken in collaboration with the Innovation and Technology Bureau;
- (c) training on records management for civil servants had to be enhanced. All new recruits appointed to the civil service would receive pre-service basic training on records management, and they had to attend in-service training courses after joining the civil service. GRS planned to increase the number of trainees from 4 000 to 10 000 per year;
- (d) the services of Public Records Office had to be enhanced, including digitizing archival holdings; GRS would keep acquiring necessary collections from other regions and deploying internal resources to meet the relevant expenditures when such needs arose; and
- (e) for the purpose of taking forward the aforesaid work, GRS needed to, in addition to increasing the number of civil service posts, increase the costs required for hiring services and professionals, including employing technicians on short-term contracts to provide support for the information technology system and the digital archives; entering into equipment maintenance contracts; employing staff members under the Post-retirement Service Contract Scheme and hiring non-civil service contract ("NCSC") staff, etc.; all the above was expected to incur additional expenditure in the coming year.

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Chief Executive's Office

The Chief Executive's personal and official social media accounts

4.21 Ms Claudia MO enquired about the reasons why CE had set up her personal accounts on Facebook and Instagram only without establishing one on Twitter.

4.22 Mr Tony TSE pointed out that on average, it took three days for CE's Facebook page to publish one post since its launch. In his view, the Administration was not fast enough in responding to social incidents and news relating to the epidemic and he considered it necessary to conduct a review. Noting that only one staff member was engaged to manage CE's personal accounts on social media, Mr TSE was concerned whether such a manpower level was adequate to cope with the workload arising therefrom.

4.23 In reply, Permanent Secretary, Chief Executive's Office ("Perm Secy/CEO") stated that CE attached great importance to the opportunity of engaging people from all walks of life through social media and thus her personal accounts were set up on Facebook and Instagram for communication with members of the public. In the light of the epidemic outbreak and various social situations in recent months, a Facebook page entitled "Tamar Talk" was specifically set up in December 2019 to make clarifications on and give detailed responses to issues of public concern and issues pertaining to the Government, including rumours and fake news.

4.24 Following up on Reply Serial No. CEO012, Mr Charles Peter MOK pointed out that CE's Facebook and Instagram pages had published a total of 687 posts since their launch on 1 July 2017. CEO had engaged an NCSC staff member since 1 July 2017 to manage CE's social media accounts on the aforesaid two platforms and carry out other duties, and the total expenditure on the emolument of the staff member was about \$1.42 million as at 31 March 2020. In other words, the average cost for each post was about \$2,066. Mr MOK considered that the average expenditure was too costly. Pointing out that the Administration's reply did not expound on the key performance indicators for the aforesaid two social media pages, Mr MOK enquired

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how the Administration assessed the value for money of the relevant expenditure. Mr MOK suggested using CE's ratings in opinion polls before and after the publication of posts as the key performance indicator for the two social media pages.

4.25 In response, Perm Secy/CEO advised that CE's Facebook page had recorded over 3.6 million interactions since its launch on 1 July 2017. She said that CE's Facebook and Instagram accounts were managed by an NCSC staff member, who assumed an important role in facilitating communication between CE and the public through social media platforms and informing members of the public of CE's thoughts and activities.

Information Co-ordinator

4.26 Pointing out that the post of Information Co-ordinator had been left vacant for some time, Ms Claudia MO asked whether it was because the employment package offered by the Administration was not attractive for suitable candidates or there was no competent talent on the market. She also enquired how the recruitment exercise was conducted. Perm Secy/CEO advised that the Government was continuing with its efforts in identifying a suitable candidate to fill the post of Information Co-ordinator.

Disclosure of information about communication between the Special Administrative Region Government and the Central Authorities

4.27 Referring to Reply Serial No. CEO012, Ms Claudia MO said that the Administration stated in its response to the second question that it would not respond to or comment on its communication or correspondence with the Central Authorities. She considered that as the Administration did not deny that CEO had submitted reports to the Central Government on the incidents mentioned by her, it was tantamount to acknowledging that such reports had been submitted.

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4.28 Referring to Reply Serial No. CEO006, Dr KWOK Ka-ki said that CEO had reportedly submitted an anti-epidemic report on COVID-19 to the Central People's Government in February 2020. Dr KWOK enquired about the content of the anti-epidemic report as well as the expenditure involved in the compilation of the report.

4.29 Perm Secy/CEO reiterated that pursuant to the established practice, the Special Administrative Region ("SAR") Government would not respond to or comment on its communication or correspondence with the Central Authorities.

4.30 Following up on Reply Serial No. CEO006, Mr CHU Hoi-dick sought explanation from the SAR Government on the legal basis in the Basic Law for the "established practice" of not responding to or commenting on its communication or correspondence with the Central Authorities. Regarding the offices covered by "the Central Authorities", he also asked which offices came under the definition.

4.31 Perm Secy/CEO advised that there was no provision in the Basic Law that governed the means of communication between the SAR Government and the Central Authorities. She explained that "the Central Authorities" referred to the Central People's Government.

Video production expenses for the Chief Executive's Office

4.32 Ms Claudia MO said that a video clip produced by CEO at a cost of over \$1 million drew a large number of negative comments that queried whether public money was well spent. Perm Secy/CEO reiterated that CE attached great importance to communicating with members of the public. To this end, CEO produced video clips covering various themes by using a light-hearted and lively approach. The Administration would continue to adopt the aforesaid approach to produce video clips in future while upholding the principles of prudent financial management and prudent use of public funds. She said that CEO did not keep a separate account specifically for the production costs of the video clips.

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Pay adjustment for the Chief Executive

4.33 Dr KWOK Ka-ki, Mr KWONG Chun-yu, Mr Michael TIEN and Ms YUNG Hoi-yan expressed strong dissatisfaction with a \$120,000 pay increase for CE in 2020-2021 given that the Hong Kong economy was mired into recession amid the severe epidemic situation. They sought explanation from the Administration on the justifications for the pay rise. Dr KWOK and Mr KWONG criticized CE's poor performance in policy implementation. Dr KWOK considered that a review should be conducted and a downward adjustment mechanism be incorporated if the relevant pay adjustment mechanism only went up but never went down. Dr KWOK, Mr KWONG, Mr TIEN and Ms YUNG considered that CE should take a pay cut or follow the practice of overseas leaders by donating certain months' of remuneration to show her determination to ride out the difficult times with the public. Mr TIEN requested CE to take a 30% pay cut before the complete removal of entry restrictions on non-Hong Kong residents and the home confinement policy. Mr KWONG and Ms YUNG queried how much worse Hong Kong's conditions had to get before CE would take actions including a pay reduction. Mr TIEN considered that although an established pay adjustment mechanism was in place, CE should not be awarded with pay increases in the light of the current social and economic situations.

4.34 In reply, Perm Secy/CEO stated that the whole political team including CE donated one month's salary to the Community Chest at the end of February this year to show their determination in riding out the difficult times and fighting the epidemic with the public. The political team would make responses again should the situation continue to worsen later. She explained that under the established mechanism, the remuneration of CE and the political team was adjusted annually in tandem with the change in the average annual Consumer Price Index (C). Based on the changes in the index, there was a slight upward pay adjustment for CE with effect from 1 July 2019. She supplemented that the aforesaid mechanism was approved by the Finance Committee of LegCo upon the recommendation of the relevant independent commission.

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The Legislative Council Commission

4.35 Following up on Reply Serial No. LCC032, Mr CHU Hoi-dick enquired whether LegCo had, other than the surgical masks manufactured by the Correctional Services Department and distributed by the Government Logistics Department ("GLD"), obtained any surgical masks procured by GLD from external parties. If so, please state the details; if not, please state the reasons for that.

4.36 In reply, Secretary General, Legislative Council Secretariat ("SG/LCS") said that the LegCo Secretariat had all along been procuring necessary surgical masks from GLD before the outbreak of the COVID-19 epidemic. Regarding GLD's source of supply, the LegCo Secretariat had not given any advice in this respect, nor had it participated, in any form, in GLD's procurement process.

4.37 Referring to the House Committee ("HC") meeting on 13 March 2020, Dr KWOK Ka-ki said that the security staff of the LegCo Secretariat did not execute the instructions given by Mr Dennis KWOK, Deputy Chairman of HC who presided at the HC meeting concerned. He queried that the LegCo Secretariat had failed to adhere to the principle of political neutrality when discharging its duties.

4.38 In reply, SG/LCS stated that the Secretariat had all along been upholding the principle of political neutrality. Regarding the HC incident that took place on 13 March 2020, Clerk to The Legislative Council Commission had earlier written to the Deputy Chairman of HC, explaining in detail the handling of the incident on that day. According to the established practice, when an order was made by the chairman of a committee or by the member presiding at a meeting that certain Member(s) should withdraw from the conference room, security staff would first persuade relevant Member(s) to leave the conference room, and would then make judgment and take appropriate actions in the light of the actual circumstances so as to avoid causing injury to any person as far as possible. At that time, the security staff concerned made every effort to execute the order issued by the Deputy Chairman of HC by persuading relevant Members to leave the conference room one after another. Nonetheless, the meeting ended when security staff members were still executing the relevant orders.

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Independent Commission Against Corruption

4.39 Noting from Reply Serial No. ICAC004 that ICAC was handling 28 cases of suspected corruption relating to the opposition to the proposed legislative amendments to the Fugitive Offenders Ordinance (Cap. 503) and involving civil servants, Mr LAM Cheuk-ting enquired about the number of police officers involved in such cases, as well as the number of cases involving allegations of misconduct in public office. Mr LAM said that according to the Independent Commission Against Corruption Ordinance (Cap. 204), the duties of Commissioner, ICAC included investigating any conduct of a prescribed officer which, in the opinion of Commissioner, ICAC, was connected with or conducive to corrupt practices and examining the practices and procedures of government departments in order to facilitate the discovery of corrupt practices and to secure the revision of methods of work or procedures which might be conducive to corrupt practices. Regarding the earlier practice adopted by some police officers of not displaying police identification numbers or operational call signs when handling work relating to the opposition to the proposed legislative amendments to the Fugitive Offenders Ordinance, he enquired whether such practice had constituted corrupt practice or would be conducive to corruption. He also enquired whether ICAC would investigate the accusations against police brutality.

4.40 In reply, Director of Investigation (Private Sector), Independent Commission Against Corruption said that ICAC was handling 28 cases of suspected corruption relating to the opposition to the proposed legislative amendments to the Fugitive Offenders Ordinance and involving civil servants and that police officers were involved in some of such cases. ICAC agreed to provide the number of police officers involved in such cases after the meeting. He said that ICAC would not disclose the particulars of individual cases. However, he stated that according to the Independent Commission Against Corruption Ordinance, it was the duty of the Commissioner, ICAC to receive and consider complaints alleging corrupt practices and investigate such of those complaints as he considered practicable. In the event that the relevant investigations had commenced, ICAC was also obliged to investigate other offences uncovered during the investigation process or other offences which were connected with

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corruption allegations or whose commission was directly or indirectly facilitated by suspected corruption offences. In other words, allegations that warranted ICAC investigations were not limited to offences prescribed in the Prevention of Bribery Ordinance (Cap. 201). He supplemented that ICAC might, upon completion of investigation, seek legal advice from the Department of Justice on the relevant cases and institute prosecution. Regarding cases that would not be subject to prosecution or cases into which investigations would be terminated, they must be submitted to the Operations Review Committee for scrutiny prior to the making of such decisions, and proposals for termination of investigations must be approved by the Committee.

4.41 Mr Dennis KWOK made reference to the review report submitted to the then CE on 31 May 2012 by the Independent Review Committee for the Prevention and Handling of Potential Conflicts of Interests, which was chaired by the Former Chief Justice Andrew LI Kwok-nang. The report set out a number of recommendations, which included amending various relevant provisions of the Prevention of Bribery Ordinance for the purpose of empowering ICAC to investigate complaints involving acceptance of advantages and misconduct in public office by CE. Mr KWOK enquired about the Administration's progress in reviewing the aforesaid Ordinance, the time needed for completing the review and the role played by ICAC in the review process.

4.42 In reply, Commissioner, Independent Commission Against Corruption said that ICAC had responded to the Administration's consultation with ICAC on the review of the Prevention of Bribery Ordinance. However, he could not disclose the content of the relevant consultations. Given that it was the SAR Government's duty to undertake the legislative amendment exercise, ICAC had no information on the latest progress of the relevant work. D of Admin supplemented that introducing amendments to sections 3 and 8 of the Prevention of Bribery Ordinance for the purpose of making such provisions applicable to the investigation of accusations involving acceptance of advantages by CE gave rise to the question of whether such amendments would conflict with the political structure of the SAR Government under the Basic Law and CE's constitutional status under the Basic Law. The Administration had to consider and study the

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issues in a holistic manner. Given that the process was time-consuming, there was currently no specific time table for handling the related issues.

Chapter V: Environment

5.1 At the invitation of the Chairman, Mr WONG Kam-sing, Secretary for the Environment ("SEN"), briefed members on the financial provisions and the main initiatives of the policy area of environment for the 2020-2021 financial year (Appendix IV-3).

Air quality

Promoting the use of electric vehicles

5.2 Mr Jimmy NG noted from Reply Serial No. ENB128 that the Administration would formulate a road map for the popularization of electric vehicles ("EVs"). He enquired how the Administration would ensure that the targets set under the road map would be achieved timely, and about the expected number of additional EV chargers to be installed at private parking spaces after the launch of the pilot subsidy scheme to subsidize installation of EV charging-enabling infrastructure in car parks of private residential buildings.

5.3 SEN said that electric private cars ("e-PCs") accounted for about 2.2% of the total number of private cars in Hong Kong. This penetration rate ranked the second in Asia, indicating that the pace of popularization of e-PCs in Hong Kong was rather satisfactory. With the rapid development of e-PC technologies and efforts of the governments of different places to promote the popularization of new energy vehicles, it was envisaged that e-PCs might become the mainstream products for new vehicles in the next decade or so. To cope with the change, the Administration currently focused its work priorities relating to EV promotion on enhancing the related infrastructure to support the wider use of e-PCs. Deputy Director of Environmental Protection (3) ("DDEP(3)") supplemented that the above pilot subsidy scheme was expected to run for about three years to cover roughly 60 000 private parking spaces. Coupled with the gross floor area concessions currently provided for EV charging-enabling car parks in new buildings, it was expected that about a quarter of parking spaces in relevant private housing estates in Hong Kong would be EV charging enabled three years after the launch of the pilot subsidy scheme.

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Pilot schemes for electric public light buses and electric ferries

5.4 Mr Kenneth LEUNG pointed out that the Administration had subsidized the trials of electric taxis and electric buses. However, the operational performance of the models tested out was unsatisfactory owing to problems such as limited driving ranges. To ensure satisfactory results of the proposed Pilot Scheme for Electric Public Light Buses ("e-PLBs") and Pilot Scheme for Electric Ferries, he urged the Administration to adopt better-performing e-PLB and electric ferry models and install suitable charging facilities and other ancillary facilities beforehand.

5.5 DDEP(3) said that when making preparations for the two pilot schemes, the Administration had drawn on the experience gained from the previous trials of electric commercial vehicles and the views put forward by the trades and Members on related matters. For the Pilot Scheme for e-PLBs, the Environmental Protection Department ("EPD") had engaged the Hong Kong Productivity Council for a study to develop the basic technical requirements and specifications for e-PLBs and the associated charging facilities that would suit Hong Kong's operating environment. The study was expected to be completed in the first half of 2020. Thereafter, the Administration would consider the suitable PLB routes for carrying out trials and invite manufacturers to develop e-PLBs and associated charging facilities according to the technical requirements and specifications. For the Pilot Scheme for Electric Ferries, the Administration consulted in 2019 the four operators running the seven in-harbour ferry routes, which had provided their suggestions on matters such as the designs of electric ferries. As the electric ferries to be tested out under the pilot scheme would be built according to the operational needs of different ferry operators, it was expected that the electric ferries would meet the technical requirements and market needs.

5.6 Mr WU Chi-wai said that at present, the technologies of hybrid transport devices were generally more mature than those of pure electric devices. He enquired whether, in the event that there were no suitable e-PLB and electric ferry models available for local use at present, the Administration might consider subsidizing the trials of hybrid PLBs and hybrid ferries first so as to facilitate their early

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adoption in Hong Kong.

5.7 SEN and DDEP(3) explained that PLB was a rather unique automotive product. Even for the liquefied petroleum gas PLBs, which were widely adopted at present, the choice of models was very limited. Therefore, it would be more practicable to introduce customized e-PLBs. As for new energy ferries, be they electric or hybrid ferries, the more common practice adopted internationally was to customize these ferries according to operational requirements. To reduce emissions of air pollutants from ferries as much as possible, the Environment Bureau's current plan was to carry out trials of electric ferries in in-harbour ferry routes in the Victoria Harbour, while the Transport and Housing Bureau would put hybrid vessels into trial operation in outlying island ferry routes.

Waste management

Food waste management

5.8 Mr CHAN Chi-chuen noted from Reply Serial No. ENB035 that Organic Resources Recovery Centre Phase 1 ("ORRC1") collected about 30 000 tonnes of food waste and generated about 640 tonnes of compost in the 2019-2020 financial year (as at February 2020). He enquired:

- (a) why the above figures fell far short of the estimates provided by the Administration when seeking the Legislative Council's funding approval for developing ORRC1, i.e. the annual amounts of reduction in food waste disposal at landfills and compost generation could reach around 73 000 tonnes and 7 000 tonnes respectively; and
- (b) whether the quantities of food waste collected and treated had decreased in recent months as a result of the drop in business suffered by the food and beverage sector during the Coronavirus Disease 2019 ("COVID-19") outbreak; and if so, whether the Administration had adjusted/would adjust its food waste

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collection arrangements, and whether it would discuss with the operator of ORRC1 the consequential reduction in the contract fees payable to it for the 2020-2021 financial year.

5.9 SEN and Deputy Director of Environmental Protection (2) ("DDEP(2)") explained that ORRC1 adopted the anaerobic digestion technology for treating food waste. The bacteria used in the anaerobic digestion process would take some time to grow and reproduce before the facility could reach its maximum treatment capacity of 200 tonnes per day (or about 73 000 tonnes per year) of food waste. Therefore, the quantities of food waste collected and treated during the initial phase of operation would be lower than the design capacity. The quantity of food waste collected in recent months had dropped slightly compared to the figures in 2019. The Administration would strive to increase the food waste collection and treatment amount of ORRC1 expeditiously through various measures (including launching a pilot trial of providing free food waste collection service) in order to achieve the design treatment capacity.

Promoting recycling

5.10 Mr CHU Hoi-dick noticed that in EPD's recent open tender exercise for collection and recycling services of paper recyclable materials, the service scope of the contracts was limited to collection, treatment (including filtering, sorting and baling) and export of waste paper. He enquired whether EPD would consider expanding the service scope of the contracts to cover the processes of turning waste paper into recycled products or recycled raw materials locally, thereby providing more comprehensive support for recyclers.

5.11 Mr Kenneth LEUNG raised a similar question. He was concerned that if markets outside Hong Kong continued to cut back on the import of waste paper, the above service contracts would be of no help to improving the operating environment of local waste paper recyclers. Furthermore, he quoted Reply Serial No. ENB108 and enquired about the weighting assigned to a tenderer's experience in waste paper collection and export under the assessment criteria for the service contracts.

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5.12 SEN and DDEP(2) explained that the prices of waste paper on the international market had kept falling. The conventional mode of operation adopted by local waste paper recyclers (which comprised mainly the collection, baling and export of waste paper) had become unsustainable. In view of this, the Administration introduced the "collection and recycling services of paper recyclable materials" contracts to support waste paper recyclers, with a view to maintaining waste paper recovery in Hong Kong. Under the assessment criteria, the operating experience of a tenderer would contribute to the technical score, which accounted for 60% of the assessment weighting. The Administration understood that sole reliance on export of waste paper as a major outlet might not be sustainable in the long run. It was exploring other means to support and encourage the recycling of waste paper and other recyclables, including providing relevant funding support through the Recycling Fund.

5.13 Mr Frankie YICK enquired about the Administration's plan to promote the local use of biodiesel. In response, Under Secretary for the Environment ("USEN") said that the primary objective of promoting the use of biodiesel was to promote the recycling of waste cooking oils and thereby achieve a circular economy. However, using biodiesel in place of conventional fossil fuels was not the best method for improving air quality. At present, about 50% of locally-produced biodiesel was used locally. The Administration would encourage establishments that were suitable to use biodiesel to increase their usage. The long-term goal was that all biodiesel produced in Hong Kong could be used locally.

Yard waste management

5.14 Mr Tony TSE enquired about the location of the proposed yard waste recycling facility and the Administration's timetable for increasing the quantity of yard waste recycled.

5.15 DDEP(2) replied that the yard waste recycling facility would be built at a government site near the sludge treatment facility in Tuen Mun (T-PARK). With an estimated average daily treatment capacity of 30 tonnes in the first year, the facility would mainly collect and process yard waste generated from government departments and public

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works. The treatment capacity would increase gradually in the next one to two years, and the service would be extended to private housing estates and landscaping contractors. In addition, the Administration was exploring other methods of processing yard waste, including an upcoming pilot project in the EcoPark on converting yard waste into biochar. SEN supplemented that production of biochar using yard waste was a relatively new technology. The Administration needed to implement a pilot project first in order to ascertain whether such a technology was practicable in the local context, before putting it to wide application.

Nature conservation

Protection of endangered species

5.16 Ms Elizabeth QUAT commended the Agriculture, Fisheries and Conservation Department ("AFCD") and the Hong Kong Customs and Excise Department for their effective work in combating illegal trading and smuggling of endangered species. However, she opined that the penalties handed down by the court for such offences were too light. Although the maximum penalties provided for related offences under the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586) ("PESAPO") had been increased significantly since 1 May 2018, the maximum penalty handed down among all conviction cases in 2019 was only six-week imprisonment, according to Reply Serial No. ENB022. She strongly urged the Administration to include offences under PESAPO in the ambit of the Organized and Serious Crimes Ordinance (Cap. 455) ("OSCO") as a further step to stop transnational crime syndicates from using Hong Kong for transit of endangered species.

5.17 SEN and DDEP(2) said that the Administration was committed to combating illegal trading and smuggling of endangered species, and the penalties under the amended PESAPO had a certain deterrent effect. The question as to whether the offences under PESAPO should be included in the ambit of OSCO had to be approached with balanced consideration to all relevant factors, including whether such inclusion was the best solution to the related problems. Under the existing legislation, law enforcement officers

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were sufficiently empowered to conduct evidence collection work for offences under PESAPO. The Administration would continue to closely monitor the latest development in illegal trading of endangered species and strengthen the coordination among departments and cooperation with the relevant intelligence agencies.

Management of wild pigs

5.18 Mr Kenneth LAU expressed concern about the nuisance and potential peril posed by wild pigs to the public, and welcomed AFCD's initiative to increase resources and manpower for enhancing the management of wild pigs. He enquired about: (a) the major tasks and manpower deployment of AFCD in management of wild pigs; (b) the terms of reference and work plan of the relevant advisory group set up by AFCD; and (c) whether the Administration would consider taking further steps to combat wild pig feeding through strengthened enforcement or legislative amendment, etc.

5.19 In response, Director of Agriculture, Fisheries and Conservation ("DAFC") said that:

- (a) the major measures currently adopted by AFCD for management of wild pigs included the following: (i) the pilot Capture and Contraception/Relocation Programme ("CCRP"); (ii) monitoring the populations and movement of wild pigs; (iii) reducing food attraction, such as improving the design of refuse collection facilities to prevent wild pigs' access to food residue in the refuse; and (iv) appealing to the public against wild pig feeding through publicity and education programmes;
- (b) the advisory group was tasked mainly with advising the Administration on the strategies and measures for management of wild pigs. The advisory group comprised the representatives of AFCD and other relevant government departments, as well as experts in such fields as wildlife management and animal welfare;

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- (c) after a review and having considered the views put forward by the advisory group, AFCD considered that the above wild pig management measures should continue to be implemented in the 2020-2021 financial year. Moreover, AFCD would further assess the effectiveness of refuse collection facilities with improved designs in reducing food attraction for wild pigs; and
- (d) some parts of country parks and nearby areas were specified places under the Wild Animals Protection Ordinance (Cap. 170) at which feeding of any wild animals (including wild pigs) was prohibited ("no-feeding places"). AFCD was the law enforcement agency in no-feeding places and offenders were subject to fines. In places other than no-feeding places, AFCD worked with the Food and Environmental Hygiene Department ("FEHD") to take enforcement actions against environmental hygiene problems arising from feeding of wild pigs under the Fixed Penalty (Public Cleanliness and Obstruction) Ordinance (Cap. 570) ("FP(PCO)O"). Such enforcement actions had been effective in the past. AFCD would continue to strengthen communication and cooperation with FEHD in this regard.

5.20 Ms YUNG Hoi-yan pointed out that according to Reply Serial No. ENB010, AFCD had received 950 complaints about wild pigs in the 2019-2020 financial year (as of January 2020). However, there were only 28 successful prosecutions against illegal feeding of wild animals (including wild pigs) in the same year (as of February 2020). She therefore questioned the effectiveness of the Administration's enforcement efforts against illegal feeding of wild pigs. Moreover, she enquired why the number of patrols conducted by AFCD (i.e. 578 patrols) for wild pig management in the 2019-2020 financial year (as of February 2020) was less than the number of complaints received as mentioned above; and about the uses of the infrared camera traps deployed by AFCD, including whether the footages captured would be used as evidence in judicial proceedings.

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5.21 DAFC clarified that the numbers of patrols and prosecutions mentioned in Reply Serial No. ENB010 were limited to those related to AFCD's patrolling and enforcement actions in no-feeding places. They did not include the figures related to FEHD's enforcement actions taken under FP(PCO)O against environmental hygiene problems arising from feeding of wild pigs in places other than the no-feeding places. The infrared camera traps deployed by AFCD served mainly to monitor the sightings of wild pigs and people's activities of feeding them in order to facilitate data analysis that would be used for formulation of appropriate follow-up actions. The infrared camera traps would not be used for enforcement actions. Ms YUNG Hoi-yau requested the Administration to provide supplementary information on the number of FEHD's enforcement actions taken under FP(PCO)O against feeding of wild pigs in the past three years.

Management of country parks

5.22 Mr CHU Hoi-dick said that after a helicopter of the Hong Kong Garrison of the Chinese People's Liberation Army ("the Garrison") crashed in the area of Tai Lam Country Park, personnel of the Garrison had conducted clearing and investigation operations at the crash location, during which paths had been created. He was concerned whether the incident had any impact on the environment of Tai Lam Country Park; whether AFCD had visited/would visit the crash location to handle its aftermaths; and whether the Garrison had informed AFCD before creating the paths.

5.23 USEN responded that AFCD had visited the location after the incident, and noticed some damages to the trees and odours of fuel. However, no other obvious environmental problems were detected. AFCD would continue to monitor if the incident would have long-term impact on the environment of Tai Lam Country Park. The Security Bureau had issued a press release on the same day after being informed of the incident by the Garrison.

Water quality

5.24 Mr Tony TSE noted from Reply Serial No. ENB072 that the overall Water Quality Objective compliance rate of Victoria Harbour

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was 97% in both 2018 and 2019, which showed that the Administration's efforts in improving the water quality of Victoria Harbour was effective. However, he noticed that there were still odours from time to time at the waterfronts of Hong Kong Island. He enquired about the causes of odours at waterfronts; how the Administration would tackle the odour problem; and the performance indicators formulated in this regard.

5.25 Deputy Director of Environmental Protection (1) ("DDEP(1)") explained that odours at waterfronts stemmed mainly from near-shore pollution. In recent years, EPD had commissioned a consultancy study on the causes of near-shore pollution with a view to identifying solutions. One of the solutions being implemented was installing dry weather flow interceptors ("DWFIs") at various locations to intercept polluted flow from entering Victoria Harbour via stormwater drains. The Administration had set up monitoring stations to monitor the water quality of Victoria Harbour. Some monitoring stations installed at locations closer to the shore could reflect the situation of near-shore pollution. At the request of Mr Tony TSE, the Administration agreed to provide information on the monitoring stations concerned after the meeting, including the locations of the monitoring stations and the data collected.

5.26 Dr Priscilla LEUNG welcomed the Administration's initiative to install DWFIs at various locations in the territory and its ongoing efforts to rectify misconnections of sewers to stormwater drains. However, she opined that these were merely short-term measures. The Administration should make long-term planning and roll out mid-term and long-term measures for improving near-shore water quality based on the recommendations in the consultancy study report. In addition, she urged the Administration to explore actively the use of biotechnology in improving near-shore water quality and make reference to the practices of other places.

5.27 In response, SEN and DDEP(1) said that the Administration had been promoting water-friendly culture proactively. Efforts in this regard included the ongoing work to improve the water quality of Victoria Harbour and inclusion of related ideas in the planning of drainage projects (e.g. the planning of Kai Tak River). Throughout

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the years, Sewage Master Plans had been implemented and modification and rehabilitation works of sewers had been carried out from time to time in various districts. The Drainage Services Department ("DSD") also planned in phases the comprehensive inspection and rehabilitation of pipes assessed to be of high risk.

5.28 Director of Drainage Services ("DDS") supplemented that DSD adopted a multi-pronged approach to tackle the problem of near-shore pollution. Apart from the measures mentioned above, DSD also conducted regular inspections to monitor the conditions of underground drains in the territory. It also carried out a close-circuit television survey every five years to assess the latest conditions of misconnections of sewers. In the past three years, DSD had discovered 103 cases of misconnection of sewers, of which 71 had been resolved. He also clarified that DWFIs were designed for long-term use. During non-rainy days of each year, DWFIs intercepted and diverted polluted dry weather flow from stormwater drains into the sewerage system. During rainy days, the polluted flow in stormwater drains was diluted by the abundant flow of stormwater; therefore, the hiatus in DWFI operation would not have profound impact on the water quality at the downstream of the drainage system.

5.29 Mr CHU Hoi-dick said that Shenzhen was reportedly planning excavation works in the area of Deep Bay/Shenzhen Bay in order to establish a new fairway for cruise ships under a tourism project known as "Watching Shenzhen on the Sea" (海上看深圳). Some green groups were concerned that the excavation works might stir up the sediments on the seabed, which would pollute the water of Deep Bay and affect the oyster farming industry nearby and even the ecology of Mai Po Inner Deep Bay Ramsar Site. He enquired whether the Administration was aware of the matter and what follow-up actions it would take to protect the water quality of Deep Bay.

5.30 USEN responded that a notification and cooperation mechanism had been established between EPD and the Shenzhen authorities for the joint efforts to tackle environmental issues in the region. EPD had not been informed of the proposed excavation works by Shenzhen at Deep Bay/Shenzhen Bay as mentioned by Mr CHU Hoi-dick. EPD would take the initiative to enquire with the Shenzhen

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authorities about the matter.

Green Tech Fund

5.31 Quoting to Reply Serial No. ENB124, Ir Dr LO Wai-kwok expressed support for the Administration's provision of more resources to support more research on decarbonization technologies and green technologies by local research institutes and research and development ("R&D") centres. However, he opined that the Administration should set up dedicated R&D centres such as a centre for industrialization and development of environmental protection technologies by tapping the proposed Green Tech Fund, so that the fund could be used in a more focused way.

5.32 In response, USEN and Deputy Secretary for the Environment ("DSEN") said that the Administration hoped that Green Tech Fund could facilitate collaboration between the industry, academic and research sectors. For that reason, apart from the designated local public research institutes and R&D centres that were targeted for funding support, the Administration would also actively explore the feasibility of allowing local private organizations to apply for Green Tech Fund in order to promote practical applications of project results. In this connection, the Administration would consider the appropriate arrangements to ensure that funding allocated to private organization would be used appropriately and in cost-effective manner.

Restored Landfill Revitalization Funding Scheme

5.33 Mr MA Fung-kwok opined that the Administration's work on developing restored landfills was slow in progress and pointed out that a number of sites were yet to be provided with facilities of beneficial uses despite the fact that the Restored Landfill Revitalization Funding Scheme had been implemented for many years. He noted from Reply Serial No. ENB126 that the expenditure incurred under Batch 1 of the funding scheme in the 2019-2020 financial year was only \$1 million. In this connection, he enquired how the Administration would put the \$1 billion earmarked for the funding scheme to effective use expeditiously, including whether infrastructure and/or public facilities would be provided for the sites concerned in advance in order to

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facilitate their development for beneficial uses, and whether the grant ceiling for each application would be raised.

5.34 SEN and DDEP(2) said that the Administration had been developing restored landfills by adopting a multi-pronged approach, which included development of government recreational facilities and issuing land licences to non-governmental organizations ("NGOs") for development and operation of recreational facilities on a self-financing basis. Currently, a number of projects that had been commissioned or were under development at restored landfills (e.g. a golf driving range and a football training centre) were implemented by NGOs on a self-financing basis. Under Batch 1 of the funding scheme, one development project was granted approval-in-principle. As the project was still at the stage of pre-construction activities, the expenditure incurred by the funding scheme in the 2019-2020 financial year was only \$1 million. The Administration had completed an interim review of the funding scheme, which concluded that the Administration should actively consider providing infrastructure in advance with regard to the conditions of various restored landfills in order to expedite the development of those sites. In future, the Administration would work with NGO applicants more flexibly, so that facilities of short-term and long-term beneficial uses could be developed at restored landfills as early as possible.

Other issues

Hygiene and safety standards of drainage systems of residential buildings

5.35 Dr Helena WONG pointed out that residents of two different flats facing the same direction in Heng Tai House of Fu Heng Estate contracted COVID-19 recently. The virus was suspected to have entered the residential units by the force of air turbulence via the rooftop ventilating pipes of the foul water stacks. In this connection, she enquired whether the Administration had plans to review the design and hygiene and safety standards of drainage systems of residential buildings and step up regulation to prevent environmental and/or hygiene problems from arising from the drainage systems.

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5.36 SEN said that the design standards of drainage systems and ventilation pipes in residential buildings were under the purview of the Development Bureau/Buildings Department. To prevent the spread of COVID-19, EPD was working with relevant government departments on studies concerning the cases of Heng Tai House of Fu Heng Estate. DDS supplemented that the design standards of Hong Kong's sewerage infrastructure were in line with international standards. Sewage treatment works mainly adopted secondary treatment or chemically-enhanced primary treatment technologies, which were effective in killing viruses and bacteria in the effluent.

Retail prices of auto-fuels

5.37 Mr Frankie YICK relayed the concern of the transport sector that reduction in the local retail prices of auto-fuels in recent months fell short of the fall in international crude oil prices. He enquired whether the Administration would urge oil companies to further lower the retail prices of auto-fuels to better mirror the fall in international crude oil prices; and whether it would consider reviewing the tendering system for petrol filling station sites and require oil companies to adjust the retail prices of auto-fuels according to the movement of international crude oil prices using a pricing formula under a pricing adjustment mechanism similar to that adopted for liquefied petroleum gas ("LPG") at dedicated LPG filling stations.

5.38 USEN said that in a free market economy, the retail prices of auto-fuels in Hong Kong should be determined by oil companies and not by the Government. The Administration had been monitoring the movement of local retail prices of auto-fuels and international oil prices. Since January 2020, there had been 10 adjustments to the retail prices of auto-fuels by oil companies, of which nine were reductions. Since March 2020, there had been six adjustments to the retail prices of auto-fuels amidst significant fluctuations in international crude oil prices. It showed that, contrary to the perception of some members of the public, the local retail prices of auto-fuels had not been out of step with the movement of international oil prices in terms of both frequency and magnitude of adjustment.

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Electricity tariffs

5.39 Mr WU Chi-wai pointed out that under the Scheme of Control Agreements ("SCAs") signed between the Government and power companies, the permitted returns of power companies were linked to their capital investments. He opined that the Government should buy up some common facilities of the two power companies or build such facilities in place of them, especially those facilities related to reduction of greenhouse gas emission, such as the offshore liquefied natural gas terminal. This could reduce the capital investments of power companies and thereby reduce the electricity tariffs and the financial burden on the public.

5.40 In response, DSEN said that the SCAs set out clearly the respective roles and obligations of the Government and power companies. In gist, power companies were responsible for investing in, operating and maintaining a reliable supply of electricity, while the Government was responsible for monitoring the performance and investment of power companies. It was considered that the Government should avoid any acts that might confuse its monitoring role, such as engaging in financial or operational partnerships with the two power companies while assuming the role as their monitoring authority at the same time.

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6.1 At the invitation of the Chairman, Mr CHAN Fan, Secretary for Transport and Housing ("STH"), briefed members on the main initiatives for the policy area of housing for the 2020-2021 financial year (Appendix IV-4).

Inadequately-housed households

6.2 Dr KWOK Ka-ki opined that the number of people who lost their jobs and were in need of public rental housing ("PRH") would increase following the economic downturn. He asked about the Administration's support measures for the households of sub-divided units ("SDUs") as many of them were facing reduction in income and could not afford the high rent of SDUs. Ms Alice MAK said that families living in inadequate housing might encounter greater difficulties under the worsening economic conditions due to unemployment and declining income, and enquired about the measures to assist the inadequately-housed households.

6.3 STH replied that to alleviate the pressure faced by low-income families waiting for PRH, the Government would, on a trial basis, provide cash allowance to eligible PRH General Applicant households which were not living in public housing, not receiving the Comprehensive Social Security Assistance ("CSSA") and had been waiting for PRH for more than three years until they were offered the first PRH allocation. The Government was formulating the details of the trial scheme for the provision of cash allowance, with a view to launching the scheme in the second half of 2021.

6.4 Dr Fernando CHEUNG said that SDU families and their children might be in a difficult situation as they had to stay in their units with unpleasant living environment due to the coronavirus disease-2019 pandemic. He enquired whether the Administration would implement the cash allowance scheme early. Ms Alice MAK and Mr Andrew WAN raised the same enquiry. STH replied that the Government understood the difficulties faced by grassroots households,

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including those living in SDUs, and was working on the details of the trial scheme for the provision of cash allowance, with a view to launching the scheme in the second half of 2021. Before the launch of the trial scheme, the Community Care Fund would put forward two rounds of "one-off living subsidy" in the financial year of 2020-2021 for the low-income households not living in PRH and not receiving CSSA. In addition, the Government would soon announce measures to support employees and the public as part of the second round of relief items under the Anti-epidemic Fund.

Waiting time for public rental housing

6.5 Dr KWOK Ka-ki said that the average waiting time for PRH had continued to increase since the current-term Government had taken office, and enquired how long PRH applicants had to wait until they would receive the first flat offer. STH acknowledged that the public housing supply was lagging behind the relevant supply target, and reassured members that the current-term Government would continue to spare no efforts to make up the shortfall and increase the supply with a view to meeting the target. As an interim measure, the Government would facilitate the provision of transitional housing by community organizations.

Sub-divided units

6.6 Ms Alice MAK opined that the Administration should protect SDU households against exploitation by landlords, such as overcharging for tenants' consumption of water and electricity and unreasonable eviction of tenants, and commence the study on tenancy control on SDUs early with a view to implementing the measure as quickly as possible. Mr Andrew WAN and Dr Fernando CHEUNG opined that the Administration should strive to complete the study earlier and set the timeframe for deciding the way forward for the study. STH replied that the current-term Government was committed to taking forward the trial scheme for the provision of cash allowance and the

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study on tenancy control on SDUs. The Government aimed to complete the study on tenancy control on SDUs by the first half of 2021. The task force set up for the study would examine the feasibility and viable options for implementing SDU tenancy control and was expected to hold its first meeting in April 2020.

6.7 Mr Tony TSE enquired whether the task force would have access to data about SDUs over the territory, including the information as to which SDUs were unauthorized. Mr Andrew WAN enquired on how the task force would be formed to enhance its representativeness and transparency. STH replied that the Government would announce the membership which would comprise representatives of relevant Government bureaux/departments and independent members. The Transport and Housing Bureau ("THB") would provide necessary support to the task force, and liaise with relevant Government departments and engage consultants to assist the task force to carry out the study.

6.8 Mr CHAN Chun-ying said that there were 96 400 households living in SDUs according to the Census and Statistics Department ("C&SD")'s estimate, and enquired on how the Administration would assist the SDU households which were not eligible for PRH and hence would not receive the cash allowance to be provided to the households which had been waiting for PRH for more than three years. Deputy Secretary for Transport and Housing (Housing) ("DS(H)") replied that the Government would consider in due course the criteria for providing the cash allowance. To assist SDU households in resolving their housing difficulties, the fundamental solution was to produce adequate public housing units on the basis of the Long Term Housing Strategy.

6.9 Mr SHIU Ka-chun said that the number of SDUs provided in the annual progress reports of Long Term Housing Strategy was an estimate only, and enquired whether the Administration would conduct comprehensive surveys on SDUs. STH replied that according to

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C&SD, further to the survey on SDUs conducted in 2016, it would conduct another detailed survey in 2022 to update the data on SDUs.

Redevelopment of aged residential estates and buildings

6.10 Ir Dr LO Wai-kwok said that to help increase public housing units to address the supply shortfall and the PRH demand which might increase following the economic downturn, the Administration should actively examine the opportunities for redeveloping aged PRH estates. He and Dr Priscilla LEUNG opined that the Hong Kong Housing Authority ("HA") should redevelop Shek Kip Mei Estate. Ir Dr LO suggested that HA should use the available space in the estate to construct a new housing block to accommodate the tenants of existing PRH buildings so that the site of these old blocks could be vacated for redevelopment to provide higher-density public housing. Mr KWOK Wai-keung said that the Administration/HA should commence the redevelopment of the more than 20 aged PRH estates early so that the redevelopment projects could be spread out and would not be concentrated over a short period. Mr Andrew WAN said that the Administration/HA should take forward the redevelopment of aged PRH estates given its long-term benefits.

6.11 STH replied that HA all along had not objected to redevelopment of aged PRH estates and would take forward such projects as appropriate. HA had undertaken about 14 PRH redevelopment projects over the past decade, and there were four projects under construction. In considering redevelopment of an aged PRH estate, HA would take into account various factors, such as increase in the supply of PRH units as a result of the redevelopment and the impact of the redevelopment on the PRH stock available for allocation to PRH applicants, etc. As regards the redevelopment of Shek Kip Mei Estate, the Administration could arrange meetings for interested Members to exchange views with HA on the matter if necessary.

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6.12 Dr Priscilla LEUNG enquired about the plans to redevelop the Civil Servants' Co-operative Building Society Scheme ("CBS") lots and the number of new housing units that could be provided under the plans. Ms CHAN Hoi-yan raised similar enquiries and considered that the Administration should take responsibility for issues relating to redevelopment plans for aged estates over the territory. She suggested that the Administration should use the CBS lot adjacent to Lok Man Sun Chuen as the reception resources for Lok Man Sun Chuen's redevelopment. STH replied that the Hong Kong Housing Society ("HS") and the Urban Renewal Authority would announce their respective redevelopment plans for rental estates, including Lok Man Sun Chuen, and the relevant CBS buildings in due course, and the Government would continue to collaborate with these organizations in alleviating the demand for public rental and subsidized housing.

Supply of land and housing

6.13 Mr KWOK Wai-keung said that more people would become eligible for applying PRH under the worsening economic conditions. The Administration/HA should increase and expedite the public housing supply to meet the aspirations of needy families in a timely manner, and ensure that there was a steady and adequate supply of private flats. STH replied that the Government noted the aspirations of the households waiting for public housing, and would expedite the processes as far as possible. He also supplemented that in taking forward public housing developments, the Government would continue to address the concerns received during local consultation, funding application, etc. Deputy Director of Housing (Development and Construction) advised that apart from the measures announced in the 2019 Policy Address to increase land supply for housing through resumption of private land suitable for public housing and implementation of the Land Sharing Pilot Scheme, the Government had also announced in 2018 the reallocation of nine sites, which were originally intended for sale, for public housing. These sites were already zoned for residential use, i.e. "spade-ready" and would be

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completed by phases, including one to be completed in the coming five years. Besides the New Development Areas and land use review, the Government/HA would also continue to optimize the use of the space within or near HA's existing public housing estates, to study the feasibility of redeveloping HA's factory estates for public housing and to enhance the domestic plot ratios of public housing sites in selected zones by up to a maximum of 30% where technically feasible.

6.14 Dr Priscilla LEUNG suggested that the Administration should consider increasing the plot ratios in Kowloon Tong and Kai Tak so that the public housing estates in these districts could provide more housing units and owners/developers who would pay the required land premium might construct additional floors in their private buildings. STH replied that in considering the suggestion, the Government needed to take into account whether it was technically feasible, in particular whether there would be adequate supporting infrastructures in the districts concerned.

6.15 Mr KWONG Chun-yu opined that the Administration should make good use of public funds to assist needy members of the public given the economic circumstances ahead, and asked whether the Administration would not insist on the implementation of the Lantau Tomorrow Vision project in view of its high construction cost. STH replied that the Government had not changed its position regarding the Lantau Tomorrow Vision, which was under the purview of the Development Bureau ("DEVB"). In response to Mr KWONG's enquiry on whether the Government would increase the land supply for housing through invoking the Land Resumption Ordinance (Cap. 124), STH advised that the Government would not hesitate to invoke the Ordinance to resume private lots suitable for public housing.

6.16 Dr KWOK Ka-ki asked about the Administration's progress in following up the suggestions of increasing land supply for housing through resumption of the land of the Fanling Golf Course, use of idle government land and the military sites that could be released by

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People's Liberation Army Hong Kong Garrison. Mr Andrew WAN opined that the shortfall of public housing would continue over the next two decades if the Administration made little progress in taking forward such suggestions. STH replied that the Government had been following up the Task Force on Land Supply's recommendations, and inter-departmental discussion on allocation of land for public housing would continue. In response to Mr KWONG Chun-yu's enquiry about the Administration's considerations on the suggestion of increasing housing land supply through using military sites, STH advised that THB was not in a position to comment on the use of military sites.

Transitional housing

6.17 Mr Vincent CHENG expressed concern on the progress in achieving the three-year supply target of transitional housing, and asked whether the Administration would streamline relevant procedures to facilitate the expedited implementation of transitional housing projects and identify more vacant sites suitable for transitional housing projects of larger scale. STH replied that the Government had set the three-year target of providing 10 000 transitional housing units in 2019 and had subsequently increased the target to 15 000 units. Through joint efforts of community organizations, individual private developers and the Government, the Government had already identified land for the provision of 10 000 units. As regards the remaining 5 000 units, the Government would assess the feasibility of developing transitional housing on a number of "Government, Institution or Community" sites that had no development plan in the short term.

6.18 Mr Tony TSE asked about the Administration's reluctance to set a higher supply target for transitional housing and reliance on non-governmental organizations ("NGOs") to provide transitional housing for meeting its target of 15 000 units. Under Secretary for Transport and Housing ("USTH") replied that in considering whether it was practicable to set a higher supply target, the Government needed to

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take into account the land sites that could be made available for transitional housing in future.

6.19 Mr Vincent CHENG opined that NGOs might be engaged in issues arising from the pandemic and might not be able to take part in more transitional housing projects. He asked whether HA and HS would make greater commitment on transitional housing projects to help cater for the increasing demand for such housing from SDU households. STH replied that the Task Force on Transitional Housing would consolidate the support of professionals from various disciplines to help NGOs to take forward transitional housing projects and assist in their land planning work. The task force would also create some temporary positions to allow more potential candidates to take part in facilitating such projects.

6.20 Ms CHAN Hoi-yan opined that when consulting the local community on a transitional housing project, the Administration should provide sufficient information for them, such as the number of transitional housing units to be provided and how the Administration would enhance the transport and other supporting facilities in the district concerned. She expressed concern on the progress of the Administration in meeting the local community's request for the provision of recreational facilities near Hoi Fan Road, Tai Kok Tsui. USTH replied that to consult the local community on a NGO's initiative for providing transitional housing at a short-term tenancy site in a district, short questionnaires would be issued to invite the local residents to give their views on the initiative as a standard procedure. Application of transitional housing projects would be reviewed and processed according to the prevailing process to ensure the transitional housing proposal would meet all relevant requirements on environment and traffic, etc. The Task Force on Transitional Housing would also accompany the NGO to brief the relevant district council on details of the transitional housing project proposal. He assured members that the Government would provide more information when consulting the local community in future.

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6.21 Mr Tony TSE asked whether the 22 time-limited posts that the Task Force on Transitional Housing had planned to create in 2020-2021 would deal with matters on transitional housing only. USTH replied in the affirmative and advised that these posts would work under the task force to help facilitate transitional housing projects.

Interim housing and transit centres

6.22 Mr SHIU Ka-chun opined that the occupancy of interim housing was low and no persons had been rehoused to Shek Lei Interim Housing since 2017-2018. He asked whether the Administration would make use of interim housing to meet the accommodation needs of homeless persons including those affected by the pandemic. STH replied that households rendered homeless due to Government's enforcement action or affected by natural disaster might be referred to the Housing Department ("HD") by relevant Government departments for temporary accommodations in transit centres while looking for alternative accommodations. If households had stayed in transit centres for three months, passed the "homeless test" and fulfilled the eligibility criteria for PRH, they could be admitted to interim housing while awaiting PRH allocation through PRH application. In considering whether to admit more persons to Shek Lei Interim Housing, HD needed to take into account the dilapidated conditions of the building and its facilities.

6.23 Mr SHIU Ka-chun asked about the number of Buildings Department's enforcement actions against illegal SDUs in industrial buildings over the past five years and why the number of persons affected by such enforcement actions and admitted to transit centres was zero from 2016-2017 to 2019-2020. STH replied that households rendered homeless due to Government's enforcement actions and needed temporary accommodations might be admitted to transit centres through referrals by relevant Government departments. The number of persons admitted to transit centres might be affected by various factors, such as the number of referrals received by HA, etc.

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6.24 In view that Chun Yeung Estate in Fo Tan had been used as a quarantine centre, Dr CHENG Chung-tai said that the Administration/HA should adopt a flexible approach in meeting the housing needs of the PRH applicants who had originally accepted the HA's offers for moving into this new estate, such as accommodating them in Shek Lei Interim Housing upon their requests. STH replied that HA had issued letters to the about 4 000 PRH applicants who had accepted the offers for units in Chun Yeung Estate and had invited them to indicate whether they wished to temporarily move to Po Tin interim housing while waiting for intake of Chun Yeung Estate or to be re-allocated to vacant units available in other PRH estates, if they did not want to wait for the intake of Chun Yeung Estate. HA would try to meet their wish subject to availability of the housing resources concerned. In response to Dr CHENG's concern that there might be cases where HD could not entertain the applicants' requests, STH advised that the Administration would follow up such cases if Dr CHENG could provide relevant details.

Subsidized housing

6.25 Mr Wilson OR asked whether the Administration/HS had examined the reasons for the few applications and approvals under the Flat for Flat Pilot Scheme for Elderly Owners. He further sought explanation for the low percentage of the total number of approved applications under the enhanced Letting Scheme for Subsidised Sale Developments with Premium Unpaid against the number of HS's subsidized sale flats with premium unpaid, and enquired whether there were rooms for enhancing the letting scheme.

6.26 DS(H) replied that the two schemes aimed to provide additional choices for eligible owners to make better use of the relevant housing resources, and the Government/HS had not set hard targets regarding the number of applications made under the schemes. HS had enhanced the letting scheme last year and would review its effectiveness after one year of operation. A possible area which the

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Government/HS might look into when conducting the review was the rent level for letting the flats. As regards the Flat for Flat Pilot Scheme for Elderly Owners, the number of applications received by HS mainly depended on whether eligible elderly owners considered there was a need to move to a smaller flat. HS had launched the pilot scheme for a short period of time and would consider reviewing its effectiveness at a suitable juncture. In response to Mr Wilson OR's enquiry about HA's participation of these schemes in order to help cater for the housing needs of more inadequately-housed households, STH advised that in general, the Government would make reference to HS's implementation experiences of innovative housing schemes and consider expanding the schemes by inviting HA to join them.

Private residential properties

6.27 Mr Wilson OR opined that the Sales of First-hand Residential Properties Authority ("SRPA") should increase the number and frequency of surprise inspections in order to achieve greater deterrent effects against non-compliances, and should compile separate statistics on surprise and non-surprise inspections. Director of Sales of First-hand Residential Properties Authority replied that SRPA believed that both surprise and non-surprise inspections could achieve certain deterrent effects, and it was practicable for SRPA to increase the annual number of surprise inspections where appropriate.

6.28 In view that the Rating and Valuation Department had proposed to create 15 non-directorate posts in 2020-2021 to carry out the preparatory work for the introduction of the "Special Rates" on vacant first-hand private residential units, but the progress of the relevant legislative exercise was slow, Mr CHAN Chun-ying asked whether the Administration would take forward the staffing proposal as planned. STH replied that implementation of the staffing proposal would be subject to the approval of the Appropriation Bill 2020 and whether and when the legislation on Special Rates could be enacted.

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The Government was closely monitoring the progress of the legislative exercise and would make staff deployment as appropriate.

6.29 Noting that the forecast completion of private domestic flats with saleable floor area less than 40 sq m was 42.5% of the forecast total number of completion of private domestic flats in 2020, and this was higher than the annual percentage of such flats in the total stock of private domestic flats from 2015 to 2019, Mr Jeremy TAM enquired whether the Administration had changed its stance regarding such small flats. STH replied that the Government did not have a policy of favouring small flats. Factors such as prices of private flats, buyers' affordability and the demand and supply situation in the property market might explain the number of completion of small flats in the market.

6.30 Noting that the Administration had compiled statistics on private domestic flats by five flat classes, Mr Jeremy TAM asked whether the Administration would consider adding a new flat class, i.e. private domestic flats with saleable floor area less than 20 sq m, in order to keep track of the number of "nano flats" in Hong Kong. STH replied that members of the public might have been making reference over years to the statistics on the current five classes of flats (based on saleable floor area) for research or other purposes. The Government needed to be cautious in considering any changes to the existing classification.

Drainage system of residential buildings

6.31 Dr Helena WONG referred to the cases of the coronavirus disease-2019 in Heng Tai House, Fu Heng Estate in Tai Po, and expressed concern on the impact of air emissions from vent pipes in some residential buildings on the households living close to the discharge outlets of vent pipes. In view that the existing regulations regarding the design and materials, installation and maintenance of drainage systems, including vent pipes, in residential buildings might

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be outdated, she asked whether the Buildings Department would review the statutory and regulatory requirements concerned and whether HD would step up relevant inspection of some public housing estates.

6.32 STH replied that the inter-departmental expert group had yet to draw a conclusion on the cause of the incident in Heng Tai House. Head (Independent Checking Unit), Permanent Secretary (Housing)'s Office advised that property owners had the responsibility to ensure that the drainage systems of their buildings were well maintained in compliance with the requirements of the Buildings Ordinance (Cap. 123). Upon receiving reported cases involving alteration of drainage systems in buildings, relevant Government departments would arrange inspections and where appropriate, require the owners concerned to carry out necessary rectifications or repairs on the drainage systems for compliance with the law. Subsequent to the incident at Heng Tai House, the Independent Checking Unit had inspected the drainage system in the concerned stacks of units in the building at the request of the Centre for Health Protection. Director of Buildings advised that the Administration had completed the first stage of the legislative exercise to amend the Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) Regulations (Cap. 123I) in 2015, and planned to submit to the Legislative Council in the 2021-2022 session the legislative proposal for the second stage of the exercise which would involve enhancement of the standards of drainage systems, replacement of the prescriptive requirements by performance-based requirements, etc.

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7.1 At the invitation of the Chairman, Mr Frank CHAN, Secretary for Transport and Housing ("STH") briefed members on the financial provisions and main initiatives related to the policy area of transport (Appendix IV-5).

Impact of COVID-19 on public transport operators

7.2 Mr Jeremy TAM expressed concern that the coronavirus disease 2019 ("COVID-19") pandemic had seriously affected the businesses operating at the airport. Yet the relief and support measures provided jointly by the Administration and the Airport Authority could barely benefit frontline airport staff. For instance, a training incentive of \$2,000 would only be paid to airport staff who took on training while they were on unpaid leave. Mr TAM urged the Administration to provide more direct subsidy to help frontline airport staff weather difficult times.

7.3 Mr LUK Chung-hung and Mr POON Siu-ping expressed worry that employers might still lay off frontline staff despite the support measures provided, and called on the Administration to keep in view the situation. Both members also suggested that the Administration formulate effective and direct assistance for staff working at the airport, such as providing cash subsidy and meal coupons.

7.4 STH said that the Government welcomed suggestions of suitable measures to be included under the Anti-epidemic Fund to help different sectors of the society cope with the difficulties under the prevailing economic environment. He took note of members' suggestions above and said that the Government would consider additional relief measures as and when necessary.

7.5 Mr POON Siu-ping said that he had received complaints from employees working at the airport regarding service frequency of non-franchised bus plying between the airport and predefined destinations, the reduction of service routes and changes in pick-up/drop-off points of these routes. He opined that it was imperative for the Transport Department ("TD") to follow up with relevant operators to ensure adequate service frequency to facilitate

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airport staff commuting to work.

7.6 STH replied that the Government would ensure that adequate public transport would be provided for the airport island to meet the transport needs of airport passengers and staff. In determining service frequency of public transport including non-franchised buses, TD would keep in view factors like the need for keeping social distancing within bus compartments to prevent the spread of the COVID-19 as well as passengers' demand for bus services. TD would seriously follow up complaints about bus service frequency with relevant operators.

7.7 Mr CHU Hoi-dick opined that the Administration should ensure that the occupancy ratio of buses was less than 70% to prevent the spread of "Wuhan pneumonia" within bus compartments. He also called on the Administration to classify "Wuhan pneumonia" as one of the prescribed occupational diseases for compensation purposes and mandating passengers to wear face masks while on buses, and enquired about anti-pandemic measures that had been taken to safeguard the well-being of bus captains.

7.8 STH replied that anti-pandemic measures on public transport had been stepped up at all fronts, and TD had reminded operators to observe the need to allow social distancing within the compartments of public transport through adjusting service frequency if necessary. In addition, operators were reminded to provide sufficient face masks and alcohol hand sanitizers to drivers and bus captains, and to disinfect vehicle compartments more frequently to ensure cleanliness.

7.9 Dr Priscilla LEUNG expressed disappointment that Mr CHU Hoi-dick used "Wuhan pneumonia" to describe COVID-19. She said that the term used was inappropriate and discriminatory in nature. The Chairman reminded members to be cautious in the use of expressions and not to discriminate against any country or place when describing the pandemic, as recommended by the World Health Organization.

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7.10 Referring to the fuel subsidy and one-off subsidy provided to the transport and logistics trade, Mr LUK Chung-hung enquired if the Administration would consider increasing the subsidy amount or extending the subsidy period so as to relieve the financial burden of the transport trades.

7.11 STH replied that the Government had increased the amount and extended the period of the fuel subsidy and one-off subsidy provided for the transport and logistics trade under the Anti-epidemic Fund. Apart from the fuel subsidy, the Government had also waived various government fees for the transport sector until end 2020. STH added that the Government would consider additional measures to relieve the financial burden of frontline drivers under the Fund.

7.12 Noting that 112 green minibus ("GMB") routes in total had submitted fare increase applications to TD for processing, Dr CHENG Chung-tai asked if TD would discuss with these operators the possibility of postponing fare increase in view of the current economic situation. Commissioner for Transport ("C for T") replied that because of operating difficulties, GMB operators had sought to increase fares to enhance the financial viability of the routes. In considering these applications, TD would carefully assess a host of factors including public acceptability, operators' financial position, passengers' demand and the overall economic environment. TD would maintain close dialogue with operators on the matter. Since the patronage of the GMB routes had dropped significantly in recent months, it was essential to maintain the viability of the GMB routes.

7.13 Dr CHENG Chung-tai pointed out that under the Public Transport Fare Subsidy Scheme ("PTFSS"), around 300 000 passengers did not collect their fare subsidy for the first nine months in 2019. Given that most public transport would keep their fare frozen in the near future, Dr CHENG questioned about the effectiveness of PTFSS and suggested the Administration to review the Scheme holistically.

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7.14 C for T replied that the policy objective of PTFSS was to relieve the fare burden of passengers travelling on local public transport services. PTFSS had been further enhanced since 1 January 2020 where the fare subsidy rate was increased from one-fourth to one-third of the monthly public transport expenses in excess of \$400 and the subsidy cap was raised from \$300 to \$400 per month per Octopus so that passengers would benefit more from the Scheme.

7.15 In reply to Mr POON Siu-ping's enquiry, STH advised that TD had been actively identifying spaces for the parking of idle commercial vehicles at Kwai Chung Container Port, Hong Kong West Kowloon Station of the Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port respectively.

Railway-related issues

Railway Development Strategy 2014

7.16 Referring to Reply Serial No. THB(T)077, Ir Dr LO Wai-ki expressed deep concern about the implementation timetable of the seven new railway projects recommended under the Railway Development Strategy 2014 ("RDS-2014"). He asked about the progress made over the past six years in taking forward these new railway projects, and whether the Administration would practically adjust the indicative implementation windows and cost estimates recommended in RDS-2014, in order to assure the public and the engineers in railway profession the Administration's commitment in taking forward these projects.

7.17 STH responded that since the announcement of RDS-2014, relevant bureaux/departments had been undertaking the preparation work and that MTR Corporation Limited ("MTRCL") had submitted proposals for five railway projects to the Government. Upon receipt of MTRCL's proposals, relevant bureaux/departments had numerous discussions with MTRCL to evaluate the proposals and had requested MTRCL to provide additional information and supplement details. STH further said that the preliminary cost estimate of the seven new railway projects recommended under RDS-2014 were made based on

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certain assumptions. In view that new issues were identified in the preliminary proposals submitted by MTRCL, the Government would need to resolve such issues before consulting Members on the details of a proposed railway scheme in line with established procedures.

7.18 Mr Holden CHOW referred to Reply Serial No. THB(T)058, which stated that the Government would invite MTRCL to commence the detailed planning and design for the Tung Chung Line ("TCL") Extension, the Tuen Mun South Extension and the Northern Link in the coming year. He pointed out that the Tung Chung reclamation project was in full swing with a view to achieving the first population intake in the newly extended areas in the next two to three years. Besides, MTRCL had submitted its proposal on the Tuen Mun South Extension to the Administration back in 2016. In view of the above, Mr CHOW enquired about the anticipated time for commencing the consultation on the TCL Extension and Tuen Mun South Extension. He urged the Administration to launch the public consultation exercise on the TCL Extension before the first population intake in the Tung Chung New Town Extension area.

7.19 STH replied that as mentioned in the 2019 Policy Address, the Government would invite MTRCL to commence the detailed planning and design for the TCL Extension, the Tuen Mun South Extension and the Northern Link in the coming year, so that work on these three railway projects could commence as early as possible. When the details of a proposed railway scheme were available, the Government would consult the public including the Legislative Council in line with established procedures.

7.20 Referring to Reply Serial No. THB(T)070, Mr Andrew WAN enquired about the specific timetable for implementing the Tuen Mun South Extension. Pointing out that the population in the Northwest New Territories ("NWNT") would increase substantially in the coming years, and the Strategic Studies on Railways and Major Roads beyond 2030 ("RMR2030+ Studies") would not be completed in the near future, Mr WAN asked whether the Administration would consider constructing a new heavy rail connecting directly NWNT and the urban areas.

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7.21 Following up on Reply Serial No. THB(T)046, Mr CHAN Han-pan also expressed dissatisfaction with the slow implementation progress of RDS-2014. Having noted that the loading of a number of railway lines, including West Rail Line ("WRL") and Tsuen Wan Line, was over 100% in the morning peak hours, he asked what measures would be put in place to meet the future traffic demand arising from the new population intake in the New Territories East and New Territories West.

7.22 In response, STH said that the Transport and Housing Bureau planned to take forward RMR2030+ Studies on the basis of the conceptual spatial requirements to be firmed up under the "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" planning study, which was being conducted by the Development Bureau and the Planning Department. The Government would explore means to cope with the additional demand for transport services arising from the growing population in the New Territories East and New Territories West when carrying out RMR2030+ Studies. STH further advised that the Government planned to consult the Subcommittee on Matters Relating to Railways on the proposed way forward of the TCL Extension project in the coming Subcommittee meeting. As regards the implementation of Tuen Mun South Extension, Director of Highways ("DHy") advised that MTRCL was carrying out planning work for the railway project and the Government would consult the public as soon as practicable when the details of the project were available.

MTR fares

7.23 Mr CHU Hoi-dick asked whether the Administration would urge MTRCL to freeze its fares amid the pandemic. Dr Priscilla LEUNG expressed that MTRCL, as the largest public transport operator in Hong Kong, should take the lead in reducing fares so as to demonstrate its commitment to walk with Hong Kong people through this difficult time. STH took note of Dr LEUNG's views.

7.24 Mr Michael TIEN pointed out that the average fares per kilometre of WRL and TCL were higher than that of East Rail Line (Hung Hom to Sheung Shui section). Given that the Administration

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would negotiate with MTRCL on the concession payment to be received from the latter for preparing the planned commissioning of Shatin to Central Link ("SCL") in full in 2022, Mr TIEN urged the Administration to take this opportunity to discuss with MTRCL on how to reduce the fares of WRL and TCL and rationalize the fare differences among these three railway lines.

7.25 STH took note of Mr TIEN's views. Deputy Secretary for Transport and Housing (Transport)² further explained that the different fare levels among WRL, TCL and East Rail Line were attributed to a number of historical reasons, including the different fare structure of railway lines respectively operated by Kowloon-Canton Railway Corporation ("KCRC") and former MTR Corporation before the rail merger. In addition, monthly concessionary tickets had been offered to long-haul MTR passengers to relieve their burden. KCRC, which was wholly owned by the Government, had been receiving concession payment from MTRCL according to the existing service concession agreement. The Government would explore with MTRCL on the feasibility to address the fare differences among these three railway lines in this regard.

Utilization of Hong Kong-Zhuhai-Macao Bridge ("HZMB")

7.26 Ms Tanya CHAN expressed concern about the low utilization of HZMB where the average daily vehicular flow of the Bridge was less than 4 000 vis-à-vis the projected forecast of 9 200 – 14 000 as stated in the Administration's papers in 2008. She asked whether the revenue generated was able to cover the operating cost of the Bridge, and suggested the Administration estimate afresh the Economic Internal Rate of Return ("EIRR") of HZMB having regard to the latest traffic statistics.

7.27 STH replied that HZMB was managed by the HZMB Authority which was responsible for the construction, operation, management and maintenance of the HZMB Main Bridge as well as collecting tolls from vehicles using the Bridge. As toll income was not received by the Hong Kong SAR Government, it was inappropriate

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to disclose information relating to the income and expenditure of HZMB unilaterally. As regards EIRR of HZMB, STH said that since the commissioning of HZMB, information relating to vehicular flow and toll level of HZMB were already available in the public domain and the public could compute the estimations using the information available instead of estimating a revised EIRR.

7.28 In reply to Ms Tanya CHAN's further enquiry, STH said that the Government was still ascertaining the amount of the project overrun and would seek the Legislative Council's approval on additional funding in due course.

Introduction of in-harbour ferry routes

7.29 Noting that an operator had been selected for operating the "Central – Hung Hom" ferry route and "water taxi" ferry service, Dr Helena WONG sought the operating details of the routes including fares and timetable, and when the service would be commissioned.

7.30 C for T replied that the operator was preparing for the commencement of service and it was expected that the "Central – Hung Hom" ferry route and "water taxi" licenced ferry service would commence operation in the second quarter and fourth quarter of 2020 respectively. The operating details, including fares and timetables, would be announced before the commencement of service. Further to Dr WONG's enquiry, C for T added that the invitation for tender document had clearly specified the requirements relevant to the operating routes, timetables, facilities, pick-up/drop-off points of ferry services, and so on. When considering the fare as proposed by the successful tenderer in the tender bid, factors such as public affordability and financial viability of the routes would be taken into account. References would also be drawn to existing ferry routes to ensure that the fare would be on a par with market level.

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Development of high-value added maritime services

7.31 Mr Frankie YICK enquired about the progress of revising the air draft restriction at Tsing Ma Bridge from 53 meters to 57 meters to facilitate passage of large container vessels under the Bridge. Director of Marine replied that the said relaxation of the air draft restriction hinged on whether the movable gantries of the Bridge would be in use for repair and maintenance of the Bridge. The Marine Department and the Highways Department had come up with a communication mechanism and would notify vessel companies in advance as to when the moveable gantries of the Bridge would need to be deployed so that vessel companies could make corresponding arrangements.

Issues relating to land transport

Vandalization of traffic lights

7.32 Mr Vincent CHENG said that during the staging of public order events from June 2019 to February 2020, 740 sets of traffic lights in total had been vandalized across the territory. He enquired about the number of accidents or casualties caused by the damaged traffic lights and the cost and progress of repair works on traffic lights and railings.

7.33 C for T responded that all vandalized traffic lights by and large had resumed operation by end February 2020. The repair works were done at a cost of around \$40 million. C for T reported that there were 43 accidents involving environment contributory factor of "defective traffic signal" and the number of casualties was 82, all of which involved slight injury. As regards railings, Director of Highways replied that some 55 kilometers of railings were removed. The Highways Department ("HyD") had temporarily put up plastic chains to alert road users at locations where the railings had been removed. HyD had been gradually reinstating the railings with reinforced and enhanced design and the repair works were underway.

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C for T also took the opportunity to call on the public not to vandalize traffic lights and railings for sake of road safety.

Replacement of red light camera system and associated backend system

7.34 Referring to the replacement of red light camera system and associated backend system, Mr Charles Peter MOK enquired whether the data captured in said system was managed by TD or the Police. He expressed concern that the red light camera system might have facial recognition function and the data would be used for purposes other than enforcement against red light jumping.

7.35 C for T explained that there were a total of 203 road junctions with red light camera installed. The funding proposal would seek to replace 80 red light cameras and associated backend system which had been commissioned for over 14 and 19 years respectively and had exceeded their designed service life. The current backend system had all along been operated and maintained by the Hong Kong Police Force, and this arrangement would remain unchanged after replacement of the system. STH added that the systems were not equipped with any functions of facial recognition or optical character recognition, and there were stringent legal restrictions on the use of personal data under existing regulatory regime. The systems would be used for the sole purpose of enforcement against red light jumping.

Licencing and registration of left-hand-drive ("LHD") vehicles

7.36 Pointing out that the number of traffic accidents associated with LHD vehicles in 2019-2020 (up to end-February) were 12, which represented a 50% increase from that of 2018-2019, Ms Claudia MO opined that TD should control the number of LHD vehicles registered and licenced in Hong Kong, and provide more training to LHD vehicle drivers to help them get familiarized with traffic rules and regulations as well as road design in Hong Kong.

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7.37 STH replied that there was an established mechanism in handling the registration and licensing of LHD vehicles in Hong Kong, and the driving standards of LHD vehicles, including those from the Mainland, were generally the same as those of right-hand-drive vehicles. In addition, the Government attached great importance to ensuring road safety and minimizing accidents, whether LHD or right-hand-drive vehicles were involved, and the relevant rules and regulations to be applied would be the same.

Services provided by Licensing Unit of TD

7.38 Mr Frankie YICK said that many complaints had been received relating to the services provided by the Licensing Unit of TD, including the efficiency of issuing and renewing licences and the long queuing time required. He asked if TD had introduced any improvement measures in this regard.

7.39 STH replied that in order to cope with the increasing service demand for license renewal following the suspension of walk-in counter services to contain the spread of COVID-19, TD had been implementing a number of measures to enhance efficiency in processing relevant applications, such as encouraging submission of applications through drop-in box and booking of appointment online and so forth. Also, TD was exploring the feasibility of setting up a new licencing office in the Northwest New Territories to offer greater convenience to vehicle owners.

Renewal of vehicle licence for motorcycles and motor tricycles

7.40 Mr Jeremy TAM was alarmed by the huge transactions involved in the renewal of vehicle licence for motorcycles and motor tricycles in a day. Under the current legislation, a vehicle registration mark ("VRM") cannot be transferred from one owner to another directly, but a VRM can be transferred together with a vehicle to another owner. He said that since the cost involved in transferring

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ownership of motorcycles and motor tricycles together with a VRM was only \$250 whereas that for private cars would be \$1,000, vehicle owners made use of this difference, resulting in the unusual huge volume of transactions involved in the transfer of VRM for motorcycles. In his view, this was a waste of considerable government manpower in handling the applications. Mr TAM suggested the Administration review the legislation and arrangement relevant to the transfer and retention of VRM for motorcycles. STH said that he took note of Mr TAM's suggestion on this issue.

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8.1 At the invitation of the Chairman, Miss Emma LAU, Judiciary Administrator ("JA"), and Ms Teresa CHENG, Secretary for Justice ("SJ"), highlighted the major financial provisions and key programmes related to the policy portfolios of administration of justice and legal services (Appendices IV-6-a and IV-6-b).

Matters relating to "anti-extradition law amendments" incidents

Prosecution cases

8.2 Mr Alvin YEUNG referred to the cases mentioned in Reply Serial Number SJ018 in which the charges brought against 19 persons arrested relating to "anti-extradition law amendments" incidents were withdrawn due to insufficient evidence. He queried whether the Police was negligent in bringing charges against those persons.

8.3 In response, SJ said that the Police had the power to arrest a person if there was reasonable suspicion that offence(s) had been committed, and to bring a holding charge against the arrested person before submitting the case to the Department of Justice ("DoJ"). DoJ would then consider all relevant evidence, the applicable laws and the Prosecution Code in making the prosecutorial decision. SJ added that DoJ would keep on reviewing these cases to see whether there was new evidence, including those supplied by the person arrested, which might affect the prosecutorial decision.

8.4 Expressing his view that it would be unjust to detain an innocent person, Mr Alvin YEUNG sought information on whether the 19 persons arrested as mentioned in the above cases were held on remand before the charges were withdrawn and for how long. SJ replied that she did not have the information on hand, and DoJ would see if relevant information was available and could be provided to Members upon request.

8.5 Mr Holden CHOW pointed out that one possible reason that some prosecutions were withdrawn was that no alternative charges had been brought against the arrested persons concerned. He suggested that when considering charges to be brought against an arrested person, DoJ might consider whether suitable alternative charges could be made. Mr CHOW also said that for justice's sake, DoJ should appeal against judgments awarding costs to defendants against whom the charges had been withdrawn.

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In response, SJ said that DoJ would consider whether to file appeals on a case-by-case basis.

Manpower of the Prosecutions Division

8.6 Referring to Reply Serial Number SJ015, Mr Holden CHOW asked whether DoJ had any plan to increase the number of staff in its Prosecutions Division in view of the large number of prosecution cases concerning public order events ("public order event cases") in backlog accumulated since the latter half of 2019. Ms Starry LEE shared Mr CHOW's concern that DoJ should speed up clearing the large backlog of public order event cases.

8.7 In response, SJ said that DoJ had been monitoring the manpower situation in the Prosecutions Division, which would be reviewed as necessary and subject to internal deployment if needed. DoJ would consider briefing out suitable cases to outside lawyers according to the established practice and actual operational needs.

Alleged police violence against detainees on remand

8.8 Mr CHU Hoi-dick referred to the cases relating to social events in recent months as mentioned in Reply Serial Number JA023. Citing media reports that some defendants in these cases were absent from first appearance as they had been hospitalized for injuries, and some complained against alleged assaults by the Police during detention, Mr CHU asked whether DoJ and the Judiciary were aware of the alleged abuse of power by the Police in these cases and the scale of abuse.

8.9 In response, SJ said that whether a complaint could be substantiated would depend on evidence, and complaints against alleged abuse of power by the Police under the established mechanism should be handled by the Complaints Against Police Office and the Independent Police Complaints Commission. In this connection, one should not conclude that the allegations in the complaints were true or not just by looking at the number of complaints which had been lodged. JA said that she was not in a position to comment on these cases, which were to be

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handled by judges and judicial officers independently.

8.10 Dr CHENG Chung-tai said that the alleged abuse of power by the Police in their handling of protests in recent months had caused injuries to many persons and damaged Hong Kong's international image. He pointed out that Hong Kong had been the world's freest economy according to The Heritage Foundation ("HF")'s report for 25 consecutive years, but had dropped to second place in HF's latest report owing to concerns about Hong Kong's judicial independence. Dr CHENG sought SJ's views on HF's report. In reply, SJ said that in the latest HF's report, Hong Kong's ranking had improved on the indicators relating to rule of law.

Inquests held by the Coroner's Court

8.11 Mr WU Chi-wai expressed concerns about a number of dead body found cases during the anti-extradition law amendments incidents in 2019, in which the Police had considered there was no suspicion in the cause of death. Mr WU asked whether these cases would be followed up by inquests held by the Coroner's Court and whether the Coroner's Court would have the relevant information of a dead body found case, even if the Police considered there was no suspicion.

8.12 SJ replied that the Coroner might, after consideration of the Police's investigation report, decide whether to hold a death inquest. Solicitor General added that, as the decision on whether or not to start an inquest upon the investigation result of the Police on a case of death rests with the Coroner, the relevant records of the case concerned should be kept by the Coroner's Court.

Matters relating to the outbreak of coronavirus disease-2019

Use of information technology in courts

8.13 Referring to Reply Serial Number JA021, Mr Dennis KWOK pointed out that the adjournment of court hearings due to the outbreak of coronavirus disease-2019 ("COVID-19") (i.e. the General Adjourned Period

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("GAP")) had resulted in severe impact on the legal sector and the general public. Noting that technology such as video conferencing had been utilized by the judiciary in many overseas jurisdictions, he was disappointed with the slow progress of the Judiciary in implementing its Information Technology Strategic Plan ("ITSP") for which the funding had been approved by the Legislative Council in 2013.

8.14 In response, JA said that over the past few years, the Judiciary had been focusing on building up the technical and infrastructural foundation components essential for the implementation of ITSP. During GAP, the Judiciary had introduced remote hearings by video conferencing facilities for suitable civil cases in the Court of Appeal and the Court of First Instance of the High Court.

8.15 In response to Mr Dennis KWOK's enquiry as to when Phase 2 of remote hearings would be implemented, JA said that as Phase 1 had just been implemented, the Judiciary would consider the next steps having regard to the experience gained. She added that the Judiciary would actively consider other ways of using technologies in court proceedings taking into account issues such as information security as well as the views of court users.

Briefing-out of cases by the Department of Justice

8.16 Referring to Reply Serial Number SJ057, Mr Martin LIAO sought details about DoJ's plan to brief out more cases to solicitors or barristers where appropriate so as to offer relief to them.

8.17 In response, SJ said that DoJ would brief out suitable cases to barristers or solicitors under the established practice and selection criteria according to actual operational needs. Deputy Director of Public Prosecutions (II) added that, while the Administration had the number of cases in backlog accumulated during GAP, it did not have the figures on the cases in backlog which would be briefed out as requested by Mr Martin LIAO. He undertook to look at whether DoJ could compile the figures after the meeting.

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8.18 Mr Martin LIAO asked what other measures would be taken by DoJ to assist the legal professions to cope with the economic hardship brought by the outbreak of COVID-19. In reply, SJ said that besides speeding up the payment of professional fees to fiat counsel, DoJ had liaised with the Legal Aid Department and the Duty Lawyer Scheme with a view to speeding up the payments of criminal legal aid fees and duty lawyer fees as well. The Government was also actively considering in consultation with stakeholders some measures to provide assistance to the legal professions, which would be announced in due course together with other Government's measures.

Estate of Mrs Nina WANG

8.19 Mr James TO referred to Reply Serial Number SJ074 regarding the estate of the late Mrs Nina WANG ("the Estate"), which was held by the Chinachem Charitable Foundation Limited ("the Foundation") as trustee. Mr TO said that as the protector of charity, SJ had a duty to ensure proper management and ultimate distribution of the Estate. He asked whether SJ would promote/encourage using the Estate to support members of the public who were hard-hit economically during the outbreak of COVID-19.

8.20 In response, SJ said that DoJ had submitted an application to the court in March 2019 in respect of matters relating to the draft scheme of administering the Estate. The Foundation had also filed a writ in July 2019 requesting a change in the joint administrators managing the Estate. SJ said that, as the relevant court hearing originally scheduled for April 2020 had been postponed, she would only be able to update Members after the conclusion of the court proceedings.

Judicial independence

8.21 Mr HUI Chi-fung noted that from JA's replies to his questions contained in Reply Serial Numbers JA016, JA017 and JA019 that a frequent response was that the Judiciary did not have the requested statistics. Mr HUI said that as such statistics were important for assessing the rule of law and human rights conditions in Hong Kong, the lack of which had given rise to public queries whether the Judiciary was monitoring or coordinating with the Administration, and he asked for the views of JA and SJ in that respect.

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8.22 In response, JA said that the constitutional role of the Judiciary was to adjudicate cases in accordance with the laws. Every judge and judicial officer would exercise his/her judicial powers independently, free from any interference. SJ said that the courts should exercise judicial power independently under the Basic Law, and the courts should adjudicate cases in accordance with applicable laws and evidence independently in a fair and impartial manner.

The role and performance of the Secretary for Justice

8.23 Dr Kwok Ka-ki expressed dissatisfaction with the performance of SJ. Quoting the findings in a survey conducted by the Bauhinia Foundation Research Centre in 2019, Dr KWOK pointed out that the scores of various aspects of the implementation of rule of law were down across the board when compared to the survey results in 2017 and 2018.

8.24 Dr KWOK Ka-ki also criticized that the prosecutions relating to the public order event cases in recent months were unfair to the arrested persons. He pointed out that many arrested persons had been held on remand for a long period of time but the charges against them were later withdrawn, and the courts had awarded costs to them. Dr KWOK said that SJ should be held responsible for the poor performance of DoJ in these cases. In response, SJ said that when considering whether or not to prosecute, DoJ would consider the relevant evidence put forward by the law enforcement agencies, the facts, the applicable laws and the Prosecution Code and, whether a prosecution was successful or not would depend on many factors.

8.25 Ms Starry LEE said that SJ should not neglect her role and that of DoJ to explain the legal aspects of major government policies to members of the public and answer their questions. Ms LEE said that a case in point was that many people were concerned whether they would violate the legal requirements on group gatherings in public places for prevention and control of COVID-19, and hoped that DoJ could answer their questions regarding the legal issues involved.

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8.26 In response, SJ said that DoJ had been working closely with other Bureaux and Departments on measures in combatting COVID-19 and played an appropriate role. DoJ would be ready to explain the relevant provisions as needed. SJ also said that, while DoJ would not give advice on individual cases to members of the public, it would organize with relevant stakeholders, for example Independent Commission Against Corruption, public education activities on the concept of rule of law and the Basic Law for schools and the community, which was also among the main components of the "Vision 2030 for Rule of Law" initiative in the Chief Executive's 2019 Policy Address.

Inter-departmental Working Group on Gender Recognition

8.27 Referring to Reply Serial Number SJ004, Mr CHAN Chi-chuen sought information on the work progress made by the Inter-departmental Working Group on Gender Recognition ("IWG"), in particular about when it would publish its final report given that it had been more than 2.5 years since IWG issued its consultation paper in June 2017. In response, SJ said that IWG was analyzing the 18 800 submissions it had received in the above consultation. As the analysis involved multiple issues including legal, medical, social, ethical and the public interest, the Administration expected that more time would be required to consider the issues and would report on the progress in due course.

Judicial review cases relating to non-refoulement claims

8.28 Referring to Reply Serial Number JA028, Ms Elizabeth QUAT asked what measures the Judiciary had planned to address the large number of backlogs on judicial review ("JR") cases relating to non-refoulement claims and other JR cases being affected. In response, JA said that the Judiciary had introduced various measures to address the sharp increase in workload, including the engagement of deputy judges to expedite on clearing the backlogs; creation of an additional Justice of Appeal post in the Court of Appeal to handle civil appeals (including those relating to non-refoulement claims); and to propose amendments to the High Court Ordinance (Cap. 4) to facilitate more efficient handling of cases relating to non-refoulement claims.

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New offences of voyeurism and non-consensual sexual offences

8.29 Dr Elizabeth QUAT expressed concern about the difficulties of bringing charges against a person taking photograph clandestinely as a result of the relevant Court of Final Appeal ("CFA")'s judgment handed down in 2019. She considered that it remained a loophole in law to be plugged. Noting that the Law Reform Commission ("LRC") had already published a report in April 2019 on "Voyeurism and Non-consensual upskirt-photography" recommending the introduction of new and specific offences of voyeurism and in respect of non-consensual upskirt-photography, Dr QUAT wished to know the latest progress.

8.30 In response, Deputy Director of Public Prosecutions (II) said that besides the charge mentioned by Dr QUAT, charges under other applicable laws might also be invoked against persons taking photographs clandestinely under different circumstances. He also said that the work relating to the LRC report on "Voyeurism and Non-consensual upskirt-photography" was already in progress.

Chapter IX : Civil Service

9.1 At the invitation of the Chairman, Mr Joshua LAW, Secretary for the Civil Service ("SCS"), briefed members on the civil service establishment and the financial provisions related to the policy area of central management of the civil service (Appendix IV-7).

Civil service establishment

9.2 Noting from Reply Serial Nos. CSB027 and CSB045 that the wastage figures in the civil service had been on the rise in recent years, in particular that the wastage rate had already reached 5% in 2018-2019, and the number of civil servants resigned from the civil service had increased from 893 in 2014-2015 to 1 443 in 2018-2019, Dr CHENG Chung-tai enquired whether the Administration had studied the reasons behind the increase. SCS clarified that retirement was the primary reason for staff wastage in the civil service. The resignation rate had remained at a low level of under 1% of the strength of the civil service over the years. A significant percentage of the resignees were probationers. The relevant bureaux/departments ("B/Ds") had conducted exit interviews with the resignees in order to understand their reasons for leaving the civil service.

9.3 Citing a recent case of a civil servant who had committed suicide, Dr CHENG Chung-tai urged the Administration to seriously look into the stress level of civil servants to prevent recurrence of similar incidents. SCS advised that the Administration had been providing a hotline counselling service on stress management to help staff cope with stress arising from work.

9.4 Quoting Annex C to Reply Serial No. CSB048, Mr Michael TIEN pointed out that the overall civil service establishment had been expanding since 2007-2008. He sought the Administration's explanation for the substantial increase in the number of civil servants in the past three years yet the public confidence in the Government had been waning during the same period. SCS explained that the Administration augmented its manpower so as to enhance existing services, take forward new initiatives of the Government and ease the work pressure on civil servants. There was no direct relationship between the number of civil service posts and the level of public confidence in the Government.

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9.5 Mr CHU Hoi-dick expressed concern that, with the estimated annual wastage of police officers and the 2 543 new posts to be created, the Hong Kong Police Force ("HKPF") would have a total of around 4 000 vacancies in 2020-2021. Based on the recruitment figures in the past years, around 1 000 vacancies would not be filled in the year. Given that under the Public Order Ordinance (Cap. 245), the Chief Executive might by order authorize the Commissioner of Police to appoint Special Constables, he asked whether the persons, say Mainland law enforcement officers, appointed by the Commissioner of Police as Special Constables, would form part of the civil service. SCS replied in the negative and advised that any police officer in the civil service must be a permanent resident of the Hong Kong Special Administrative Region and had lived in Hong Kong for at least seven years.

9.6 Pointing out that HKPF would increase its establishment by 7% in 2020-2021 for enhancing the support for handling more public order events, Mr CHU Hoi-dick queried why the Radio Television Hong Kong would increase its establishment merely by 0.8% in 2020-2021 while the increase in the workload of the Radio Television Hong Kong in covering the public order events would be of a similar level. SCS replied that additional manpower resources allocated to individual B/Ds were carefully considered in the light of their operational needs. Members could raise related questions to the Controlling Officers concerned at the relevant Special Meetings of the Finance Committee to examine the Estimates of Expenditure 2020-2021.

Posting arrangements of Executive Officers

9.7 Concerning the posting arrangements for Executive Officer ("EO") grade staff, some officers stayed in their posts for longer than the interval of a normal tour of service, Mr Jeremy TAM was worried that it would hamper their career development. Noting that one Chief EO post and one Senior EO post were added in the General Grades Office last year with a view to improving the grade management of EO grade staff, he requested the Administration to provide information on the posting arrangements of EO grade staff in the past three years, with a breakdown by the rank, before and after the two posts were created.

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SCS undertook to provide the relevant information after the meeting.

Civil service disciplinary matters

9.8 Referring to Reply Serial No. CSB035, Ms Elizabeth QUAT was concerned that a number of civil servants were alleged of participating in unlawful assemblies or violent activities in relation to the proposed amendments to the Fugitive Offenders Ordinance (Cap. 503), or publicly making remarks discrediting the "one country, two systems" or advocating the idea of "Hong Kong independence". She asked whether the Administration had explained to civil servants the importance of upholding the Basic Law and being loyal to the Hong Kong Special Administrative Region, and enquired about the sanctions to be imposed on civil servants who had violated the above principles.

9.9 SCS advised that the Administration had promulgated the Civil Service Code, which had clearly set out the standards of conduct of civil servants, to all staff when they joined the civil service and restated that in training from time to time. Civil servants were well aware that they should comply with the core values stated in the Civil Service Code. He stressed that the cases mentioned by Ms Elizabeth QUAT were only isolated incidents, and the majority of civil servants served the public with dedication and diligence. If there were cases of civil servants suspected of misconduct or convicted of criminal offences, according to the established civil service disciplinary mechanism, such cases would be referred to the relevant B/Ds for follow-up, and disciplinary actions might be instituted where necessary.

9.10 Dr KWOK Ka-ki noted from Reply Serial Nos. CSB022 and CSB052 that 42 of the 43 civil servants who had been arrested and investigated by police or charged for suspected involvement in unlawful public activities relating to the proposed amendments to the Fugitive Offenders Ordinance were interdicted as at 29 February 2020, while only 18 of 206 civil servants in HKPF were imposed with removal punishment in 2018-2019 due to misconduct or conviction of criminal offences. He criticized the Administration for using different yardsticks in following up the above cases, which would undermine the morale of civil servants.

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9.11 SCS stressed that the Administration would, in accordance with the established mechanism and procedures, handle disciplinary and interdiction matters of the civil service in a consistent and fair approach. As stated by the Commissioner of Police, "rebukes" made by HKPF aimed to immediately intervene in, stop and rectify the inappropriate behaviours of officers. If it was found upon further investigation that other actions were required, HKPF would conduct disciplinary or criminal investigations.

9.12 Referring to Reply Serial No. CSB062, Dr CHIANG Lai-wan enquired whether any guidelines were in place to determine the level of punishment to be imposed on civil servants who had been convicted of criminal offences or found guilty of misconduct. She said that if such guidelines were available, the Administration should elucidate details of these guidelines to all civil servants to enhance transparency.

9.13 SCS advised that relevant B/Ds might institute formal disciplinary actions against civil servants who were suspected of committing serious misconduct (e.g. the civil servants concerned had brought the civil service into disrepute) or had been convicted of criminal offence, having regard to the nature and gravity of the misconduct or criminal offence. For example, B/Ds might refer cases involving civilian grades civil servants to the Secretariat on Civil Service Discipline under the Civil Service Bureau ("CSB") for formal disciplinary proceedings. The range of punishment would be decided by the disciplinary authority after the completion of the formal disciplinary proceedings. In response to Dr CHIANG Lai-wan's further enquiry, SCS advised that if civil servants appointed under the Civil Service Provident Fund Scheme were punished by dismissal, the accrued benefits attributable to the Government's mandatory contribution under the Scheme would not be tampered with under any circumstances.

9.14 At the request of Dr CHIANG Lai-wan, SCS undertook to provide the number of civil servants in 2019 who were punished by dismissal and lost their retirement benefits because of criminal convictions or misconduct.

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Civil service fringe benefits

9.15 Referring to Reply Serial No. CSB001, Mr CHAN Chi-chuen enquired about the spousal benefits that same-sex partners of civil servants were entitled to after the Court of Final Appeal had handed down in June 2019 the judgment and order of granting spousal benefits to the same-sex partner of a Senior Immigration Officer. He called on the Administration to actively inform civil servants of any changes made in the arrangement for civil service spousal benefits.

9.16 SCS advised that the judgment and the court order handed down by the Court of Final Appeal would bring significant changes to the arrangements for civil service spousal benefits. With a view to ensuring compliance with the court order, it would take time for the Administration to review thoroughly the administrative arrangements relating to the terms of spousal benefits for civil servants who had entered into same-sex marriage. The Administration would announce the details in due course. In reply to Mr CHAN Chi-chuen's further question, SCS advised that since it was not mandatory for civil servants who had registered their same-sex marriage in other jurisdictions to update the Administration on their marital status, the Administration did not have relevant statistics in hand.

9.17 Referring to Reply Serial No. CSB043, Mr POON Siu-ping asked whether the Administration would consider conducting a review on the provision of Chinese Medicine services for civil service eligible persons ("CSEPs") earlier if there was an overwhelming demand for the service under the pilot scheme. SCS pointed out that the pilot scheme on the provision of Chinese Medicine services to CSEPs was launched on 2 March 2020. CSB would conduct a review about one year after the implementation of the pilot scheme, taking into account CSEPs' views, with a view to mapping out the long-term arrangements for the provision of Chinese Medicine services to CSEPs.

Training and development

9.18 Referring to Reply Serial No. CSB002, Mr CHAN Chun-ying enquired whether there were sufficient trainers for national studies training programmes for civil servants. SCS pointed out that in

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2019-2020, about 22 000 civil servants attended various national studies programmes arranged by CSB. Apart from some of the 25 Training Officers who were responsible for, among others, organizing these programmes, the Administration had been inviting experts from the Mainland and Hong Kong to conduct the relevant courses.

9.19 Mr CHAN Chun-ying also noted from Reply Serial No. CSB020 that in 2018-2019 and 2019-2020 (by the end of February 2020), only about 930 and 810 applications for sponsorship for continuous learning submitted by civil servants at Master Pay Scale Point 49 or below were approved respectively under the Training Sponsorship Scheme implemented by CSB, which together represented less than 1% of the total number of civil servants. He enquired whether the application criteria for sponsorship were too stringent and whether the Administration had offered other incentives to encourage civil servants to pursue in-service education. SCS advised that under the Training Sponsorship Scheme, financial assistance would be provided to eligible civil servants to pursue training courses that were work-related, and the number of applications varied from year to year.

Five-day week work pattern

9.20 Noting from Reply Serial No. CSB044 that as at 30 September 2018, around 25% of civil servants had yet to enjoy a five-day week ("FDW") work pattern, Mr POON Siu-ping enquired about the timetable and concrete measures to fully implement the FDW initiative in the Government.

9.21 SCS said that it would not be possible for all civil servants to work on an FDW pattern given its significant financial implications on public expenditure. That said, individual B/Ds had been actively exploring the feasibility of introducing trial schemes to migrate more staff to the FDW mode. CSB would brief members on the position of the implementation of FDW in the Government at the coming meeting of the Panel on Public Service.

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Non-civil service contract staff

9.22 Referring to Reply Serial No. CSB041, Mr POON Siu-ping raised concern that as at 30 June 2019, the Administration had employed 1 369 full-time non-civil service contract ("NCSC") staff with continuous service of 10 years or more in the same position. He asked whether the Administration would consider employing these NCSC staff as civil servants or providing them with fringe benefits that were comparable to those of their civil service counterparts.

9.23 SCS replied that in 2020-2021, 176 civil service posts would be created to replace full-time NCSC positions with long-term operational and service needs. CSB would continue to liaise with individual B/Ds to ascertain the need to replace the NCSC positions with established long-term service needs by civil service posts. However, it would be inevitable for some B/Ds to engage a certain number of NCSC staff to cater for ad-hoc and changing operational and service needs.

Working conditions

9.24 Mr Charles Peter MOK expressed concern about the occupational safety and health of Government staff during the outbreak of coronavirus disease 2019, in particular staff who still had to work in offices. With a view to protecting the health of Government staff, he urged the Administration to provide them with mobile electronic devices and issue clear departmental guidelines to differentiate staff who provided essential and emergency services, with a view to facilitating the implementation of the work from home arrangement.

9.25 SCS advised that under the special work arrangements, except for government employees providing emergency and essential public services as well as basic public services on a limited scale, other government employees are not required to return to the offices but to work at home. B/Ds would, having regard to their operational needs, deploy necessary manpower and resources to facilitate the above special work arrangements.

Other issues of concern

9.26 Ir Dr LO Wai-kwok pointed out that the development progress of e-government services was unsatisfactory, and the inadequacy of such services was manifested under the coronavirus disease 2019. For instance, some works processes in the construction industry had been delayed due to suspension or delay in the handling of relevant applications for approval by the relevant departments. He considered that the Administration should strive to improve its e-government services with a view to facilitating wider use by the public and related industries. SCS assured members that CSB would coordinate with the relevant B/Ds to identify room for improvement so as to enhance the quality and efficiency of public services in this regard.

9.27 Concerning that different sectors in Hong Kong were suffering from the impact of the epidemic, Ir Dr LO Wai-kwok also called on the Administration to undertake more large-scale infrastructure projects so as to create employment opportunities and promote economic growth. SCS pointed out that the Government had been pressing ahead with infrastructure projects. He hoped that the Finance Committee would scrutinize and approve the relevant funding proposals as soon as possible.

Chapter X : Constitutional and Mainland Affairs

10.1 At the invitation of the Chairman, Mr Patrick NIP, Secretary for Constitutional and Mainland Affairs ("SCMA"), briefed members on the main points of the estimates of expenditure of the Constitutional and Mainland Affairs Bureau ("CMAB") in 2020-2021 (Appendix IV-8).

Constitutional development

10.2 Referring to Reply Serial No. CMAB073, Dr Helena WONG expressed strong dissatisfaction that CMAB had not taken any action in the past few years to take forward constitutional development and implement dual universal suffrage as provided in Articles 45 and 68 of the Basic Law. SCMA explained that any amendment to the methods for selecting the Chief Executive ("CE") and electing all members of the Legislative Council ("LegCo") would require tripartite consensus among LegCo, CE and the Standing Committee of the National People's Congress ("NPCSC"). It was therefore necessary to narrow differences by dialogues with a view to attaining a consensus agreeable to all sides. SCMA said that to promote exchanges between LegCo Members and Mainland officials, arrangements had been made for LegCo Members to visit the Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area") in April 2018 as well as Shanghai and Hangzhou in April 2019. SCMA assured members that the Government would continue to create a social atmosphere conducive to taking forward political reform, consider all related factors, size up the situation and carry out constitutional development in accordance with the Basic Law and the relevant Interpretation and Decisions of NPCSC.

Electoral arrangements

2020 Legislative Council General Election

10.3 Dr CHENG Chung-tai and Mr CHAN Chi-chuen expressed concern that as of 7 April 2020, the polling date of the 2020 LegCo General Election had yet to be gazetted. They asked when the polling date for the election would be announced and whether the timeframes for nomination of candidates and public inspection of electors' registration particulars would be delayed. Mr CHAN further raised concern about the contingency polling arrangements for the election in

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the light of the outbreak of coronavirus disease-19 ("COVID-19"), especially if the regulations made under the Prevention and Control of Disease Ordinance (Cap. 599) concerning compulsory quarantine and prohibition of group gatherings were still in force on the polling day.

10.4 SCMA explained that the specification and gazettal of the polling date of the 2020 LegCo General Election had been delayed because of the exceptional situation relating to the COVID-19 outbreak. The Administration had to monitor the situation closely to assess its impact on society, the public health risks and the possible effect on the election before the gazettal of the polling date. That said, the Electoral Affairs Commission and the Registration and Electoral Office ("REO") had been carrying out the necessary preparation work for the election, including making arrangements for recruiting polling staff, identifying polling stations, public consultation of the Proposed Guidelines on Election-related Activities in respect of the LegCo Election and voter registration ("VR").

10.5 The Permanent Secretary for Constitutional and Mainland Affairs ("PSCMA") supplemented that while it was not prescribed by law as to when the polling date for a LegCo general election should be gazetted, the four-year term of office of LegCo was prescribed by the Basic Law; and according to section 6(2) of the Legislative Council Ordinance (Cap. 542), a LegCo general election should be held between 15 and 60 days before the new term of office was to begin. In other words, the 2020 LegCo General Election must be held no later than 16 September 2020. PSCMA said that according to the Electoral Affairs Commission (Electoral Procedures) (Legislative Council) Regulation (Cap. 541D), the nomination period of LegCo elections should last for two to three weeks and end four to six weeks before the polling date. The Government would determine the nomination period for the 2020 LegCo General Election in accordance with the actual circumstances.

10.6 Ms Starry LEE considered that electronic vote counting should be implemented in all public elections as soon as possible. She expressed disappointment that the Administration decided not to implement the pilot scheme of electronic vote counting in certain traditional functional constituencies in the 2020 LegCo General

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Election. She also urged the Administration to introduce electronic devices to verify electors' identities for the purpose of issuing ballot papers in the 2020 LegCo General Election.

10.7 SCMA explained that installing counting machines in over 600 polling stations would not be cost-effective under the polling-cum-counting arrangement adopted in District Council ("DC") constituencies and LegCo geographical constituencies. Nevertheless, the Administration was proactively exploring the feasibility of making use of electronic devices to facilitate the voting and counting processes in public elections. SCMA said that the Administration aimed to introduce electronic devices in the 2021 Election Committee Subsector Elections to facilitate the issuance of ballot papers. As it took time to ensure the accurate verification of electors' identity information against the electronic registers of electors and to formulate the suitable operational procedures, the devices could not be introduced in time for the 2020 LegCo General Election.

10.8 Ms Starry LEE enquired about the measures to protect candidates and the public from threats of violence in the 2020 LegCo General Election. SCMA said that the Administration would make the best endeavours to ensure that the election would be conducted in a fair and honest manner and call on the public to stop violent actions, particularly during the election period.

Voter registration and checking measures

10.9 Mr IP Kin-yuen said that pursuant to a judicial review ("JR") application filed by the Junior Police Officers' Association earlier, the Court of Appeal had granted an interim injunction order restraining REO from making available the final register of electors for the 2019 DC Ordinary Election for public inspection. Pointing out that inspection of registers of electors/voters was a key means for members of the public to identify and report suspected vote-rigging cases, Mr IP expressed concern about whether the public would again be denied access to the register of electors for the 2020 LegCo General Election. He asked whether REO would step up efforts in checking and verifying the registration particulars of electors in order to ensure timely detection of and follow-up on any suspected vote-rigging cases.

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10.10 PSCMA responded that the Government all along attached great importance to ensuring the accuracy and completeness of the information contained in the registers of electors. As an essential component of the VR system, REO would continue to implement various checking measures and carry out the statutory inquiry process as set out in Reply Serial No. CMAB099 in the 2020 VR cycle. SCMA added that the Government would keep in view the outcome of the JR case concerned and take appropriate follow-up actions.

10.11 Noting from Reply Serial No. CMAB099 that the number of newly-registered electors who were deregistered after investigation by REO had decreased sharply from 170 in the 2016 VR cycle to 25 in the 2019 VR cycle, Mr IP Kin-yuen asked whether the Administration had reviewed the effectiveness of REO's work in combating vote-rigging. SCMA replied that a number of enhancement measures had been introduced in recent years to improve the VR system. Among others, the requirement for electors to submit address proof when submitting application for change of registered address had taken effect from 1 February 2018 onwards. SCMA explained that the implementation of the above measure could help enhance the accuracy of the VR particulars recorded in the registers of electors, thereby reducing the number of cases that needed to be followed up by REO.

Promoting the Constitution and the Basic Law

10.12 Referring to Reply Serial No. CMAB023, Dr Junius HO remarked that the Administration's strategies to promote the Constitution of the People's Republic of China ("the Constitution") and the Basic Law were too old-fashioned to arouse young people's interests. Mr Holden CHOW enquired whether additional resources would be allocated to the Civil Service Bureau to strengthen the promotion of the Constitution among civil servants.

10.13 SCMA said that the Government would continue to step up its efforts to promote the Constitution and the Basic Law through various channels and formats, with a focus to enable the public to have a more comprehensive and thorough understanding of the "one country, two systems" principle. For instance, a video series commemorating the

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30th anniversary of the promulgation of the Basic Law had recently been rolled out to highlight the historical development of the Basic Law. SCMA further said that the Basic Law Promotion Steering Committee ("BLPSC"), chaired by the Chief Secretary for Administration, provided advice and steer on the overall strategy and key aspects for promoting the Constitution and the Basic Law. Among others, the Working Group on Civil Servants set up under BLPSC would continue to plan and organize various types of relevant promotional activities for civil servants.

10.14 Dr Junius HO suggested that when promoting the concepts embodied in the Basic Law, the Administration should make reference to the relevant strategies adopted in Singapore, which overtook Hong Kong as the world's freest economy according to the Heritage Foundation's 2020 Index of Economic Freedom, despite its stringent national security legislation. SCMA said that notwithstanding the impacts of the local social unrest and turbulence last year on overseas perception of Hong Kong's investment environment, the institutional strengths of Hong Kong were unscathed and its underlying fundamentals remained strong. In response to Dr HO's enquiry, SCMA stressed that the Hong Kong Special Administrative Region ("HKSAR") Government had the constitutional duty to enact legislation in accordance with Article 23 of the Basic Law. The Government would take stock of the situation and take the matter forward at an appropriate time.

10.15 Dr KWOK Ka-ki expressed serious concern that the new Director of the Liaison Office of the Central People's Government ("LOCPG") in HKSAR had reportedly met with representatives of various local associations to urge them to support pro-establishment candidates in the 2020 LegCo General Election with a view to ensuring that the pro-establishment camp would continue to command a majority in LegCo. Dr KWOK queried whether LOCPG had faithfully adhere to the basic policies of the People's Republic of China ("PRC") regarding Hong Kong, i.e. "one country, two systems", "Hong Kong people administering Hong Kong" and a high degree of autonomy.

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10.16 In response, SCMA gave an account of the main functions of LOCPG as stated in its official website, which included liaising with various sectors of the community in Hong Kong to enhance exchanges between the Mainland and Hong Kong. SCMA further said that under the "one country, two systems" principle, all public elections in Hong Kong were conducted in strict accordance with the laws of Hong Kong.

10.17 Mr CHU Hoi-dick said that there was wide public concern over a recent incident in which an episode of a Radio Television Hong Kong ("RTHK") programme, which featured an interview with an official of the World Health Organization ("WHO"), was criticized by the Secretary for Commerce and Economic Development ("SCED") for having breached the "one China" principle. While noting that RTHK had issued a statement rejecting the criticisms made by SCED, Mr CHU requested SCMA to clarify how the relevant question raised by the RTHK reporter had breached the one-China principle.

10.18 SCMA said it was clear that the issue of the membership of WHO, which was confined to sovereign states, should be handled in accordance with the one-China principle. As to whether the act of the RTHK reporter concerned was inconsistent with the roles and duties of RTHK as a government department and a public service broadcaster, SCMA said that the relevant authorities would look at the issue in accordance with the established mechanism and with due regard to the Charter of RTHK.

10.19 Referring to Reply Serial No. CMAB015, Mr CHU Hoi-dick said he noted that a helicopter of the Hong Kong Garrison of the Chinese People's Liberation Army ("the Garrison") had crashed in the Tai Lam Country Park about a week ago. He queried why there had been no public announcement on the details of the incident including the number of casualties involved. Mr CHU further said that according to an overseas media report, as many as 4 000 Mainland law enforcement officers had been deployed to Hong Kong to observe the frontline operations of the Hong Kong Police Force ("HKPF") during the protests in Hong Kong in the previous year. While noting that the Police had dismissed the aforesaid report as unfounded, he requested SCMA to clarify whether deployment of Mainland law enforcement officers to Hong Kong was in compliance with Article 22 of the Basic

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Law.

10.20 SCMA said that as one of the organizations set up in HKSAR by the Central People's Government ("CPG") under Article 22 of the Basic Law, the Garrison was required under the Basic Law as well as the Law of PRC on the Garrisoning of HKSAR to abide by the laws of Hong Kong. He pointed out that the HKSAR Government had announced that the aforementioned helicopter accident did not involve any injury to people or damage to residences. As regards the overseas media report cited by Mr CHU, SCMA said he noted that the Police had already clarified swiftly that there was no such visit nor observation by any members of the Mainland law enforcement agencies during the recent protests as mentioned in the media report.

Rights of the Individual

Work of the Equal Opportunities Commission

10.21 Mr Vincent CHENG declared that he was a member of the Board of the Equal Opportunities Commission ("EOC"). He expressed concern that some local restaurants recently refused to serve people from the Mainland on the pretext of preventing the spread of COVID-19. In his view, such practice was unreasonable and clearly discriminatory against people from the Mainland. He enquired about the number of relevant complaints received by EOC since the outbreak of COVID-19 and the follow-up actions taken. Mr CHENG further noted with concern that according to Reply Serial No. CMAB030, the handling of discrimination against the status of being a visitor or a new arrival from the Mainland fell outside the scope of EOC's statutory responsibilities. Pointing out that discrimination against visitors and new arrivals from the Mainland was prevalent in Hong Kong, he asked whether the Administration would consider introducing necessary amendments to the existing anti-discrimination legislation to cover relevant discriminatory acts. He also urged the Administration to step up efforts to educate the public to refrain from performing any discriminatory acts, regardless of whether or not such acts were covered by the existing legislation.

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10.22 SCMA said he noted that in its response to media enquiries about alleged cases of discrimination arising from the COVID-19 pandemic, EOC had explained the applicability of the existing four anti-discrimination ordinances and urged the public to refrain from making discriminatory remarks and performing discriminatory acts. He stressed that EOC would handle relevant complaints in accordance with the law. SCMA further pointed out that the issue of discrimination on grounds of nationality, citizenship and resident status fell outside the scope of the Race Discrimination Ordinance (Cap. 602). He said that apart from enhancing public education efforts to foster a culture of mutual respect, inclusiveness and non-discrimination in the community, the Government would consider whether legislative amendments would be necessary to tackle the issue.

10.23 With reference to Reply Serial No. CMAB060, Ms Claudia MO said that an ethnic minority ("EM") social worker had complained to her that the EOC Chairperson had recently remarked in public that many EM families in Hong Kong would send their young daughters to their home countries to get married. She sought SCMA's comments on the aforesaid remarks made by the EOC Chairperson, which in her view were highly inappropriate and inconsistent with EOC's functions to eliminate discrimination and promote equality in Hong Kong.

10.24 SCMA responded that since he did not know the context in which the aforesaid remarks were made, it was not appropriate for him to comment on them. However, he wished to point out that as an independent statutory body, EOC had been fulfilling its statutory responsibilities of implementing anti-discrimination ordinances and promoting equal opportunities in Hong Kong.

Anti-discrimination on grounds of sexual orientation and gender identity

10.25 Referring to Reply Serial No. CMAB004, Mr CHAN Chi-chuen expressed disappointment that the Administration had not yet drawn up the charter on non-discrimination of sexual minorities as recommended by the former Advisory Group on Eliminating Discrimination against Sexual Minorities ("the Advisory Group") back in December 2015. He criticized the Administration for failing to live

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up to its promise of coming up with the proposed content of the charter within 2017.

10.26 SCMA said that the Government had been following up on the recommendations put forward by the Advisory Group. Among other things, the charter on non-discrimination of sexual minorities was currently being drawn up in consultation with relevant stakeholders but the work had been delayed due to the COVID-19 outbreak. Mr CHAN Chi-chuen requested that the sensitivity training resources for social workers should be drawn up in consultation with sexual minorities. In response to Mr CHAN's enquiry, SCMA said that the Government would discuss with stakeholders before publishing the report of the further study on the experience of other jurisdictions in tackling discrimination against sexual minorities. The Government aimed to discuss with stakeholders and implement anti-discrimination proposals based on the findings of the study.

Protection of personal data

10.27 Referring to Reply Serial No. CMAB013, Mr Holden CHOW noted that 677 doxxing complaints involving public officers received by the Office of the Privacy Commissioner for Personal Data ("PCPD") were found in suspected contravention of section 64 of the Personal Data (Privacy) Ordinance ("PDPO") (Cap. 486) after investigation and had been referred to the Police for further investigation. Mr CHOW enquired how many of these cases had resulted in prosecution and conviction respectively. He also sought details on the measures taken to protect the victims of the doxxing incidents, which involved public officers/figures and their family members.

10.28 SCMA replied that he did not have in hand information on the current status of the doxxing complaint cases referred to the Police by PCPD. He said that section 64 of PDPO prohibited the disclosure of personal data obtained without consent from data users. The Government was studying in conjunction with PCPD on how to amend PDPO to curb doxxing behaviour more effectively, and would consult relevant stakeholders including members of relevant LegCo Panel(s) in formulating concrete legislative amendment proposals.

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Human rights reports

10.29 Mr Andrew WAN said he noted that two Special Rapporteurs of the United Nations Human Rights Council ("UNHRC") had recently requested the HKSAR Government to provide, by 29 March 2020, a written response to the information received by UNHRC regarding the allegedly inappropriate use of chemical agents by HKPF during demonstrations from June to December 2019 in Hong Kong. He asked whether and when the HKSAR Government had submitted its response to UNHRC. SCMA replied that the HKSAR Government had provided a written response to the CPG for onward transmission to the UNHRC before the specified deadline. In reply to Mr WAN's further enquiry, SCMA said that in accordance with established practice, the aforesaid response would be published on UN's website in due course.

Mainland affairs and Cooperation with Taiwan

Support to Hong Kong residents in the Mainland and coordination with Mainland authorities on anti-pandemic measures

10.30 In reply to Dr Helena WONG's enquiry concerning Reply Serial No. CMAB070, SCMA said that he did not have in hand information on when the Hong Kong Economic and Trade Office in Wuhan ("Wuhan ETO") received the first request for assistance relating to the COVID-19 pandemic from Hong Kong residents in Hubei Province. He, however, assured members that Wuhan ETO had been following up on the assistance requests received and providing practical assistance and support having regard to the actual circumstances. He also affirmed that Wuhan ETO had been reporting to CMAB on the latest developments of the pandemic in Wuhan based on the information available to them.

10.31 Ir Dr LO Wai-kwok considered that there seemed to be inadequate communication and coordination between the HKSAR Government and the Guangdong Provincial Government on their response to the COVID-19 pandemic. He was particularly concerned about the impact of the anti-pandemic measures recently announced by

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the Guangdong Provincial Government and the Shenzhen Municipal Government (i.e. requiring Hong Kong residents entering Guangdong to undergo quarantine at designated facilities and cross-boundary goods vehicle drivers to present health proof when entering Shenzhen via Shenzhen ports) and urged the HKSAR Government to enhance communication with the Mainland authorities concerned on the relevant arrangements.

10.32 SCMA responded that the HKSAR Government had been closely liaising and coordinating with the Guangdong Provincial Government and the municipal governments concerned through a liaison mechanism for response to the pandemic. He added that details of the anti-pandemic arrangements for cross-boundary goods vehicle drivers would be announced in due course.

Development of the Guangdong-Hong Kong-Macao Greater Bay Area

10.33 Pointing out that both the global and local economies had been hard hit by the pandemic, Ir Dr LO Wai-kwok asked whether the HKSAR Government would step up efforts to promote the development opportunities for various sectors of Hong Kong in the Greater Bay Area after the pandemic subsided so as to foster Hong Kong's economic recovery. SCMA assured members that in spite of the pandemic, the HKSAR Government would continue to proactively take forward the Greater Bay Area development and follow up with the relevant ministries/departments on the early implementation of the 24 policy measures promulgated by the Leading Group for the Development of the Greater Bay Area. The HKSAR Government would also maintain close liaison with business associations, professional bodies and relevant stakeholders to gauge their views on the need for new facilitation policies or measures, so as to ensure the effective implementation of the Outline Development Plan for the Greater Bay Area.

Exchanges and cooperation between Hong Kong and Taiwan

10.34 Noting from SCMA's speech that CMAB would continue to foster economic, trade and cultural exchanges and cooperation between Hong Kong and Taiwan, Ms Claudia MO questioned whether this was

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in conflict with the one-China principle which, according to CE, all civil servants were obliged to uphold. SCMA responded that he did not see why there would be any conflict as queried by Ms MO. He added that the HKSAR Government had all along attached great importance to enhancing cultural and economic exchanges with other places and would continue its work in this regard.

10.35 Mr Jeremy TAM said that he had submitted a question enquiring, among others, why the Director General designate of the Taipei Economic and Cultural Office ("TECO") in Hong Kong had been unable to come to Hong Kong to take office since July 2018 for failure to obtain an employment entry permit issued by the HKSAR Government. He queried why this part of his question had been deleted while the remaining part of his question had been assigned to the Commerce and Economic Development Bureau ("CEDB") for response (Reply Serial No. CEDB(CIT)158).

10.36 At the invitation of the Chairman, Assistant Secretary General 1 explained that generally speaking, while a Member might indicate the head of expenditure and the government bureau to which he/she reckoned his/her question was related when submitting a question on the estimates of expenditure, the Administration would decide on the head of expenditure to which the question was related and the bureau and controlling officer responsible for giving a reply having regard to the content of the question raised. Mr Jeremy TAM expressed serious concern that part of his question had been deleted and he had not been consulted beforehand. In the light of Mr TAM's concern, the Chairman requested the Administration and the Legislative Council Secretariat ("LegCo Secretariat") to look into the matter and provide a written response to Mr TAM after the meeting.

(Post-meeting note: Mr Jeremy TAM's original question specified Head 152 -- CEDB (Commerce, Industry and Tourism Branch) as the relevant head of expenditure and consisted of two parts. As the second part of the question concerning the Director General designate of TECO should come under the purview of CMAB, after consulting the Legislative Council Secretariat, the Administration had split the original question into two questions and referred them to

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CEDB and CMAB for reply respectively. At the time of this meeting, CMAB's reply was pending and was subsequently issued to members on 28 April 2020 under reply serial number CMAB167. On 7 April 2020 shortly after this meeting, the LegCo Secretariat informed Mr Jeremy TAM's office verbally and in writing of the aforesaid circumstances.)

10.37 In response to Mr Jeremy TAM's earlier question concerning the employment entry permit application of the Director General designate of TECO, SCMA said that the HKSAR Government would not comment on individual cases. He added that in handling each application, the Immigration Department would act in accordance with the relevant laws and policies and decide on the application after careful consideration of the circumstances of each case.

10.38 Mr Jeremy TAM further asked whether the position of Director of the Hong Kong Economic, Trade and Cultural Office ("HKETCO") in Taiwan had been filled. SCMA said that a suitable candidate for appointment to the aforesaid post had yet to be identified and the duties of the post had been shared by relevant officers. Mr TAM expressed concern about the impact of leaving the aforesaid post vacant and queried whether there were other civil service posts outside Hong Kong which had also been vacant for such a long time. SCMA explained that in making arrangements for filling vacant posts in government offices outside Hong Kong, the Civil Service Bureau had to take into account, among other factors, the officers' suitability and willingness to take up the relevant posts. Depending on the circumstances of each case, a civil service post outside Hong Kong might remain vacant for a period of time for various reasons. In reply to Mr TAM's further enquiry, SCMA said that while the Government did not have a timetable for filling the post of Director of HKETCO, sustained efforts would continue to be made to identify a suitable candidate for the post in accordance with the established mechanism. SCMA further affirmed that the economic, trade and cultural exchanges between Hong Kong and Taiwan had been ongoing and would continue in future.

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10.39 Referring to Reply Serial Number CMAB071, Mr Andrew WAN sought details of the communication between Hong Kong and Taiwan in respect of the earlier homicide case in Taiwan involving Hong Kong residents. He urged the HKSAR Government to proactively follow up the case with the Taiwan authorities in order to ensure due administration of justice.

10.40 PSCMA replied that the Hong Kong-Taiwan Economic and Cultural Cooperation and Promotion Council ("ECCPC") and the Taiwan-Hong Kong Economic and Cultural Co-operation Council ("THEC") served as a platform for discussion of public policy related matters between Hong Kong and Taiwan. CMAB, as the Secretariat of ECCPC, would facilitate the relevant parties of both sides to discuss issues of common concerns as deemed necessary. He added that juridical assistance in criminal matters was not an agreed priority area of cooperation between ECCPC and THEC.

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11.1 At the invitation of the Deputy Chairman, Mr LAU Kong-wah, Secretary for Home Affairs ("SHA") briefed members on the key areas of work of the Home Affairs Bureau ("HAB") in 2020-2021 (Appendix IV-9).

Youth development

Youth internship and exchange

11.2 Referring to Reply Serial No. HAB001, Mr IP Kin-yuen said that he was pleased to note that the estimated expenditure on international youth exchange programmes in 2020-2021 had increased to \$23 million, which had almost quadrupled as compared to 2017-2018. Nevertheless, he considered that the provision should be further increased in order to benefit more young people and broaden their global perspectives through these programmes. Referring to Reply Serial No. HAB029, Mr LAU Kwok-fan asked how many participants were affected by the cancellation/postponement of the outbound projects to the Mainland under the Funding Scheme for Youth Exchange in the Mainland ("FSYEM") and the Funding Scheme for Youth Internship in the Mainland ("FSYIM") owing to the outbreak of the coronavirus disease-2019 ("COVID-19") epidemic. Mr IP and Mr LAU considered that special arrangements should be made for the funded organizations concerned in the light of the special circumstances. Considering that the epidemic might cause a decrease in the total number of exchanges/internship programmes in 2020-2021, Mr IP enquired if the unspent provision for the above exchange programmes could be rolled over to the following financial year.

11.3 The Deputy Secretary for Home Affairs (1) ("DSHA(1)") replied that about 5 000 participants were affected by the suspension/postponement of the outbound exchange programmes to the Mainland due to amongst others the outbreak of the COVID-19 epidemic. He said that the Government had implemented a series of one-off special arrangements, such as allowing organizations to postpone their projects and make changes to the project content (e.g. shortening the duration of the exchange programmes concerned). For unrecoverable expenses already incurred as a result of project cancellation/postponement due to the epidemic (e.g. air tickets and

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lodging), the Government would reimburse the relevant expenses to the funded organizations concerned where appropriate. DSHA(1) further said that the Government would not assume at this stage that the funded organizations would be unable to organize their funded projects in the remainder of 2020-2021. The Government would continue to monitor closely the development and exercise flexibility in handling the funded projects. In reply to Mr IP Kin-yuen's question, DSHA(1) said that youth exchange programmes conducted in countries other than China would be classified as international youth exchange programmes.

Hostels for working youth

11.4 Referring to Reply Serial No. HAB002, Mr Tony TSE expressed concern about the implementation progress of the Youth Hostel Scheme ("YHS") as only one YHS project had been completed so far since the launch of YHS in 2011-2012. SHA said that under YHS, non-governmental organizations were funded by the Government to construct youth hostels on under-utilized sites and it would take time to complete the relevant procedures, such as modifications to land lease conditions and application for planning permission, etc. The Government hoped that the process could be expedited with the accumulation of experience.

Strengthening the concept of the rule of law in young people

11.5 Ir Dr LO Wai-kwok considered that the social incidents in the past year reflected that some young people lacked the concept of the rule of law. He considered that the Government should address this problem. SHA considered that both the Government and society should collaborate to study how best to instill the concept of the rule of law in young people. He added that the current-term Government would strive to do its best in youth development work by addressing young people's concerns about education, career pursuit and home ownership, and encouraging their participation in public policy discussion and debate.

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Sports and recreation

Sports development

11.6 Referring to Reply Serial Nos. HAB027 and HAB039, Mr LUK Chung-hung and Mr LAU Kwok-fan shared the view that the Administration should consider acquiring the broadcasting rights to the Tokyo 2020 Olympic Games ("OG"), which had now been rescheduled to 2021, and handing over the rights to local free-to-air television station(s) such as the Radio Television Hong Kong ("RTHK") so that the public could watch this major sports event for free. Mr LUK added that the Olympic Charter also stated that all necessary steps should be taken to ensure the fullest coverage by different media and the widest possible audience in the world for OG. Mr LUK suggested that the Administration should make arrangements for live broadcast of local sports events (including the Hong Kong Premier League ("HKPL") football matches) on RTHK with a view to promoting sports in Hong Kong.

11.7 SHA said that the broadcast of OG in Hong Kong had always been handled through commercial market operation. The Government appreciated the concerns of Members and the public and would keep in view the development on the broadcasting arrangements. As regards the HKPL matches, the Commissioner for Sports ("C for S") said that the Hong Kong Football Association ("HKFA") had already made arrangements with a media organization for the broadcasting of such events. To his understanding, both HKFA and the football clubs were satisfied with the arrangements. C for S added that RTHK had broadcasted a few matches of the Chinese New Year Cup in 2019 while some other local major sports events were broadcasted by other local television broadcasters.

11.8 Mr YIU Si-wing sought information on the special direct grant to the "M" Mark events which were cancelled due to the social incidents last year. SHA replied that in order to alleviate the financial burden on the relevant "national sports associations", the Government would provide a special direct grant to the "M" Mark events which were cancelled due to the social incidents in the second half of 2019. The amount to be granted would be based on the reasonable

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expenditure (such as venue charges paid and publicity expenses) actually incurred for the event concerned, with a ceiling of \$2 million for each event.

11.9 Pointing out that the Finance Committee had already approved in January 2019 a provision of \$100 million to launch the five-year District Sports Programmes Funding Scheme, Mr MA Fung-kwok asked why the Funding Scheme could only be implemented in the first half of 2020. C for S replied that the Government had been in discussion with the stakeholders to work out the details and it was expected that the Funding Scheme could be rolled out shortly.

Transformation of public play spaces

11.10 Referring to Reply Serial No. HAB141, Mr Tony TSE said that he was pleased to note that when carrying out the transformation of some 170 public play spaces ("PPS") over the next five years, LCSD might organize open design competitions for the transformation works to bring about innovation. He hoped that more PPS could be transformed in the first year of the project and additional resources could be allocated for the transformation works where necessary. The Director of Leisure and Cultural Services ("DLCS") replied that subject to any savings in the transformation projects, additional PPS on top of the 170 ones might be transformed.

Arts and culture

Recurrent subventions to the Hong Kong Arts Development Council

11.11 Referring to Reply Serial No. HAB040, Mr MA Fung-kwok enquired why the provision for the Hong Kong Arts Development Council ("HKADC") in 2020-2021 only increased by 0.6% over the revised estimate for 2019-2020. SHA and the Deputy Secretary for Home Affairs (2) explained that the annual provision for HKADC had increased by around 21% and 14% respectively in 2018-2019 and 2019-2020. In addition, the estimated total grant amount approved by HKADC in 2020-2021 under the Year Grant, the Project Grant, cultural exchange grant and other grant schemes to support arts groups/artists was around \$100 million.

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Anti-epidemic measures to support the arts and culture sector

11.12 Referring to Reply Serial No. HAB052, Mr MA Fung-kwok said that due to the possible drop in cultural exchange activities with the Mainland and other places consequent upon the outbreak of the COVID-19 epidemic, there might be surplus in the provision for promoting cultural co-operation and exchanges in 2020-2021 under Head 53. He hoped that the surplus could be redeployed to provide more financial relief to the arts and culture sector, which had been hard hit by the epidemic. SHA replied that the Arts and Culture Sector Subsidy Scheme established under the Anti-epidemic Fund ("AEF") would provide subsidy to support arts groups and freelance arts workers to sail through the difficulties arising from COVID-19. Besides, further assistance might be provided to the sector in the second round of relief measures where appropriate.

District administration

Building management

11.13 Referring to Reply Serial No. HAB018, Mr KWONG Chun-yu enquired about the progress of the disbursement of the "anti-epidemic hardship allowance" to support eligible frontline property management ("PM") workers (i.e. cleansing and security workers) in anti-epidemic efforts. He considered that the allowance, currently set at \$1,000 per month, should be increased. Mr CHU Hoi-dick enquired if the cap of six headcounts per eligible building block could be relaxed so that part-time workers could also benefit from the subject allowance. The Director of Home Affairs ("DHA") clarified that both full-time and part-time PM workers were eligible for the "anti-epidemic hardship allowance" and views of the trade had been sought with regard to the number of headcounts per eligible building block. DHA said that the Property Management Services Authority would process the applications received as soon as possible. She further said that more than 3 000 applications from PM companies/owners' organizations had been received, of which 600 had been approved involving subsidies of about \$17 million and benefiting more than 4 000 frontline PM workers.

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11.14 Referring to Reply Serial No. HAB087, Mr Tony TSE enquired about the estimated expenditure on the Building Management Professional Advisory Service Scheme ("BMPASS") in 2020-2021. DHA replied that the annual expenditure for the second and third phases of BMPASS was about \$20 million a year on average.

District Councils

11.15 Dr Helena WONG expressed grave concern that the District Officer(s) and the secretariat staff of DCs had refused to attend and provide support for meetings of DCs and their committees on a number of occasions in the past few months (including meetings of certain committee(s)/working group(s) formed for the purpose of monitoring the law enforcement of the Police and investigating related complaints). Dr WONG said that civil servants should maintain political neutrality and queried the basis on which the secretariat of the DCs concerned refused to provide support for and to attend the relevant meetings.

11.16 SHA replied that it was specified in the DCs Ordinance (Cap. 547) that the functions of a DC were to, inter alia, advise the Government on district administration affairs. A DC might appoint committees/working groups for the purpose of carrying out its functions. However, if the terms of reference of a committee/working group so appointed or the items for discussion were not compatible with Cap. 547, the DC secretariat concerned could not provide secretariat service for these matters, and secretariat staff or other government officers would neither attend the relevant parts of the meeting nor join the relevant discussion.

11.17 Mr WU Chi-wai said that issues relating to the law enforcement of the Police were district matters which, in his view, were within bounds of the functions of DCs as specified in section 61 of Cap. 547.

11.18 Mr Vincent CHENG noted with concern that some DC members had explicitly stated that they would not provide services to people with certain political stance. In his view, these DC members were in breach of the relevant code of conduct and their conduct might amount to misconduct in public office. He enquired how the

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Administration would follow up these incidents. SHA replied that complaints relating to DC members would be referred to the respective DC Chairmen for consideration. He added that the Government might consider, where appropriate, making adjustments to the operating reimbursement expenses claims by those DC members concerned.

11.19 Mr KWONG Chun-yu said that the current-term Kwun Tong DC and Wan Chai DC had demanded the suspension of the construction of music fountains at the Kwun Tong Promenade and the construction of the Moreton Terrace Activities Centre respectively. He enquired whether the Administration would put on hold the two projects and if so, whether liquidated damages would have to be paid. Mr WU Chi-wai suggested that the Administration should consult the two DCs afresh with a view to revising the scope of the projects to better meet the needs of local residents. SHA replied that the two projects had already gone through the due process of obtaining the endorsement/approval of the respective DCs and the Legislative Council. Hence, the two projects would go ahead, as scheduled. He added that the DOs concerned would continue to liaise closely with their DCs on implementation of the two projects.

11.20 Mr Vincent CHENG expressed concern that a number of funding applications for the holding of dragon boat races in various districts had been turned down by the DCs concerned. SHA said that community involvement programmes/activities were financed by DC funds according to the established mechanism. That said, the Government might consider providing funding support to these events if necessary with a view to promoting traditional festival activities.

Anti-epidemic measures to support "McRefugees"

11.21 Mr LEUNG Yiu-chung said that with the McDonald's suspending their dine-in service in the evening since late March due to the COVID-19 epidemic, many "McRefugees" who were used to sleep overnight in McDonald's restaurants were adversely affected. Mr LEUNG and Dr Fernando CHEUNG expressed concern that as the changing rooms and showering facilities at the leisure and sports venues of LCSD were also temporarily closed, the homeless people would have difficulty in finding alternative facilities to maintain their

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personal hygiene. They enquired if arrangements could be made to provide temporary accommodation for these people in Government venues, such as community centres, or allow them to use the changing rooms and showering facilities at the leisure and sports venues of LCSD. Mr CHU Hoi-dick suggested that temporary financial assistances should be provided to the affected homeless people for renting temporary accommodation.

11.22 SHA replied that the changing rooms and showering facilities at the leisure and sports venues of LCSD were also temporarily closed to reduce the risk of the spread of COVID-19. He said that the Social Welfare Department ("SWD") had been providing support services to meet the needs of the affected street sleepers and members' views and suggestions would be relayed to SWD for consideration.

Re-planting of trees after typhoon Mangkhut

11.23 Referring to Reply Serial No. HAB116 regarding the expenditure in re-planting trees to replace the fallen ones caused by typhoon Mangkhut, Mr Kenneth LAU enquired about the reasons for the large difference in the cost of re-planting a tree in different districts (e.g. the average expenditure in re-planting a tree in Wan Chai was \$5,000 against the overall average of \$3,300). DLCS replied that the cost of re-planting would depend on the species of the tree and the complexity of the re-planting work involved.

Management of venues

11.24 Dr Priscilla LEUNG enquired whether tighter control would be imposed on the use of the community and leisure venues to prevent the use of these venues for holding activities/events to promote messages incompatible with the "one country, two systems" principle. She further suggested that guidelines in this regard should be provided to the venue management staff concerned. SHA replied that all applications for use of Government venues would be considered according to the applicable laws of Hong Kong as well as the terms and conditions prescribed by the relevant departments.

Chapter XI : Home Affairs

Government publicity campaigns

11.25 Referring to Reply Serial No. HAB098, Mr Kenneth LAU requested a breakdown on the estimated expenditure of \$226.6 million in 2020-2021 on public relations outside Hong Kong. He said that as fake news on news media and social media platforms were increasingly prevalent, the Administration should make prompt response to curb the spread of fake news. The Director of Information Services ("DIS") replied that details of the estimated expenditure on public relations outside Hong Kong were being worked out. The Government would partner with renowned international media groups, advertise (print and digital) with international media and produce social media content with a view to rebuilding confidence in Hong Kong.

11.26 Referring to Reply Serial No. HAB091, Mr CHAN Chi-chuen enquired about the reason(s) for the significant increase of 26.3% and 16.8% respectively in the estimated expenditure under "Program(4) – civic responsibility" in 2020-2021 as compared with the original and revised estimate for 2019-2020. Noting that the production cost of the video by the Chief Executive and principal officials on "Treasure Hong Kong, our home" was over \$0.9 million, Mr CHAN asked whether there was any evaluation of the effectiveness of the API in question and whether it was value-for-money. DIS replied that there was only a moderate increase of about \$10 million in the estimated expenditure under "Program (4) – civic responsibility" in 2020-2021 as compared with the revised budget in 2019-2020. He said that as the social unrest since June 2019 and the recent COVID-19 epidemic had affected Hong Kong's image, the Government had to step up publicity efforts to counter the negative perceptions in key markets and to enhance social cohesion and establish a harmonious society. DIS said that ISD would follow the procedures in the Government's Stores and Procurement Regulations in the production of APIs, and ISD would consider the technical and price aspects of tender proposals based on pre-determined assessment criteria. Individual tenderers would propose their own tender prices and ISD would not set a ceiling price in its tenders in general.

Chapter XI : Home Affairs

Enforcement actions against unlicensed hotels/guesthouses

11.27 Referring to Reply Serial No. HAB089, Mr YIU Si-wing asked about the implications of the Hotel and Guesthouse Accommodation (Amendment) Bill 2018 ("the Amendment Bill") on the enforcement work against unlicensed hotels and guesthouses and whether enforcement manpower would be saved. DHA replied that the measures introduced in the Amendment Bill would facilitate the relevant enforcement work and enhance the deterrent effect. She added that the Government had no plan to trim down the enforcement manpower at the initial stage of implementation of the legislation.

Religious facilities for people of diverse race

11.28 Mr CHU Hoi-dick expressed concern about the lack of a mosque in the New Territories ("NT") and asked whether the Administration would render assistance in providing one in NT. SHA replied that HAB would maintain close liaison with the Islamic organizations and provide policy support to the provision of venues for religious purpose as appropriate.

Chapter XII : Commerce, Industry and Tourism

12.1 At the invitation of the Deputy Chairman, Mr Edward YAU, Secretary for Commerce and Economic Development ("SCED"), briefed members on the financial provisions and the major initiatives under the commerce, industry and tourism portfolio for the 2020-2021 financial year (Appendix IV-10).

Commerce and Industry

Assisting local enterprises in tiding over financial difficulties

Tourism industry

12.2 Following up on Reply Serial No. CEDB(CIT)198, Mr YIU Si-wing enquired whether the Administration would, in the light of the impact of the Coronavirus Disease 2019 ("COVID-19") epidemic, relax the application eligibility for the Travel Agents Incentive Scheme ("TAIS") and the Green Lifestyle Local Tour Incentive Scheme ("GLIS"), and remove the present requirement that the cash incentives under the two schemes be disbursed based on the number of travellers served, with a view to tiding travel agents over the difficulties.

12.3 SCED replied that the Government introduced the two schemes last year to alleviate the operating pressure of the travel trade. As at end February 2020, applications from a total of about 680 travel agents were approved under TAIS, involving cash incentives of about \$21 million, while applications from a total of two travel agents were approved under GLIS, involving cash incentives of about \$18,000. In view of the severe impact of the COVID-19 epidemic on the travel industry, the Government had extended the application deadlines for both schemes to the end of December this year, so as to allow more time for the trade to leverage the opportunity of the travel industry's recovery later and best utilize the resources under both schemes.

12.4 SCED also said that the Government would continue to consider enhancing TAIS on a need basis. Since GLIS was funded by the Environment Bureau, the relevant resources should continue to be used in areas of environmental protection.

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Hotel industry

12.5 Referring to Reply Serial No. CEDB(CIT)032, Mr LAU Kwok-fan said that the social events and the COVID-19 epidemic had dealt a severe blow to the hotel, tourism and catering industries in the better part of the past year. He enquired about the latest average occupancy rates of hotel rooms in Hong Kong. Mr LAU also urged the Administration to introduce measures expeditiously to support the hotel industry. For example, the Administration might draw reference from overseas practices and reserve entire blocks of individual hotels for accommodating inbound travellers during their compulsory quarantine period, which not only could provide a large number of quarantine facilities within a short time, but also could bring business opportunities to the hotel sector.

12.6 Mr YIU Si-wing added that since quite a number of Hong Kong's hotel operators at present were running small businesses, and some of them who were not operating on self-owned premises would incur rental expenses, he hoped that the hotel sector would be covered in the next round of relief measures.

12.7 SCED said that as the recent number of visitors to Hong Kong had dropped drastically, tourism-related industries had been hard hit, with hotel occupancy rates hitting a record low in recent years. Although the hotel sector was not covered by the 24 measures under the Anti-epidemic Fund ("AEF"), it could still benefit from a range of support measures introduced for enterprises in the 2020-2021 Budget, including profits tax and rates concessions, and subsidies on water, electricity and sewage charges.

12.8 SCED further advised that in view of the large number of travellers contracting COVID-19 on cruise ships earlier, the public was doubtful as to whether hotels were suitable for quarantine purposes, and worried that other guests in the hotels would be infected by those under compulsory quarantine. The Government had to carefully assess whether the virus would be spread in the hotels through central air-conditioning systems and other facilities. It had also explored the feasibility of renting entire blocks of some hotels for use as quarantine centres. However, even if some hotel operators were willing to

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cooperate, the Government still had to consider the concerns of local communities. Yet, it would continue to explore the option of using hotels as quarantine facilities.

12.9 SCED also said that quite a number of people returning to Hong Kong recently had chosen to self-quarantine in hotels, which had led to a rebound in the occupancy rates of some hotels. The Government would continue to provide advice to the sector in order to reduce the risk of hotel personnel and guests contracting and spreading COVID-19 in hotels.

Practitioners of tourism and guesthouse industries

12.10 Referring to Reply Serial No. CEDB(CIT)109, Mr POON Siu-ping and Mr LUK Chung-hung were concerned that the social incidents and the epidemic had dealt a double blow to the local tourism industry. Frontline practitioners of the tourism and guesthouse industries had been underemployed for many months and suffered a significant drop in their income, yet they were not provided with any assistance under AEF. Mr POON suggested that an unemployment protection fund be set up for tourism industry practitioners. Mr LUK suggested that the Administration should launch an unemployment assistance scheme and provide interest-free loans for practitioners of the tourism and guesthouse industries in order to tide them over financial difficulties.

12.11 Mr Holden CHOW suggested that, when formulating a new round of relief measures, the Administration should consider providing subsidies directly to those who were self-employed and underemployed, in addition to covering more sectors that could not benefit from AEF at present, such as beauty industry, education centres for children and tutorial schools.

12.12 SCED replied that in the second half of 2019 and the 2020-2021 Budget, the Government had announced a range of measures to support enterprises and safeguard jobs, in which licensed travel agents were covered. It had received over 1 710 registrations under the Travel Agents Subsidy Scheme as at 24 March 2020, which showed that many travel agents were still operating under difficult

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circumstances. SCED noted members' views and said that the Government would consider introducing measures to support the practitioners.

Other industries

12.13 Mr Michael TIEN said that given the flagging business sentiment among local retail and catering industries, many owners of Hong Kong-style tea restaurants had closed down their business one after another due to rental pressure. The Administration's repeated appeals to landlords of shop premises for rent reduction had not been effective. Mr TIEN urged the Administration to provide financial incentives to encourage those landlords to reduce rent. Specifically, it might consider introducing a tax credit for rental forgone, under which the landlords of shop premises who were willing to reduce rent would be entitled to a tax allowance equivalent to 50% of the total amount of the rental income forgone by such landlords during the relevant financial year.

12.14 SCED advised that the COVID-19 epidemic had posed an unprecedented challenge to Hong Kong's economy that had to be tackled through concerted efforts of all sectors in the community. Since the second half of last year, the Government had reduced rental by 50% for eligible tenants of government lands and properties for six months. The Financial Secretary ("FS") subsequently announced that the duration of the measure would be extended to 12 months. SCED noted Mr Michael TIEN's views and would convey them to relevant policy bureaux.

12.15 Referring to Reply Serial No. CEDB(CIT)258, Mr Charles Peter MOK said that local and overseas startups and the companies in innovation and technology ("I&T") and e-sports industries were facing financial difficulties due to the epidemic. The sectors generally opined that the provision of a six-month rental waiver for tenants at the Hong Kong Science Park and Cyberport was not sufficient to tide them over the difficulties. Mr MOK suggested that a new round of measures be introduced expeditiously to support I&T enterprises and startups across the territory in meeting rental expenditures and salary cost for staff so as to prevent the companies concerned from closing

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down for financial reasons and avoid hindering local I&T development.

12.16 Referring to Reply Serial Nos. CEDB(CIT)184 and CEDB(CIT)188, Mr WU Chi-wai said that high interest rates were charged under the SME Financing Guarantee Scheme ("SFGS"), with the average annual interest rates of the approved loans under the 80% and 90% Guarantee Products being 4.88% and 6.8% respectively. Given the bleak economic outlook, quite a number of persons-in-charge of enterprises had reservations about taking a risk in applying for SFGS loans. In this connection, Mr WU urged the Administration to draw reference from the practices of many European countries and, through setting up a matching fund, etc., hand out cash to all the enterprises in the territory that could not benefit from AEF, such as beauty industry, tutorial schools and laundry shops, thereby tiding them over financial difficulties.

12.17 Dr CHENG Chung-tai enquired whether the Administration had plans to provide financial assistance to the local enterprises that could not benefit from AEF at present, such as playgroups for young children, dancing schools, digital video production companies and music and arts centres.

12.18 SCED replied that the Government had introduced many targeted measures under AEF to support certain sectors which had been particularly affected by the epidemic. However, as there were many sectors in Hong Kong, it was inevitable that some of them could not benefit from those sector-specific measures. Nevertheless, FS had announced in the 2020-2021 Budget a range of measures applicable to all enterprises across the territory, such as profits tax and rates concessions, and a cash payout of \$10,000 to each Hong Kong permanent resident aged 18 or above.

12.19 SCED further said that the Government had set up a number of funds, including the Dedicated Fund on Branding, Upgrading and Domestic Sales ("BUD Fund") and the SME Export Marketing Fund, to provide financial assistance to enterprises on a matching basis. Currently, the two funds had a balance of over \$5 billion, which was available for application by the industry. The Government would continue to proactively promote various funding schemes to the

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industry and assist the industry in exploring markets, and upgrading and restructuring its operations.

12.20 SCED also advised that due to the epidemic, local enterprises had suffered a plunge in revenue and run into liquidity difficulties. The situation was particularly acute among small and medium enterprises ("SMEs"). Since it was impossible to provide direct funding support to local enterprises on a large scale, the Government needed to introduce SFGS to help enterprises obtain financing in order to stay afloat in this unprecedented difficult time, thereby reducing business closures and layoffs. An interest rate of the Hong Kong Prime Rate minus 2.5% per annum would be charged for the Special 100% Guarantee Product under SFGS. The Government would further enhance the various loan guarantee products as and when necessary in the light of the sector's views.

12.21 SCED advised that the Government was studying a new round of relief measures to further support the economic activities hard hit by the epidemic and the businesses that had been ordered to close by legislation. It would consider the demands put forward by various sectors as far as practicable. SCED noted Mr Charles Peter MOK's views regarding the support for I&T industry and would convey them to the Innovation and Technology Bureau.

SME Financing Guarantee Scheme

12.22 Mr Alvin YEUNG said that quite a number of enterprises had relayed that the participating lending institutions ("PLIs") of SFGS were quite conservative in vetting and approving loan applications, and the procedure involved was complicated and time-consuming. He enquired about the measures to encourage PLIs to simplify the procedure for vetting and approving SME loan applications so that a higher loan amount could be approved within a short time, thereby helping local enterprises to obtain financing and meet financial needs. Following up on Reply Serial No. CEDB(CIT)027, Mr Holden CHOW suggested that a principal moratorium of 12 months be offered to the borrowers under SFGS.

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12.23 SCED replied that the Finance Committee approved a loan guarantee commitment of \$20 billion on 20 March 2020 for the Hong Kong Mortgage Corporation Insurance Limited ("HKMCI") to introduce the Special 100% Guarantee Product under SFGS. The Government would provide a 100% guarantee for approved loans. The Special 100% Guarantee Product would be available to Hong Kong enterprises in all sectors. An interest rate of the Hong Kong Prime Rate minus 2.5% per annum would be charged. An option of a principal moratorium would be provided under which borrowers would only be required to pay interest in the first six months. The product would be launched in the near future. Besides, under the 80% Guarantee Product which had been administered since 2012, three enhancement measures were introduced in 2018, including reducing the guarantee fee by 50%; increasing the maximum loan amount from \$12 million to \$15 million; and lengthening the maximum loan guarantee period from five years to seven years. To help some smaller-sized enterprises, businesses with relatively less operating experience and professionals seeking to set up their own practices to obtain loans, the Government launched the 90% Guarantee Product on 16 December 2019. Borrowers of the 80% and 90% Guarantee Products might apply for a principal moratorium of up to 12 months. SCED said that the above three loan guarantee products were available to all Hong Kong enterprises, except listed companies. Enterprises might apply for all three loan guarantee products concurrently according to their needs.

12.24 SCED pointed out that under the Special 100% Guarantee Product, while loan applications would be processed by PLIs, the loans would be transferred from PLIs to the Hong Kong Mortgage Corporation Limited after drawdowns, and all default risks would be borne by the Government with the provision of 100% guarantee. This arrangement would facilitate PLIs to approve the loans more expeditiously. HKMCI and PLIs had also simplified the application procedures for SFGS. HKMCI would approve an application within three working days when PLIs had received all the required documents. The Deputy Chairman added that according to his understanding, the Hong Kong Monetary Authority was making arrangements with banks for a communication meeting on SME financing to discuss how the vetting and approval process could be expedited.

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The work of "SME ReachOut"

12.25 Regarding Reply Serial No. CEDB(CIT)094, Mr Martin LIAO enquired whether "SME ReachOut", which commenced operation in January 2020, would adopt more flexible means such as video conferences instead of face-to-face meetings in response to the epidemic, in order to continue to provide services for SMEs amid the epidemic and support SMEs in identifying suitable funding schemes, and answering questions relating to applications.

12.26 The Director-General of Trade and Industry ("DG of T&I") agreed to the suggestion and advised that a number of webinars had been organized through the Hong Kong Productivity Council to continue to support local SMEs amid the epidemic.

Boosting local economy

12.27 Mr WONG Ting-kwong expressed recognition of the Administration's initiative to introduce a range of relief measures to support the Hong Kong residents and enterprises hard hit by the COVID-19 epidemic. Mr WONG recalled that in the aftermath of the 2003 SARS epidemic, measures such as the Individual Visit Scheme policy had resulted in Hong Kong's swift economic recovery. In view of the importance of economic prosperity to the people's livelihood and social stability in Hong Kong, he enquired whether SCED would arrange sufficient manpower and financial resources within the current financial year and start planning early how to boost the local economy in the aftermath of the COVID-19 epidemic.

12.28 SCED replied that apart from supporting those sectors affected by the epidemic, the 24 measures under AEF also included medium to long term plans to boost the economy. The Government had earmarked \$1,020 million under AEF to implement the Convention and Exhibition Industry Subsidy Scheme which aimed to provide subsidies to (a) local or overseas participants of exhibitions and conventions organized by the Hong Kong Trade Development Council ("HKTDC"); and (b) all other organizers of exhibitions and international conventions at the Hong Kong Convention and Exhibition Centre and AsiaWorld-Expo in order to retain/attract convention and

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exhibition events in/to Hong Kong. In the 2020-2021 Budget, an additional funding had been allocated to HKTDC for exploring business opportunities for Hong Kong enterprises. The Hong Kong Tourism Board ("HKTB"), which had likewise been allocated additional funding, had also formulated four major strategic directions to step up the external promotion of Hong Kong's tourism when the epidemic subsided in Hong Kong and key source markets. At this stage, HKTB would actively discuss support plans with the sector and plan for future promotion work.

12.29 SCED also advised that major telecommunications operators would roll out the fifth generation ("5G") mobile services on 1 April 2020 as scheduled. He believed that such telecommunications infrastructure would offer vast potential for various commercial services and smart city applications. The Government would allocate more resources for Hong Kong enterprises to improve working procedures through upgrading and restructuring their operations, such as stepping up the application of technologies, amid the epidemic.

12.30 Ir Dr LO Wai-kwok said that the Administration and the Ministry of Commerce signed an agreement last year to amend the Mainland and Hong Kong Closer Economic Partnership Arrangement ("CEPA") Agreement on Trade in Services ("the Amendment Agreement"). Referring to Reply Serial No. CEDB(CIT)279, Ir Dr LO sought clarification from the Administration on whether the COVID-19 epidemic had hindered the two governments' actual implementation of the various liberalization measures under the Amendment Agreement. He also enquired how the Administration would, against the backdrop of uncertain global economic outlook, further take advantage of the opportunities brought by CEPA and tap into the huge potential of the Mainland market to create new growth areas for Hong Kong's economy, so as to prevent Hong Kong's economy from slowing down alongside other markets worldwide.

12.31 DG of T&I replied that the Trade and Industry Department ("TID") had started a discussion with the Ministry of Commerce and other relevant ministries in 2019 about a new round of liberalization measures on trade in services under the framework of CEPA, and had received views from the trade. The Government eventually signed the

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Amendment Agreement with the Ministry of Commerce on 21 November 2019. The Government would continue to follow up with the relevant ministries this year on the detailed arrangements for the implementation of the various liberalization measures. To support a series of new liberalization measures to be implemented under the Amendment Agreement, TID would proactively enhance the functions of the one-stop platform to further assist the trade in developing the Mainland market. Although the CEPA Forum had been postponed due to the epidemic, TID would still proactively liaise with chambers of commerce, professional bodies and industry organizations to introduce the details of the new liberalization measures to the trade and get ready for the implementation of the Amendment Agreement from 1 June 2020.

12.32 SCED added that given the profound potential for development in the Mainland market in such professional fields as trade in goods, application of technology and medical and health services, coupled with the opportunities brought by the Belt and Road Initiative and the development of Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area"), Hong Kong could leverage its strengths and explore greater room for development by making use of its close economic and trade relationship with the Mainland. When the Government met with international chambers of commerce in Hong Kong recently, the chamber representatives were also concerned whether the Belt and Road Initiative and the Greater Bay Area development would be affected by the epidemic. The Government also attached great importance to the development of professional services. It would continue to strive for the further opening up of the services market in the Mainland so as to help Hong Kong's professional sectors develop the Mainland market.

12.33 Mr Martin LIAO referred to Reply Serial No. CEDB(CIT)093, which stated that Invest Hong Kong ("InvestHK") had collected feedback from businesses around the world, which generally had a positive outlook on Hong Kong's economy. However, prior to the outbreak of the COVID-19 epidemic, in the face of internal and external challenges brought by unfavourable factors such as trade conflicts between China and the United States, social incidents and uncertain global economic outlook, the business communities had

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pessimistic views on the business sentiment in Hong Kong. Quite a number of international organizations even warned about the risk of global economic recession this year. Hong Kong's economy would very likely deteriorate alongside other markets worldwide. In this connection, Mr LIAO was concerned whether the feedback collected by InvestHK could fully reflect the actual situation, and whether the Administration would further gauge views of the business communities on their business confidence in Hong Kong with a view to formulating appropriate investment promotion strategies.

12.34 Director-General of Investment Promotion replied that investment decisions of foreign investors were not solely based on short-term factors. They would generally look at investment opportunities in and the potential of an investment destination over a medium to long term horizon. Most of the investors as approached by InvestHK considered that the development of Asia was still the key driving force of global growth. For the aforesaid reasons, overseas investors' confidence in the economic outlook of Hong Kong might not completely coincide with the concerns of the local business communities over the prevailing economic environment in Hong Kong. InvestHK collaborated with the Census and Statistics Department to conduct a survey of companies in Hong Kong with parent companies located outside Hong Kong in June every year. Foreign chambers of commerce in Hong Kong also conducted similar surveys. Member companies of these chambers expressed views on the prevailing economic environment from time to time. Generally speaking, foreign investors were confident that the Asian economy would continue to grow in the medium and long term.

Promotion of re-industrialization in Hong Kong

12.35 Dr Helena WONG pointed out that in recent years, emphasis had been placed only on priority industries, the Belt and Road Initiative and the Greater Bay Area development in Hong Kong. Meanwhile, the financial provisions and the major initiatives under the commerce, industry and tourism portfolio for the 2020-2021 financial year also only focused on business development in Hong Kong, without any direction or plan for the industrial development in Hong Kong. The Administration's neglect of industrial development over the years had

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led to a decline of the local manufacturing industry. In the end, the Administration was unable to provide personal protective equipment ("PPE") for local residents to tackle the COVID-19 epidemic. She asked whether the Administration would, in view of the global spread of the epidemic, speed up the promotion of re-industrialization in Hong Kong and develop key projects to ensure that local residents could rely on locally-produced materials to afford the basics of life amid the epidemic.

12.36 SCED responded that although Hong Kong's manufacturing industry contributed to less than 5% of the Gross Domestic Product, the funding schemes rolled out by the Government for Hong Kong enterprises were not confined to service industries. Taking the BUD Fund as an example, Hong Kong enterprises, irrespective of whether they belonged to the manufacturing or service sector, might apply for funding support to undertake projects to develop brands, upgrade and restructure business operations and promote sales, including upgrading plant facilities, etc. The geographical scope of the funding support included the Mainland and other economies with which Hong Kong had signed Free Trade Agreements. In addition, the Government had all along been committed to promoting re-industrialization and I&T development in recent years. The Innovation and Technology Bureau had introduced measures related to "Industry 4.0" and encouraged the trade to retain in Hong Kong the value chain from research and development to commercialization.

12.37 SCED also said that at present, PPE around the world such as masks and isolation gowns was mainly manufactured in certain countries, and Europe, the United States and so on were also facing shortage of PPE supply recently. It might not be possible in the short term for Hong Kong to solely rely on locally-produced PPE to meet the recent surge in PPE demand. Recently, the Government had launched the Local Mask Production Subsidy Scheme under AEF to help address the imminent shortage as well as to build up stock. The Scheme would provide subsidies to a maximum of 20 local production lines. It was anticipated that the subsidized production lines would gradually begin to produce masks for local consumption from the end of April to the beginning of May 2020.

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Consumer protection

12.38 Dr Helena WONG was concerned that two online travel agencies had ceased business recently, and yet no effective protection was provided to consumers due to the overly narrow compensation coverage of the Travel Industry Compensation Fund ("TICF"). She asked whether the Administration would update the Travel Agents Ordinance (Cap. 218) to plug loopholes.

12.39 Referring to Reply Serial No. CEDB(CIT)070, Dr CHENG Chung-tai considered that the drop in the number of complaints made by consumers against various industries in 2019 compared with the preceding year might be attributable to the closures of some companies in these industries out of various reasons, rather than an indication that there were substantial service improvements in the relevant industries. Dr CHENG called on the Administration to continue to step up enforcement and put in extra efforts in combating unfair trade practices related to travel club membership services.

12.40 SCED said that the compensation coverage of TICF under the Travel Agents Ordinance only included persons who purchased all or any two types of the following services from licensed travel agents: (a) carriage (by land, sea or air transport) from Hong Kong to places outside Hong Kong; (b) accommodation in any place outside Hong Kong; and (c) arrangements for activities anywhere outside Hong Kong. The Government would keep an eye on the operation of the travel trade and review the ambit of TICF. Taking note of Dr CHENG's views, SCED advised that the relevant departments would follow up on the complaints lodged by consumers.

External relations

12.41 Dr CHENG Chung-tai was worried that the Administration's refusal to grant work permits to the new Consuls-General of Australia and New Zealand in Hong Kong and the Director General of the Taipei Economic and Cultural Office rendering them unable to come to Hong Kong to assume office might have impact on Hong Kong's external relations. Having regard to the fact that the economic freedom of Hong Kong had aroused great attention in the past year, the

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Administration should address the visa issue as soon as possible, so as to convey a positive message to the international community and create a business-friendly environment for the business sector.

12.42 SCED said that in handling each application, the Immigration Department would decide whether to approve or refuse the application in accordance with the relevant laws and policies and after careful consideration of the actual circumstances of the case.

Social incidents

12.43 Dr KWOK Ka-ki enquired about the direct financial loss caused by the controversies in society arising from the Fugitive Offenders and Mutual Legal Assistance in Criminal Matters Legislation (Amendment) Bill 2019 ("the Bill"), and the Administration's estimates of expenditure on resolving social incidents and introducing various relief measures. Mr KWOK also asked SCED to give his views on whether the decision of the Chief Executive ("CE") on the incident was the reason leading to the controversies in society, and whether SCED had tried to persuade CE to seriously consider the opposing views of the business sector on the Bill.

12.44 SCED advised that amid the fierce controversies in society over the Bill in the second half of 2019, a series of violent incidents and illegal acts had affected not only the personal safety and daily life of the general public, but also Hong Kong's business environment, dealing a severe blow to the economy. For 2019 as a whole, the Hong Kong economy contracted by 1.2%. According to the broad-brush projection of the Office of the Government Economist, about two percentage points of Hong Kong's negative year-on-year economic growth of 2.9% in the third quarter of 2019 were attributable to social incidents. SCED also said that the Government had been examining the underlying causes of the social incidents and believed that it was only when the entire society was law-abiding and there was mutual respect among all sectors that Hong Kong could restore order in society and continue to be a safe city.

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Tourism

Development of tourism industry

12.45 Referring to Reply Serial No. CEDB(CIT)199, Mr YIU Si-wing expressed support for the allocation of additional resources to HKTB for strengthening external promotions and reviving the tourism industry when the epidemic was over. He asked whether HKTB would adjust its strategies in a timely manner in light of the development of the epidemic, so as to ensure proper use of the additional resources.

12.46 The Executive Director ("ED") of the Hong Kong Tourism Board responded that the additional funding of over \$700 million would be used to roll out a series of marketing programmes and support the travel trade in opening up business opportunities, contingent upon a number of factors such as the abatement of the epidemic in Hong Kong and key source markets, as well as the resumption of normal airline services between Hong Kong and other places.

12.47 Referring to Reply Serial Nos. CEDB(CIT)024 and CEDB(CIT)108, Mr POON Siu-ping and Mr LUK Chung-hung were concerned that there had been a series of violent conflicts in Hong Kong since the second half of 2019, including illegal acts such as blockage of the airport and assaults against tourists, which had affected Hong Kong's international image and made people worry that Hong Kong was no longer a safe and hospitable city. Mr POON and Mr LUK opined that the top priority of HKTB should be to rebuild Hong Kong's image as a hospitable city.

12.48 SCED responded that Hong Kong had earned the reputation of being one of the safest cities in the world, and this remarkable strength of Hong Kong had become its selling point to attract tourists from all over the world. HKTB's work would include gradually restoring the confidence of tourists in Hong Kong and rebuilding Hong Kong's image as a world-class travel destination. SCED was particularly grateful to the frontline practitioners in various sectors for their dedication in providing visitors to Hong Kong with hospitality and assistance and offering them safe and comfortable experiences. He

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also said that a number of large-scale convention and exhibition events were held smoothly in the second half of 2019, thanks to the efforts of the organizers and relevant organizations.

12.49 ED of HKTB said that HKTB had formulated its strategic direction and work plan in light of the latest situation. Contingent upon the atmosphere of society, it would expedite the implementation of local and overseas marketing programmes upon the abatement of the epidemic in Hong Kong and key source markets as well as the resumption of normal airline services between Hong Kong and other places. According to statistical data, non-Mainland visitors to Hong Kong only gradually resumed visiting Hong Kong about 10 months after the end of the SARS outbreak in Hong Kong. However, as the COVID-19 epidemic had spread across the globe, it was estimated that a longer period of time might be needed for the recovery of the local tourism industry when the epidemic was over.

12.50 ED of HKTB also said that part of the additional funding would be used to conduct a review of Hong Kong's tourism brand and establish a more suitable positioning for local tourism industry in accordance with the latest travel trends and Hong Kong's unique strengths in tourism. The study was expected to be completed between late this year and early next year. By then, HKTB would launch a global tourism brand campaign to rebuild Hong Kong's tourism image.

12.51 Mr POON Siu-ping asked whether the Administration would address the impact of tourist activities on the livelihood of citizens through measures such as enhancing the management of coach parking. He also suggested that the Administration should, through tax policies, enable local residents to share the receipts from visitors for mutual benefits.

12.52 Commissioner for Tourism replied that many tourist destinations around the world were facing similar situations. The Government had been facilitating the implementation of a number of measures to minimize as far as possible the impact of tourist activities on the local community. In nurturing and developing tourism products and initiatives, the Government would strive to identify the

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tourism characteristics of various districts to divert tourists to different districts for sightseeing and shopping, thereby enhancing economic gains and benefiting various districts.

Promotion of mega events and arts and cultural exchanges

12.53 Referring to Reply Serial No. CEDB(CIT)112, Mr MA Fung-kwok asked how the organizers of mega events would be assisted in enhancing its promotion to spur Hong Kong's economic recovery after the COVID-19 epidemic had subsided, and whether the Administration would make reference to the practices adopted after the SARS epidemic in 2003 and hold large-scale entertainment events to relaunch Hong Kong's economy. Referring to Reply Serial No. CEDB(CIT)215, Mr Ma also asked how the Hong Kong Economic and Trade Offices ("ETOs") in the Mainland and overseas would relaunch Hong Kong's arts and culture and enhance cultural exchanges when the epidemic was over.

12.54 ED of HKTB responded that HKTB would organize and promote mega events to attract the international spotlight. In view of the social situation and the COVID-19 epidemic, HKTB had cancelled four mega events in 2019-2020. Looking ahead, there would be a number of mega events to be staged in Hong Kong between October 2020 and March 2021, including the Hong Kong Sevens to be held in mid-October 2020, etc. HKTB would enhance its global promotions and rebuild Hong Kong's tourism image during the relevant period. It had also proceeded to liaise with the organizers of the mega events concerned on promotion and publicity programmes. In addition, it would actively invite organizations to host other world-class events in Hong Kong to further enhance the tourism appeal of Hong Kong.

12.55 SCED supplemented that a wide range of mega events and activities were staged in Hong Kong throughout the year. Convention and exhibition events would be retained in Hong Kong through the Convention and Exhibition Industry Subsidy Scheme under AEF. According to the latest information, Art Basel would continue to be held in Hong Kong in early 2021. Apart from retaining convention and exhibition events, the Government would also support different

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organizations and business groups to organize activities with local characteristics. ETOs had been working closely with the Home Affairs Bureau in promoting Hong Kong's cultural and creative industry and enhancing cultural exchanges, in addition to strengthening the economic and trade relations between Hong Kong and foreign countries and undertaking tourism promotional activities in their daily operations. ETOs would keep up the efforts in the coming year.

Other issues

12.56 Mr KWONG Chun-yu criticized that the recent remarks made by SCED on a Radio Television Hong Kong ("RTHK") programme and his exertion of pressure openly on the Director of Broadcasting had interfered with the editorial independence of RTHK and inhibited press freedom. In this connection, he asked SCED to evaluate himself to see whether he merited the salary stated in Reply Serial No. CEDB(CIT)003.

12.57 SCED disagreed with the criticism of Mr KWONG Chun-yu and considered that his work performance should be judged by the public. He suggested giving his response on the RTHK issue in detail in the next session (communications and creative industries).

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13.1 At the invitation of the Deputy Chairman, Mr Edward YAU, Secretary for Commerce and Economic Development ("SCED"), briefed members on the key areas of work and expenditure relating to the policy area of communications and creative industries in the 2020-2021 financial year (Appendix IV-11).

Radio Television Hong Kong

Departmental Expenses

13.2 Referring to Reply Serial No. CEDB(CCI)070 in which Radio Television Hong Kong ("RTHK") indicated that sufficient resources had been allocated by the Government for the provision of public service broadcasting, Dr Helena WONG enquired if such provision included sufficient resources for the construction of the New Broadcasting House ("New BH"). Director of Broadcasting advised that the annual budget of RTHK had all along been drawn up in light of its development needs. RTHK was developing the New BH by way of a joint-user building ("JUB") proposal, which was more cost-effective, and was holding negotiations with those departments which had indicated an interest in jointly using the JUB as well as the Architectural Services Department, with a view to taking forward the formulation of a conceptual layout further.

13.3 In the light of the social movements took place in Hong Kong in 2019, Mr CHU Hoi-dick commented that the Hong Kong Police Force ("HKPF") and RTHK were presumably the two government departments with staff undertaking the most overtime work. Yet, in their estimated expenditures for the next year, there would be an increase of 2 543 headcounts (7.1%) in the establishment of HKPF but only 6 (0.8%) in the case of RTHK; and a \$2.2 billion (18.5%) increase in the general departmental expenses of HKPF against a reduction of \$30 million (-7.0%) in those of RTHK. Mr CHU asked whether the estimated expenditure of RTHK was drawn up by RTHK itself, or whether it had been pared down by directorate officers. Director of Broadcasting explained that in general, time off in lieu was granted in recompense for overtime work performed by RTHK staff. The estimated expenditure, meanwhile, was determined in light of actual needs. RTHK did not pare down the estimate on its own.

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13.4 Referring to Reply Serial No. CEDB(CCI)061, Mr IP Kin-yuen noted that as at end February of the 2019-2020 financial year, RTHK had received over 70 000 compliments. He enquired whether that figure was the highest among government departments, and whether RTHK should merit allocation of more resources. SCED advised that decisions regarding resources deployment of government departments could not be based simply on public comments. Considerations had to be given to factors such as the needs of various departments, the overall deployment of resources by the Government, the audit results published by the Audit Commission and the feedbacks given by Members of the Legislative Council.

13.5 Mr LEUNG Che-cheung said that while nearly \$600 million of RTHK's annual estimate of some \$1 billion was used on the expenditure on public affairs and general television programme, the low viewership ratings of its TV channels fell short of public expectations. He requested RTHK to give an account from a value for money perspective. Director of Broadcasting advised that changes in the annual expenditure on public affairs and general television programme, which comprised expenses on staff remuneration and programme production, had been made public. The low viewership ratings of RTHK TV programmes were partly attributed to its signal coverage, it was not until the first half of 2019 that the coverage rate could amount to about 99% of the population of Hong Kong.

Concerns arising from an interview with an official of the World Health Organization in the programme *The Pulse*

13.6 A large number of members expressed concerns over an interview with an official of the World Health Organization ("WHO") in the programme *The Pulse* ("the programme") broadcast on 28 March 2020 and the statement made by the Commerce and Economic Development Bureau ("CEDB") on 2 April 2020 in response to media enquiries on the programme. It was mentioned in the statement that "RTHK must uphold and abide by the Charter of RTHK ('the Charter') in discharging its duties to provide public service broadcasting The Secretary (for Commerce and Economic Development) holds the view that the presentation in that episode of the aforesaid programme has breached the One-China Principle and the

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purposes and mission of RTHK as a public service broadcaster as specified in the Charter."

13.7 Mr Alvin YEUNG said that the reporter in the programme asked only if WHO would reconsider Taiwan's membership. Given that the membership of WHO could take various forms and Taiwan attended the World Health Assembly as an observer as early as between 2009 and 2016, he asked whether the Administration could clearly point out in what way had the question posed by the reporter breached the one-China principle. He questioned whether the judgment was based solely on the personal perception of SCED. Stating that it was the bounden duty of reporters to ask questions, Mr KWONG Chun-yu queried whether SCED had erred in his judgment and asked him to point out the blunders made by the reporter specifically.

13.8 Mr HUI Chi-fung queried whether the manner in which the question was posed by the reporter would truly undermine the understanding of "one country, two systems" by members of the public and their sense of citizenship and national identity to such a serious extent that it constituted a breach of the public purposes specified in the Charter by RTHK. Mr CHAN Chi-chuen enquired whether it was due to the relevant question that the programme was deemed in breach of the one-China principle. Mr Chan considered that if the adherence of an individual's remarks to the one-China principle could be judged by the Administration based upon one single sentence, it would be a serious violation of the freedom of speech and political rights enjoyed by journalists, Members, as well as the general public.

13.9 SCED stressed that he had made it clear twice in recent months that, as set out in the statement issued by CEDB, as a government department and a public service broadcaster, RTHK must uphold and abide by the Charter in discharging its duties. At the same time, RTHK must also adhere to some key principles of the Government. He clarified that the views held by CEDB that the programme had breached the one-China principle were based not on an individual question, but on the overall presentation of the programme as well as the programme production and editorial principles it embodied. SCED stated that he had made plain the Government's concerns and stance in respect of the programme. Noting that RTHK

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had sincerely apologized for the reference of "diplomatic relations between the two countries" made in the voice-over of *Taiwan Stories*, a commissioned programme exploring the relations between Taiwan and African countries, he expected that RTHK would adopt a stance it considered appropriate in addressing the concerns arising from *The Pulse* in a manner it saw fit.

13.10 The Deputy Chairman reminded members that questions posed should relate to the estimates of expenditure.

13.11 Referring to Reply Serial No. CEDB(CCI)078, Mr HUI Chi-fung stated that RTHK, as stipulated in the Charter, was editorially independent and would adhere to the editorial principle of being immune from, among others, political influence. He queried whether SCED's questioning of an individual programme of RTHK in respect of its overall presentation as well as the manner in which questions were posed by its reporter was tantamount to an act of overly reactive censorship intended on silencing political dissent. He also accused SCED and the Chief Executive of political interference and taking the lead in breaching the Charter with their remarks made on the programme. Mr Alvin YEUNG enquired whether future questions to be posed by RTHK reporters would require prior vetting and approval of CEDB.

13.12 Expressing his disagreement with Mr HUI's comments, SCED pointed out that CEDB had never intervened in the programme production process of RTHK. That said, RTHK must adhere to certain key principles, including the one-China principle, of the Government. As RTHK's Editor-in-chief, the Director of Broadcasting was responsible for making the final editorial decisions in RTHK and accountable for editorial decisions taken by RTHK programme producers. Yet, in the event of a breach of important government principles by an RTHK programme, SCED had a duty to point out the problem to RTHK and give a clear account to the public. SCED stressed that the stance adopted by the Government in respect of such problems must be clear-cut and unambiguous.

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13.13 Dr Helena WONG said that it would be a curb on RTHK's press freedom and its right of reporting if its reporters were forbidden from posing politically-incorrect questions. That would constitute a contravention of the Basic Law and a breach of the principle of "one country, two systems". Dr KWOK Ka-ki said that while Hong Kong residents should, as guaranteed by the Basic Law, have freedom of speech, of the press and of publication, media organizations representing the opinion of Hongkongers were few and far between these days with the media industry of Hong Kong being infiltrated by pro-China capital in nearly every aspect. He opined that the act of leveling criticisms against a frontline reporter of RTHK and accusing her of posing a question that breached the one-China principle on the part of SCED, a top official of the Government, was tantamount to intimidation and an encroachment of free speech.

13.14 SCED reiterated that while the Government respected freedom of speech and freedom of the press, RTHK must abide by the provisions of the Charter jointly formulated by various parties years ago. He noted that the Director of Broadcasting also recognized such a principle. The stance adopted by the Government on this matter was based not on an individual question, but on the programme as a whole.

13.15 Mr Holden CHOW agreed with SCED that the controversy arising from the question posed by the reporter in the programme should be handled seriously in accordance with the Charter. He pointed out that, as one of its public purposes stipulated in the Charter, RTHK should engender a sense of citizenship and national identity through programmes that contributed to the understanding of our community and nation. Yet, it appeared to some viewers that by means of a question posed by a reporter, the programme had opportunistically campaigned for Taiwan independence and could be suspected of helping Taiwan become an independent nation. Mr CHOW considered that failure to point out the programme's breach of the Charter in a timely manner could lead to the risk of RTHK being used as a platform for promoting the independence of, among others, Taiwan, Xinjiang, Tibet, etc. and even secession in future. SCED stressed that it was the Government's stance to safeguard the principles of one China, national sovereignty and unity. All government departments must adhere to such principles.

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13.16 Citing a rebuttal made by a staff union of RTHK against the statement issued by CEDB, Mr CHAN Han-pan asked whether that was reflective of the present situation in which RTHK was beyond the Bureau's control and had even shown signs of getting out of control. SCED pointed out in his response that RTHK must fulfill its public purposes and mission as bound by the Charter. RTHK was under the policy purview of CEDB. It should also attach great importance and give due consideration to the views of the RTHK Board of Advisors on matters pertaining to editorial principles, programming standards and quality of its programming and subject to the investigations conducted by the Office of the Communications Authority ("OFCA") in relation to the complaints made against its programmes.

13.17 Dr Fernando CHEUNG said that with virus spreading across the world sans borders under a pandemic, an effective response in tackling such a public health crisis hinged on a global exchange of information in a transparent manner. He commented that an enquiry of whether WHO would reconsider Taiwan's membership, which in itself was a reasonable question relevant to public health, had been politicized and elevated to the level of breaching the one-China principle. He enquired if SCED could express his stance in recognition of the right of any place in the world for attaining WHO membership and joining the fight against the epidemic, or whether he would, in an effort to safeguard his political career, say only what was politically correct. Dr KWOK Ka-ki enquired whether SCED, in a bid to run for the next-term of the Chief Executive, would go so far as to undermine free speech and destroy RTHK, a public service broadcaster that ranked among the highest in the ratings of credibility, usage and trustworthiness of the media.

13.18 SCED reiterated that his response on the programme was made in relation to RTHK's powers and responsibility as an editorial unit of the programme, not in relation to an individual question posed by the reporter. In the event of a breach of the Government's principles by RTHK, SCED, as the head of the policy bureau tasked with the oversight of RTHK's policies, had a responsibility to point out the problem. As regards Dr KWOK Ka-ki's enquiry, SCED advised that he had, at present, absolutely no interest in assuming any position other than his current one. He requested Members to refrain from

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linking the problem to a personal level as a mean to divert people's attention.

13.19 Mr CHAN Han-pan said that, by asking whether Taiwan could become a WHO member, the RTHK reporter in the programme was deliberately springing a trap in the hope that the WHO official would make a faux pas, thereby creating public opinion. He commented that, by giving the impression that RTHK could bang the drum for Taiwan independence, the reporter was very clear in her intention. Describing the allegations levelled by Mr CHAN against the RTHK reporter as serious, Mr HUI Chi-fung queried whether it was the Government's views that the reporter was advocating Taiwan independence and banging the drum for the cause. SCED responded that his judgment—that the programme as a whole had breached the one-China principle—was consistent with the content of the statement issued by CEDB. As for the speculations on the reporter's intention in posing the question, Director of Broadcasting stated that WHO, in a statement issued a day after the programme was broadcast, had actually given a comprehensive response to all the questions not having been answered on the day of the interview.

13.20 Noting that Macao was an associate member of the United Nations Educational, Scientific and Cultural Organization ("UNESCO"), Mr IP Kin-yuen enquired whether a question posed by a reporter on the admission of another non-sovereign state to UNESCO as an associate member would be similarly regarded by the Government as a breach of the one-China principle. SCED responded that the sovereignty of any country brooked no division, which was an undisputed fact. The membership of the United Nations were based entirely on sovereign states as constituent units and the members of its subsidiary organizations were mostly sovereign states with exceptions made only with the concurrence of sovereign states following discussions.

13.21 Mr CHU Hoi-dick noted that, in response to the statement made by CEDB, a spokeswoman of RTHK stated that Taiwan was not referred to as a "country", but a "place" in the programme, which was a neutral expression, and that RTHK reviewed the content of the episode and found that it did not violate the "one country, two systems"

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principle, nor did it violate the Charter. Mr CHU enquired if the Director of Broadcasting was still willing to give the reporter posing the question in the programme his full backing. Director of Broadcasting replied that RTHK could not breach and had adhered to the one-China principle.

Concerns arising from the Programme *Headliner*

13.22 Mr CHAN Han-pan said that misinformation was deliberately cited in *Headliner* earlier on with the intention of discrediting other government departments. He enquired about the follow-up actions the Director of Broadcasting had taken. Citing a letter dated 12 March 2020 to RTHK staff in which the Director of Broadcasting described *Headliner* as a non-news, satirical and ironic programme and a rarity in local broadcasting scene that synced with the social pulse and served as an effective outlet for grudges and resentment, Mr WONG Ting-kwong questioned in what way the Police Force was referring to as "dirty cops" in *Headliner* satirical and ironic, and in what way the effect of serving as an outlet for grudges and resentment being achieved by such a genre.

13.23 Director of Broadcasting responded that the reference of "dirty cops" had never been made in *Headliner*. As a satire, *Headliner* had adopted a form of expression that would lend itself as an outlet for grudges and resentment, bringing a sense of release to its viewers with its broadcast for over three decades. He appreciated that different viewers might respond differently to satirical genre. Ongoing efforts had been made by RTHK staff to explain to the public about the genre and nature of *Headliner* for years. SCED reiterated that as a government department and public service broadcaster operating on public funds and enjoying editorial independence, RTHK must fulfill its public purposes and mission as specified in the Charter. RTHK was under the policy purview of CEDB. It should attach great importance and give due consideration to the views of the RTHK Board of Advisors on matters pertaining to editorial principles, programming standards and quality of its programming and subject to the investigations conducted by OFCA in relation to the complaints made against its programmes. SCED held that it would be appropriate to comment on the performance of RTHK and its programmes in the light

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of the Charter.

13.24 Mr LEUNG Che-cheung stated that the programmes broadcast by some Members on online platforms could draw a hit rate of over 200 000. He enquired about the hit rate of *Headliner* and the way in which the Director of Broadcasting planned to boost the viewership ratings of RTHK TV programmes. Director of Broadcasting responded that between January 2019 and February 2020, *Headliner* recorded over 20 million hits and *Hong Kong Connection* recorded over 36 million hits, even without factoring in the number of times those programmes were shared.

Film Development Fund

13.25 Referring to Reply Serial No. CEDB(CCI)006, Mr Kenneth LAU noted that support for the local film industry had been provided through various schemes under the Film Development Fund ("FDF"). Yet, with investors reluctant to invest in film productions in Hong Kong and the epidemic wreaking havoc in recent months, the film industry had been stuck in the doldrums and many practitioners of the film industry had become underemployed. Mr LAU enquired whether the Administration would consider following the practice of neighbouring countries and providing a flat rate subsidy for film investors. In his view, such a subsidy could revive the local film industry by attracting investments from non-local film producers for productions in Hong Kong on the one hand, and stimulate local consumption by indirectly promoting the development of the tourism industry on the other.

13.26 SCED advised that as the market conditions remained sluggish, the Government intended to accord priority to supporting the local industry through FDF and subsidizing the local film industry in boosting production output, enhancing the level of production and stepping up training of talents, thereby safeguarding the livelihood of its practitioners. He pointed out that FDF aimed to support projects conducive to the long-term development of the film industry in Hong Kong and there was always room for collaboration between the local industry with their Mainland and overseas counterparts in the process. In the long run, considerations could be given to provide subsidies for, among others, inward investment under FDF.

Chapter XIV : Food Safety and Environmental Hygiene

14.1 At the invitation of the Chairman, Professor Sophia CHAN Siu-chee, Secretary for Food and Health ("SFH") briefed members on the main initiatives and expenditure on the policy area of food safety and environmental hygiene for the new financial year (Appendix IV-12).

Environmental hygiene and related services

Provision of protective gear to cleansing workers

14.2 Referring to Reply Serial Nos. FHB(FE)062 and FHB(FE)093, Mr SHIU Ka-chun said that the Administration was respectively requested to provide information on (a) the quantities of face masks, protective clothing and additional cleansing utensils obtained by frontline cleansing workers during the coronavirus disease 2019 ("COVID-19") epidemic, and (b) the monthly expenditures for the provision of personal protective clothing and equipment and cleansing tools to cleansing workers, drivers and supervisors as stipulated in the outsourced service contracts for each of the 18 districts in the territory. However, the Administration did not provide the requested information in its replies. Mr SHIU said that to his understanding, the Government had distributed face masks produced by the Correctional Services Department ("CSI masks") only to certain types of frontline cleansing workers (e.g. those responsible for cleaning streets, public toilets, refuse collection points and public markets) employed by outsourced cleansing service contractors. Other personnel (e.g. supervisors, drivers of street cleaning/refuse collection vehicles and staff providing pest control services) were not provided with CSI masks. He asked whether the Food and Environmental Hygiene Department ("FEHD") would distribute face masks to workers of its contractors who had not been provided with such protective gear before; and whether FEHD would consider stipulating in its outsourced service contracts that contractors should provide sufficient and appropriate personal protective clothing and equipment (including face masks) to cleansing workers for discharging duties.

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14.3 Mr CHAN Chi-chuen, Dr KWOK Ka-ki, Mr WU Chi-wai, Dr Helena WONG and Mr Wilson OR also expressed concern on whether frontline cleansing workers were provided with adequate protective gear and equipment for performing their duties. Mr CHAN, Dr KWOK and Mr OR said that they had learnt from some outsourced cleansing workers that they were not provided with adequate face masks and suitable protective gear to perform their jobs since the outbreak of COVID-19 in Hong Kong. Mr WU and Dr WONG said that apart from face masks, the Administration should ensure that cleansing workers were also provided with protective clothing and gear (such as goggles).

14.4 SFH responded that the Government had made much effort in procuring face masks globally, given the tight supply of face masks as a whole. FEHD was responsible for providing cleansing services for public places. It attached great importance to the occupational safety and health arrangements of staff (including in-house staff and those employed by outsourced contractors). FEHD would continue to provide its in-house cleansing staff with sufficient and appropriate personal protective gear and tools for discharging duties according to the work environments and conditions, and would remind its contractors to do the same.

14.5 Director of Food and Environmental Hygiene ("DFEH") advised that it was stipulated in FEHD's service contracts that the contractors should comply with all the legislation in relation to the execution of the service contracts, including the Occupational Safety and Health Ordinance (Cap. 509) and its subsidiary regulation. The contractors had a duty to ensure their employees' occupational safety and health at work, including assessing the risks faced by their employees working in various environments and taking appropriate preventive measures, providing sufficient and appropriate personal protective clothing and equipment, necessary training on occupational safety, and making appropriate work arrangements. In light of the COVID-19 outbreak and the tight supply of face masks as a whole, the Government understood that outsourced cleansing service contractors had encountered difficulties in procuring face masks. As a contingency measure, 700 000 additional masks produced by the Correctional Services Department were reserved for distribution to

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frontline cleansing workers employed by the Government's outsourced service contractors in order to protect the health of these cleansing workers and maintain the necessary cleansing services. Since 17 February 2020, FEHD had made arrangements for distribution of CSI masks (more than 300 000 pieces per month) to its cleansing service contractors' frontline workers for their use when cleaning streets, public toilets, refuse collection points and public markets. FEHD planned to distribute face masks to more types of frontline workers in the coming months.

14.6 DFEH further advised that upon completion of a review by departments concerned, the Government had decided to continue with the distribution of face masks to cleansing workers of service contractors, taking into account the tight supply of masks throughout the globe. In conveying this decision to outsourced service contractors, departments concerned had taken the opportunity to remind the contractors that, under the service contracts, they had an obligation to provide their employees with adequate and suitable protective gear and equipment to ensure their occupational safety and health at work (including procuring face masks for their employees). FEHD did not keep a separate breakdown on the expenditure in respect of protective gear and equipment incurred by FEHD or its service contractors.

14.7 Dr KWOK Ka-ki expressed concern whether SFH or DFEH had talked to frontline cleansing workers to understand their needs for face masks and other protective gear, particularly in the wake of the COVID-19 outbreak. Mr WU Chi-wai asked whether further measures would be taken by FEHD to ensure that frontline cleansing workers were provided with necessary protective gear while at work. SFH responded that she had been kept apprised of the overall work arrangements of frontline cleansing workers. DFEH said that she had personally made visits to the work sites of cleansing workers to distribute to them face masks and to understand their needs for protective clothing and equipment. The face masks were distributed when workers reported duty. DFEH stressed that during the COVID-19 epidemic, FEHD's supervisory staff would ensure that cleansing workers were provided with the protective gear and equipment needed before the latter were sent to conduct special cleansing and disinfection operations.

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14.8 Mr SHIU Ka-chun asked about the reason why FEHD distributed to its cleansing service contractors' frontline workers CSI masks in small quantities (e.g. a pack of several (at most five) instead of a box of 30 enough for use in a month's time). DFEH advised that under normal circumstances, each cleansing worker could receive a face mask at the time he/she reported duty. These arrangements served to ensure that the masks were used at work.

14.9 Ms CHAN Hoi-yan expressed concern on whether any punitive/enforcement actions had been taken against outsourced cleansing service contractors for failing to provide face masks to their workers. In her view, the Government should consider amending the Employees' Compensation Ordinance (Cap. 282) ("ECO") to prescribe COVID-19 infection as an occupational disease so that employees (e.g. cleansing workers or medical/health care staff) getting infected at work might claim compensation from their employers in accordance with ECO. SFH advised that according to her understanding, the Labour Department was looking into the matter.

14.10 Mr CHU Hoi-dick said that to his understanding, some service contractors were replacing their workers' old uniforms with new ones which were of better designs. He asked whether FEHD would follow suit to provide its in-house staff with new and better-designed uniforms. He also called on the Government to deploy more Workmen II for collecting refuse in villages and rural areas, so as to ease the heavy workload of the existing staff. DFEH responded that the new uniforms as referred to by Mr CHU and to be adopted by some service contractors were designed by a consultant engaged by FEHD for trial use. If users' response on the new uniforms was favourable, FEHD would consider replacing the uniforms for its in-house cleansing staff.

Cleansing and disinfection work during the COVID-19 epidemic

14.11 Mr Vincent CHENG asked whether FEHD had deployed additional resources to step up the cleansing and disinfection of streets and public facilities under its management in the light of the COVID-19 epidemic. SFH responded in the affirmative, advising that FEHD and relevant departments had made concerted efforts in

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launching the territory-wide cleansing campaign in 2019 and would continue to improve the hygiene conditions in the community after the campaign. DFEH cited examples to explain that cleansing contractors would, subject to ground situation, step up street cleansing and washing services to maintain environmental hygiene. Also, FEHD had since June 2019 set up 23 dedicated rear lane cleansing teams to tackle hygiene problems at rear lanes. FEHD would continue to step up inspection and clearing of refuse/waste at rear lanes in 2020-2021.

14.12 Noting that FEHD would arrange cleansing and disinfection of the residences of confirmed patients of COVID-19 according to the instructions of the Centre for Health Protection ("CHP"), Dr Helena WONG sought details of such operations. Mr Vincent CHENG raised a similar enquiry and expressed particular concern about the cleansing and disinfection work for the confirmed patients' apartments situated at "three-nil" buildings in old districts.

14.13 In response, DFEH said that FEHD would, upon CHP's request, arrange cleansing and disinfection operations for confirmed patients' residences in private buildings. Where the confirmed patients lived in public rental housing estates, FEHD would supervise the cleansing workmen of the Housing Department ("HD") in performing cleansing and disinfection work. Where necessary, HD and FEHD would carry out joint cleansing and disinfection operations, having regard to actual circumstances and operational needs. For common parts of the buildings with confirmed cases, cleansing and disinfection work would, in general, be carried out by the relevant building management, and FEHD would be prepared to carry out such work if there was no proper building management or if the building management had difficulty in doing it.

Refurbishment of public toilets

14.14 Referring to the Administration's timetable for implementing the refurbishment or facelifting works for public toilets as set out in Reply Serial No. FHB(FE)141, Mr Tony TSE urged the Government to expedite the refurbishment/facelifting projects of the remaining public toilets. He hoped that more small and medium-sized construction companies would have an opportunity to participate in the works

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projects. Noting that FEHD had started rolling out refurbishment works for 20 public toilets under its management in 2019-2020, he sought information on the number of contractors respectively in Groups A and B on the Government's List of Approved Contractors for Public Works ("the List") involved in these projects and whether they were small and medium-sized companies. Mr TSE was also concerned whether tenders for the refurbishment/facelifiting projects would be invited from professional services consultancies which were not on the List.

14.15 SFH responded that FEHD would roll out the refurbishment/facelifiting works for about 240 public toilets under its management by phases in five years since 2019-2020. DFEH supplemented that public toilet refurbishment projects involving full-scale refurbishment were designed by the term consultants of the Architectural Services Department ("ArchSD") before tenders were invited from contractors. The Government would provide supplementary information sought by Mr Tony TSE after the meeting.

Rodent control

14.16 Ms CHAN Hoi-yan noted from Reply Serial No. FHB(FE)067 that the number of rodent infestation surveys ("RIS") conducted in 2019 had dropped, when compared with the figures in 2017 and 2018. Highlighting the serious rodent problem in some residential buildings in close proximity to a public market in Mei Foo, Ms CHAN enquired about the criteria for selecting locations/areas for conducting RIS; and whether FEHD had conducted RIS and carried out targeted rodent control operations at those locations as she mentioned earlier. In view of the severity of the rodent problem in various districts, Ms CHAN suggested that a hotline or more convenient channels be made available for members of the public to report environmental hygiene blackspots and rodent problems.

14.17 SFH responded that FEHD would continue to adopt multi-pronged strategies (including improving environmental hygiene and stepping up rodent disinfestation) to tackle rodent infestation at the district level. The Pest Control Steering Committee ("PCSC") under the Food and Health Bureau coordinated and synergized the pest

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control efforts of various bureaux and government departments, through providing high level direction. Under the coordination of PCSC, additional resources had been allocated to a number of departments for carrying out enhanced pest control work in areas under their respective purview. FEHD would consider Ms CHAN Hoi-yan's suggestion of engaging public participation in rodent control work.

14.18 DFEH added that FEHD would consider the views of the community, in reviewing the geographical coverage of surveyed areas for rodent surveillance. In November 2019, FEHD had invited an expert in rodent control, referred by the World Health Organization, to visit Hong Kong to provide advice on rodent control in the territory. Among others, the expert had suggested continuously promoting rodent prevention and control in the community. FEHD was now following up on the expert's advice. DFEH further said that upon receipt of complaints about rodent infestation in private residential properties, FEHD would follow up the cases with relevant stakeholders by providing advice on improvement in anti-rodent work.

14.19 Mr Holden CHOW noted from Reply Serial No. FHB(FE)131 that FEHD had been conducting field trials in Kowloon City District since early 2020 to assess the feasibility of using thermal imaging cameras with artificial intelligence analytical and data collecting functions to quantify rodent surveillance. Since FEHD planned to install thermal imaging cameras before and after the two phases of anti-rodent operations in individual designated target areas, which would be conducted in May 2020 in all districts throughout the territory, with a view to quantifying and reviewing the effectiveness of the anti-rodent operations, Mr CHOW asked whether FEHD would first install thermal imaging cameras in districts which had relatively high numbers of rodent complaints (e.g. Yuen Long and Sha Tin). DFEH responded that FEHD would consider installing thermal imaging cameras in more districts if the results of the field trials were satisfactory.

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Issues relating to food supply

Provision of support to the food trade during the coronavirus disease 2019 epidemic

14.20 Mr Tommy CHEUNG expressed appreciation of FEHD's efforts in operating the Food Licence Holders Subsidy Scheme ("FLHSS") rolled out by the Government under the Anti-epidemic Fund to provide a one-off subsidy to eligible food business licence holders as a financial relief in view of the severe impact of the epidemic on the business of the catering and food-related trades. Mr CHEUNG noted that to apply for FLHSS, food business operators were required to, among others, hold a valid food business licence (full or provisional licence) of any one of the eight targeted categories issued by FEHD on or before 14 February 2020. The application period for FLHSS began on 5 March 2020 and would run till 4 May 2020. However, a person was not eligible for applying FLHSS if he (a) had submitted an application for transfer of licence in respect of the licensed food premise during the period from the date of submission of the application to the date of approval of the application; or (b) had not been granted a full licence by FEHD before the expiry of the provisional licence or close of application for FLHSS. Mr CHEUNG hoped that FEHD would consider extending the application deadline (i.e. 4 May 2020) for applicants applying for transfer of licence/ granting of a full licence and would deploy additional manpower for processing applications under FLHSS.

14.21 DFEH responded that additional staff had already been deployed to FEHD's three licensing offices. She stressed that potential food business licence holders were eligible for the subsidy under FLHSS if, within the application period for FLHSS, their applications for transfer of licence could be completed or a full licence was granted to them following expiry of their provisional licence. As there was still time for applicants to complete the necessary procedures before the closing date of application (i.e. 4 May 2020), it was too early to consider whether the application deadline for FLHSS should be extended.

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14.22 Mr Holden CHOW said that to his understanding, many cooked food stall tenants operating in FEHD-managed public markets were not eligible for FLHSS. Outsourced workers who were responsible for enforcing health control for inbound travellers at the airport and other immigration control points were also not entitled to the monthly allowance of \$1,000 disbursed under the Anti-epidemic Fund. He considered that cooked food stall tenants and those outsourced workers working at immigration control points should be covered under the second round of relief measures to be announced under the Anti-epidemic Fund. Mr CHU Hoi-dick expressed concern that local farms/farmers' markets were not eligible for the Retail Sector Subsidy Scheme ("RSSS") implemented in the first round of relief measures, as most farmers did not have business registration, a document required to be produced for supporting the application. He hoped that the Government would consider exempting local farmers from the requirement of providing a business registration certificate for their applications. Or, consideration should be given to setting up a new subsidy scheme for the agriculture sector.

14.23 SFH responded that the Government had considered views from the community in coming up with measures in the second round of relief measures under the Anti-epidemic Fund to strengthen the support for individuals and businesses hard hit by the COVID-19 outbreak. She would relay Mr CHU Hoi-dick's views on RSSS to the Chief Secretary for Administration's Office for consideration. DFEH added that around 17 000 cleansing workers, toilet attendants and security workers employed by FEHD's service contractors would benefit from the monthly allowance of \$1,000 disbursed under the Anti-epidemic Fund.

14.24 Dr CHENG Chung-tai opined that the Administration's sudden announcement and imposition of certain temporary measures to regulate the business and operations of catering business and 12 categories of premises with relatively high risk of spreading COVID-19 virus (including beauty parlours and massage establishments) for the purpose of prohibiting group gatherings to contain possible local transmission of COVID-19 virus had caused serious disruption to the businesses concerned. In his view, the Government should provide financial relief and support to those

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businesses and employees who were affected by the implementation of the measures. Dr CHENG also expressed concern that according to media reports, some law enforcement officers required customers to produce identity cards during inspections on food premises.

14.25 SFH responded that in view of the latest development of the COVID-19 epidemic, for controlling its possible transmission, the Government decided to impose requirements or restrictions on catering business premises as well as scheduled premises in relation to their mode of operation and to prohibit group gatherings. In accordance with the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F) and the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G), latest directions had been issued through notices published in the Gazette on 8 April 2020 to be effective for a period of 14 days beginning on 10 April 2020 to 23 April 2020.

Regulatory control on import of game

14.26 Dr Helena WONG enquired about the existing regulatory control on the import of game and the types of game allowed to be imported into Hong Kong. SFH responded that under the Imported Game, Meat, Poultry and Eggs Regulations (Cap. 132AK), no person should import meat or poultry without an official health certificate issued by an issuing entity from the place of origin which certified that the meat or poultry concerned was fit for human consumption, or otherwise a prior written permission from a FEHD's health officer would be required. To ensure food safety, the Centre for Food Safety ("CFS") took food samples (including game meat) at the import, wholesale and retail levels for testing according to the risk-based approach. Controller, CFS provided information on the types of game allowed and not allowed to be imported into Hong Kong. Dr WONG requested the Administration to provide a list of the types of game which had been given permission for import into Hong Kong by FEHD in recent years.

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Provision and management of public markets

14.27 Noting that FEHD was actively undertaking the development of a temporary market in Tin Shui Wai which was expected to be completed and commissioned by the end of 2020, Mr CHU Hoi-dick urged the Administration to consider setting up another temporary market in Tung Chung to serve the residents there. SFH responded that FEHD would consolidate the experience gained from the temporary market project in Tin Shui Wai and consider if it would be necessary or feasible to provide temporary markets in other districts.

14.28 Dr CHENG Chung-tai said that he had received complaints that the Link Real Estate Investment Trust was trying to force its tenants to move out from a fresh market in Tin Shui Wai North by increasing the rents for market stalls during the COVID-19 epidemic. He hoped that FEHD would consider giving priority to affected tenants in renting stalls in the above-mentioned temporary public market to continue their businesses. In Dr CHENG's views, new public markets should be provided in Tung Chung in the long run.

14.29 SFH responded that since it took time to build a new market, the Government announced in October 2019 that a temporary public market would be built at the open space adjacent to Tin Sau Road Park, in Tin Shui Wai. FEHD would continue to press ahead with other public market projects in various districts so as to cater the needs of local residents. FEHD would consider the best arrangements for letting out stalls in the Tin Shui Wai temporary market with reference to established practices and procedures.

14.30 Mr Wilson OR enquired about the Administration's progress in taking forward fundamental overhaul and refurbishment works for public markets under the Market Modernization Programme ("MMP"). DFEH responded that FEHD had consulted and obtained the support of the Southern District Council for the overhaul of Aberdeen Market. ArchSD was engaging consultants and would commence the work of detailed design of plan and preparation of tender documents as soon as possible. Upon completion of the design and preparatory work, the Government would seek funding approval from the Legislative Council, and the overhaul works was expected to commence in 2021.

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At the same time, the Government planned to overhaul another three public markets in Kowloon and the New Territories and to take forward the consultation and preparatory work later in 2020. The Government also planned to kick-start minor refurbishment and improvement works for at least three other public markets in different districts across the territory. Mr Wilson OR requested the Administration to provide supplementary information on its plan and timetable for taking forward various projects under MMP.

Issues relating to the fisheries industry

14.31 Mr Steven HO expressed concern about the increased illegal fishing activities in the Hong Kong waters (including in the marine parks and marine reserve) in recent years and the effectiveness of the enforcement actions taken by relevant departments to combat illegal fishing activities. Mr HO noted from Reply Serial No. ENB008 that the number of patrol vessels deployed by the Agriculture, Fisheries and Conservation Department ("AFCD") to conduct patrols in the marine parks, marine reserve and surrounding waters had reduced from 11 to eight as the aged vessels were out of service and pending replacement. He asked when the aged vessels would be fixed/replaced and be ready to provide patrol services.

14.32 Director of Agriculture, Fisheries and Conservation ("DAFC") responded that the current plan was to replace three aged vessels by new ones which would be put into services by the end of 2021. To combat illegal fishing activities, AFCD would continue to enhance enforcement, exchange information and intelligence with the relevant government departments and Mainland authorities, and adjust its enforcement strategy from time to time in the light of circumstances and intelligence gathered. AFCD would, in particular, strengthen collaboration with local fishermen in gathering intelligence. To enhance the effectiveness of the enforcement action, AFCD planned to apply technology in its enforcement work, such as using real time satellite information to help identify fishing vessels. AFCD also maintained close liaison with the Marine Police to conduct joint operations (including using the vessel arrest system to intercept trawlers who refused to stop for inspection) as and when appropriate. Mr Steven HO requested the Administration to provide supplementary

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information on the strategies to be adopted and resources to be deployed for combating illegal fishing activities.

Issues relating to animal welfare

14.33 Referring to Reply Serial No. FHB(FE)052, Mrs Regina IP enquired about the outcome of the public consultation on the Administration's proposals to enhance animal welfare and the progress of reviewing the Prevention of Cruelty to Animal Ordinance (Cap. 169) ("the Ordinance"). SFH responded that about 2 500 written submissions from the public had been received during the public consultation. The majority of respondents supported stronger protection of animal welfare. The Government would formulate relevant legislative amendment proposals after examining the views received. DAFC advised that the Government planned to report to the Panel on Food Safety and Environmental Hygiene on the outcome of the public consultation in April 2020.

14.34 Mrs Regina IP expressed concern that only about \$3 million was incurred annually by AFCD in the past three years for the enforcement of the Ordinance. The Deputy Chairman noted from Reply Serial No. FHB(FE)018 that while the number of reports of suspected animal cruelty cases received by AFCD had been on the rise, the manpower involved in handling animal cruelty cases remained unchanged (i.e. 17 staff members). He expressed concern as to whether the existing manpower resources could cope with the increased workload.

14.35 SFH and Permanent Secretary for Food and Health (Food) responded that depending on AFCD's actual operational needs, the Food and Health Bureau would flexibly deploy resources for AFCD to strengthen its enforcement work in relation to the Ordinance. DAFC said that upon receiving reports of suspected animal cruelty cases, the Hong Kong Police Force and/or AFCD would conduct investigations. So far, the existing manpower was sufficient to cope with the workload.

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14.36 Mrs Regina IP expressed concern about the Administration's progress of devising codes of practices for the proper trading, breeding and keeping of pets and other animals, consequential to the implementation of the Public Health (Animals and Birds) (Trading and Breeding) Regulations (Cap. 139B) to regulate pet trading and breeding of dogs for sale. DAFC responded that the relevant codes of practices which set out the standards of care and specific requirements for different species of animals being kept for breeding and sales had been issued to licensed animal breeders/traders. AFCD had also drawn up general guidelines on proper keeping and care of common pets (e.g. cats, dogs and rabbits) which had been uploaded to AFCD's website for pet owners' reference. In the meantime, AFCD was drawing up more detailed guidelines on proper care of animals and would carry out publicity work once the guidelines were published. Regarding Mrs IP's concern about cases of alleged illegal handling of animal corpses in pet shops, DAFC said that inspections were made to licensed premises from time to time and enforcement actions would be taken against licensees for contravention of the licence conditions if there was sufficient evidence.

14.37 Referring to the Annex to Reply Serial No. FHB(FE)019, the Deputy Chairman noted with concern that there was large difference between the amounts of subvention sought by animal welfare organizations ("AWOs") and the amounts of subvention granted to AWOs by AFCD in the past three financial years. He enquired about the reason for that and whether AFCD would consider increasing the subvention for AWOs. DAFC responded that AFCD had been providing financial assistance to AWOs for promoting animal welfare and proper animal management. At present, subvention to AWOs were granted on a project-by-project basis, which did not cover recurrent expenditures such as rental and staff costs. In view of the rising cost for organizing events to promote animal welfare, AFCD had increased its annual subvention to AWOs, amounting to \$1.5 million. AFCD would, in a timely manner, review whether additional resources would be required in this area of work.

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14.38 The Deputy Chairman noted from Reply Serial No. FHB(FE)022 that AFCD had commissioned a study in October 2017 to collect 360 samples of different pet food products commonly available in the Hong Kong market to test against some harmful substances and micro-organisms. He asked why it took so long for AFCD to complete the study and announce the findings. DAFC responded that as many pet food products were covered in the study and many samples had to be sent to overseas laboratories for testing, the consultant concerned needed more time to conduct the study. The study was expected to be completed within the 2020-2021 financial year. Upon completion of the study, AFCD would analyze the findings to assess the safety of pet food products in Hong Kong and the way forward.

14.39 Mr CHAN Chi-chuen enquired about (a) the number of pets that had been put under quarantine after their owners had been confirmed of having contracted or were suspected to have contracted COVID-19; and (b) the details of the quarantine arrangements for those pets. In his view, if there was no evidence that pets played a role in the spread of the virus, AFCD should remind the public not to abandon their pets.

14.40 DAFC responded that if a confirmed patient of COVID-19 or his/her close contact kept a mammalian pet animal (such as a cat or a dog) at home, the pet animal concerned would be collected and delivered by AFCD to an animal keeping facility at the Hong Kong Port of Hong Kong-Zhuhai-Macao Bridge for quarantine. AFCD would collect samples from the animal for testing of COVID-19 virus during the quarantine period. If the results of veterinary surveillance and relevant tests were satisfactory, the pet animal concerned would be returned to the owner or authorized person when they were ready for receiving the pet animal. So far, AFCD had conducted tests on 32 dogs, 18 cats and two hamsters from households with confirmed COVID-19 cases, and only two dogs and one cat had tested positive for the COVID-19 virus. While the two dogs were later returned to their owners after being tested negative for the virus in subsequent tests, veterinary surveillance of the cat was still underway.

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Other issues

Progress of processing applications for specified instruments from private columbaria

14.41 Mr Wilson OR expressed concern that the slow progress of the Private Columbaria Affairs Office ("PCAO") in processing applications for specified instrument (i.e. a licence, an exemption or a temporary suspension of liability ("TSOL")) from private columbaria would affect the supply of private niches in the market. He noted that as at 6 March 2020, PCAO had only granted five licences, and approved in principle two licence applications and one application for a TSOL. He requested the Administration to provide supplementary information on whether and what assistance would be provided by PCAO to applicants to strengthen their liaison and communication with the relevant bureaux and departments, with a view to speeding up the processing/vetting of applications for specified instruments from private columbaria.

Handling reports of water seepage

14.42 Mr Tony TSE asked whether any measures had been taken to enhance the work efficiency of the Joint Office for Investigation of Water Seepage Complaints under the Buildings Department ("BD") and FEHD. SFH and DFEH responded that BD and FEHD had strengthened their cooperation in handling reports of water seepage with a view to shortening the processing time of complaints received. With the establishment of the new Hong Kong Regional Joint Office ("RJO") in early January 2020, the staff of BD and FEHD could work together, strengthen communication and shorten the time for delivery of documents, thereby enhancing work efficiency. In the long run, RJOs would be set up in Kowloon and the New Territories to handle water seepage cases.

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15.1 At the Chairman's invitation, Prof Sophia CHAN, Secretary for Food and Health ("SFH"), briefed members on the main initiatives and expenditure on the policy area of health services for the 2020-2021 financial year (Appendix IV-13).

Measures for the prevention and control of coronavirus disease 2019

Port health and quarantine measures

15.2 Expressing concern that the lifting on 8 April 2020 of lockdown imposed on Wuhan of Hubei Province might bring health risks to Hong Kong, Ms Claudia MO queried whether the existing arrangement of not closing immigration control points in Hong Kong completely to stop the flow of visitors from the Mainland to Hong Kong was a political decision but not one based on public health concerns. Mr Michael TIEN and Dr Helena WONG asked whether the existing arrangement of restricting non-Hong Kong residents who had been to Hubei Province in the past 14 days from entering Hong Kong would continue following the lifting of all lockdowns in Hubei Province. Dr KWOK Ka-ki called for a complete closure of immigration control points in Hong Kong, or all visitors from Wuhan had to undergo viral tests at a designated venue and wait there for test results.

15.3 SFH stressed that the implementation of port health and quarantine measures for the prevention and control of coronavirus disease 2019 ("COVID-19") was based on a risk-based approach, not the identity of inbound travellers. Under the prevailing arrangement, residents from Hubei Province (including Wuhan residents) and non-Hong Kong residents who had been to Hubei Province in the past 14 days were not permitted to enter Hong Kong. Ms Claudia MO expressed concern as to whether Wuhan residents could obtain endorsements from local authorities of other Mainland cities and that some inbound travellers might conceal their travel history on purpose. Mrs Regina IP clarified that the exit-endorsements of Mainland residents were issued by their local authorities only. Ms Alice MAK pointed out that the issuance of endorsements under the Individual Visit

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Scheme had already been suspended for months.

Viral testing

15.4 Mr WU Chi-wai enquired if the current daily number of viral tests performed by the Public Health Laboratory Services Branch under the Department of Health ("DH") had reached full capacity and whether the Administration had any plan to further enhance the test capacity with a view to identifying asymptomatic patients in the community. Dr Helena WONG enquired whether the deep throat saliva samples of Hong Kong residents who had been to Hubei Province in the past 14 days would be collected upon arrival or during home quarantine, and the turnaround time for the test results.

15.5 SFH and Director of Health ("DoH") advised that DH and its Centre for Health Protection ("CHP") were closely monitoring the epidemic situation and had been progressively extending the Enhanced Laboratory Surveillance Programme all along. The number of tests performed from January to April 2020 totalled over 110 000 and the Public Health Laboratory Services Branch under DH had enhanced its test capacity to handling 3 000 samples daily. Starting from the day of the meeting (8 April 2020), all asymptomatic inbound travellers arriving at the Hong Kong International Airport had to have their deep throat saliva samples collected at the Temporary Specimen Collection Centre set up by DH at AsiaWorld-Expo for conducting testing. Inbound travellers who had been to Hubei Province in the past 14 days arriving via land boundary control points would be provided with specimen collection containers for collection of their deep throat saliva samples for testing when they were undergoing compulsory home quarantine. In formulating the above measures, the Government had taken into account, among others, the latest risk assessment that only one out of the 469 Hong Kong residents returning from Hubei Province through the first batch of chartered flights had been tested positive.

15.6 Noting that from 9 April 2020 onwards, asymptomatic inbound travellers arriving on flights from the United Kingdom ("UK") were required to proceed to the Temporary Specimen Collection Centre to have their deep throat saliva samples collected and wait for the test

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results there, Mr Michael TIEN sought explanation for not imposing the same requirement on flights from other places of departure as about 30% of the confirmed cases in the past 14 days were not imported cases from UK. SFH advised that DH would take into account various factors, including venue restrictions and relevant infection control risks, in deciding whether the above measure would be extended to all inbound travellers arriving at the Hong Kong International Airport. Mr Michael TIEN requested the Administration to provide the number of arrivals from UK, the total number of arrivals via the Hong Kong International Airport and the percentage of arrivals from UK in the total arrivals via the Hong Kong International Airport for each day during the previous 10-odd days.

15.7 In response to the calls of Mr WU Chi-wai and Dr Helena WONG for the Administration to adopt the rapid diagnostic tests developed by local universities and private companies in the public healthcare sector as well as make reference to the practice of some places to provide antibody or serology home-test kits for members of the public, SFH advised that the Government would carefully evaluate the new test methods available in determining whether to introduce them.

Stockpile of personal protective equipment

15.8 Referring to the lack of information of the number of personal protective equipment ("PPE") procured by the Hospital Authority ("HA") in the past three years in the Administration's Reply Serial No. FHB(H)116, Ms CHAN Hoi-yan enquired about the reason for leaving out the figures in the reply. Given that HA's current stock of N95 respirators was anticipated to last for only about one month and that of surgical masks, isolation gowns and face shields would last for more than one month as at mid-March 2020, she questioned if the current stock of PPE was hitting a historic low and was a wake-up call for HA. Noting that HA had expedited and significantly increased the procurement of PPE since January 2020, Ms Alice MAK asked if there were any improvements in the procurement over the past two months, and whether HA would consider ordering respirators meeting the KN95 standard as alternatives to N95 respirators and seek assistance from the

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Central Government in this regard.

15.9 Chief Executive, Hospital Authority ("CE, HA") advised that at present, HA maintained a stockpile of around 25 million surgical masks, 2.8 million isolation gowns, 3.6 million face shields and 2 million N95 respirators. While the global procurement of PPE was a huge challenge due to strict global export and logistics control, HA had seen improvements in the current stockpile as a result of resumption of production in the Mainland. In addition, HA had turned to multiple sources for procurement of N95 respirators and would continue its efforts in this regard. SFH advised that the Government Logistics Department had maintained close communication with HA on PPE stockpile. Efforts had also been made to facilitate the clearance of PPE imported from the Mainland.

15.10 Noting that DH had regularly maintained at least a three-month contingency stockpile of PPE for use by the Administration's healthcare personnel for infection prevention and control, Mr Tony TSE asked about the criteria for determining the level of stockpile and whether it would be reviewed from time to time. SFH advised that the level of stockpile of PPE was influenced by the global supply chain and demand as well as the changing epidemic situation.

Response measures of the Administration and the Hospital Authority

15.11 Dr KWOK Ka-ki enquired whom Prof YUEN Kwok-yung (Chair of Infectious Diseases of the Department of Microbiology of the University of Hong Kong) was referring to when he said government officials were oblivious of the risks and the tragic outcome of the current epidemic situation, as recently reported by the media. He questioned if the Administration would assume the greatest responsibility in mishandling the epidemic outbreak. SFH advised that the Government had been in close communication with members of the expert advisory group including Prof YUEN Kwok-yung in mapping out its response measures.

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15.12 Citing the latest direction made on the day of the meeting (8 April 2020) under the Prevention and Control of Disease (Requirement and Directions) (Business and Premises) Regulation (Cap. 599F) to, among others, require the closure of beauty parlours and massage establishments as an example, Mr KWONG Chun-yu criticized that the Administration had introduced the anti-epidemic measures in a piecemeal manner. He enquired about the forthcoming new measures of the Administration to curb local transmission of COVID-19. Dr KWOK Ka-ki raised similar concerns. Mr WU Chi-wai enquired about the Administration's views on the opinion of Prof YUEN Kwok-yung, that the resumption of production and classes in the Mainland might lead to another wave of imported cases in Hong Kong while governments around the globe had strengthened their viral test capacities to isolate asymptomatic patients. SFH advised that efforts had been and would continuously be made by the Government to keep a close eye on the global, Mainland and local epidemic situation. The Government had adopted a multi-pronged approach in preventing and controlling COVID-19 in Hong Kong. The latest Prevention and Control of Disease (Requirement and Directions) (Business and Premises) Regulation and Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G) and the relevant directions so made were aimed at maintaining social distancing and preventing people from congregating so as to control the spread of the disease and cutting the virus transmission chain.

15.13 Mr Tony TSE considered that the Administration should conduct a regular review on the adequacy of isolation and quarantine facilities to prepare for any epidemic of communicable diseases. He asked whether the needs of members of the public, including their demand for surgical masks, had been taken into account when the epidemic contingency plan was devised. Mr POON Siu-ping enquired about the Administration's manpower deployment measures in response to the epidemic situation. SFH advised that the Government had launched the Preparedness and Response Plan for Novel Infectious Disease of Public Health Significance and put in place a series of preventive measures on various fronts in early January 2020. To enhance the overall preparedness and response for the management of public health crisis, DH had regularly conducted exercises and drills to

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test the readiness of government departments and relevant organizations to cope with the outbreak of major infectious diseases and public health emergencies.

15.14 Dr CHENG Chung-tai relayed concerns from healthcare personnel of HA about the resumption of certain elective surgeries, including dental ones, to a normal level in some clusters under the epidemic situation, which might increase the use of PPE for healthcare professionals and the risk of cross infection among patients. He sought information on the current arrangement of elective surgeries in public hospitals. CE, HA advised that HA had cut about half of its operating theatre sessions for non-emergency surgeries since the epidemic outbreak to reduce the consumption of PPE and the need of patients to visit hospitals, while some surgeries were continued in different phases out of necessity. Clinicians would assess the clinical conditions of each case and accord priority to those surgeries that could benefit the patients most.

15.15 Expressing grave concern about the time gap in admitting patients confirmed with COVID-19 to public hospitals due to the shortage of beds and the decrease in the number of specialists in public hospitals from 2017-2018 to 2019-2020, Ms CHAN Hoi-yan sought elaboration on the measures to ease the inadequacy of beds and increase healthcare manpower during the epidemic outbreak. Mr Michael TIEN enquired if the Administration would consider converting exhibition facilities in the public sectors into makeshift hospitals to address the shortage of beds, and if so, the manpower and equipment required. Mr Tony TSE expressed concern about the deficiency of isolation beds. Dr Fernando CHEUNG was concerned about the uneven distribution of negative pressure intensive care beds in different public hospitals.

15.16 SFH admitted that the time gap in patient admission was not desirable. It was expected that the situation would be improved as HA had retrofitted general wards in certain public hospitals into negative pressure wards to provide additional isolation beds for patients who had clinically improved but not yet confirmed negative for the virus by molecular test. CE, HA supplemented that different measures were in

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place to increase HA's service capacity during the epidemic outbreak, which included setting up a temporary test centre at AsiaWorld-Expo, introduction of second-tier isolation beds and setting up of triage and test centres at the Accident and Emergency ("A&E") Departments for patients with relatively mild symptoms. At present, all confirmed COVID-19 cases would normally be admitted to hospitals within 24 hours. Subject to the development of the epidemic situation, HA would explore whether confirmed patients who no longer had symptoms should be isolated in the community instead of the hospital setting. The Major Incident Control Centre of HA had been coordinating the allocation of isolation beds (including relevant intensive care beds) and other resources during the epidemic period.

15.17 Dr KWOK Ka-ki sought information on the timetable for the construction of the remaining two of the three infectious disease blocks as recommended by the SARS Expert Committee. CE, HA advised that HA would explore the overall construction need under the two 10-year Hospital Development Plans.

15.18 Considering it unacceptable that the Administration mixed up two Nepali persons by sending the father of a confirmed case patient to hospital, Dr Fernando CHEUNG questioned the adequacy of the support for ethnic minority patients. DoH offered apology for the mix-up and advised that DH had been arranging interpretation services for different ethnic minority groups when handling coronavirus cases and would further look into the case.

Support for frontline healthcare staff and different sectors

15.19 Prof Joseph LEE asked how the allocation of \$4.7 billion to HA under the Anti-epidemic Fund could help frontline staff, in particular physiotherapists, occupational therapists and laboratory staff in HA. SFH explained that the allocation not only covered personnel-related expenditure for frontline staff but also the procurement of PPE, provision of special rental allowance for staff's temporary accommodation needs, enhancement of the support for laboratory testing and procurement of drug and medical equipment. CE, HA supplemented that the funding covered staff who took part in

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high risk procedures, including physiotherapists and laboratory staff.

15.20 Mr KWONG Chun-yu enquired how the Administration would provide financial relief to businesses hard hit by the COVID-19 pandemic and affected by anti-epidemic measures of the Administration. SFH advised that following the launch of various measures under the \$30 billion Anti-epidemic Fund, the Government was about to secure additional injection into the Fund to launch a second round of relief measures targeted at businesses that had not been covered by the first round of measures.

Industrial action staged by some healthcare staff of HA

15.21 Dr KWOK Ka-ki was concerned if disciplinary actions would be taken by HA against those healthcare staff who participated in the industrial action from 3 to 7 February 2020. Mrs Regina IP, however, pointed out that the industrial action had adversely affected public hospital services. She sought information on HA's disciplinary actions in this regard and the compensation for patients affected by the industrial action. In her view, specialist qualification should not be awarded to those medical practitioners who were under their postgraduate medical training and had participated in the industrial action. Dr Helena WONG, Prof Joseph LEE and Dr Fernando CHEUNG expressed strong opposing views to the suggestion of Mrs Regina IP, adding that the industrial action staged by some healthcare staff of HA in early February 2020 was aimed at urging the Administration to implement complete closure of immigration control points in Hong Kong to prevent importation of cases so as to avoid undue overload of the public healthcare system, as well as HA to provide adequate PPE for its staff to cope with the pandemic.

15.22 CE, HA advised that HA was informed by its departments that around 7 000 staff had not reported duty as scheduled on various dates during the period from 3 to 7 February 2020. HA would gather information from the staff concerned and consider the follow-up actions for each case in accordance with HA's human resources policies and the Employment Ordinance (Cap. 57).

Manpower situation of the public healthcare sector

15.23 Ms CHAN Hoi-yan expressed concern about whether the turnover of experienced doctors in HA would further lengthen the waiting time for specialist services and affect the healthcare service quality. Dr CHIANG Lai-wan noted that while there was increasing expenditure for HA to recruit non-locally trained doctors under the Limited Registration Scheme, only 22 non-locally trained doctors were employed by HA in 2019-2020 (as at 31 December 2019). She sought information on the ways to relieve the medical manpower burden in HA. Mrs Regina IP enquired about the concrete measures by the Administration to increase the supply of doctors. Mr Wilson OR sought information on HA's measures to tackle its healthcare manpower constraint and ease the work pressure of frontline staff by effectively deploying the recurrent subvention from the Administration.

15.24 SFH and CE, HA advised that apart from recruiting non-locally trained doctors, a number of measures had been put in place with a view to increasing the manpower supply of doctors. These included increasing the University Grants Committee ("UGC")-funded first-year-first-degree ("FYFD") medical students intake places, introducing staff retention measures such as the Special Retired and Rehire Scheme, and increasing the subvention to HA. It was projected that there would be around 4% of net healthcare manpower increase including doctors, nurses and allied health professionals. Dr CHIANG Lai-wan opined that increasing the supply of fresh graduates was not an immediate solution to the inadequacy of specialists, which could hardly be improved if the Administration and HA did not incentivize more eligible non-locally trained doctors to serve in the public healthcare sector. CE, HA advised that efforts had been and would continue to be paid to enhance the recruitment of non-locally trained doctors, including overseas promotion and enhancement of training opportunities.

15.25 Prof Joseph LEE considered that the Specialty Nurse Allowance, which stood at \$2,000 per month, introduced by HA for full-time Registered Nurses who possessed recognized specialty qualifications and were serving in a relevant clinical specialty or

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service area, could not serve the purpose to retain the nursing staff concerned. He urged HA to consider other means such as offering an extra annual increment to these nurses, which he had long called for. SFH and CE, HA advised that the regulatory mechanism for advanced or specialized nursing practice was under the discussion of the Nursing Council of Hong Kong. Subject to the final arrangement, HA would further review the allowance matter.

15.26 Mr SHIU Ka-chun expressed concern about the increase in the intake of UGC-funded FYFD training places in dentistry to 80 per annum in the 2019-2020 to 2021-2022 triennium, which was far from adequate to meet the manpower shortfall of 96, 121 and 127 in 2020, 2025 and 2030 respectively as projected in the Report on Strategic Review on Healthcare Manpower Planning and Professional Development promulgated by the Administration in June 2017. SFH responded that the intake of training places in dentistry had been increased substantially and progressively over the years from 50 to 80. Further increase of intake would hinge on the capacity and clinical internship arrangements of the Faculty of Dentistry of the University of Hong Kong.

15.27 Mr POON Siu-ping sought explanation as to the reason for the decrease in the number of care-related support staff of HA in the Hong Kong West Cluster from 1 421 to 1 377 in the past three years. CE, HA advised that the high attrition rate of over 10% and the difficulty in recruitment for care-related support staff in the Cluster were partly attributable to the fact that most of them had a long commute to work. Corporate-wide retention measures such as pay rise and enhanced promotion prospects were implemented and the Cluster had worked on ways to enhance recruitment.

15.28 Referring to the remuneration of HA management as provided in Reply Serial No. FHB(H)039, Dr Pierre CHAN enquired whether the Chief Manager grade was a unique grade in HA Head Office and the amount of time spent on clinical work by Chief Manager (Quality and Standards), Chief Manager (Patient Safety and Risk Management) and Chief Manager (Clinical Effectiveness and Technology Management), who from time to time attended the Administration's daily press

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briefings on updates of COVID-19 cases. CE, HA advised that HA Head Office was the main work location of Chief Managers whose duties were not clinical in nature.

Services of the Hospital Authority and the Department of Health

Mental health services

15.29 Noting that the Administration had earmarked an annual recurrent provision of \$50 million for an on-going mental health promotion and public education initiative, Mr Wilson OR enquired whether the provision targeted at shortening the waiting time for mental health services. In his view, mental health problems were commonplace in the community but the development of mental health services lagged behind with insufficient support for patients and long waiting time. Expressing grave concern about the surge in the number of psychiatric patients aged below 18 while the average waiting time for child and adolescent psychiatric services continued to lengthen, Prof Joseph LEE sought information on measures to shorten the waiting time.

15.30 SFH advised that the provision of \$50 million was mainly for promotion and public education purposes. HA had earmarked an additional provision of about \$115.3 million in 2020-2021 to enhance mental health services, which included, among others, strengthening the allied health support services for child and adolescent psychiatric patients, expansion of the Student Mental Health Support Scheme and the introduction of child and adolescent psychiatric services in the Hong Kong East Cluster. CE, HA supplemented that staff from paediatrics specialty had been deployed to handle relatively mild cases of child and adolescent psychiatric patients to alleviate the manpower shortage.

Dental care services

15.31 Noting with concern that the utilization rate of government dental clinics with general outpatient sessions was high but multiple dental clinics were provided for civil servants, including one

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exclusively for Hong Kong Police College staff, Mr SHIU Ka-chun enquired if the Administration would increase the number of government dental clinics with general outpatient sessions and extend their scope of services to cover fillings and dentures. SFH advised that the scope of public dental care services would focus on emergency dental services, with a number of targeted initiatives introduced to address the dental care needs of those people with special needs.

Elderly health services

15.32 Prof Joseph LEE voiced concern about the rising average waiting time for enrolment in respect of the 18 Elderly Health Centres since 2017 and queried how the Administration could solve this problem. DoH advised that DH had deployed four new clinical teams from 2015 to 2018. The waiting time would be closely monitored but it could be adversely affected due to manpower deployment to support the control measures for COVID-19.

Tests for cigarette products

15.33 Noting that the Government Laboratory had tested samples of heat-not-burn products during the period from 2015 to 2017, Mr Jimmy NG sought information on the test method. He was concerned that the test method for conventional cigarettes was used in this regard which might give unreasonable test results. The Government undertook to advise in writing information on the test methods, processes and results.

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16.1 At the invitation of the Deputy Chairman, Mr Nicholas YANG, Secretary for Innovation and Technology ("S for IT"), briefed members on the financial provisions and main initiatives under the Innovation and Technology ("I&T") portfolio for the 2020-2021 financial year (Appendix IV-14).

Promoting the development of re-industrialization

16.2 Dr Helena WONG was concerned that since the outbreak of novel coronavirus disease, there had been a shortage of anti-epidemic items, especially masks, face shields, personal protective equipment ("PPE") and other related equipment for healthcare workers. She pointed out that due to the absence of domestic mask production lines, the supply of masks in Hong Kong relied heavily on imported masks, and the acute shortage of masks in Hong Kong had been exacerbated by the increasing demand for masks around the globe. Dr WONG enquired how the Administration would promote the development of re-industrialization in Hong Kong and support the priority production of sufficient anti-epidemic items (including masks) to meet the needs of the community.

16.3 S for IT replied that the world was facing a sustained shortage of mask supply. The Administration would actively promote its anti-epidemic work through research and development ("R&D") in science and technology. He said that since many manufacturers had progressively increased the supply of masks, the stock of masks on the local market was already on the rise. As regards the promotion of re-industrialization, the Administration was committed to developing high value-added manufacturing industries which were based on new technologies and smart production and did not require much land and manpower. Such development should be premised on the principle of "applying local technological development for the benefit of local people". High-end manufacturing industries would provide local I&T talent, especially young people, with quality employment opportunities.

16.4 Dr Helena WONG said that although personal anti-epidemic items (such as masks) were not high value-added products, the Administration should not rely too heavily on imported protective equipment. She further said that The Hong Kong Polytechnic

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University ("PolyU") had designed a face shield, which, regrettably, would be produced by a Mainland manufacturer because local investors could not be found. In this connection, Dr WONG enquired about the Administration's measures to promote local production of R&D products.

16.5 S for IT advised that the R&D Centres under the Innovation and Technology Commission ("ITC") had developed applied technologies related to combating epidemics. For example, the nanofibre technology jointly developed by the Nano and Advanced Materials Institute and an enterprise had been applied to the production of a face mask with anti-bacterial function. In addition, the Government had used the electronic wristbands developed by the Logistics and Supply Chain MultiTech R&D Centre to facilitate the implementation of home quarantine.

16.6 Mr Holden CHOW noted that the Administration planned to inject \$2 billion into the Innovation and Technology Fund ("ITF") for introducing a Re-industrialization Funding Scheme ("RFS"), which was expected to be launched in the second quarter of this year. RFS would subsidize manufacturers on a matching basis to set up new smart production lines in Hong Kong, covering a maximum of one-third of the total approved project expenditure or \$15 million per project. As the epidemic might bring about changes to global economic situation, he considered that the Administration should seize the opportunity to promote high-end manufacturing in Hong Kong so as to give new impetus to economic growth. He also urged the Administration to strengthen the ties with international organizations and/or platforms and encourage enterprises to move their production lines back to Hong Kong. Mr CHOW was also concerned about whether the epidemic and economic factors would deter investors from applying for funding under RFS when it was launched in the second quarter, rendering it unable to achieve the desired results. He enquired about the Administration's goals in this regard, including the expected number of enterprises to be attracted by RFS to set up production lines in Hong Kong.

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16.7 S for IT responded that the Administration had been striving to promote the development of re-industrialization. The Innovation and Technology Bureau ("ITB") had submitted the funding application to the Finance Committee ("FC") of the Legislative Council ("LegCo"), with a view to launching RFS in the second quarter of 2020. Permanent Secretary for Innovation and Technology ("PSIT") advised that ITB had consulted major industry and trade organizations, manufacturers, investors, etc. in drawing up the operational details of the funding scheme. They generally welcomed the proposal. However, in view of the development of the epidemic, investors might need to re-examine their future development plans. On the other hand, there were new investors who had expressed interest in the funding scheme. ITB considered that RFS would help attract enterprises to set up new production lines in Hong Kong. The Administration would continue to promote re-industrialization and maintain close communication with various stakeholders.

16.8 Mr WU Chi-wai said that PolyU had developed an automated multiplex diagnostic system, and the Hong Kong University of Science and Technology ("HKUST") had invented a portable device for rapid detection of novel coronavirus. However, these products could only be manufactured on the Mainland. He considered that the cooperation amongst the Government, industry, academia and the research sector as proposed by the Government was ineffective during the novel coronavirus epidemic. He questioned how ITB, by pressing ahead with the establishment of the two InnoHK research clusters and facilitating the work of developing the Greater Bay Area into an international I&T hub, could effectively promote the retention of local R&D results in Hong Kong's industry chain. Mr WU suggested that the Administration should consider allowing research teams of local universities to set up offices in the Lok Ma Chau Loop ("the Loop") and Liantang/Heung Yuen Wai Boundary Control Point for university researchers to look for partners and opportunities so as to create a complete industry chain for R&D project deliverables.

16.9 S for IT explained that currently most of the R&D expenditures in Hong Kong were incurred by the Government/public bodies, unlike the situation in other developed economies where research activities were mainly funded by private enterprises. In view

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of this, the Administration launched RFS and developed a Microelectronics Centre in order to retain in Hong Kong the industry chain from R&D to finished goods. PSIT supplemented that there were numerous successful cases of cooperation amongst the Government, industry, academia and the research sector. For instance, the Office of the Government Chief Information Officer ("OGCIO") had, in collaboration with the Logistics and Supply Chain MultiTech R&D Centre under ITC, adopted a locally developed electronic wristband system and used an app jointly developed by a local I&T company and a local university which could be paired with the electronic wristbands. As regards the devices for fast detection of novel coronavirus developed by PolyU and HKUST respectively, they could be adopted only after the products had been tested and the relevant certifications had been obtained.

Promoting research and development in and application of science and technology

Electronic wristbands

16.10 Ms Claudia MO asked whether it was true that two-third of the electronic wristbands could not work for a time due to connection problems, and whether the operation of electronic wristbands had currently returned to normal.

16.11 In response, S for IT said that the remark that two-third of the electronic wristbands could not work was not correct. PSIT explained that actually over 99% of both electronic wristbands and monitoring wristbands (i.e. scanning the QR code to activate the quarantine app) functioned normally. The Administration implemented the compulsory quarantine measure on 8 February 2020, and used electronic wristbands to monitor the location of those people under quarantine. Given that it took some time to rationalize the procedures during the initial stage of the implementation of the measure and that a large number of visitors entering Hong Kong needed to download and activate the wristbands at the same time in the second half of March, some people subject to quarantine might not be unable to receive the PIN via SMS messages in a short time. ITB had taken appropriate follow-up actions on the matter.

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16.12 Dr KWOK Ka-ki criticized ITB for shirking its responsibility to the deficiencies of electronic wristbands. S for IT disagreed with Dr KWOK's comment and said that ITB had been reviewing and evaluating the current work arrangements in the light of the development of the epidemic. ITB would follow up closely on the operation of the monitoring system of electronic wristbands.

16.13 Mr CHAN Chi-chuen asked whether the Administration had made reference to the anti-epidemic measures adopted by overseas countries. Mr CHAN noted from Reply Serial No. ITB004 that as at 6 March 2020, the Administration had arranged a total of 1 065 electronic wristbands to be worn by people under home quarantine. He enquired: (a) whether the wristbands were of the latest model, and how many electronic wristbands had been issued by the Administration so far; (b) how many types of electronic wristbands had been introduced by the Administration since the implementation of the compulsory quarantine measure; (c) about the production cost of each electronic wristband; (d) whether it was easy to untie the electronic wristbands; (e) whether people under quarantine could share their live locations via other communications software (e.g. WhatsApp or WeChat) if they could not download the mobile app (e.g. Google Play) for pairing with the electronic wristbands; (f) about the role of OGCIO in ascertaining compliance of people under home quarantine with the requirement of the compulsory quarantine order in terms of the locations at which they stayed; and (g) whether the Administration would roll out new monitoring wristbands with a view to enhancing the support for compulsory quarantine.

16.14 S for IT replied that while the Government had made reference to the anti-epidemic measures adopted by different regions and their effectiveness, it had to strike a balance between implementing IT solutions and protecting personal privacy. Government Chief Information Officer ("GCIO") advised that OGCIO had adopted five types of monitoring wristbands and electronic wristbands. Among them, a total of around 41 000 monitoring wristbands with a QR code to activate the quarantine app had been issued, and were no longer in use. Besides, for visitors entering Hong Kong from Hong Kong International Airport and other boundary control points, about 13 000 and 3 000 electronic wristbands had been issued respectively for

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wearing by people subject to home quarantine. As far as the cost of electronic wristbands was concerned, the unit cost of reusable electronic wristbands ranged from \$300 to \$400 and that of disposable electronic wristbands was about \$60 to \$80, while the unit cost of monitoring wristbands with a QR code to activate the quarantine app was less than \$1.

16.15 GCIO further pointed out that by design, the electronic wristbands could not be taken off at will, and people under quarantine must not leave the confines of the home area. If any person under quarantine left home wearing the wristband, or broke the wristband, or attempted to take his/her smart phone outside, the Department of Health and the Police would be notified to take follow-up actions. During the quarantine period, various measures were used to ensure the compliance of quarantine order. For example, the staff at the communication centres set up by OGCIO would check the location of the people under quarantine from time to time and make surprise video calls to ensure that they were staying at their dwelling places. As for those under compulsory quarantine who could not download the Google Play app, they could install the Android application package (i.e. APK) to activate the StayHomeSafe mobile app. If people under quarantine could not install the APK on their smart phones successfully, OCGIO would provide them with smart phones to pair with the electronic wristbands.

Promoting the use of information technology solutions

16.16 Ms Claudia MO was concerned that in view of public health considerations, court business was affected as well. She asked whether and how the Administration would assist the Judiciary in resuming court operations, including the use of video conferencing facilities ("VCF") to conduct remote hearings. Dr Priscilla LEUNG raised a similar concern. Citing the application of technology by the judiciaries of China and the United States as examples, she urged ITB to proactively assist the Judiciary of Hong Kong in using information technology ("IT") to support the conduct of court business.

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16.17 GCIO replied that on 2 April, the Judiciary issued the Guidance Note for Remote Hearings for Civil Business in the High Court (Phase 1: Video-Conferencing Facilities) to set out the practice for remote hearings by VCF in civil cases in the Court of Appeal and the Court of First Instance of the High Court during the period of the general adjournment of proceedings. As far as he understood, a case had been heard by way of VCF on 6 April at the Court of Appeal and the proceedings had been conducted smoothly. The Judiciary would further promote and explore the use of remote hearings.

16.18 Regarding the \$10,000 cash handout to Hong Kong permanent residents aged 18 or above as announced by the Financial Secretary in the 2020-2021 Budget, Mr KWONG Chun-yu quoted S for IT's earlier remarks that the relevant payment process could be accelerated through the Faster Payment System ("FPS"). He enquired about the latest arrangements for the disbursement of the cash payout. Ms Elizabeth QUAT was also concerned about how the cash payout could be disbursed to members of the public speedily.

16.19 S for IT responded that when attending a radio programme at Commercial Radio Hong Kong, he had pointed out that members of the public using online banking would receive the \$10,000 earlier than those using traditional bank accounts; and FPS was a faster payment system launched by the Hong Kong Monetary Authority to facilitate person-to-person or business-to-business payment. S for IT stressed that the arrangement for the disbursement of \$10,000 was subject to the decision of the relevant policy bureau.

16.20 Noting that the Administration had earmarked about \$1 billion as administrative cost for the preparation and implementation of the cash payout scheme, Dr KWOK Ka-ki expressed concern over the huge administrative expenses involved in the scheme, and enquired whether the budgeted expenditure was for paying the administrative cost for ITB's work to assist in implementing the scheme. S for IT replied that ITB had provided funding to support about 70 technology projects proposed by 28 departments/offices through the TechConnect (block vote) to promote the use of technology by government departments for enhancing operational efficiency and improving public services. Such arrangements did not involve expenditures on

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administrative cost of individual policy bureaux/departments.

16.21 Citing the Interactive Map Dashboard jointly developed by the Smart City Consortium and the Administration for dissemination of updated epidemic information as an example, Ms Elizabeth QUAT urged ITB to step up promotion of the use of technology, bringing further innovation to improve public services so as to help the community tide over the difficulties. S for IT said that although ITB had strived to help government departments to adopt IT solutions for anti-epidemic work, it could not rely on only one type of technology to solve all problems. ITB would continue to encourage government departments and the public to make use of IT solutions. Meanwhile, to protect personal privacy, innovative technologies should be adopted only when the community reached a consensus.

16.22 Mr Kenneth LEUNG was concerned that accounting firms and professionals were not able to perform duties such as auditing and completing verification procedures in their clients' offices during the peak of the epidemic. As far as he understood, while some firms had made use of blockchain technology to continue to serve their clients, many had failed to make any progress on their work due to a lack of the relevant information and IT knowledge. Mr LEUNG asked how the Administration would offer assistance to those firms. S for IT replied that Cyberport would actively explore new technology areas such as financial regulatory technology (RegTech) and Legal Technology (LawTech), so as to bring opportunities to the financial sector.

16.23 Noting that the Hong Kong Science and Technology Parks Corporation ("HKSTPC") would build strategic partnerships with enterprises from various industries (such as hotel and tourism, etc.) through different programmes to help them identify technological applications, Mr YIU Si-wing enquired whether the users or the technology companies commissioned by them would propose the technology solutions under the "Technologies from Science Park" programme, which department would be tasked to implement the programme, and whether there was a cap for funding support. Mr YIU also asked how the Administration would promote and publicize the programme to the trade, and how enterprises could submit applications to the Administration.

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16.24 PSIT replied that HKSTPC had, with reference to the needs of the trade, arranged local enterprises/public organizations to meet with technology companies from the Science Park through the "Technologies from Science Park" programme to create more business matching opportunities for enterprises and start-ups, with a view to encouraging local enterprises to adopt technologies from I&T companies, thereby promoting entrepreneurial innovation. For instance, a technology company from the Science Park had recently developed a meal-delivery robot for the hotel industry to help reduce the risk of virus spreading.

Enhanced tax deduction for research and development expenditures

16.25 Mr Kenneth LEUNG pointed out that the Inland Revenue (Amendment) (No. 3) Bill 2018 had been introduced to implement an enhanced tax deduction regime for expenditures incurred by enterprises on "qualifying R&D activities", and the initiative was implemented in 2018. In this connection, he enquired about the effectiveness of the initiative since its implementation, and whether the Administration would further remove unnecessary constraints for enterprises by offering more tax concessions. The Deputy Chairman expressed similar views.

16.26 PSIT said that the Inland Revenue (Amendment) (No. 3) Bill 2018 was passed in late 2018 to provide enhanced tax deduction for expenditures incurred by enterprises on "qualifying R&D activities". According to the information provided by the Inland Revenue Department, as at end-February 2020, among the profits tax returns received, there were 103 claims for tax deduction relating to R&D expenditures for the 2018-2019 assessment year pursuant to the amended Inland Revenue Ordinance (Cap. 112). PSIT further advised that there was no cap on the amount of enhanced tax deduction, which was far better than the tax benefits of other overseas countries. As the provision of enhanced tax deduction for R&D expenditures was still at its initial stage, ITB needed time to review the implementation and effectiveness of the measure, and would conduct a review in a timely manner.

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16.27 Mr Charles Peter MOK said that currently only three private research institutions were successful in their applications for designation as "designated local research institutions" under Cap. 112. To achieve the goal of doubling the Gross Domestic Expenditure on R&D as a percentage of the Gross Domestic Product to 1.5% by 2022, Mr MOK suggested that more private enterprises should be encouraged to conduct R&D activities.

Support measures for technology enterprises

16.28 Mr Charles Peter MOK said that since the epidemic had dealt a blow to the business environment of technology enterprises, especially start-ups, he urged the Administration to provide more assistance to the IT sector (including the e-sports industry), including the following measures:

- (a) the trade had reflected that as there were delays in the disbursement of funds from the various funding and support programmes under ITF (such as the Researcher Programme, the Postdoctoral Hub and the Technology Voucher Programme), SMEs and start-ups were facing cash flow problems. The Administration should expedite the disbursement of the relevant funds to subsidized enterprises;
- (b) in order to relieve the possible capital flow problems of the trade, tenants of Cyberport should be refunded half of the deposit for six-month rentals in order to maintain their competitiveness;
- (c) enhanced financial support should be given to HKSTPC under the second round of Anti-epidemic Fund to help the trade cope with the epidemic. Besides, Cyberport should expedite the disbursement of financial assistance to its incubatees; and
- (d) whilst tenants at the Hong Kong Science Park ("HKSP"), industrial estates and Cyberport were provided with a six-month rental waiver under the first round of

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Anti-epidemic Fund, other local technology enterprises renting offices in commercial buildings were also in dire need of support. The Administration should provide local SMEs and start-ups with rental relief and wage subsidy. For example, the rental relief should be capped at 10 000 square feet and wage subsidy be capped at 80% of the wage of local staff or \$18,000.

16.29 S for IT replied that:

- (a) HKSTPC and Cyberport took a leading role by introducing various measures to help the trade to tackle the epidemic, including the provision of a six-month full rental waiver for tenants and start-ups at HKSP, InnoCentre, industrial estates and Cyberport under the Anti-epidemic Fund. As far as he understood, landlords of individual commercial buildings also provided rental concessions to start-ups successively;
- (b) a series of measures were introduced to support start-ups, including disbursement of partial funding in advance for projects funded by the Technology Voucher Programme, the Enterprise Support Scheme, the Patent Application Grant, and the Reindustrialization and Technology Training Programme under ITF, so that enterprises would have adequate funding to proceed with the projects. He undertook to follow up on the progress of disbursement of funding for various subsidy and support programmes under ITF; and
- (c) although a number of industries had been hard hit by the epidemic, some industries (e.g. e-commerce, electronic payment, fintech, etc.) thrived during the downturn. The Administration would continue to support start-ups in rising to the challenges brought about by the epidemic through appropriate measures.

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16.30 Mr Charles Peter MOK considered that as the Administration had committed enormous resources to promote I&T development in the past, it should strive harder to provide support to the industry amid the current difficult economic environment in order to avoid extensive closures of start-ups. Ms Elizabeth QUAT pointed out that, under the impact of the social incidents earlier in Hong Kong, the business environment was very tough for technology enterprises, especially start-ups. The situation became even worse when investors had put their investment plans on hold due to the recent epidemic. In view of this, Ms QUAT urged the Administration to introduce various relief measures for technology companies (including start-ups operating outside HKSP and Cyberport) so as to retain these companies in the I&T ecosystem in Hong Kong. S for IT took note of members' views.

Smart city and e-Government services

16.31 Ir Dr LO Wai-kwok quoted the information in Reply Serial No. ITB170. He noted that a sum of \$214.39 million was approved by FC of LegCo in February 2019 for the Buildings Department ("BD") to develop an Electronic Submission Hub ("ESH") running on the Next Generation Government Cloud, thereby allowing the industry and the public to submit all building plans and applications under the Buildings Ordinance (Cap. 123) electronically, and enabling BD and the departments concerned to process various kinds of plans and applications via ESH. Given that BD's target was to accept electronic submission of plans and applications progressively starting from the first quarter of 2022, he urged the Administration to expedite the implementation of e-Government services and roll out the system as soon as possible.

16.32 S for IT responded that over 70 initiatives proposed in the "Smart City Blueprint for Hong Kong" had been implemented progressively over the past two years. To further promote smart city development, the "Smart City Blueprint for Hong Kong 2.0" ("Blueprint 2.0") would be released in 2020 to provide an update on the latest progress of various initiatives and set out new proposals. In addition, the "iAM Smart" one-stop personalized digital service platform would be launched in the fourth quarter of 2020. It was expected that in mid-2021, over 110 e-Government services would

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adopt the "iAM Smart" platform for user login or digital signing. PSIT said that ITB had been driving bureaux/departments ("B/Ds") to develop more convenient e-Government services for the public. GCIO added that BD was now conducting tender evaluation for ESH, preparing for the development of ESH and liaising with the departments concerned and the industry. In response to members' concerns, GCIO undertook to follow up with BD to explore ways to expedite the implementation of the system.

16.33 Mr YIU Si-wing was pleased to note that the number of hotspots under the "Wi-Fi.HK" brand was now over 36 800 which was more than the Administration's target set in 2016. Noting that the relevant estimated expenditure in 2020-2021 was around \$43.5 million, he asked how the Administration would carry out promotion and publicity activities, including whether the relevant promotion would be conducted in Hong Kong or overseas countries, and about the mode of collaboration between the Administration and the Hong Kong Tourism Board.

16.34 GCIO replied that the Administration would step up promotional efforts through different social media and collaboration with the Hong Kong Tourism Board with an aim to enhance the awareness of the "Wi-Fi.HK" brand among residents and visitors, enabling them to use the free Wi-Fi service across the territory more conveniently. For example, visitors could download the "Wi-Fi.HK" mobile app before arriving in Hong Kong, so that they could search free "Wi-Fi.HK" hotspots throughout the territory after arrival. The estimated expenditure of \$43.5 million covered the promotion of the free service of "Wi-Fi.HK" brand as well as the expenditure incurred for free Wi-Fi service at government venues.

Information security measures

16.35 Noting that many teachers and students of universities, primary and secondary schools were using web conferencing software Zoom for online classes, Ms Claudia MO expressed concern about the security loopholes of the software, and enquired whether the Administration would provide the education sector with appropriate guidelines on whether Zoom should be used. Dr CHENG Chung-tai

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expressed similar concerns. Since government organizations in many regions (such as the Ministry of Defence of the United Kingdom) had forbidden their staff from using Zoom, he enquired about the Administration's work on information security, including whether it would issue safety tips on the use of Zoom to the public (universities, primary and secondary schools particularly). Dr CHENG considered that the Administration should step up promotion and public education on cyber security.

16.36 PSIT replied that internal circulars had been issued to various government departments to provide guidelines on conducting video conferences. As far as she understood, the Education Bureau had also issued the "Reference principles on supporting students' home learning with e-learning modes during class suspension" to local public primary and secondary schools for their reference. GCIO supplemented that Hong Kong Computer Emergency Response Team Coordination Centre ("HKCERT") had earlier issued advice to the public on security measures to protect the meetings in Zoom, including suggesting users not share confidential information during the meetings, be vigilant about suspicious activities of their accounts, and Zoom meeting hosts exercise care in handling meeting records to ensure safety and protect the privacy of meeting participants, etc. There were many other web conferencing solutions available in the market. The proposed measures could also be applied to other similar software. Within the Government, OGCIO had formulated comprehensive guidelines and policies on information security to remind fellow colleagues of the rules of using different Internet services (e.g. video conferencing software), including paying attention to the level of security, sensitivity and confidentiality of information, etc. When conducting confidential meetings, public cloud platforms should not be used for video conferencing.

16.37 Dr CHENG Chung-tai said that some commercial buildings and restaurant chains had recently used large thermo-imaging machines to measure the body temperature of customers. He was concerned about whether such machines were equipped with face recognition functions. GCIO replied that the Administration did not conduct spot checks on the use of thermo-imaging machines used by individual organizations. Nevertheless, if the use of such machines was

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suspected of having information security concerns and violating personal privacy, HKCERT would timely issue advice and guidelines to increase people's awareness of protection of personal privacy.

Developing innovation and technology infrastructure

16.38 Ir Dr LO Wai-kwok noted from Reply Serial No. ITB084 that \$20 billion had been set aside to support the first phase development of the Hong Kong-Shenzhen Innovation and Technology Park ("the Park") in the Loop. As the Administration just obtained funding approval of about \$790 million from LegCo in May 2018, and commenced the construction of the Advance Works as well as the detailed design and site investigation of Main Works Package 1 in June and September 2018 respectively, Ir Dr LO considered that the progress of the Park development was slow, and asked how the Administration could ensure that the first batch of land parcels would be made available for the Loop in 2021.

16.39 PSIT replied that the "land decontamination and advance engineering works" of the Loop had commenced in June 2018. If everything went smoothly, the target of making the first batch of land parcels available by 2021 for the Loop remained unchanged. The detailed design and site investigation of Main Works Package 1 of the development of the Loop had also commenced in September 2018. Besides, the proposed road works, the sewerage system and sewerage treatment works of Main Works Package 1 had been gazetted. ITB would continue to consult relevant stakeholders, including District Councils and Rural Committees, and the Panel on Commerce and Industry of LegCo, on the development of the Loop and the Park. PSIT advised that the \$20 billion reserved fund earmarked by the Government was only used to meet part of the expenditures of the first phase development of the Park in the Loop. It was expected that the funding required for the Loop development as a whole would far exceed \$20 billion. The Administration would seek funding approval from LegCo for Main Works Package 1 and the construction of the first batch of buildings in the Park in a timely manner.

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Promoting the development of innovation and technology

16.40 Mr KWONG Chun-yu cited media reports that S for IT had made 12 duty visits outside Hong Kong last year, of which 11 were visits to the Mainland. He questioned how S for IT could attract investment from overseas enterprises by visiting the Mainland, and whether the performance of S for IT was commensurate with his salary.

16.41 S for IT clarified that he had met with overseas companies during his visits to the Mainland to promote I&T development and exchanges. S for IT mentioned that he had attended an average of three to four meetings per day during his overseas duty visits to Vancouver of Canada, and Seattle and San Francisco of the United States, while the visits to the Mainland mostly completed on the same day. As such, he considered that it was inappropriate to assess the effectiveness of his work merely based on the number of his overseas duty visits.

16.42 Dr KWOK Ka-ki was of the view that Cyberport and HKSP, which attracted tenants only by offering rental concession, were ineffective in promoting I&T development of Hong Kong. For example, the office of Advanced Analogic Technologies, Inc. in HKSP had been left vacant for a long time, and InnoCell mainly provided technology talent from the Mainland with living space. The general public was not able to benefit from I&T development. S for IT responded that the current-term Government valued the development of I&T with a view to creating a vibrant I&T ecosystem. For instance, Cyberport had successfully built a FinTech ecosystem which brought together more than 300 FinTech companies in and outside Cyberport, making it the largest FinTech community in Hong Kong. In addition, in the past few years, the number of local start-ups had doubled and the venture capital investment in Hong Kong had surged about 20 times.

16.43 Mr Wilson OR was concerned that although ITB had endeavoured to promote application of local technology, the effectiveness of several projects, such as electronic wristbands and the disbursement of \$4,000 to eligible members of the public under the Caring and Sharing Scheme, had failed to meet public expectation. Besides, as multi-functional smart lampposts were key digital

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infrastructure for promoting smart city development in Hong Kong, he enquired about the way forward of smart lampposts after some of their devices had been damaged. Mr OR also sought explanation on how to promote the use of IT among government departments as well as measures to facilitate the daily living of members of the public and help them respond to the changes during the epidemic. He urged the Administration to more actively promote and publicize its work to different stakeholders (including local communities and industries).

16.44 S for IT advised that OGCIO had established the Smart Lampposts Technical Advisory Ad Hoc Committee ("Ad Hoc Committee") to review the privacy protection technologies and measures of relevant applications. After reviewing comprehensively the design and operation of smart lampposts as well as the functions and technologies employed in the applications, the Ad Hoc Committee submitted its report to the Government on 9 March 2020. The Administration would maintain close communication with Kwun Tong District Council. In addition, "Blueprint 2.0" would be released in 2020 to provide an update on the latest progress of various initiatives and set out new proposals. As to the arrangements for compulsory quarantine at home, S for IT pointed out that the technology adopted for electronic wristbands was workable, it was just the teething problems or human factors which had affected their operation. ITB would explore ways to make improvements. That said, the key to the success of Hong Kong's anti-epidemic measures hinged not only on the IT solutions adopted to tackle the epidemic, but also the cooperation of members of the public. ITB had also strived to provide more opportunities for young people to pursue a career in I&T. For example, it was estimated that the Park in the Loop could create some 50 000 jobs for Hong Kong.

16.45 Dr Priscilla LEUNG considered that the Administration should study how to nurture students' interest in humanities and history and enrich their knowledge of these subjects. For example, a 4D history museum could be established to explain, among others, the origin of "One Country, Two Systems" through new technologies, so as to facilitate students to have a correct understanding of the Basic Law.

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16.46 In response, S for IT said that ITB had established the TechConnect (block vote) to support various government departments in organizing and implementing technology projects, with a view to enhancing operational efficiency and improving public services. ITB had so far supported funding for technology projects or studies proposed by a total of about 30 departments/offices. Besides, the Chief Executive had established a Steering Committee on Innovation and Technology to steer personally projects on I&T development. ITB would continue to coordinate and monitor the progress of the initiatives of B/Ds.

16.47 Mr Charles Peter MOK was concerned about the work-from-home arrangements for civil servants, in particular those individual departments which could not provide support to enable their staff to open emails at home. He urged OGCIO to allocate more resources to help B/Ds upgrade their IT systems for better operational efficiency. The Administration took note of Mr MOK's views.

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17.1 At the invitation of the Deputy Chairman, Mr Michael WONG, Secretary for Development ("SDEV"), briefed members on the major initiatives and expenditure on the policy areas of planning and lands for the 2020-2021 financial year (Appendix IV-15).

Land Supply

Housing land supply

17.2 Noting that the Administration completed the rezoning procedures for 135 sites with housing development potential in the past six years, Mr LAU Kwok-fan enquired about the time taken in general for completing the rezoning procedures for one housing site, as well as the number of housing sites in respect of which the Administration could complete the rezoning procedures each year and the number of housing units involved.

17.3 SDEV replied that rezoning proposals were subject to the statutory process under the Town Planning Ordinance (Cap. 131) and the Town Planning Board's ("TPB") agreement to the proposed amendments to the relevant outline zoning plans. The exact time taken to complete the statutory planning process of individual sites varied from case to case. Over the past few years, the Government had identified over 210 sites with housing development potential in the short to medium term, capable of providing over 310 000 housing flats in total (with over 70% for public housing). It was expected that about 190 000 housing units could be provided on the 135 sites already rezoned in the past six years. As for the remaining sites, other than 12 sites in respect of which rezoning was underway, the Administration planned to initiate the rezoning process for the other 25 sites in the coming year.

17.4 Mr Abraham SHEK opined that the Administration should consider developing the periphery of country parks and Green Belt sites for housing purpose, so as to increase housing land supply. In reply, SDEV advised that where appropriate, Green Belt sites could be rezoned for housing purposes, and there were such examples in the past. The development of the periphery of country parks for high-density housing development involved more complicated issues, with

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widespread worries in the community.

17.5 Mr Abraham SHEK noted from Reply Serial Number DEVB(PL)070 that the Administration was studying the feasibility of converting three commercial sites at the Kai Tak runway tip for housing purpose. He called upon the Administration to expedite the aforesaid study, speed up the processing of lease modification applications from developers and actively explore the possibility of increasing the maximum domestic plot ratios allowed in urban areas, so as to increase housing supply as soon as possible. SDEV noted Mr SHEK's views.

17.6 Mr Vincent CHENG declared that he was a non-executive director of the Urban Renewal Authority ("URA") Board. Referring to Reply Serial No. DEVB(PL)017, Mr CHENG and Mr Tony TSE expressed support for the identification of over 30 Civil Servants' Co-operative Building Society ("CBS") Scheme sites in Kowloon City by URA for the implementation of two redevelopment pilot projects. They urged the Administration and URA to expedite the redevelopment of more CBS sites suitable for high-density development, so as to release the development potential and increase housing supply by fully utilizing the plot ratios of the relevant sites.

17.7 SDEV responded that upon completion of the two aforesaid pilot projects, it was estimated that the number of residential units would increase from the existing 600-odd to 3 000-odd, and among them, about one-third would be public housing units. Furthermore, in order to provide another rehousing option to owner-occupiers of CBS flats involved, the Government would make an exceptional arrangement for them to purchase subsidized sale flats in dedicated rehousing estates to be built and managed by the Hong Kong Housing Society in urban areas. Although, due to the recent coronavirus disease 2019 ("COVID-19") epidemic, URA could not announce the commencement of the two pilot projects and conduct freezing surveys for the time being, it would announce the commencement of the projects in a timely and expeditious manner.

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17.8 Mr CHAN Chi-chuen and Mr Andrew WAN noted that the Administration was carrying out a technical study on the partial development of 32 hectares of land east of Fan Kam Road of the Fanling Golf Course ("FGC"), so as to ascertain the highest yield of housing flats attainable within the site in short to medium term, with emphasis on public housing. Mr CHAN enquired about the expected time for housing development works to commence on the aforesaid 32 hectares of land. Mr CHAN and Mr WAN urged the Administration to actively consider resuming the remaining 140 hectares of land for housing development, upon expiry of the existing private recreational lease ("PRL") of FGC.

17.9 SDEV replied that upon expiry of the current lease of FGC in August 2020, the Government would only make a special three-year hold-over arrangement for the aforesaid 32 hectares of land, while the lease for the remaining 140 hectares of land would be renewed up to end-June 2027 in accordance with the policy on PRLs. Upon the expiry of the special hold-over arrangement, the aforesaid 32 hectares of land would be reverted to the Government for housing development. SDEV further advised that the Government had adopted the recommendation of the Task Force on Land Supply ("TFLS") that the remaining 140 hectares of land could continue to be used to support the sport of golf, in consideration of the need for reprovisioning and the difficulty involved in making it a priority land supply option. In fact, given the limited capacity of the existing infrastructure and transport network in the vicinity of FGC, it would not be feasible to fully develop FGC (including the remaining 140 hectares of land) for high-density housing development in short to medium term.

17.10 Mr Andrew WAN opined that the Hong Kong Special Administrative Region ("HKSAR") Government should negotiate and study with the Central People's Government ("CPG") the resumption of some under-utilized military sites for housing development. SDEV advised that the use and management of military sites were matters of national defence for which CPG had sole responsibility under the Basic Law. All existing military sites were used for defence purposes. The HKSAR Government did not have any plan to seek any change to the use of these sites.

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17.11 Mr Martin LIAO expressed concern that in recent years, due to the shortage of housing land supply in Hong Kong, the annual number of completed residential flats had fallen short of the housing supply target. He called upon the Administration to step up its efforts to gain the public's support for its short, medium and long-term land supply strategies. SDEV advised that TFLS had already completed its work. One of its major tasks was to carry out extensive public engagement exercises, so as to raise public awareness of the land supply and land shortage problems, engage the public in the discussions on such subjects and forge a mainstream consensus progressively on the issue of increasing land supply. Discussions on subjects relevant to land supply policies had also been held with representatives from various professional bodies and the industry.

Artificial islands in the central waters

17.12 Dr KWOK Ka-ki and Dr Fernando CHEUNG criticized that the proposed reclamation in the central waters for the construction of artificial islands would incur huge cost and impose a financial burden on Hong Kong. They opined that the Administration should adopt other more cost-effective land supply options, such as the development of brownfield sites in the New Territories ("NT"), the FGC site, idle government sites, military sites. Mr CHU Hoi-dick and Mr WU Chi-wai opined that given the polarized views of various sectors of the community on the proposed reclamation in the central waters, the item relating to the artificial islands in the central waters should not be submitted to the Finance Committee in the remainder of the current Legislative Council session, so as to allow members to make good use of the time to deliberate on other livelihood-related financial proposals.

17.13 SDEV explained that the Government had all along been adopting a multi-pronged land supply strategy through concurrent implementation of various land supply options in the short, medium and long-term. As pointed out by TFLS, no single option could adequately address the land shortage problem in Hong Kong, and reclamation was an available option that could create large parcels of new land to meet the housing, economic and other development needs of Hong Kong. Experience gained so far had shown that the development of new development areas ("NDAs") in NT might also

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take a long time, involving various issues such as compensation and rehousing arrangements arising from land resumption, whilst constructing transport infrastructure connecting with the urban areas would also incur high costs. According to a preliminary ballpark estimate, the total construction cost of the Kau Yi Chau ("KYC") artificial islands project and other projects relating to the Lantau Tomorrow (including the costs of reclamation, infrastructure and transport network) was in the order of \$600 billion, and it was estimated that the land sale revenue to be generated from the reclaimed land would be higher than the total construction cost. SDEV stressed that the Government planned to seek funding approval for "the studies related to the artificial islands in the central waters" and the estimated cost of this item was around \$500 million. The purpose of the studies was to carry out a detailed planning and engineering study for KYC artificial islands, including site investigation works, technical studies and traffic, fisheries and environmental impact assessments, etc., so as to formulate specific development proposals. The aforesaid studies were initially expected to be completed in 2023-2024. The findings of the studies would, by then, serve as the basis for the Government to decide on whether and how the project of artificial islands in the central waters should be implemented.

Planning and development of brownfield sites

17.14 Mr LAU Kwok-fan, Mr Kenneth LAU and Mr Andrew WAN noted from Replies Serial Nos. DEVB(PL)040 and 062 that after the Planning Department ("PlanD") had completed the first-phase review of 160 hectares of brownfield sites closer to the existing infrastructure, it had shortlisted eight brownfield clusters (with a total area of 36 hectares) which were considered to be suitable subjects for conducting engineering feasibility studies ("EFSs") on public housing development. At the present stage, the Administration expected to transform the aforesaid brownfield clusters from "potential sites" into "spade-ready sites" within about six years, so as to hand them over to the Hong Kong Housing Authority ("HA") for the provision of public housing. Mr LAU Kwok-fan called upon the Administration to explore whether it could further shorten the time required for completing the work involved in transforming "potential sites" into "spade-ready sites".

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17.15 SDEV replied that the Development Bureau ("DEVB") had explored with the relevant departments ways to further simplify and expedite the workflow, including compressing the time required for conducting EFSs as far as possible, speeding up statutory procedures such as rezoning, gazettal of works and land resumption expeditiously upon completion of EFSs, and pursuing certain procedures concurrently as circumstances would permit.

17.16 Mr Kenneth LAU noted that it was roughly estimated at this stage that a total number of more than 20 000 public housing units (based on the assumption that the domestic plot ratio was 3.6) could be provided at the aforesaid eight brownfield clusters. The Administration would explore, through EFSs, the feasibility of raising the domestic plot ratio to 6.5, so as to increase the supply of public housing units. Mr LAU expressed concern that upon increasing the development density of the aforesaid brownfield clusters, whether the transport infrastructure in the above areas would have enough capacity to cope with the substantial population growth. Besides, high-density housing development would not be compatible with the surrounding rural environment. He also enquired about the criteria adopted for granting compensation for land resumption.

17.17 SDEV replied that the Civil Engineering and Development Department ("CEDD") was actively preparing to kick-start the EFSs on the aforesaid eight brownfield clusters progressively from the second quarter of this year, so as to establish the development parameters (including the proposed site areas, development density and expected flat yield, etc.) of public housing projects. In accordance with the established statutory procedures, amendments to the relevant outline zoning plans should be submitted to TPB for consideration. In vetting and approving rezoning proposals, TPB would duly consider the impacts of such rezoning on traffic, environment, infrastructure, etc. SDEV further advised that the law provided for the payment of compensation in respect of private land resumed under statutory powers (commonly referred to as "statutory compensation"). Apart from statutory compensation, the Government had also put in place an ex-gratia compensation system as an alternative arrangement and a simplified mechanism for handling land compensation matters. As far as the NT was concerned, the ex-gratia compensation system

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categorized land into four compensation zones, namely Zones A to D, and specify the definitions and ex-gratia compensation rates for the zones. The Administration would also provide compensation and rehousing ("C&R") arrangements for households and brownfield operators affected by the Government's development clearance exercises in accordance with the enhanced C&R arrangements announced in May 2018.

17.18 Mr Andrew WAN expressed concern that while there were around 1 500 hectares of brownfield sites in Hong Kong, the Administration only planned to use 36 hectares of the aforesaid brownfield clusters at this stage to provide public housing. He considered that such a proportion was too low.

17.19 SDEV explained that among the 1 500-odd hectares of brownfield sites in Hong Kong, around 800 hectares had been included in NDAs or other development projects. Regarding the remaining 450 hectares of brownfield sites classified as having relatively higher potential for development, PlanD had completed the review of 160 hectares and considered that around 20% of them (i.e. 36 hectares of brownfield sites), together with adjoining land parcels, could be considered jointly for public housing development purpose. PlanD considered that due to various constraints, some of the brownfield sites did not have sufficient conditions for public housing development in the short to medium term. For example, it would be difficult to consolidate afresh individual brownfield sites that were small and widely scattered for public housing development project of larger scale; or the brownfield sites that had already been planned for uses such as industrial, open storage and port back-up could accommodate many different types of brownfield operations, and thus would be retained. PlanD was examining the remaining 290 hectares of brownfield sites, with a view to completing the analysis by the end of this year.

17.20 Referring to the Study on Existing Profile and Operations of Brownfield Sites in NT ("the Brownfield Study") commissioned by PlanD, Mr Andrew WAN considered that specific information relating to the aforesaid eight brownfield clusters, such as their locations, should be made public. Besides, a task force comprising non-official experts and academics should be formed to follow up on the findings of

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the Brownfield Study and examine subjects relating to brownfield sites. Mr WAN and Mr Kenneth LAU noted that the Administration had reserved a total of about 72 hectares of land in Hung Shui Kiu/Ha Tsuen NDA and Yuen Long South NDA for logistics facilities, port back-up, storage and workshops, and most of them would be used for developing multi-storey buildings ("MSBs") to accommodate brownfield operations. Mr WAN enquired about the estimated total floor area of the aforesaid MSBs and the estimated number of brownfield operators that were willing to relocate their businesses to MSBs. Mr LAU urged the Administration to construct the aforesaid MSBs expeditiously, so that brownfield operations that would be affected by land resumption for public housing purpose could be reprovisioned in a timely manner to continue with their operations. Noting the views of Mr WAN and Mr LAU, SDEV advised that CEDD was currently commissioning a consultant to conduct a market sounding exercise on MSBs for accommodating brownfield operations. The Administration would report the findings of the studies to Members in due course.

17.21 Mr CHU Hoi-dick pointed out that the Innovation and Technology Bureau ("ITB") was responsible for implementing the Yuen Long Industrial Estate Extension ("YLIEE") project, and the site for the YLIEE project was adjacent to the site for Phase 3 of the public housing development at Wang Chau, Yuen Long. Given that ITB had reserved a lot of land (including land at Lok Ma Chau Loop and Liantang/Heung Yuen Wai Boundary Control Point) for the development of innovation and technology parks and industrial estates, Mr CHU opined that the Administration should consider using the site of YLIEE project to accommodate the existing brownfield operations at the sites for Phases 2 and 3 of the public housing development at Wang Chau, so that the public housing development projects could be implemented as soon as possible. SDEV noted the views of Mr CHU.

17.22 Referring to the Land Sharing Pilot Scheme ("LSPS") that would be launched for the purpose of unleashing development potential of private agricultural land in NT and boosting land supply in the short to medium-term, Mr WU Chi-wai enquired about the estimated impact that LSPS would cause to the planning and development of brownfield sites upon its implementation. SDEV advised that under LSPS, all

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owners of private land (not limited to brownfield sites) meeting the geographical limit requirement could submit applications.

Optimizing the utilization of vacant government sites

17.23 Mr KWONG Chun-yu welcomed the Government's implementation of a \$1 billion funding scheme to support the use of vacant government sites by non-governmental organizations ("NGOs") for non-profit-making community purposes. He enquired about the implementation progress of the funding scheme, including the earliest operation dates of the approved projects, and whether the Administration would increase the commitment of the funding scheme.

17.24 SDEV replied that as at 31 March 2020, DEVB approved the funding for the entire project or phased funding for eight applications. Among them, three were related to the development of transitional housing on vacant government land, while the remaining projects involved animal protection and community service centres, etc. Permanent Secretary for Development (Planning and Lands) (PS/DEV(P&L)) advised that of these eight approved projects, four of them would have the restoration or construction works completed progressively within this year for actual operation. SDEV advised that DEVB would continue to work closely with these eight NGOs to ensure that the projects would be carried out smoothly and implemented within the agreed timeframe. With successful implementation of the funding scheme, DEVB would consider securing more resources for the funding scheme in due course.

Single site, multiple uses

17.25 Mr Martin LIAO and Mr Tony TSE were concerned that the six development projects identified in the first batch of the "single site, multiple uses" initiative were still in the consultation stage. They urged the Administration to expedite the implementation of these projects. In response, PS/DEV(P&L) advised that the Administration would carry out a series of advance works following consultations with the relevant District Councils in respect of such projects. After that, it would proceed to seek funding approval from the Legislative Council for commencement of the construction works after going through

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internal resource allocation procedures.

Land management and enforcement

17.26 Mr CHAN Chi-chuen noted that the Administration would announce later that a one-off subsidy would be provided to businesses which had been ordered to close or put in place specified precautionary measures pursuant to the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F). He was concerned whether non-industrial businesses (such as fitness rooms or party rooms) which would be affected by the above Regulation and were currently operating in units in industrial buildings were eligible for the relevant subsidy.

17.27 SDEV replied that the Government had not yet announced the details of the second-round measures under the Anti-epidemic Fund for sectors affected by the epidemic. He noted Mr CHAN Chi-chuen's concerns.

17.28 Dr CHENG Chung-tai mentioned that an NGO had been renting government lands at the jetty of Lau Fau Shan, Yuen Long on short-term tenancies ("STTs") for years for subletting to more than a dozen oyster farmers. Recently, the NGO had decided to end the subletting arrangements so as to ensure smooth renewal of STTs with the Government, and the oyster farmers operating there for years were compelled to move out as a result. Dr CHENG was concerned about the approval and renewal arrangements for the STTs concerned.

17.29 In response, SDEV advised that generally speaking, the Government would take enforcement actions against breaches of provisions in STTs. However, the Administration could consider whether there was room for exercising discretion to deal with the exceptional circumstances surrounding individual cases. Given that it was not appropriate to discuss the details of individual cases at the meeting, SDEV suggested that Dr CHENG Chung-tai could follow up on the relevant case with DEVB directly after the meeting.

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17.30 Mr WU Chi-wai mentioned that the Administration had earlier re-granted a petrol filling station ("PFS") site at Kwun Tong Road near Hong Ning Road to a new operator. There were views in the community that the Administration should have resumed the PFS site concerned upon the expiry of the original tenancy for road surface widening so as to help address the prolonged traffic congestion problem on Kwun Tong Road. Mr WU opined that the Administration should enhance the transparency of information on STTs, including making public the details of the tenancy periods of the STTs granted, so that the public might, being able to grasp the lease information of government lands at an early stage, submit proposals for use of the lands concerned in a timely manner.

17.31 SDEV explained that the PFS site was not leased under an STT. SDEV noted Mr WU Chi-wai's views on STT information, and advised that the Lands Department ("LandsD") would strive to enhance the transparency of land information.

17.32 Referring to Reply Serial Number DEVB(PL)120, Mr CHU Hoi-dick noted that in the past five years, LandsD had identified 2 823 surveyed squatter structures with unauthorized extensions/alterations. Amongst these cases, 2 081 surveyed squatter structures had been deleted from survey records due to the serious nature of the breach or the failure to rectify despite repeated warnings, but LandsD would not remove the squatter structures concerned immediately. Mr CHU queried that while LandsD had deployed substantial manpower resources to tackle cases relating to surveyed squatter structures with unauthorized extensions/alterations, it did not remove such structures immediately after having deleted the squatter structures from survey records.

17.33 PS/DEV(P&L) advised that under the squatter control policy, extension was not allowed for surveyed squatters. LandsD was obliged to take appropriate enforcement actions against unauthorized structures, which was in line with the public's expectations. On the other hand, LandsD had, in the course of handling individual cases, received requests from the subjects of such cases and from Members who were concerned about such cases from time to time for the exercise of discretion in handling such cases. LandsD would take

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reasonable follow-up actions based on the merits of individual cases.

Small house policy

17.34 Mr Jeremy TAM referred to Reply Serial No. DEVB(PL)135, which mentioned that the number of small house applications approved by LandsD in each of the past 10 years ranged between 500 and 1 400; whereas the number of approved cases for removal of alienation restrictions on small houses by LandsD each year during the same period ranged between 300 and 500. Mr TAM was of the view that the intent of the small house policy was to satisfy the housing needs of NT male indigenous villagers over 18 years old. However, on average, amongst the small houses approved by LandsD each year, around 40% to 50% of small house grantees would transfer the ownership of their small houses to others upon completion of construction of the small houses concerned. He opined that the Administration should not allow such a large number of small house grantees to transfer the ownership of their small houses.

17.35 In response, SDEV advised that generally speaking, the small house policy was conducive to accommodating the housing needs of NT male indigenous villagers over 18 years old. Practically, the time required between the submission of small house applications and the granting of approval for and construction of small houses was quite long. Upon the completion of the construction of small houses, the situation of the grantees might have changed. According to the prevailing small house policy, small house grantees could apply for removal of alienation restrictions after completion of the construction of small houses. SDEV advised that given that the judicial review case in relation to the small house policy was still at the appeal stage, the Government had no intention to change the small house policy at the moment. At the request of Mr Jeremy TAM, the Administration would provide, after the meeting, the number of applications made to LandsD by small house grantees for removal of alienation restrictions after completion of small houses in each of the past 10 years.

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17.36 Referring to Reply Serial Number DEVB(PL)120, Mr CHU Hoi-dick noted that from July 2014 to the end of 2019, LandsD had received 1 757 complaints/referrals about suspected cases of selling the rights to apply for and build small houses by indigenous villagers (commonly known as "To Ding"). Amongst these cases, 270 cases had been referred to law enforcement agencies for investigation, of which 98 cases were found not substantiated based on information available, and the rest of the referred cases were being investigated by law enforcement agencies. Mr CHU was concerned whether the Administration had actively followed up on reports about "To Ding".

17.37 SDEV advised that LandsD had all along been proactively following up on reports about "To Ding". As the act of "To Ding" involved criminal offences, the thresholds for initiating investigations and prosecutions by law enforcement agencies were also very high.

17.38 Mr CHU Hoi-dick mentioned that many access roads in NT villages were on private lands. Some private land owners charged access fees from villagers for using such access roads, and those who refused to pay such fees would be denied access to such roads, thereby causing access problems to the nearby residents. Mr CHU was concerned whether the Administration had, in vetting and approving applications for small houses, confirmed that the sites concerned were adequately served by access roads.

17.39 In response, PS/DEV(P&L) advised that LandsD's assessment of whether the development of small house might proceed on a particular site within the "Village Type Development" zone depended on the fulfillment of engineering and other conditions as required, including the conditions of the access roads on the sites concerned. However, after the completion of construction of the small houses concerned, it was indeed possible that there might be changes to the ownership and the rights to use the access roads situated on private lands, but as it involved private land ownership, it was difficult for the Government to interfere.

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Building quality and safety

17.40 Dr Helena WONG mentioned that there were recent cases in which residents living at Hong Mei House of Cheung Hong Estate in Tsing Yi and Heng Tai House of Fu Heng Estate in Tai Po with the same orientation but on different floors had been infected with COVID-19. For the case of Hong Mei House, the Administration was of the view that it was possible that the spread of virus was a result of self-modified toilet vent pipes having been removed and/or not being properly connected. Dr WONG urged the Buildings Department ("BD") to, in collaboration with the Housing Department, proactively step up inspections on the drainage pipes in the units in the public rental housing ("PRH") estates and Tenants Purchase Scheme ("TPS") estates under HA with a view to minimizing health risks.

17.41 In response, SDEV advised that HA and the Independent Checking Unit ("ICU") under the Office of the Permanent Secretary for Transport and Housing (Housing) were respectively responsible for housing safety issues of PRH estates and TPS estates. Notwithstanding that the construction of HA buildings was not subject to the Buildings Ordinance (Cap. 123), HA had put in place administrative arrangements to ensure that the standards applicable to the construction of PRH buildings must not be less favourable than those laid down in the Buildings Ordinance. Furthermore, BD had seconded staff to ICU to provide advices on the construction of buildings (including their draining systems) at standards that were not less favourable than the design and construction standards laid down in the Buildings Ordinance. SDEV noted Dr Helena WONG's views and advised that DEVB would maintain communication with the Transport and Housing Bureau.

17.42 Dr Helena WONG noted that the Administration was of the view that "wake effect" occurring in the rooftop ventilating pipe of the foul water stack might be relevant to the case at Heng Tai House. She enquired whether BD would revisit the requirements for the design of the drainage systems and their ventilating pipes under the Buildings Ordinance to further ensure their compliance with environmental hygiene safety standards. Dr WONG also urged the Administration to proactively step up inspections of the drainage systems of sub-divided

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units ("SDUs").

17.43 SDEV advised that the Government had set up an inter-departmental expert group to follow up on the case involving the rooftop ventilating pipe of the foul water stack at Heng Tai House. The expert group would, based on investigation findings, put forward improvement recommendations and options to safeguard public health. On the other hand, in view of the COVID-19 epidemic, wherever possible, BD would pay special attention to the conditions of drainage systems when inspecting SDUs. BD's Minor Works Control System had also substantially raised the percentage of control inspections conducted on minor works that involved the modification of draining systems.

17.44 Mr Vincent CHENG expressed support for the "Operation Building Bright 2.0" ("OBB 2.0") launched by the Administration, which provided technical and financial assistance to eligible building owners for carrying out prescribed inspection and repair works under the Mandatory Building Inspection Scheme ("MBIS"). He urged the Administration to consider raising the threshold for eligible buildings under OBB 2.0 further to cover those aged 30 or above so as to provide more job opportunities in the building repair and maintenance works sector.

17.45 In response, SDEV advised that the policy objective of OBB 2.0 was different from that of the Operation Building Bright launched in 2009, and OBB 2.0 was not a measure implemented under the Employment Support Scheme. Having regard to the public's calls for allowing younger buildings to apply, the Government had proposed to lower the age threshold for eligible target buildings under the second round of OBB 2.0 from 50 years to 40 years to cover buildings aged 40 or above with outstanding MBIS notice(s). The Government would consider the way forward (including whether the scope of eligible buildings should be further extended) in due course when OBB 2.0 was reviewed.

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Measures to streamline the approval process for development projects

17.46 Hon Tony TSE expressed support for the Administration's initiative to simplify the approval process of BD, PlanD and LandsD for the purpose of expediting the pace of granting approvals for private development projects, thereby increasing housing supply. He urged the Administration to continue with its initiative to come up with more streamlining measures. In response, PS/DEV(P&L) advised that through the mechanism for streamlining the approval process for development projects, streamlined arrangements pertaining to seven areas of work were promulgated by relevant departments in 2019. The Administration would continue to formulate streamlining measures on other aspects of development control, including those in relation to the computation of floor area.

Harbourfront enhancement

17.47 Hon Tony TSE declared that he was a member of the Harbourfront Commission. He expressed support for the Administration's active implementation of various projects with total funding amounting to \$6.5 billion earmarked for harbourfront enhancement. Concerned about the odour problem arising from near shore water pollution, he urged the Administration to proactively tackle the near shore water pollution problem while taking forward various harbourfront enhancement projects. In response, SDEV advised that the Environment Bureau ("ENB") was responsible for near shore water quality improvement work and DEVB would relay Mr TSE's views to ENB for consideration.

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18.1 At the invitation of the Deputy Chairman, Mr Michael WONG, Secretary for Development ("SDEV"), briefed members on the major initiatives and expenditure on the policy areas of works for the 2020-2021 financial year (Appendix IV-16).

Land development

18.2 Mr Andrew WAN and Mr CHAN Chi-chuen expressed opposition to the Administration's continuous pursuit of the Lantau Tomorrow Vision. They opined that since the Government had, in response to the coronavirus disease 2019 ("COVID-19") epidemic, spent over 100 billion dollars to set up the Anti-epidemic Fund and the relevant expenditure would impose a heavy burden on the public coffers, it should not continue to pursue the Lantau Tomorrow Vision which might cost up to a trillion dollars. Moreover, they were concerned that with the global economy entering a recession cycle, the economic benefits that the Lantau Tomorrow Vision would generate for Hong Kong might be much lower than expected.

18.3 SDEV replied that the Administration's plan at this stage was to engage consultants to conduct the "Studies related to Artificial Islands in the Central Waters", including an assessment of the financial arrangements for the development proposals, taking into account the impact of the global economic situation. After the completion of the studies in around 2023-2024, comprehensive and concrete data would be available for society to discuss how to implement the artificial islands project. He also pointed out that creation of land through reclamation in the Central Waters around Kau Yi Chau would generate enormous social benefits, including providing large amounts of new land for housing development, especially public housing development; and relieving the traffic load on the public transport systems connecting New Territories West to the urban areas by the implementation of new road and railway projects connecting New Territories West, the Kau Yi Chau Artificial Islands and the Hong Kong Island. Moreover, according to the conservative estimate made earlier by the Hong Kong Institute of Surveyors, the land revenue to be generated from the artificial islands project was expected to exceed the expenditure required.

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18.4 Mr Andrew WAN suggested setting up, as an alternative to the Lantau Tomorrow Vision plan, a "land resumption fund" to resume agricultural land held by private developers for housing development. Mr CHAN Chi-chuen opined that the Government should first focus its efforts on funding proposals related to fighting the epidemic and withhold the submission of the "Studies related to Artificial Islands in the Central Waters" to the Finance Committee for consideration.

18.5 SDEV said that he hoped that members of the Finance Committee would support the funding proposal for the "Studies related to Artificial Islands in the Central Waters", so that the studies could be expedited and relevant assessments in relation to the development proposals could be carried out to obtain more comprehensive information such as financial and environmental data. As regards the proposed establishment of a land resumption fund, SDEV said that the proposal required prudent consideration in view of the complicated financial arrangements involved.

18.6 Mr Holden CHOW opined that the best opportunity of developing developable land was missed due to the unduly long time taken by the Government to conduct the planning work for such land. He suggested that studies be conducted on how the statutory procedures of land planning could be streamlined, and a dedicated department be set up under the Development Bureau to study the ways to shorten the time required for land planning and reduce the statutory procedures.

18.7 SDEV said that the Government was trying out a number of measures to streamline the land planning process, including rationalizing the development approval processes that have to be gone through concurrently and designating a government department to be solely responsible for implementing individual development control parameters in order to speed up the time required for vetting and approval of development projects. He also pointed out that land planning was currently subject to the approval of the Town Planning Board ("TPB"), during which persons affected by the development might make comments to TPB directly. Such a consultation process was vital to land planning, for which the time required could hardly be reduced.

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Town planning and development

18.8 Referring to Reply Serial No. DEVB(W)043, Mr Tony TSE pointed out that the studies related to the Environmentally Friendly Linkage System ("EFLS") for Kowloon East had been going on for more than 10 years. He urged the Administration to complete the second stage of the Detailed Feasibility Study ("DFS") under way and finalize the construction plan as soon as possible.

18.9 SDEV said that the preliminary study outcome showed that there was not enough space at Hoi Yuen Road, Kwun Tong, for construction of an elevated linkage system such as an elevated monorail. In addition, the construction of an elevated linkage system above the Kwun Tong Bypass and spanning across the Kwun Tong Typhoon Shelter to connect the Kai Tak Cruise Terminal would result in a significant increase in the construction cost and enormous technical challenges. Based on the current findings, the Government considered that construction of an elevated linkage system in Kowloon East was less feasible. The Government would continue to explore other ways of constructing EFLS in Kowloon East. It was expected that the public would be informed of the findings of the second stage of DFS upon its completion in 2020.

18.10 Referring to Reply Serial No. DEVB(W)047, Mr Tony TSE commented that three years was too long a time for the "Investigation Study for Revitalization of Tai Wai Nullah" and the "Investigation Study for Revitalization of Fo Tan Nullah". He urged the Administration to explore ways to compress the time required for the two studies in order to finalize the revitalization plans of the two nullahs as soon as possible.

18.11 Director of Drainage Services said that environmental and ecological impact assessments must be conducted before the river revitalization projects could be implemented. For the ecological impact assessment alone, the minimum benchmark timeframe was one year as it was necessary to study the ecology of various species in four seasons. Hence, it would be difficult to compress the time needed for ecological studies. In addition, river revitalization projects might involve road alteration works, for which public consultation and

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gazetting procedures were required. Should there be objections from residents, additional time would be required for the resolution process. In view of the above work involved, the two studies would take three years to complete.

18.12 Referring to Reply Serial No. DEVB(W)039, Mr Tony TSE pointed out that the utilization rate of car parks at some new land boundary crossings (e.g. the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port) was low, which was a waste of precious land resources. He urged the Administration to review its policy of constructing parking spaces at new land boundary crossings and step up promotion of the public car park facilities at the soon-to-be-completed Heung Yuen Wai Boundary Control Point ("HYWBCP") to ensure that the utilization rate of the car park would reach a reasonable level.

18.13 SDEV said that the public car park at HYWBCP was constructed by the Development Bureau in accordance with the project programme. Matters related to the planning of car parks were under the policy purview of the Transport and Housing Bureau. He would relay Mr Tony TSE's views to the Transport and Housing Bureau.

Greening, landscape and tree management

18.14 Referring to Reply Serial No. DEVB(W)001, Mr Tony TSE urged the Government to step up training and regulation of personnel with professional qualifications in arboriculture and increase the number of directorate posts for landscape architects in order to strengthen the Government's tree management efforts.

18.15 SDEV said that the Government was exploring the introduction of a registration scheme for tree management personnel with a view to enhancing the quality of Hong Kong's tree management personnel and the professional standard of the industry, and the industry was consulted on the matter. He added that the Government had set up the Urban Forestry Support Fund, which would help enhance the training of landscape architects and tree management personnel.

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Water supply and safety

18.16 Dr Helena WONG pointed out that after the incidents of excess lead found in drinking water in 2015, the Government had commenced the review of the Waterworks Ordinance (Cap. 102) ("WVO") and the Waterworks Regulations (Cap. 102A) ("WVR"). However, the progress was unduly slow. She urged the Administration to expedite the relevant legislative amendment exercise to ensure the safety of drinking water. Moreover, she urged the Administration to expeditiously regulate the materials used for manufacturing hot water dispensers, and step up guidance for schools on the proper use of hot water dispensers to ensure drinking water safety for school children.

18.17 SDEV and Director of Water Supplies ("DWS") said that the Government had completed the legislative amendment exercise for the WVO and WVR provisions urgently in need of amendment in 2017 and 2018 to strengthen the regulation on plumbing materials. The Government was currently conducting the legislative amendment exercise for other parts of WVO and WVR which regulated aspects of, among others, plumbing works, plumbing materials, hot water dispensers, water efficiency of plumbing fixtures and water-consuming devices, and water losses in inside services. The relevant public consultation exercise would be carried out.

18.18 DWS said that the Administration had provided guidelines for manufacturers of hot water dispensers, setting out the requirement of using lead-free soldering materials and low-lead-content materials for the manufacturing of hot water dispensers. According to the findings of a spot check conducted in 2017, the popular brands of hot water dispensers available on the market were manufactured using lead-free soldering materials and low-lead-content alloy. Through promotional leaflets and seminars, the Water Supplies Department ("WSD") had encouraged schools to acquire hot water dispensers with international certification and reminded them to use the hot water dispensers properly, including the need to clean the hot water dispensers regularly and discharge the "overnight water" left in the hot water dispensers. As schools were suspended currently amid the COVID-19 epidemic, WSD would, before class resumption, remind them to rinse their

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drinking fountains and facilities thoroughly.

18.19 Referring to Reply Serial No. DEVB(W)076, Dr Helena WONG urged the Administration to step up inspection on the fresh water tanks of private residential buildings. As water samples were collected by WSD from water taps at the premises of 660 randomly selected consumers for testing annually, she suggested that the inspecting staff should also take water samples from the fresh water tanks of the buildings concerned to see if the fresh water tanks were kept under proper maintenance.

18.20 DWS said that as private buildings in Hong Kong numbered tens of thousands, inspection of fresh water storage tanks of private buildings by the Government was not an effective way to ensure the safety of drinking water in the buildings. He further pointed out that the Government had been encouraging private residential buildings to implement the Water Safety Plan for buildings in accordance with the recommendations of the World Health Organization. Under the plan, persons conversant with inside services (e.g. qualified persons) were engaged to conduct detailed drinking water risk assessment and implement corresponding control measures to ensure the safety of drinking water in the buildings. Regarding Dr Helena WONG's suggestion, DWS said that inspection of fresh water storage tanks in private residential buildings involved more complicated procedures, including the need to coordinate with the building management offices to open the tanks. As such, it was less feasible for staff collecting water samples from consumers' premises to take up such inspection at the same time. Nevertheless, WSD would study the feasibility of the suggestion.

18.21 Referring to Reply Serial No. DEVB(W)074, Dr Helena WONG enquired why the leakage rate of government water mains stood at the high level of 15%.

18.22 DWS said that the leakage rate of the water mains network of Hong Kong was in the mid-range compared with other developed cities. The Government would continue to establish the Water Intelligent Network in the fresh water distribution network over the territory. Through installing monitoring and sensing equipment, the

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Administration would enhance monitoring of water mains leakages and take follow-up actions to further improve the leakage rate.

18.23 Referring to Reply Serial No. DEVB(W)075, Dr Helena WONG pointed out that the Administration was reviewing the "package deal lump sum" approach adopted in the current Dongjiang water supply agreement. She requested the Administration to make public the progress of the review.

18.24 SDEV said that the Government had set up a working group with the Guangdong Province authorities to review the "package deal lump sum" approach adopted in the current Dongjiang water supply agreement. As the review was in progress, it was not appropriate to make public the work progress at this stage. He added that the Government expected to complete the review in 2020 and would report the findings to the Panel on Development of the Legislative Council.

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19.1 At the Chairman's invitation, Mr Kevin YEUNG, Secretary for Education ("SED") briefed members on the main initiatives and expenditure on the policy area of education for the coming year (Appendix IV-17).

Primary, secondary and special education

Science, Technology, Engineering and Mathematics education

19.2 Noting that schools could apply for up to \$2 million from the Quality Education Fund ("QEF") to promote Science, Technology, Engineering and Mathematics ("STEM") education, Mr LEUNG Che-cheung considered the funding insufficient and suggested the Administration increase the amount or engage the support of the business sector to launch a matching grant scheme.

19.3 Deputy Secretary for Education (5) advised that apart from QEF, schools might flexibly deploy various subsidies, such as the Expanded Operating Expenses Block Grant, Life-wide Learning Grant, etc., to implement STEM education. There was no plan to set up a matching grant scheme for STEM education. As a matter of fact, the Office of the Government Chief Information Officer would, subject to the Finance Committee's ("FC") approval of the funding, provide a maximum funding support of \$1 million to each publicly-funded secondary school for setting up an Information Technology ("IT") Innovation Lab to enhance IT equipment and facilities at schools.

Support for non-Chinese speaking students

19.4 While welcoming the enhancement of the additional funding to primary schools admitting a relatively small number of non-Chinese speaking ("NCS") students under a new two-tiered arrangement to facilitate the implementation of the "Chinese Language Curriculum Second Language Learning Framework" starting from the 2020-2021 school year, Mr Vincent CHENG considered it necessary to ensure

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proper use of the additional funding by formulating clear and objective indicators to evaluate the learning effectiveness of NCS students.

19.5 Permanent Secretary for Education ("PS(Ed)") advised that to monitor schools' use of additional funding, the Education Bureau ("EDB") would examine the annual plans submitted by schools on the use of funding and conduct supervisory visits to the schools concerned. EDB would also launch a longitudinal study to gauge the progress of NCS students in learning Chinese language in the coming year.

19.6 Mr Vincent CHENG opined that as there were over ten thousand NCS kindergarten ("KG") students in Hong Kong, more should be done to facilitate their early learning of Chinese language at KG levels. In addition, EDB should put in place support measures to help NCS parents access the latest information regarding the coronavirus disease 2019 ("COVID-19").

19.7 PS(Ed) advised that NCS parents were encouraged to send their children to local KGs to benefit from the immersed Chinese language environment. In this connection, KGs were required to provide both Chinese and English versions of the application form and relevant information. To facilitate parents of NCS children in obtaining the relevant information, KGs should create an icon or provide a simple message in English on the home page of the school website prominently to let parents know how to obtain the English version of the information. At the same time, KGs should provide the link to the English version of EDB's website on K1 Admission Arrangements in KGs on the school website prominently to facilitate browsing by parents. Moreover, EDB would continue to organize seminars and outreach programmes with interpretation services for NCS parents.

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Support for students with special educational needs

19.8 Ms CHAN Hoi-yan noted with concern that while 43% of teachers serving in public sector ordinary primary schools had received special education training, only 33% of secondary school teachers had received such training. She was worried that support for students with special educational needs ("SEN") in secondary schools was insufficient. She asked why fewer secondary school teachers had received special education training than those in primary schools and how EDB would enhance secondary school teachers' professional capabilities to cater for the increasing number of students with SEN.

19.9 SED explained that in the past years when integrated education was initiated, secondary school teachers had to give priority to undertaking training programmes for the implementation of the New Senior Secondary Curriculum. New initiatives to strengthen special education training for teachers were progressively put in place for better implementation of integrated education.

Examination fees of Hong Kong Diploma of Secondary Education Examination

19.10 Mr CHAN Chi-chuen asked EDB to consider extending the scope of the one-off initiative to pay examination fees for school candidates sitting for Hong Kong Diploma of Secondary Education Examination ("HKDSE") to cover private candidates who were school candidates the year before. In particular, he opined that as the HKDSE results of candidates in 2020 might be affected by the pandemic, EDB should pay the examination fees for the private candidates in 2021 who were school candidates taking HKDSE in 2020.

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Learning and teaching resources

19.11 Mr HUI Chi-fung requested EDB to disclose the names of personnel involved in the development of learning and teaching ("L&T") resources for Basic Law education, and names of textbook review panel members.

19.12 SED advised that textbook reviewers included members of EDB, serving principals, teachers, academics, and professionals well versed in the subjects concerned. The identity of reviewers should be kept confidential to ensure that textbook review could be conducted fairly, objectively and professionally free from interference, pressure and bias. It was also an important safeguard against corruption. Members of the public were free to provide comments on published textbook and L&T resources for EDB's consideration.

Staff establishment and salary structure in public sector primary schools

19.13 Noting that the Government would rationalize the salaries for principals and vice-principals and improve the manpower resources at the middle management level in public sector primary schools, Mr IP Kin-yuen urged EDB to submit the relevant funding proposals to FC soonest possible and accord priority to the deliberation of these proposals at FC.

19.14 SED advised that the aforesaid funding proposals were placed on the agenda of FC meetings in July 2019. However, the proposals had not been dealt with in the 2018-2019 legislative session. The Government would seek funding approval from FC when appropriate.

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Teachers' professional conduct

19.15 Dr KWOK Ka-ki opined that the follow-up actions taken by EDB on the complaints about suspected professional misconduct of teachers during the social events last year, for example, issuing advisory letters or verbal reminders to teachers, were political censorship to suppress freedom of speech and freedom of thought. Mr WU Chi-wai opined that many teachers did not express views on school affairs any longer as a result of EDB's follow-up actions on such complaints, which was not conducive to education.

19.16 Dr Priscilla LEUNG opined that to safeguard the well-being of students, EDB should seriously follow up cases involving offences and misconduct committed by teachers. The school management might not be in a position to deal with such cases. EDB should also review the curriculum of senior secondary Liberal Studies and monitor the quality of teaching and learning of different subjects.

19.17 SED advised that to safeguard the well-being of students, teachers should appreciate the impact of their words and deeds on the minds and virtues of students. Making hate messages or using foul language by teachers was absolutely inappropriate. EDB had all along been adopting a serious and prudent approach to handle complaints involving professional misconduct of teachers to ensure that every case was treated fairly. If a teacher was found to have committed an act of misconduct, EDB would follow up the case in a stringent manner, including issuing advisory, warning or reprimand letters. For serious cases, the registration of teachers concerned might be cancelled. As for the complaints about suspected professional misconduct of teachers received since June 2019, some were found unsubstantiated after EDB had carefully considered and scrutinized the available information and evidence.

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Impact of the epidemic on the school sector

Hong Kong Diploma of Secondary Education Examination 2020

19.18 Mr SHIU Ka-chun, Mr Michael TIEN, Dr Fernando CHEUNG, and Dr Priscilla LEUNG expressed concern that candidates of HKDSE Examination and their parents got tensed up as the date for commencing the Examination was uncertain. They urged EDB to set a drop-dead date and announce as early as possible whether HKDSE Examination would commence as scheduled on 24 April 2020, or be further postponed or cancelled.

19.19 Mr CHAN Chi-chuen opined that EDB should be mindful of candidates' safety and HKDSE Examination should only be held as far as safety allowed. He also suggested that EDB should decide whether HKDSE Examination would commence as scheduled, be further postponed or cancelled on the basis of objective indicators, such as the number of local new confirmed cases of COVID-19 had stabilized or reduced over a period of time.

19.20 SED advised that EDB had been well aware of the concerns of the candidates and their parents. For now, EDB was still taking 24 April 2020 as the commencement date for HKDSE Examination. As the epidemic was constantly changing, further observation was required before EDB could be sure whether the situation of COVID-19 was stabilizing and it might not be practicable to set objective indicators such as the number of local new confirmed cases in a specified period for determining whether the examination could commence as scheduled. In any case, priority was given to safeguarding candidates' well-being and safety and EDB would make further announcement on the commencement date as early as possible.

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19.21 Dr CHENG Chung-tai asked whether the commencement date of HKDSE Examination would be affected by the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G) ("the Regulation"). SED advised that examination centres, such as assembly halls and classrooms in schools, were not classified as public places under the Regulation. If necessary, EDB could seek exemption under the Regulation for HKDSE examination arrangement.

19.22 Dr Priscilla LEUNG said that some parents hoped that precautionary measures would be in place during the examination to ensure the health of candidates. Dr CHENG Chung-tai asked whether HKDSE candidates in an examination centre needed to undergo compulsory quarantine if there was a confirmed case of COVID-19 in the centre and, if so, whether supplementary examinations would be arranged for these candidates after the quarantine period. Mr CHAN Chi-chuen urged EDB to formulate fallback measures to deal with special circumstances arising from the pandemic during the examination.

19.23 SED advised that EDB/the Hong Kong Examinations and Assessment Authority ("HKEAA") were drawing up a comprehensive contingency plan to handle various scenarios during examination, and would announce the arrangements in due course. To ensure their health and well-being, all candidates were required to wear masks, observe social distancing, etc. on examination days. Under such circumstances, candidates/invigilators at the same examination centre might not be regarded as close contacts of the confirmed case patient. For candidates who could not attend examinations due to illness, HKEAA might consider giving an assessed subject result.

19.24 Mr WU Chi-wai drew the Administration's attention that some parents did not want HKDSE to be cancelled, and asked how local and overseas universities could assess the academic performance of an applicant for admission if HKDSE was cancelled this year.

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19.25 SED advised that EDB had met with relevant stakeholders of the school sector on different occasions and learnt that cancellation of HKDSE Examination was certainly not a well-received option. However, cancellation would be the only choice if a persisting epidemic rendered the safe administering of HKDSE Examination impossible. In that case, HKEAA would have to rate all school candidates by assessing the HKDSE track records of schools and requiring schools to assess the academic performance of students in their own schools. Local universities might require candidates to undergo further assessment for admission. For some overseas universities, HKDSE result was not the only admission criteria. Local secondary schools might send candidates' school-based assessment results to overseas universities concerned for reference.

19.26 Mr Abraham SHEK declared that he was the Chairman of the English Schools Foundation Board of Governors. He said that the International Baccalaureate examinations in May this year had already been cancelled due to the pandemic. EDB should also cancel HKDSE Examination to safeguard candidates' well-being. In his view, all teachers should be able to understand the standards of the students, rate them by assessing their internal academic performance in schools and prepare reports for students to apply for admission to universities.

E-learning

19.27 Mr SHIU Ka-chun said that many schools had been using the video-conferencing app "Zoom" for online teaching during class suspension. As significant security concerns were raised over "Zoom", Taiwan had banned its use in schools for remote learning. He asked whether EDB would advise schools to abandon "Zoom" for other alternatives. SED advised that EDB would continue to discuss the potential security risks of "Zoom" with the school sector and consult experts before taking any further step. Mr Charles Peter MOK added that schools could consider other e-learning platforms, information of which could be found on the website of EDB.

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19.28 Mr Charles Peter MOK and Ms CHAN Hoi-yan expressed concern that during class suspension period, students from grass-roots families were unable to undertake e-learning at home due to the lack of the necessary equipment, such as computers, WiFi and printers. To better support these students, Mr MOK suggested that schools should be encouraged to provide tablet computers acquired under WiFi-100 to needy students on a loan basis, eligibility criteria of the Community Care Fund ("CCF") assistance programme of "Bring Your Own Device" ("BYOD") to subsidize needy students to purchase mobile computer devices should be relaxed, deadline for applying subsidies under the assistance programme should be extended, etc. Ms CHAN urged EDB to provide more support measures to assist needy students in practising e-learning during and after the pandemic.

19.29 PS(Ed) advised that the eligibility criteria of the said CCF assistance programme had been relaxed to cover all students who needed to undertake e-learning at home during class suspension. EDB had issued letters to schools encouraging them to lend mobile computer devices to students encountering difficulties first while helping them apply for relevant financial assistance, including the CCF Assistance Programme on BYOD, so that the students would have devices for use right away. EDB had also coordinated the provision of 100 000 SIM cards to students by charitable organizations to enable students to engage in e-learning at home during class suspension period. In response, Mr Charles Peter MOK urged EDB to strongly appeal to schools to help students practise e-learning at home.

Learning progress

19.30 Mr Michael TIEN was worried that the long period of class suspension would result in slower learning progress. He asked whether EDB had gained experience from the class suspension period during SARS outbreak and how EDB could identify learning gaps among different schools after COVID-19 to help all students catch up. Ms CHAN Hoi-yan said that students' learning had been greatly

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affected by the social events and the pandemic. She asked whether EDB would issue guidelines to schools to advise them how to help students catch up to the relevant grade levels when class resumed.

19.31 SED advised that e-learning could not fully replace classroom learning and schools had adopted diversified modes of learning to support students to learn at home during class suspension period. Besides e-learning, some schools had mailed printed learning materials to students. Upon class resumption, schools would assess individual students' learning progress and render support as appropriate. As the attainment of students should be assessed at the end of each three-year key stage, it would be in the interests of students to catch up their learning during class suspension and upon class resumption.

19.32 Dr Fernando CHEUNG appreciated EDB's release of resources and recommended support strategies for students with SEN during class suspension period. However, he remained concerned that students with SEN were greatly affected by the pandemic. For example, the development of many students with SEN lagging behind as a result of the suspension of face-to-face training and therapy services; and no assessment could be done to decide whether a child in Special Child Care Centres ("SCCCs") should be assigned to a mainstream primary school or a special school.

19.33 SED advised that EDB took note of the challenges faced by students with SEN in this period and would continue to discuss with the Social Welfare Department the transition arrangements for students with special needs from SCCC to primary schools.

Support for schools

19.34 Mr IP Kin-yuen pointed out that due to the tight supply of anti-epidemic goods, schools had difficulties in procuring these goods, in particular masks, for class resumption. He asked whether EDB would, apart from providing support grants to schools, coordinate the

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procurement of anti-epidemic supplies. Dr Fernando CHEUNG observed that personal protective equipment for staff in boarding sections of special schools was far from sufficient.

19.35 SED advised that EDB was maintaining close contact with various school councils to facilitate schools in procuring anti-epidemic supplies. As regards the boarding sections of aided special schools, a one-off additional grant had been provided separately to them for guarding against the epidemic. EDB would follow up with the special schools with a boarding section to provide necessary support.

19.36 Mr Michael TIEN said that as many KG students applied for withdrawal from school during the class suspension period, some private KGs had ceased or would cease operation. He asked whether EDB had estimated the number of KGs that would be affected by the withdrawal and how EDB would support KGs to tackle the current financial difficulty.

19.37 SED responded that as far as he knew, four KGs might cease operation next year. In the past, six or seven KGs closed down every year on average. EDB would maintain close liaison with the KG sector and provide necessary support.

Second round of Anti-epidemic Fund

19.38 Mr LEUNG Yiu-chung opined that the one-off grant of \$40,000 provided to each tutorial school and the one-off grant of \$7,500 to each instructor/coach engaged by a school under the second round of the Anti-epidemic Fund ("AEF") were too minimal. He asked whether EDB could use its resources to top up the said grants by 100%. Mr IP Kin-yuen shared Mr LEUNG's concerns and opined that that more should be done to provide assistance and relief to tutorial schools, instructors engaged by schools, etc. Dr CHENG Chung-tai opined that the one-off relief grant for tutorial schools was insufficient for them to tackle operational difficulties. He also urged EDB to

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provide relief grants to private education centres offering interest classes, music schools, etc.

19.39 SED advised that in response to clear calls from the community, the second round of AEF was rolled out for the purpose of safeguarding as many jobs as possible so as to preserve the vitality of the economy and the livelihood of people. Apart from the provision of one-off relief to specific sectors, the Employment Support Scheme ("ESS") would be launched under AEF. ESS would provide employers subsidies for paying wages to their employees. Private tutorial schools would also benefit from ESS.

19.40 Mr LEUNG Che-cheung and Mr MA Fung-kwok welcomed the disbursement of a one-off relief grant of \$7,500 to interest class instructors and coaches engaged by schools under the second round of AEF, and sought details on the disbursement arrangements. Mr LEUNG also suggested providing the relief grant to instructors for say, three months.

19.41 SED advised that instructors who were engaged by schools and had not applied for relief grants under schemes administered by, for example, the Home Affairs Bureau were eligible to receive the relief grant. EDB would verify the instructor status via schools. As for the amount of relief grant, it was determined by all bureaux administering relevant schemes under AEF. PS(Ed) supplemented that the Administration had taken note of the concerns of the instructors. Before rolling out the second round of AEF, EDB had encouraged schools to discuss with the interest class instructors on the arrangement of their services, and consider the use of e-learning during class suspension, enhanced training upon class resumption, etc., so that the instructors would still get paid for the services provided during the period. In the same vein, non-government organizations (NGOs) which provided designated after-school learning activities for schools were encouraged to advance the payment of part of the salary to the instructors who would provide services to schools through e-learning

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modes or conduct preparatory work relating to the activities during class suspension.

19.42 While welcoming the provision of relief grant for tutorial schools, Mr Michael TIEN enquired whether private education centres, classes on dancing, language courses and playgroups would also be provided with the relief grants. Mr Holden CHOW welcomed the relief grants for tutorial schools. He asked whether those education centres not registered under the Education Ordinance (Cap. 279) would be provided with the relief grant, and whether those self-employed interest class instructors would be provided with the subsidy of \$9,000 under ESS.

19.43 SED advised that education centres offering interest classes were not schools registered under the Education Ordinance. They therefore would not be provided with relief grants under the second round of AEF. As for self-employed instructors, ESS would cover those who had made Mandatory Provident Fund contributions. Interest class instructors engaged by schools could apply for the one-off grant of \$7,500.

19.44 Mr Tommy CHEUNG declared that he was a member of a school sponsoring body ("SSB"). He enquired whether school lunchbox suppliers (including those which were SSBs) and school tuck shops would be eligible for wage subsidy under ESS after receiving the one-off relief grant. SED advised that school lunchbox suppliers and school tuck shops could apply for both the one-off relief grant and the subsidies under ESS. As government schools, aided schools and direct subsidy scheme schools would continue to receive funding from the Government during the epidemic, their staff would be less affected. Therefore, SSBs being lunchbox suppliers for their schools were not eligible for the one-off relief grant. Mr CHEUNG urged EDB to consider including those SSBs supplying lunchboxes under ESS.

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19.45 Mr Tommy CHEUNG further said that some government schools and aided schools still required tuck shops to pay rent during the epidemic. Also, some schools prohibited students from buying food at tuck shops which were being labelled as "blue shops" since September last year. He asked EDB to follow up these matters. SED advised that schools were not places for expressing political stances or demands. Under the above circumstances, the tuck shop operators concerned could approach EDB direct for assistance.

19.46 Ms CHAN Hoi-yan noted that employers of tutorial schools who received wage subsidies under ESS should undertake not to implement redundancy measures, and asked whether penalties would be imposed on those whose business was closed down after receiving the subsidies. SED advised that the Labour and Welfare Bureau would announce more implementation details of ESS.

Post-epidemic recommendations

19.47 Mr MA Fung-kwok opined that there should be a large sum of unspent estimated education expenditure as a result of the pandemic. EDB should consider asking schools to make good use of the unspent expenditure to implement e-learning and the Opening Up School Facilities for Promotion of Sports Development Scheme ("the Scheme"). Meanwhile, EDB should provide more support, such as subsidizing schools to take out insurance coverage, to encourage schools to join the Scheme.

19.48 SED advised that the Scheme was jointly launched by EDB and the Home Affairs Bureau to encourage schools to open up their facilities for hire to outside organizations. The numbers of both participating schools and organizations under the Scheme were increasing since its launch. EDB would continue to promote the Scheme to foster collaboration between schools and the community. As for insurance coverage, EDB had taken out Block Insurance Policy for schools which covered their public liabilities. Participating

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organizations were required to take out insurance policy for the use of school facilities.

19.49 Mr Abraham SHEK opined that education should not be politicized. Teachers should show concern to students, help students develop positive values and attitudes, increase their understanding of their country, and nurture them to be responsible citizens. The pandemic was an opportunity for EDB to review how education resources could be effectively used and how the next generation could be well equipped to face adversity and meet future challenges.

19.50 SED advised that the past months had been a new learning experience for the education sector. EDB had identified areas for improvement in education, such as e-learning, L&T support, promotion of reading, moral education, etc. EDB would join hands with the school sector to identify new ways to help students and develop new education initiatives.

Chapter XX: Security

20.1 At the invitation of the Chairman, Mr John LEE, Secretary for Security ("S for S") briefed members on the main initiatives and expenditure on the policy area of security for 2020-2021 (Appendix IV-18).

Police

20.2 Referring to Reply Serial No. SB031, Mr KWONG Chun-yu expressed concern about the increase of the expenditure on specialist supplies and equipment from \$300 million to \$612 million in 2020-2021. Pointing out that during recent processions and assemblies, frontline police officers had repeatedly lost control of their emotions in dealing with media practitioners working in the frontline, he asked whether the Commissioner of Police ("CP") would tender apologies to media practitioners. In reply, CP stressed that the Police had all along respected freedom of the press, but as riot scenes were relatively dangerous, the Police had to do their best to curb violence. He understood that the Police and the media had different duties to perform and that both should exercise mutual respect and discharge their respective functions. He added that the Police were preparing to meet with frontline reporters and media organizations. Mr KWONG Chun-yu further enquired about the handling of the information collected on the "operational call signs" of police officers and sent to the Police. CP responded that as the "operational call signs" were unique for every police officer participating in operations and would enable effective identification of officers, they would be used for the handling of complaints when necessary.

20.3 Ms Tanya CHAN asked whether CP would conduct in-depth investigation into the incident of assaults which occurred in Yuen Long Station of West Rail Line of the MTR Corporation Limited on 21 July 2019 ("the 721 incident"), the incident of assaults which occurred in Prince Edward Station of the MTR Corporation Limited on 31 August 2019, and a series of social disputes occurred since June last year, so as to increase the public's trust in and their ratings of the Police Force. Besides, she expressed dissatisfaction that the expenditure of the Police Force on the Disciplined Services Overtime Allowance ("DSOA") had accumulated to as high as about \$2 billion in just eight months, and that the Police's pay increments for the current year

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were the highest among government departments. In response, CP said that he noticed that the public's ratings of the Police Force had improved recently. He stressed that police officers did not wish to have to work overtime. Rather, they expected members of the public to cooperate with them to stop violence.

20.4 Dr CHENG Chung-tai was concerned about the investigation progress of the 721 incident, particularly in respect of the arrest of offenders. S for S responded that any person who violated the law would be dealt with by law enforcement agencies based on the evidence of the case concerned and in accordance with the law. He stressed that all people were equal before the law, and offenders would not enjoy any privileges because of their status.

20.5 Referring to Reply Serial No. SB193, Mr Andrew WAN cited the incident of assault on Mr LAM Cheuk-ting at the Admiralty footbridge on 30 June 2019 and the incident of assaults which occurred in North Point on 11 August 2019 ("the 811 incident") as examples to illustrate the unfair and biased law enforcement practices by the Police, and questioned why CP could be paid a monthly salary as high as \$300,000. Mr CHAN Chi-chuen and Dr CHENG Chung-tai also asked if the Police Force had finished the investigation of the 811 incident. Ms Claudia MO also commented that police brutality had persisted for some time and mentioned the incident in which an Indonesian female reporter was injured during news reporting. In response, S for S stressed that the Police would deal with each and every case having regard to the evidence concerned regardless of the political stance and background of the persons involved. CP reiterated that the Police would enforce the law fairly and impartially. Every case would be investigated in a serious and thorough manner. Citing the 721 incident as an example, he pointed out that the Police were gravely concerned about the incident. So far, 37 persons had been arrested and seven of them had been prosecuted. He reiterated that the identities and backgrounds of the people would not be taken into consideration in the investigation.

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20.6 Mr LAM Cheuk-ting declared that he was bringing a civil lawsuit against CP for the 721 incident. He referred to Reply Serial No. SB174 and asked whether CP would apologize for the Police's failure to discharge their duties of protecting members of the public during the 721 incident. S for S said that it would be inappropriate for Mr LAM to enquire about the case as he was a party to the civil lawsuit, and it would not be necessary for CP to respond to questions on the incident. The Chairman reminded members that under Rule 41(2) of the Rules of Procedure, reference should not be made to a case pending in a court of law in such a way as, in the opinion of the President or Chairman, might prejudice that case. Mr LAM Cheuk-ting said that CP had time and again responded to the 721 incident in recent Council meetings. Dr Helena WONG asked why CP had responded to the 721 incident earlier at the meeting but now considered it inappropriate to do so.

20.7 Referring to Reply Serial No. SB049, Mr IP Kin-yuen said that relying on weapons alone would certainly not help resolve problems but only aggravate them. He mentioned the incident of a secondary school student being assaulted last year, and asked if CP would apologize for the police brutality that occurred over the past period of time, investigate the police officers concerned and compensate the victims, etc. S for S said that Mr IP should not present one-sided allegations as facts. He stressed that members of the public who were dissatisfied with the performance of police officers in their execution of duties could provide evidence and lodge complaints to the Complaints Against Police Office. He particularly cautioned that violence should not be beautified. CP added that the Police would investigate each case thoroughly. In his view, the fact that so many young people had been incited to break the law since June last year was what required a rethink in society.

20.8 Dr Junius HO considered that all incidents should be dealt with impartially and lawbreakers should be severely punished.

20.9 Referring to Reply Serial No. SB025, Mr CHAN Chi-chuen expressed concern about the entry standards of the Police Force, the training resources of the Police College, and the manpower distribution of various police districts. S for S responded that applications for

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resources from departments under the Security Bureau had to be approved by the Bureau according to the operational needs of the departments. Since there were more than 1 400 events of processions and protests last year, with most of them turning into violent incidents eventually, it was absolutely necessary for the Police to make appropriate manpower deployment.

20.10 Mr Alvin YEUNG pointed out that the Administration had told the Finance Committee earlier that the Police Force's expenditure on DSOA in relation to handling public order events for the period from June to November 2019 was around \$950 million. However, it was stated in Reply Serial No. SB054 that in 2019-2020, the Force's expenditure on DSOA in relation to handling public order events since June 2019 under Subhead 000 (Operational expenses) was around \$1.92 billion. He asked why the expenditure on DSOA was particularly high for the period from December 2019 to February 2020. CP explained that it took time to process overtime claim. For example, allowances for overtime worked in June would normally be paid in August. In general, the monthly DSOA received per officer would be about \$16,000 on average. In response to Mr YEUNG's enquiry about the details of the Police Force's DSOA in January and February of 2020, CP said that the relevant information would be provided after the meeting. S for S added that any changes to the approved Estimates of Expenditure or redeployment of funds under One-line Vote would be accounted for in reports submitted to the Legislative Council ("LegCo").

20.11 Referring to Reply Serial No. SB186, Mr Jeremy TAM enquired about the government departments from which the Police Force had received funding via allocation warrants in 2019-2020. S for S responded that the Police Force had received allocation warrants from 22 controlling officers in the Central Government Offices and also from other different departments. Deputy Secretary for Financial Services and the Treasury (Treasury)¹ added that under the allocation warrant, a controlling officer of a department might, in respect of any subhead for which he/she was the controlling officer, authorize by an allocation warrant signed by him/her any other controlling officer to incur expenditure for his/her subhead. The purpose of the expenditure involved in the allocation warrant had to

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conform with the purpose within the ambit of the payment subhead. The funding involved in the allocation warrant would not be transferred from the department which issued the warrant to the department which received it. The expenditure so incurred was essentially the expenditure of the department which issued the allocation warrant.

20.12 Referring to Reply Serial No. SB141, Mr Kenneth LEUNG asked about the estimated amount of expenditure and the policy on the procurement of stun guns and net guns for use by police officers, including but not limited to the criteria on technological performance and prices, as well as the weighting of various criteria in the assessment process. CP responded that the need for the procurement of stun guns and net guns was still under study. He stressed that all equipment procured by the Police Force had to comply with safety standards. S for S supplemented that the Police Force would conduct procurement in accordance with the established policies, procedures and practices of the Government. Mr Kenneth LEUNG further sought information on the establishments of the Criminal Intelligence Bureau, Organized Crime and Triad Bureau, and Commercial Crime Bureau of the Police Force. S for S and CP said that a written response on the considerations and procurement policies regarding the purchase of weapons (including stun guns and net guns) and the staffing establishments as enquired by Mr LEUNG would be provided after the meeting.

20.13 Mr CHU Hoi-dick pointed out that in many parts of its replies to the initial written questions raised by members, the Security Bureau had used such expressions as "it is inappropriate to disclose such information" and the information "could not be disclosed" or "is not available" to explain the reasons for non-provision of the information requested by members. In particular, he referred to Reply Serial No. SB091 in which there was no direct answer to the total expenses on personal entertainment incurred by CP since 19 November 2019. Mr CHU questioned whether the entertainment expenses of CP were not subject to any cap. In response, S for S stressed that the official entertainment expenses of CP and other police officers should follow the relevant regulations and administrative guidelines.

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20.14 Referring to Reply Serial Nos. SB159, SB160, and SB168, Mr Charles Peter MOK commented that the Police Force had only provided such statements as "[it] does not maintain the statistics requested in the question", "it is inappropriate to disclose such information" and "no specific breakdown is available" in its replies to some of the questions. He doubted how such replies could facilitate members to monitor the work of the Government. In response, S for S explained that whether departments maintained particular types of information would depend on their daily operational needs. The Government would respond to written questions raised by members as far as practicable.

20.15 Dr Fernando CHEUNG opined that the Police had enforced the law unfairly in its recent operations against the suspected contravention of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G) ("the order to prohibit group gatherings"). Ms Claudia MO was also concerned about the criteria for enforcement actions in relation to the order to prohibit group gatherings. In response, CP stressed that prosecutions for violating the order to prohibit group gatherings would be instituted after consolidating all evidence, and the Department of Justice ("DoJ") would be consulted when necessary. Refuting Mr CHEUNG's allegation of unfairness in law enforcement by the Police, he reiterated that the Police would enforce the law in a fair and impartial manner and would take the most appropriate action in the light of the circumstances at the scenes.

20.16 Referring to Reply Serial No. SB150, Ms Alice MAK asked if the Police had sufficient manpower to enforce the order to prohibit group gatherings and combat the unscrupulous financial intermediaries. In response, S for S stressed that any person who violated the prohibition of group gatherings would be brought to justice.

20.17 Ms Elizabeth QUAT expressed concern about the emergence of local terrorism. She pointed out that the spate of violent incidents that took place since June last year had led to vandalization of public facilities, governmental properties and transport facilities, which had incurred a repair cost of over 800 million. She enquired about the combating strategies employed by the Police and whether additional

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manpower and equipment were required for the protection of public safety. CP responded that the Police were very worried about local terrorism as violent individuals had escalated their force from hurling bricks and petrol bombs initially to placing explosive devices at public places currently in order to threaten the Government. In response, the Police would strengthen the relevant intelligence gathering and enhance the operational capability of the Explosive Ordnance Disposal Bureau. He also pointed out that through its intelligence, the Police were able to uncover explosive devices beforehand in at least 12 cases during the past 10 months, and hence no casualties were caused. Besides, the Security Bureau had already set up an Inter-departmental Counter-terrorism Unit to step up the promotion of relevant public education. He particularly called on the community to condemn such acts together.

20.18 Referring to Reply Serial No. SB150, Mr LUK Chung-hung asked how the creation of new posts in the Police Force in 2020-2021 would help improve the worsening law and order situation in Hong Kong. S for S and CP responded that the net increase in posts for the Force in 2020-2021 was mainly for enhancing the support to the work of frontline police officers in various police districts and building up the Force's intelligence and evidence collection capabilities to counter increasing terrorist threat. Mr LUK further enquired about the progress of the investigation of the incidents of local terrorism. S for S said that according to preliminary findings, the purpose of some incidents was to coerce the Government to make policy changes, which was similar to those terrorist incidents in overseas countries.

20.19 Mr Holden CHOW opined that due to the continued escalation of violent incidents in Hong Kong over the past period of time, with some going as far as hurling of petrol bombs at police stations, it was absolutely necessary for the Police Force to be provided with additional equipment. In view of the High Court's dismissal of the application for judicial review of the Junior Police Officers' Association to restrain public inspection of the electoral registers, Mr CHOW enquired about the measures in place to protect the privacy of police officers, and whether the Police would speed up the handling of the existing 600-odd cases of doxxing of police officers. S for S responded that the authorities respected the ruling of the court. He

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pointed out that the court had also issued an injunction order to protect the privacy of police officers. Mr CHOW also took this opportunity to extend his regards to several police officers who were confirmed of being infected with the Coronavirus Disease 2019 ("COVID-19"), and wished for their speedy recovery.

20.20 Mr LEUNG Che-cheung pointed out that some members of the community had instigated or incited young people to break the law, and enquired about the Police's handling of such cases. At the same time, he expressed concern about how the Police Force could boost their morale, foster a positive image and enhance its capability to fight crime. S for S responded that a person who aided or abetted others to commit a crime would be deemed to have committed the crime himself. As long as there was sufficient evidence, the relevant authorities would seriously deal with the person concerned in accordance with the law. As regards the budding of homegrown terrorism, he pointed out that it was very dangerous for some members of the community to beautify terrorism. He hoped that the public would be on the alert for terrorism and condemn it together.

20.21 Referring to Reply Serial No. SB127, Mr Kenneth LAU expressed regret about the deliberate dissemination of fake news that was unfavourable to the Police Force by some members of the community to create social dissension. He considered it necessary for the Administration to make more proactive efforts to clarify fake news, so as to maintain the image of the Police Force. He enquired about the date of establishment and the manpower arrangement of the Social Media Communication Division under the Police Public Relations Branch, as well as the topics of the more popular posts which were posted on the Police's social media platforms. CP responded that the Social Media Communication Division, comprising 30 full-time staff, was responsible for managing the social media platforms of the Police Force. These platforms were mainly used for clarifying unfounded rumours and promoting important anti-crime messages among the public. As regards the date of establishment of the Division, he would provide the relevant information after the meeting.

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20.22 Mr Steven HO said that some members of the public were misled by fake news, which had affected the public's rating of the Police Force. He hoped that the Administration and the Police Force would, based on evidence, investigate different social incidents that took place in the past six months or so, to enable the public to understand the true position. He particularly enquired about the Police's handling of the situations where members of the public obstructed the Police in carrying out their duties on riot scenes, and where there was an increase in various crimes as a result of the distribution of police resources being affected by a spate of social incidents. CP responded that should there be evidence to suggest that members of the public had obstructed the Police in carrying out their duties, the Police would definitely initiate prosecutions. He also said that he was aware of incidents of uneven distribution of police manpower and emphasized that the Police would step up efforts on various fronts.

20.23 Referring to Reply Serial No. SB033, Mr CHAN Chun-ying highlighted that Singapore passed legislation to combat fake news in November last year, while Thailand would monitor and investigate persons who disseminated inappropriate information on the Internet in accordance with the Computer Crimes Act. He asked whether the Police would allocate more resources to combat fake news and fake information being circulated in the media. In response, S for S reiterated that the Administration would make clarifications via different channels if any fake news or fake information was found. Furthermore, he noted that the Law Reform Commission ("LRC") was conducting a study on cybercrime. The Administration would closely keep in view any relevant recommendations to be made by LRC. He also pointed out that the Administration would make reference to overseas practices and strengthen its effort to combat fake news.

20.24 Dr Priscilla LEUNG said that she had, since 2015, put forward to the Administration a proposal on introducing the offence of insulting a police officer, but then the Administration wished for harmony in the society. However, there was considerable hostility towards the Police in the society at present. She pointed out that in other common law jurisdictions, the local governments would definitely not allow similar situation to occur. Besides, given the

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current proliferation of the Police-related fake news in the society, she enquired, from an enforcement perspective, how the spread of these fake news could be curbed so that the public would not be misled. S for S responded that the relevant law enforcement departments would, as a first step, combat fake news by invoking existing legislation. Furthermore, the Administration would explore with the Privacy Commissioner for Personal Data legislation to protect the privacy of police officers. He also said that the Constitutional and Mainland Affairs Bureau was conducting studies on this subject.

20.25 Referring to Reply Serial No. SB036, Ms Alice MAK pointed out that in the violent protests in the past six months or so, it was suspected that some foreign political groups had infiltrated into Hong Kong to carry out political activities, impacting on the law and order in Hong Kong. She asked whether the Administration would conduct studies and take actions in this respect. In response, S for S stressed that the relevant authorities would definitely deal with any person or organization who violated the laws of Hong Kong in accordance with the law, irrespective of their political background.

20.26 Referring to Reply Serial No. SB037, Mr CHAN Hak-kan and Ms Alice MAK expressed concern about the criminal offences committed by young people aged from 10 to 25. Mr CHAN enquired about the Administration's interpretation of the situation of more than 5 000 young people being arrested for commission of offences (excluding offences against public order). Ms MAK enquired about the Administration's measures to reconstruct people's concept of the rule of law. On efforts to tackle juvenile crimes, Mr CHAN Chun-ying also asked apart from School Liaison Officers, whether the Police had planned to adopt a more innovative approach in enhancing the communication with students. CP responded that apart from the establishment of the Junior Police Call, the Police Force would also liaise closely with school principals, teachers and social welfare organizations to enhance the civic awareness of young people and instil in them again proper values.

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Immigration matters

20.27 Mr Vincent CHENG thanked the Security Bureau and the Immigration Department ("ImmD") for their assistance rendered to Hong Kong residents who were stranded in places outside Hong Kong due to the COVID-19 epidemic. He was concerned about the number of Hong Kong people who were still stranded in places outside Hong Kong and the manpower arrangement of ImmD, and the further support which the Administration could provide in this respect. Referring to Reply Serial No. SB015, Mr YIU Si-wing pointed out that he had received requests for assistance from Hong Kong residents stranded in Peru and Morocco. He asked about the procedures, departments and time involved in providing assistance to Hong Kong residents stranded in places outside Hong Kong.

20.28 S for S responded that up to that point in time, the Administration had received requests for assistance from a total of over 1 200 Hong Kong residents who were stranded in 62 different countries. He stressed that ImmD would make every effort to follow up on each case and render appropriate assistance (e.g. making arrangements for providing daily necessities and drugs for personal use). Different cases might entail different difficulties and uncertainties, and each country might impose different traffic restrictions in response to the epidemic, and even the airlines might have different arrangements. He specifically mentioned about the situation in Morocco whereby the Administration had made enquiries with nine airlines, but none of them was willing to accept the charter arrangement.

20.29 Mr Jeremy TAM hoped that the Security Bureau and ImmD would provide assistance to Hong Kong residents stranded in India as soon as possible.

20.30 Mr POON Siu-ping expressed strong support for the estimate of the Security Bureau for 2020-2021. Referring to Reply Serial No. SB271, he enquired whether the policies for processing applications for entry into Hong Kong for employment, investment, etc. would be adjusted as a result of the rise in the unemployment rate in Hong Kong, and about the staffing establishment and allocation of manpower for the processing of applications under various admission schemes. Due to

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time constraints, the Chairman requested the Administration to provide relevant information after the meeting.

[Post-meeting note: After the meeting, Mr POON Siu-ping confirmed in writing that he would withdraw the relevant questions.]

Processing of non-refoulement claims

20.31 Referring to Reply Serial No. SB001, Mr CHAN Hak-kan asked why there was a relatively higher number of non-refoulement claimants who were of Vietnamese and Indian nationalities. Given that over 99% of the claims were finally rejected, he expressed concern about the high annual expenditure incurred for handling non-refoulement claims and the related work, and the timeframe for the removal of rejected claimants from Hong Kong. S for S responded that the respective percentages of non-refoulement claimants of Vietnamese and Indian nationalities in the total number were 24% and 19%. According to analysis, the main purpose of claimants' coming to Hong Kong was to take up illegal employment. As past experience showed that only 0.9% of non-refoulement claims were substantiated, he hoped that the removal of rejected claimants from Hong Kong could be expedited. That said, he mentioned that the Bureau must comply with the requirement set down by the Court of Final Appeal's judgment, i.e. before proceeding with the removal of any rejected claimant from Hong Kong, it must be satisfied that the claimant concerned would not face a real risk of being subjected to cruel, inhuman or degrading treatment or punishment.

Correctional Services

20.32 Referring to Reply Serial No. SB321, Mr SHIU Ka-chun asked why S for S had indicated in his speech that there were currently 2 000 volunteers participating in the mask production of Correctional Services Industries, but it was stated in Reply Serial No. SB321 that only 1 200 off-duty and retired correctional officers were engaged in mask production on a voluntary basis. In addition, Mr SHIU said that some persons in custody ("PIC") had relayed to him that volunteers' participation in mask production had resulted in variation in the quality

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of masks. He then sought the statistics on the quality control of masks and requested the Administration to give an account on the logistic flow of masks. In response, Commissioner of Correctional Services said that the existing 2 000 volunteers included off-duty and retired correctional officers. He disagreed with the remark of Mr SHIU that volunteers' participation in mask production had resulted in variation in the quality of masks, and emphasized that there were always flaws identified in the course of production. However, the Correctional Services Department ("CSD") did not maintain any statistics on quality control. He also said that on the first day of the implementation of the plan on masks production initiated by CSD, he attended the scene to express his gratitude to the PICs engaged in mask production.

Government Flying Service

20.33 Referring to Reply Serial No. SB348, Mr MA Fung-kwok enquired whether the Administration would, by making reference to the disposal of Jetstream 41 fixed-wing aircraft, plan to install the retiring Super Puma and Dolphin helicopters at the Kai Tak Runway Park for public exhibition. In response, Controller, Government Flying Service explained that the existing fleet of Super Puma and Dolphin helicopters was in the initial process of decommissioning. Taking note of Mr Ma's suggestion, he would actively discuss with the Government Logistics Department and other relevant departments issues relating to the disposal of retired helicopters. All the processes of decommissioning were expected to be completed in the second to third quarters of this year. When necessary, he would follow up the matter with Mr MA.

Fire service

20.34 Referring to Reply Serial No. SB307, Mr POON Siu-ping asked about the difference between the dispatch criteria which were introduced officially by the Fire Services Department ("FSD") on 1 January 2020 and those before the review, and the numbers of emergency ambulance calls attended by first responders before and after the review. Due to time constraints, the Chairman requested the Administration to provide relevant information after the meeting.

Other issues

20.35 Referring to Reply Serial No. SB009, Dr Junius HO said that there was a strong public aspiration in the society for the Administration to enact laws in respect of Article 23 of the Basic Law. He enquired about the Administration's legislative timetable for it. S for S responded that enactment of legislation for Article 23 of the Basic Law was the constitutional responsibility of the HKSAR Government. As discussions in LegCo were required during the legislative process, the Administration would strive to create a favourable social environment for the legislative work.

20.36 Referring to Reply Serial No. SB041, Mr YIU Si-wing expressed concern about the coordination of efforts between the Police Force and FSD on riot scenes. In response, S for S emphasized that the Police Force and FSD had co-operated and coordinated well with each other on the front line, with a good complementary relationship.

20.37 Mr James TO expressed his views on the performances of S for S and CP, and queried if their responses given today would be conducive to enlisting public support for the Government. S for S said that while he supported members' rational discussions of issues, it was imperative for the Administration to clarify misinformation. He pointed out that the general direction of society in moving forward required a consensus among all parties, and the Government would listen to views and opinions. He once again appealed to all members of the community to oppose any unlawful acts, and emphasized that politics should not be used as a means to override the law.

Chapter XXI : Welfare and Women

21.1 At the invitation of the Deputy Chairman, Dr LAW Chi-kwong, Secretary for Labour and Welfare ("SLW") briefed members on the major initiatives and expenditure concerning welfare and women for the 2020-2021 financial year (Appendix IV-19).

Social welfare support provided during the Coronavirus Disease 2019 epidemic

Social welfare services provided during the epidemic

21.2 Mr LEUNG Yiu-chung expressed concern that community care services ("CCSs") for the elderly and persons with disabilities, such as personal care, rehabilitation exercises, home cleansing service, meal delivery service, etc., had all been affected during the Coronavirus Disease 2019 epidemic. He enquired whether the Administration would allocate additional resources to CCS units, thereby enabling these service units to recruit sufficient frontline care workers for service provision and to purchase adequate personal protective equipment ("PPE") for use by frontline care workers.

21.3 Referring to Reply Serial No. LWB(WW)125, Prof Joseph LEE considered that Ethnic Minority ("EM") District Ambassadors had inadequate understanding of CCSs and failed to provide sufficient anti-epidemic information to EM elderly persons during the epidemic. In his view, the Administration should recruit more District Ambassadors under the EM District Ambassador pilot scheme to provide services.

21.4 SLW advised that having regard to the Government's social distancing measures and the tight manpower situation of CCS units, it would be difficult for these service units to provide services during the epidemic. Moreover, in view of relatively tight supply of face masks and PPE and the priority of PPE distribution being accorded to healthcare workers, the Government had allocated resources to non-governmental organizations ("NGOs") for procurement of PPE.

21.5 Director of Social Welfare ("DSW") added that regarding the provision of social welfare services, the Government should not only address the needs of service users but should also reduce the risk of the

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epidemic spreading in the community and safeguard the health of NGO staff. In this connection, the Administration had been maintaining close liaison with NOGs in view of the latest development of the epidemic, so as to fine-tune the arrangement for welfare service provision. If necessary, the Social Welfare Department ("SWD") would make enquiries with the Department of Health on how NGOs should take appropriate preventive measures.

21.6 Referring to Reply Serial No. LWB(WW)082, Mr KWOK Wai-keung expressed concern that meal services provided by CCS units for the elderly were affected by the epidemic. He enquired whether the time-limited posts to be created under the new round of the Anti-epidemic Fund ("AEF") covered those related to the aforesaid meal services, so as to cope with the service demand of the elderly during the epidemic.

21.7 SLW responded that around 10 000 and 20 000 time-limited jobs would be created by the Government in the public and private sectors respectively in the coming two years for people of different skill sets and academic qualifications. Noting Mr KWOK Wai-keung's suggestion, he advised that the detailed arrangements of the relevant measures, once formulated, would be published.

Employment Support Scheme under the Anti-epidemic Fund

21.8 Dr KWOK Ka-ki, Dr Fernando CHEUNG, Dr CHIANG Lai-wan and Mr KWONG Chun-yu considered that the Employment Support Scheme ("ESS") launched by the Administration under AEF could not benefit the unemployed or the under-employed. Expressing concern that the Administration had failed to ensure that casual workers could be fully benefited from ESS, Dr KWOK suggested that freelancers should be provided with financial assistance. Dr CHEUNG suggested that ESS should provide specific assistance to employees from sectors being affected by the implementation of anti-epidemic and social distancing measures by the Administration. Dr CHIANG, Mr LUK Chung-hung and Ms Claudia MO expressed concern that employers who were able to benefit from ESS could still reduce staff remuneration or request their staff to take no pay leave during the epidemic.

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21.9 Mr CHAN Chi-chuen enquired about the eligibility of self-employed persons ("SEPs") under ESS. Mr Holden CHOW said that as some tutors of interest classes were self-employed, the subsidies to which they were entitled under ESS would be of a lower amount. Mr CHOW urged the Administration to provide further support to SEPs. Mr MA Fung-kwok expressed concern that as government funded organizations/groups were not eligible for applying for ESS, those receiving just a small amount of subsidies from the Administration could also not be benefited from ESS. Mr MA also said that it was possible that SEPs engaging in sports, performing arts, culture and publication sectors had not joined Mandatory Provident Fund ("MPF") schemes. As such, although their jobs might be affected by the epidemic for a prolonged period of time, they would not be able to benefit from ESS. Mr MA further pointed out that eligible SEPs would be granted a subsidy in the sum of just \$7,500, which could only provide limited support to them.

21.10 Mr Michael TIEN advised that if employers were allowed to select the employee situation in April 2020 for making applications for ESS, it might be prone to abuse. As such, he suggested that the Administration should draw up the arrangements for ESS carefully. As employers participating in ESS were required to undertake that there would be no redundancy of staff for the period on receipt of the subsidy, Mr Abraham SHEK enquired whether employers could, in making applications for ESS, choose to apply for the subsidy for some of their staff only, so as to retain flexibility in their operation.

21.11 SLW advised that there were already various measures in place under AEF which would benefit the under-employed or those who were forced to take no pay leave. ESS would provide time-limited financial support to employers, so as to assist them not only to retain their employees who would otherwise be made redundant, but also recruit afresh those who had already left. The Administration would consult various stakeholders on ESS in drawing up its details. A discussion paper on a new round of relief measures, including the details of ESS, would be submitted to the Finance Committee ("FC") for detailed discussions on such measures.

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21.12 SLW added that in formulating various measures under AEF, the Government would take the situation of different trades into account, with a view to assisting those which had not been covered under MPF schemes. Moreover, the Government would, in formulating relief measures, ensure that the relevant arrangements were simple and easy to understand, so as to facilitate early disbursement of the grants. Given the large number of individuals and trades affected by the epidemic, the Administration had strived to benefit as many affected individuals and enterprises as possible.

21.13 Mr CHU Hoi-dick and Dr Priscilla LEUNG expressed concern that as ESS could not benefit employees aged 65 or above who had not made any MPF contributions, employers might dismiss these employees in order to save staff costs. Mr CHU considered that the elderly persons aged 65 or above who were unemployed would have no alternative but to apply for the Old Age Living Allowance ("OALA"). In this regard, he requested the Administration to provide information on the additional expenses to be incurred if the target beneficiaries of ESS were extended to cover these employees, as well as that on the additional expenses if ESS was to also cover those employees who had become unemployed and had no alternative but to apply for OALA due to the epidemic. Dr LEUNG and Dr Fernando CHEUNG urged the Administration to enhance ESS by extending its coverage to employees aged 65 or above who had not made any MPF contributions.

21.14 SLW responded that for eligible elderly persons aged 65 or above, if their income had decreased due to the epidemic, they could apply for OALA or the Working Family Allowance ("WFA") on a need basis. Moreover, the Government planned to raise the ceiling of on-the-job training ("OJT") allowance payable to employers under the Employment Programme for the Elderly and Middle-aged in the second half of 2020, with a view to further encouraging employers to hire elderly persons and provide them with OJT. With the launch of the relevant enhancement measures, the maximum amount of allowance payable to employers engaging job seekers aged 60 or above under the Employment Programme would be \$60,000 per employee. A pilot scheme would also be launched in the second half of 2020 to encourage the eligible elderly participating in the Employment Programme to undergo and complete OJT through the provision of a retention

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allowance, thereby stabilizing employment. Subject to the length of the OJT period, the maximum amount of retention allowance that a full-time employee might receive was \$12,000.

Comprehensive Social Security Assistance

21.15 Referring to Reply Serial No. LWB(WW)262, Mr SHIU Ka-chun noted that SWD's daily expenditure on the provision of daily necessities, meals or food ingredients for persons under compulsory quarantine was about \$165 per person on average. In his view, the standard rate payment for a single able-bodied recipient of the Comprehensive Social Security Assistance ("CSSA"), which was around \$84 per day on average, was on the low side as compared with the related expenditure for those under compulsory quarantine. Sharing similar views, Ms Claudia MO considered that the current standard rate of CSSA payment was too low.

21.16 SLW responded that as persons under compulsory quarantine were not allowed to go out, their living expenses should not be compared directly with those of CSSA recipients. Given that SWD made use of operators in the market to provide meal for persons under compulsory quarantine, the related expenditures would be higher than the normal prices of food ingredients at which the public purchased. Moreover, in addition to the standard rate of CSSA payment, various grants and special allowances were also provided under the CSSA Scheme for recipients to meet their needs.

21.17 Dr CHIANG Lai-wan expressed concern that under the special working arrangements for civil servants, services of social security field units ("SSFUs") were suspended, rendering some CSSA applicants unable to reach the staff of SSFUs successfully. Moreover, more time was needed for the handling of some CSSA applications, and some CSSA recipients had not received any notifications about their case renewal from SWD. She suggested that SWD should, in light of such situations, deploy more manpower to expedite the handling of CSSA cases.

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21.18 DSW responded that SSFUs had maintained their operation to handle CSSA applications during the epidemic. For the purpose of reducing social contact and infection control, CSSA applicants could return the completed registration forms via the collection boxes at SSFUs. Moreover, if it was necessary for CSSA applicants to meet with the staff who were responsible for their cases, they could make appointments in advance by phone, and the staff of SSFUs would follow up the voice messages received.

21.19 Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr POON Siu-ping and Mr Vincent CHENG considered that although the Administration had launched an unemployment support scheme through the relaxation arrangement of asset limits involving able-bodied CSSA applicants, many unemployed could not be benefited from the scheme as the relaxed asset limits were still very stringent. Moreover, even the unemployed could meet the relaxed asset limits after exhausting most of their savings, they would only have limited assets by that time and it would be very difficult for them to meet their living expenses by merely relying on the CSSA payment. Mr KWONG Chun-yu expressed concern that the Administration failed to introduce other unemployment assistance measures and only launched an unemployment support scheme through the CSSA Scheme, giving rise to a surge in the number of CSSA recipients. Dr KWOK, Dr CHEUNG, Mr POON, Mr CHENG, Mr KWONG, Mr LUK Chung-hung, Ms Claudia MO and Dr Priscilla LEUNG urged the Administration to take immediate measures to assist the unemployed, such as providing them with unemployment benefits or an unemployment loan fund. Dr LEUNG considered that an unemployment loan fund could enable the unemployed to switch occupation and rejoin the workforce. She requested the Administration to implement this measure through cross-bureau collaboration.

21.20 SLW advised that if a brand new measure was to be introduced to assist the unemployed, it would take time for the Administration to formulate the details and consider in a holistic manner the assistances currently available to the unemployed, such as severance payment and long service payment, etc. In view of this, the Administration launched an unemployment support scheme under the

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CSSA system, with a view to expeditiously providing the unemployed with basic assistance at this difficult time. It was expected that 40 000 households would be benefited from this measure.

21.21 SLW further advised that the Employees Retraining Board ("ERB") launched the Love Upgrading Special Scheme in October 2019 to provide employees from different industries affected by economic downturn with comprehensive training for two to three months. Special allowance was provided to trainees during the training period. ERB would enhance and extend the Scheme, and increase the maximum amount of monthly allowance per eligible trainee from \$4,000 to \$5,800.

21.22 Mr Vincent CHENG considered that the standard rate of CSSA payment was insufficient, and that the Administration should further relax the asset limits of the CSSA Scheme. SLW advised that the CSSA Scheme had been the safety net for people with financial difficulties to meet their basic needs. At present, the average monthly CSSA payment for one-person households and four-person households was about \$6,000 and \$16,000 respectively. SLW also pointed out that unlike the cash benefits offered by overseas governments which usually required recipients or members of the public to make contributions, there was no requirement for contributions under the CSSA Scheme.

21.23 Given that the unemployment support scheme would be launched through the CSSA Scheme for a period of six months only, Mr CHAN Chi-chuen enquired whether the beneficiaries of this scheme were required to join the Integrated Employment Assistance Programme for Self-reliance ("IEAPS"). Given that there would be a surge in the number of CSSA recipients following the launch of the unemployment support scheme, he expressed concern that NGOs operating under IEAPS might not be able to provide sufficient employment support services.

21.24 SLW advised that unemployed able-bodied CSSA recipients should join IEAPS as required by SWD. Given the rising unemployment rate in Hong Kong, coupled with a surge in the number of CSSA applications in the unemployment category, NGOs operating

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under IEAPS might encounter manpower pressure in providing employment support services. The Administration would keep in view the situation concerned, so as to provide additional manpower support if necessary.

21.25 Referring to Reply Serial Nos. LWB(WW)064 and 156, Mr LUK Chung-hung suggested that the Administration should not only relax the asset limits of the CSSA Scheme in implementing the unemployment support scheme, but should also raise the level of disregarded earnings ("DE") at the same time. Noting the Administration's plan to create time-limited posts to alleviate the unemployment situation, Mr LUK enquired how such posts would be created to dovetail with the implementation of IEAPS.

21.26 SLW responded that the Chief Executive had announced in the 2019 Policy Address that in order to encourage employment, the Administration would implement a series of enhancements to the CSSA Scheme, including raising the maximum level of DE to \$4,000 per month; enhancing various employment support services under the CSSA Scheme; extending the coverage of a number of supplements and special grants to eligible non-elderly able-bodied CSSA recipients; and increasing the maximum rent allowance. Moreover, the Administration had enhanced the collaboration among SWD, the Labour Department, ERB and NGOs, so as to provide able-bodied CSSA recipients with more comprehensive employment and retraining services.

\$10,000 Cash Payout Scheme

21.27 Mr KWONG Chun-yu expressed concern that it took time for the Administration to implement ESS, rendering it unable to provide the unemployed with immediate assistance. Noting that the Administration would advance the submission of the item on the second round of AEF to FC for scrutiny, Mr KWONG urged the Administration to pick out the item on the \$10,000 Cash Payout Scheme mentioned in the 2020-2021 Budget as well and advance its submission to FC for scrutiny, so as to implement this financial support measure as soon as possible. SLW responded that subject to funding approval by the Legislative Council, it was expected that the

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\$10,000 Cash Payout Scheme would be open for application in July 2020. In fact, the Government would, if situation warranted, seek collaboration with various organizations to expedite the implementation of various measures.

21.28 Ms Starry LEE suggested that as the bank account information of social security recipients was kept by SWD, the \$10,000 cash payout could be disbursed to them once the relevant funding approval was obtained. SLW responded that currently, SWD should accord priority to handling the following items: (a) relaxing the asset limits of able-bodied CSSA applicants; (b) enhancing pro-employment measures and other measures under the CSSA Scheme; (c) making annual adjustment of social security payment rates; and (d) providing extra allowance for recipients of social security payments. SLW further explained that given the time required for completing the abovementioned work, coupled with a surge in the number of CSSA applications received in February 2020, the workload of SWD had increased significantly.

Working Family Allowance

21.29 Mr CHAN Chi-chuen referred to Reply Serial No. LWB(WW)019. Given that casual workers were affected by the epidemic and became under-employed, he suggested that the Administration should relax the working hour requirements under WFA. SLW advised that the Government had provided through AEF a one-off special allowance to each beneficiary household under WFA and means-tested Student Financial Assistance for pre-primary, primary and secondary students, regardless of whether these low-income households were unemployed or under-employed. The disbursement of the special allowance would commence by end-June 2020 in batches, and was expected to benefit about 200 000 low-income households.

Services for street sleepers

21.30 Referring to Reply Serial No. LWB(WW)103, Mr SHIU Ka-chun expressed concern that amid the epidemic, Integrated Services Teams for Street Sleepers ("ISTs") were about to use up all the grants

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provided under SWD's emergency fund. He enquired about the current status of the reserve of the grants, and whether Administration would allocate additional resources in respect of the grants, so as to allow ISTs to rent guesthouses for accommodating street sleepers, thereby reducing the risk of the epidemic spreading in the community. DSW advised that according to his understanding, ISTs had not used up the emergency fund yet. If necessary, SWD would be willing to have discussions with ISTs on funding matters.

Support for child care centres and the needy women

21.31 Ms YUNG Hoi-yan advised that the Australian Government provided financial support to child care centres ("CCCs") for providing free child care services for the public who were required to work during the epidemic. She suggested that the Administration should introduce similar measures under the second round of AEF, so as to ensure that CCCs could continue to operate after the epidemic. SLW responded that as CCC places were usually in high demand, and some CCCs might not be able to sustain their operation under the epidemic, SWD provided a one-off special grant under AEF to tide aided and non-aided CCCs over the financial difficulties arising from the suspension of service for anti-epidemic purposes.

21.32 Given that women who were required to work from home during the epidemic faced pressure from their work and from taking care of their children, Ms YUNG Hoi-yan and Mr LEUNG Che-cheung enquired about the Administration's measures to assist these women. Mr LEUNG suggested that useful information should be provided via the Internet, so as to assist women working from home to take of their children during this period. SLW responded that the Women's Commission would keep in view the situation and implement appropriate support measures if necessary. According to his understanding, NGOs had also provided corresponding support in the light of the latest development of the epidemic.

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Elderly services

Residential care services and community care services for the elderly

21.33 Referring to Reply Serial Nos. LWB(WW)229 and LWB(WW)028 respectively, Mr POON Siu-ping and Ir Dr LO Wai-kwok expressed concern about the continuous rise in both the number of people waitlisted and the average waiting time of community care services and residential care services for the elderly. They also enquired about the Administration's new measures and plans to address the problem. Ir Dr LO suggested that suitable sites should be set aside in public rental housing developments and private developments for provision of elderly service facilities.

21.34 SLW responded that the Bought Place Scheme on Day Care Units for the Elderly implemented by the Government aimed to set up day care units for the elderly ("DCUs") at qualified private and self-financing residential care homes for the elderly ("RCHEs") through purchase of places from them. It provided a total of 120 day care places for the elderly. The Government also planned to allocate \$20 billion to purchase suitable premises for provision of various types of welfare facilities, including day care centres for the elderly ("DEs").

21.35 SLW further advised that the Administration had set up eight additional RCHEs in the past four years and would implement 19 development projects for provision of RCHEs in the financial year 2019-2020. In addition, SWD would purchase an additional 5 000 EA1 places under the Enhanced Bought Place Scheme ("EBPS") for five consecutive financial years (1 000 places each financial year) starting from 2019-2020 to increase the supply of subsidized residential care places for the elderly. He also pointed out that the additional 5 000 EA1 places were approximately equal to the number of places provided by 50 subsidized RCHEs. Furthermore, the Government formulated population-based planning ratios in the Hong Kong Planning Standards and Guidelines in December 2018 with regard to subsidized residential care services for the elderly, subsidized community care services for the elderly, district elderly community centres and neighbourhood elderly centres. These planning ratios would help plan and earmark suitable premises for provision of various

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elderly service facilities.

21.36 Referring to Reply Serial Nos. LWB(WW)127 and LWB(WW)129, Prof Joseph LEE considered that the manning ratio for speech therapists to elderly homes and to elderly persons under the Pilot Scheme on Multi-disciplinary Outreaching Support Teams for the Elderly was far from satisfactory and failed to meet the service needs. He enquired whether the Administration would allocate additional resources to employ speech therapists and how it would implement the scheme of subsidizing elderly service units for providing soft meals to elderly persons with swallowing difficulties ("the Scheme"). He also asked whether the Pilot Scheme on Visiting Pharmacist Services for RCHEs would be regularized.

21.37 Referring to Reply Serial No. LWB(WW)076, Mr KWOK Wai-keung requested the Administration to provide information on the percentage of elderly beneficiaries under the Scheme against the total number of elderly persons with swallowing difficulties. He suggested that the Administration should conduct a survey on the number of existing elderly persons with swallowing difficulties to review the effectiveness of the Scheme.

21.38 SLW advised that to enable elderly persons with swallowing difficulties to enjoy food consumption and ensure their sufficient intake of nutrients, the Government would provide additional resources to subsidized RCHEs, DEs/DCUs, integrated home care services and enhanced home and community care services for providing soft meals to elderly persons with swallowing difficulties, with a view to enhancing their quality of life and slowing down their deterioration rate. About 12 000 elderly persons was expected to benefit. The manpower arrangement and service demand for speech therapists would also be closely reviewed.

21.39 Referring to Reply Serial No. LWB(WW)079, Mr KWOK Wai-keung was concerned about the low percentage of private RCHEs joining SWD approved accreditation schemes and asked about the Administration's measures to encourage such RCHEs to join the accreditation schemes. SLW responded that starting from April 2020, SWD would include a condition in the service agreement of EBPS,

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requiring operators of private RCHEs participating in the EBPS to join and to receive accreditation under approved accreditation schemes provided by approved certification bodies in the three-year contract period.

Human resources for care services

21.40 Referring to Reply Serial No. LWB(WW)130, Prof Joseph LEE enquired whether the Administration would introduce measures to encourage the trainees of the Navigation Scheme for Young Persons in Care Services ("Navigation Scheme") to pursue the Enrolled Nurse Training Programme after graduation. SLW responded that the Government had rolled out enhancement measures for the Navigation Scheme, including raising the salaries and training subsidies of trainees and improving the prospect of trainees upon graduation, with a view to attracting more young people to join the social welfare care sector. While the Navigation Scheme encouraged trainees to further their studies, whether trainees would do so depended on a variety of factors.

21.41 Referring to Reply Serial No. LWB(WW)230, Mr POON Siu-ping advised that although the Government had provided subsidized service units with additional resources for increasing the salaries of frontline care workers by two pay points, the average monthly emoluments of ward attendants had only increased by some \$1,000 after the implementation of the enhancement measure. He asked whether any subsidized service units had failed to increase the salaries of these workers in accordance with the enhancement measure, and about the reasons for the failure.

21.42 SLW advised that the Government had provided additional resources for subsidized elderly services, rehabilitation services, and family and child welfare services units to increase the salaries provision for frontline care workers, thereby enabling these service units to recruit and retain staff more effectively. In the first quarter of 2019, SWD conducted a questionnaire survey on the NGOs concerned, which indicated that most NGOs had utilized the additional resources to increase the salaries of their frontline care workers. However, as the vacancy rate of the relevant posts was about 19% as at 1 January 2019, the effectiveness of the remuneration enhancement measure might be

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affected.

21.43 Ir Dr LO Wai-kiwok referred to Reply Serial No. LWB(WW)028. Noting that SWD had not collected statistics on the overall number of practitioners currently engaged in elderly services, he expressed concern about how the Administration would plan for the manpower demand concerned. SLW advised that the Food and Health Bureau was responsible for conducting the manpower planning of health professionals. It also helped meet the increasing demand for healthcare professionals, through increasing the University Grants Committee-funded training places and encouraging self-financing training institutions to provide qualified training places. In addition, the Government would continue to attract more people to join the frontline care worker sector through measures such as improving the remuneration of such workers.

Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities

21.44 Mr LEUNG Che-cheung noted that the Administration planned to implement the initiative to lower the eligible age of the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities ("the Concession Scheme") from the current requirement of 65 to 60 ("the new initiative"). He enquired about the progress of implementing the new initiative and urged the Administration to expedite its implementation.

21.45 SLW advised that the Government had no plans to implement the new initiative in the financial year 2020-2021. As such, the relevant expenditures were not included in the Estimates of Expenditure for this financial year. The Administration had engaged a consultant to assist in conducting a review of the Concession Scheme, including the eligible age, types of public transport to be covered, and ways to prevent abuse of the Concession Scheme, etc., which was expected to be completed in mid-2020. Details of the implementation of the proposed improvement measures would be announced upon completion of the review.

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21.46 Mr Michael TIEN, Ms Starry LEE and Mr Holden CHOW expressed dissatisfaction about the slow progress in the implementation of the new initiative. They opined that the implementation progress was delayed because the Administration was conducting the review on ways to prevent abuse of the Concession Scheme concurrently. They suggested that the Administration should first allow persons aged between 60 and 64 to use Elder Octopus to enable them to benefit from the Concession Scheme and, at the same time, adopt monitoring measures to avoid abuse of the Scheme. They further said that after the Administration had implemented the proposed improvement measures to prevent abuse of the Concession Scheme, persons aged between 60 and 64 could continue to enjoy the concessions under the proposed measures.

21.47 SLW responded that the Government had no plans to implement the new initiative by phases. Given the huge sum of money which might be incurred due to possible abuse of the proposed new initiative under the Concession Scheme, the Administration had to take measures to ensure proper use of public funds. In this regard, the consultant was exploring the possibility of allowing persons aged between 60 and 64 to use Personalized Octopus to enjoy the concessions. In addition, as there were currently 1.37 million elderly persons aged 65 or above and 600 000 persons aged between 60 and 64, it would take a long time for elderly persons aged 65 or above to apply for Personalized Octopus, and high costs would be incurred as well. Hence, it was not feasible to require them to use Personalized Octopus in order to benefit from the Concession Scheme.

Licensing and regulatory regimes for residential care homes for persons with disabilities

21.48 Mr SHIU Ka-chun expressed concern about the Administration's objective to have all residential care homes for persons with disabilities ("RCHDs") issued with Certificates of Exemption ("CoEs") licensed by the end of 2019. He enquired whether all the existing private RCHDs were licensed; if not, he requested the Administration to provide the timetable for achieving the aforesaid objective. DSW advised that all the existing private RCHDs were licensed. The improvement works of some subvented RCHDs

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operating with CoEs were affected by various factors, such as the difficulties in supplying the required works materials during the epidemic. The Government would closely monitor the progress of the works concerned to enable subvented RCHDs to complete the improvement works expeditiously.

Child care services

Re-engineering of Mutual Help Child Care Centres

21.49 Referring to Reply Serial No. LWB(WW)231, Mr POON Siu-ping enquired about the postponement of the re-engineering of Mutual Help Child Care Centres ("MHCCCs"). He was concerned that MHCCCs might cease to operate due to the postponement of the re-engineering. SLW responded that the Administration would follow up on the progress of the first phase of the re-engineering originally scheduled for January to March 2020, in view of the latest situation of the epidemic.

Neighbourhood Support Child Care Project

21.50 Referring to Reply Serial Nos. LWB(WW)271 to 273, Dr Helena WONG considered that the number of service places of the existing Neighbourhood Support Child Care Project ("NSCCP") did not meet the service demand. She expressed concern that although the level of incentive payment for home-based child carers under NSCCP was less than the Statutory Minimum Wage rate, home-based child carers had supported the continued provision of child care service on a volunteer basis when the Administration collected their views. She asked whether the Administration had collected any views on the need for adjusting the level of incentive payment for home-based child carers and whether it would increase the number of service places and operators under NSCCP.

21.51 SLW responded that to ensure sufficient basic service places under NSCCP, and taking into account the resources required, SWD required service operators to provide no less than 53 service places in each district (i.e. the total number of places in all 18 districts should not be less than 954). Service operators could flexibly increase the

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number of home care service places on top of the requirement so as to meet the actual service demand. As at December 2019, the number of home-based child carers was 1 914. SWD had strengthened training for home-based child carers and raised the level of incentive payment for these carers to \$25 per hour in order to encourage more volunteers to join the service. Regarding the adjustment of the level of incentive payment, SWD had separately met with service operators and representatives of home-based child carers of respective districts earlier to collect their views. Both parties recognized the concept of NSCCP, and supported the continued provision of child care service on a volunteer basis. Moreover, if the level of incentive payment was further raised, the grassroots families might not be able to afford the service fees of NSCCP.

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22.1 At the invitation of the Deputy Chairman, Dr LAW Chi-kwong, Secretary for Labour and Welfare ("SLW") briefed members on the main initiatives and expenditure on the policy area of labour and manpower development for the coming year (Appendix IV-20).

Supporting measures for employees

22.2 In the light of the worsening economic conditions following the social incidents from June 2019 and the coronavirus disease 2019 ("COVID-19") epidemic in Hong Kong, Mr HO Kai-ming was gravely concerned that the seasonally adjusted unemployment rate increased to 3.7% in December 2019 - February 2020, and the employment situation of the consumption- and tourism-related sectors exacerbated further. Mr HO considered the eligibility criteria for the Comprehensive Social Security Assistance ("CSSA") Scheme too stringent. Dr Fernando CHEUNG shared a similar view. Citing the measures taken by governments in other countries to expeditiously relieve the imminent needs of the enterprises and employees amid the COVID-19 epidemic, Mr HO was concerned about the supporting measures to be taken by the Administration to help the unemployed people in Hong Kong.

22.3 SLW advised that under the Employment Ordinance (Cap. 57), eligible employees were provided with protection by way of severance payment or long service payment. The CSSA Scheme further provided a safety net for those who could not support themselves financially. In effect, the Administration had since August 2019 implemented four rounds of relief measures to assist employees to tide over the financial difficulties brought about by the social incidents from June 2019. Notably, the Employees Retraining Board ("ERB") was entrusted by the Government to have swiftly launched the "Love Upgrading Special Scheme" ("the Scheme") in early October 2019 to assist those recently unemployed, being required to take no pay leave or under-employed to upgrade their skills for self-enhancement, with a view to re-entering the employment market as

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early as possible.

Love Upgrading Special Scheme

22.4 Mr Vincent CHENG was in support of the Administration's proposal to increase the maximum amount of special allowance per trainee from \$4,000 to \$5,800 per month under the Scheme with a target commencement date on 25 May 2020. Mr LEUNG Yiu-chung called on the Administration to consider further increasing the maximum amount of allowance with a view to assisting the trainees to meet the expenses of basic livelihood and upgrade their skills for self-enhancement. Expressing appreciation of the Scheme, Mr SHIU Ka-fai appealed to the Administration to adjust upward the maximum amount of the daily allowance under the Scheme to \$350. Mr LEUNG and Mr SHIU further urged the Administration to provide the relevant training bodies via ERB with additional resources for delivery of online courses as well as provision of necessary protective items for anti-epidemic purposes.

22.5 Mr POON Siu-ping noted with concern that while the total number of applications for enrolment of training courses under the Scheme was 10 701 as at end-February 2020, the number of graduate trainees was only 1 463. On the other hand, Mr Vincent CHENG noted with concern that while a total of 9 128 trainees had applied for enrolment in the Scheme as at end-February 2020, the total amount of special allowance disbursed to trainees under the Scheme was \$6.05 million only. Mr CHENG expressed concern about whether the trainees faced any difficulties in receiving the allowance. Mr POON and Mr CHENG called on the Administration to consider disbursing part of the special allowance to the participants at the commencement of the training courses so as to provide timely support to the trainees to alleviate their financial hardship. Mr CHENG expressed further concern about the timing for resumption of normal classes under the Scheme, which were suspended during the COVID-19 epidemic.

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22.6 SLW advised that the proposed increase in the maximum amount of special allowance per month under the Scheme from \$4,000 to \$5,800 had taken into account the inflation rate since last adjustment. It was noteworthy that trainees attending part-time training courses under the Scheme were also eligible for the special allowance, and the Scheme did not impose any restriction on educational attainment of trainees. The suggestion of disbursing special allowance in advance without making reference to the attendance rate of trainees upon completion of relevant training courses may not be in line with the existing mechanism and authority under the Employees Retraining Ordinance (Cap. 423). He clarified that the special allowance of \$6.05 million so disbursed to trainees corresponded only to those trainees who had successfully completed the courses under the Scheme as at end-February 2020.

22.7 SLW further advised that in the light of the COVID-19 epidemic in Hong Kong, ERB had provided its training bodies with additional support and resources. It was understood that while ERB's training courses in face-to-face mode would continue to be suspended to reduce the risk of virus spread, ERB had been monitoring closely the latest epidemic development and striving to work collaboratively with the training bodies for the class resumption in an orderly manner. The Administration would provide ERB with assistance as necessary.

22.8 Principal Assistant Secretary for Labour and Welfare (Manpower) ("PAS(M)") added that ERB launched online interactive learning arrangement from 6 April 2020 on a pilot basis to support trainees in resuming studies. As a start, over 30 training courses straddling 15 industry categories would be delivered through online mode, and more courses would go online in the coming weeks. The Government had also provided funding support for ERB to disburse special grant to its training bodies to cover their operating expenses during the suspension period.

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22.9 In response to Dr Helena WONG's enquiry about the extension of the Scheme, PAS(M) said that the initial arrangement was to implement the Scheme from October 2019 to June 2020. As announced recently, the Scheme would be extended from July 2020 for a period of six months with 10 000 additional training places.

Employment Support Scheme under the Anti-epidemic Fund

22.10 SLW advised that new measures would be implemented under the second round of the Anti-epidemic Fund for the purposes of job retention, job creation and job advancement. Notably, the Government would provide eligible employers with wage subsidy under the Employment Support Scheme ("ESS").

22.11 Mr SHIU Ka-fai said that the business sector welcomed the provision of wage subsidy under ESS, which was calculated based on 50% of the monthly salary (which was capped at \$18,000) for a period of six months. In anticipation of the increase in business closure and dismissal of employees, Mr LEUNG Yiu-chung called on the Administration to consider increasing the provision of wage subsidy under ESS. Dr Fernando CHEUNG and Mr SHIU were concerned about the support for employees aged over 65 who were not required to make contributions under the Mandatory Provident Fund ("MPF") System and the self-employed persons under the second round of the Anti-epidemic Fund.

22.12 While welcoming the additional injection into the Anti-epidemic Fund to provide funding for a second round of relief measures targeted at eligible individuals and businesses hard hit by the COVID-19 epidemic and various anti-epidemic measures introduced by the Government, Dr Fernando CHEUNG expressed concern that some employers who were not genuinely in need would also benefit from the wage subsidy. In Dr CHEUNG's view, the Government should focus its efforts on helping the unemployed persons as well as those employees who were forced to take no-pay leave.

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22.13 SLW advised that under ESS, the Government would provide wage subsidy to eligible employers to retain their employees. Such subsidy should be used for paying salaries and not other purposes. Employers had to undertake that they could not lay off their employees. All employers who had been making MPF contributions for their employees were eligible for wage subsidy under ESS, except those on the exclusion list (including employees of the Hong Kong Special Administrative Region Government, statutory bodies and Government subvented organizations). It was believed that the disbursement of wage subsidy would be carried out in an efficient manner. Otherwise, it would involve an enormous amount of administration work to set up a very complex system and it would take a very long time and very heavy administration cost. SLW further advised that it was also proposed to grant a one-off subsidy to self-employed persons who made MPF contributions i.e. about 215 000 persons. As regards employment support for people aged over 65, SLW said that the Government would enhance the Employment Programme for the Elderly and Middle-aged so as to encourage employers to hire elderly job seekers aged 60 or above. Upon the enhancement, employers engaging an elderly job seeker under the programme would be entitled to an on-the-job training allowance of up to \$60,000. In addition, eligible elderly might apply for the Old Age Living Allowance or the Working Family Allowance as appropriate.

Employees' rights and benefits

Employees' compensation claims

22.14 Dr Helena WONG was concerned whether employees infected with COVID-19 at work would be entitled to receiving employees' compensation under the Employees' Compensation Ordinance (Cap. 282) ("ECO"). Mr POON Siu-ping asked whether the Administration would consider prescribing COVID-19 as a statutory occupational disease under ECO in view of the community concern.

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22.15 SLW responded that although COVID-19 was not a prescribed occupational disease under ECO, employees infected with COVID-19 at work would still be protected under section 36 of the Ordinance if the infection was a personal injury by accident arising out of and in the course of employment. Making reference to the outbreak of Severe Acute Respiratory Syndrome ("SARS") in 2003, nearly 90% of the 415 cases of employees' compensation claims for SARS were settled without dispute, notwithstanding the fact that the disease was not yet prescribed as an occupational disease under ECO at that time.

22.16 Dr Fernando CHEUNG pointed out that the majority of the SARS infection cases in 2003 were from the healthcare sector, the Hospital Authority, being the largest employer, had admitted its employees' compensation liabilities without much dispute. He was, however, concerned that some employees infected with COVID-19 were engaged in high risk industries, such as airlines, transport industry and residential care. Although ECO provided that an employee contracting a disease not prescribed as an occupational disease might still claim compensation from the employer under the Ordinance, the onus of proof rested with the employee. It would be difficult for an employee to prove that the infection was by accident arising out of and in the course of his employment. He considered that COVID-19 should immediately be listed as a statutory occupational disease for various industries.

22.17 SLW advised that employers were in general liable to pay compensation under ECO if their employees sustained an injury or died as a result of an accident arising out of and in the course of their employment or suffering from a prescribed occupational disease under the Ordinance. As regards the employees' compensation claims for SARS infection in 2003, most of the cases in dispute at the earlier stage could be affirmed that the employees concerned were infected with SARS in the course of employment after considering the contact tracing reports. For employees' compensation claims from employees infected with COVID-19, the contact tracing reports would be useful in

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proving whether the disease was caused by work. SLW further advised that in considering whether COVID-19 should be prescribed as a statutory occupational disease, the Government would make reference to the criteria adopted by the International Labour Organization and would closely monitor the number of cases originated from work and take appropriate actions.

22.18 Pointing out that more than one year was required for settlement of around 20% of the work injury compensation claims involving incapacitation of employees for more than three days as a result of work injuries from 2017 to 2019, Mr LUK Chung-hung expressed concern about the long time taken to process such claims. Mr LUK sought explanation in this regard and called on the Administration to shorten the relevant processing time.

22.19 SLW responded that the majority of the abovementioned work injury compensation claims had been processed within a year. However, longer time was required for handling complicated cases and those in dispute. Commissioner for Labour ("C for L") explained that for work injury compensation claims in dispute, the Labour Department ("LD") would adopt early intervention to facilitate timely resolution of differences between employers and employees. LD would scrutinise the case in detail, explain the provisions of ECO to both parties and collect detailed information relating to the work accident, such as medical report. Upon collation of all the relevant information, LD would inform both parties about its views on the likelihood and relevance of the case being a work injury. For those cases which were not resolved at LD, the concerned claimant could seek adjudication from the Court. As such, it might take a longer period of time for settlement of the unresolved cases.

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Abolishing the "offsetting" of severance payment and long service payment with employers' mandatory contributions under the Mandatory Provident Fund System

22.20 Mr LUK Chung-hung expressed concern about the Administration's timetable to abolish the "offsetting" of severance payment and long service payment with employers' mandatory contributions under the MPF System. With respect to the proposed increase of 17 posts in 2020-2021 in LD for pursuing the abolition of the offsetting, Mr LUK queried whether it could help expedite the work progress.

22.21 SLW advised that the Government would continue to work in full steam on the preparatory work for the abolition of the "offsetting" arrangement, including mapping out the operational details of the supporting measures and embarking on the drafting of the enabling bill, etc. Abolition of the "offsetting" arrangement involved complex legislative amendments. The Government would strive to introduce the enabling bill into the Legislative Council by the end of 2020, with a view to securing its passage by 2022 and implementing the abolition of the "offsetting" arrangement two years after the passage of the enabling bill and in tandem with the full implementation of the eMPF Platform of the MPF System.

Occupational safety and health

22.22 Mr SHIU Ka-chun enquired whether the Administration would consider initiating prosecution against government service contractors ("GSCs") under the Occupational Safety and Health Ordinance (Cap. 509) ("OSHO") for failure in providing adequate and appropriate face masks and protective items for their employees while performing duties or consider not to award outsourcing service contracts to these GSCs. To his knowledge, cleansing workers engaged by GSCs were only provided with four face masks a week.

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22.23 C for L responded that LD had conducted inspections to ensure cleansing service contractors' compliance with the requirements relating to provision of personal protective items for their employees and would instigate prosecution for non-compliance as appropriate. SLW added that to his understanding, cleansing workers engaged by GSCs for delivery of high risk street cleansing and washing services would be provided with at least five face masks each week.

Raising penalties of occupational safety and health legislation

22.24 In view of worsening economic situation, Mr LUK Chung-hung was concerned whether the legislative amendment exercise to raise the deterrent effect of penalties for occupational safety and health ("OSH") offences would be delayed. Mr LUK asked whether additional manpower was required to take forward the legislative proposal and urged the Administration to expedite the relevant work.

22.25 SLW responded that the Government's proposal for raising penalties of OSH legislation was pledged by the Chief Executive in the 2017 Policy Address. The Government was analyzing and considering the views received for refining the legislative amendment proposal. The Government aimed to introduce the relevant bill in the 2020-2021 legislative session. While it was expected that LD's workload relating to labour relations issues might increase in times of economic downturn, the relevant legislative work undertaken by LD would not be affected.

Employment support for ethnic minority job seekers

22.26 Mr SHIU Ka-chun was gravely concerned about the employment support services for ethnic minority ("EM") job seekers. Referring to the respective numbers i.e. 1 036, 1 173 and 1 231 of EM job seekers in 2017, 2018 and 2019 registered with LD for employment services, Mr SHIU expressed dissatisfaction that the numbers of

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placements secured for EM job seekers through LD's employment referral service were only 94, 116 and 132 respectively in these three years, which was around some 10% on average. Mr SHIU further expressed concern that while in 2017, 2018 and 2019, LD's job centres and industry-based recruitment centres introduced interpretation services to 2 844, 3 014 and 2 565 EM job seekers, interpretation services were arranged on 20, 21 and 10 occasions respectively. Mr SHIU raised query about the low utilization rate of the interpretation services and sought explanation in this regard.

22.27 SLW advised that currently, the vast majority of vacancies advertised through LD were open for direct application by job seekers and did not require the referral of LD. Registered job seekers (including EMs) placed into employment through LD's referral only represented a small proportion of the total placement cases. Dividing the number of placements secured for EM job seekers through LD's referral service by the number of EM job seekers registered with LD for employment services did not yield the successful placement rate of EM job seekers.

22.28 C for L said that LD staff at job centres/industry-based recruitment centres would proactively introduce free interpretation service to each EM job seeker visiting the centres but only a small number of them required the service. Taking 2019 as an example, of the 2 565 EM job seekers introduced the interpretation service, 2 555 of them did not require the service. Nearly 80% of those who did not require the service indicated that they could communicate in either English or Chinese, around 20% of them considered the assistance provided by LD's EM Employment Services Ambassadors or EM Employment Assistants sufficient, and the rest of them were assisted by accompanying relatives or friends.

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Measures to facilitate women to join the workforce

22.29 Dr Helena WONG expressed grave concern about the insufficient provision of subsidized child care services and the high utilization rate of the services in many districts in the past years. To encourage females to join the labour force, Dr WONG called on the Administration to consider raising the amount of incentive payment, which was around \$25 per hour, under the Neighbourhood Support Child Care Project. Dr WONG suggested that the Administration should consider providing subsidy by means of co-payment with the service users.

22.30 SLW advised that the member's suggestion was noted. The Government would study it.

Alignment of statutory holidays with general holidays

22.31 Referring to the 10 new initiatives to benefit grassroots and underprivileged people as announced by the Government on 14 January 2020, Mr POON Siu-ping sought information on the timetable and manpower requirements in relation to increasing progressively the number of statutory holidays so that it was eventually on a par with the number of public holidays. Mr POON was concerned about the Administration's determination to take forward the matter.

22.32 SLW responded that the Government would work out and invite the Labour Advisory Board to discuss the relevant proposal, and would facilitate and support its work. No additional manpower was required for the above work for the time being.

Protection of Wages on Insolvency Fund

22.33 In anticipation of the increase in business closure and the number of applications for ex gratia payment under the Protection of

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Wages on Insolvency Fund ("PWIF"), Mr POON Siu-ping called on the Administration to expedite processing of the claims. In the light that PWIF had an accumulative surplus of over \$5,000 million by the end of March 2019, Mr POON appealed to the Administration to consider expanding the scope of protection of the Fund.

22.34 C for L responded that the Government aimed to disburse the ex gratia payment within 10 weeks upon receipt of all relevant information and documents required for processing the applications and would review the work procedures from time to time to see if the processing time could be further shortened. In effect, ex gratia payment could be made to all qualified applicants within eight weeks in 2019, which was faster than the target time. As regards expanding the scope of protection under PWIF, the Government had to adopt a prudent approach, having regard to the possible impact on PWIF following the abolition of the "offsetting arrangement in a few years" time and in anticipation of the increasing number of applications arising from the economic downturn.

Services provided by the Labour Relations Division

22.35 In the light of the worsening economic situation and the rising trend of labour disputes, Mr HO Kai-ming expressed grave concern about the limited provision of in-person consultation service by the Labour Relations Division ("LRD") during the COVID-19 epidemic to employees on matters relating to conditions of employment and their rights and obligations under the Employment Ordinance (Cap. 57). To his understanding, a considerable number of employees encountered many difficulties in seeking assistance from LRD. Mr HO strongly urged LD to address the situation and provide full-fledged counter services and conciliation service as appropriate.

22.36 C for L responded that during the period when counter services were suspended in light of the special work arrangements for government departments and adjustments to public services as

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announced by the Government, LRD continued to handle emergency cases, follow up on labour disputes, conduct conciliation through telephone, and answer enquiries by telephone and email. Deputy Commissioner for Labour (Labour Administration) added that to maintain public services, LRD had set up temporary hotlines at all the 10 branch offices to handle enquiries. In the first quarter of 2020, LRD had handled 15 163 telephone enquiries and 4 078 written enquiries respectively. LRD had also handled 28 labour disputes, representing an increase of 75% as compared with the corresponding period in 2019.

Appendix I

Programme of special meetings of Finance Committee to examine the Estimates 2020-2021 from 6 to 9 April 2020

<u>Director of Bureau / Controlling Officer</u>	<u>Date</u>	<u>Time</u>
Secretary for Financial Services and the Treasury • Financial Services	6 April	9:00 am - 10:10 am
Secretary for Financial Services and the Treasury • Public Finance	6 April	10:20 am - 11:00 am
Director of Administration Director of Audit Permanent Secretary to Chief Executive Commissioner, Independent Commission Against Corruption Secretary General, Legislative Council Secretariat The Ombudsman	6 April	11:10 am - 12:25 pm
Secretary for the Environment	6 April	2:00 pm - 3:10 pm
Secretary for Transport and Housing • Housing	6 April	3:20 pm - 5:05 pm
Secretary for Transport and Housing • Transport	6 April	5:15 pm - 6:45 pm
(i) Judiciary Administrator (ii) Secretary for Justice	7 April	9:00 am - 10:15 am
Secretary for the Civil Service	7 April	10:25 am - 11:25 am
Secretary for Constitutional and Mainland Affairs	7 April	11:35 am - 1:05 pm

<u>Director of Bureau / Controlling Officer</u>	<u>Date</u>	<u>Time</u>
Secretary for Home Affairs	7 April	2:00 pm - 3:20 pm
Secretary for Commerce and Economic Development • Commerce, Industry and Tourism	7 April	3:30 pm - 5:00 pm
Secretary for Commerce and Economic Development • Communications and Creative Industries	7 April	5:10 pm - 6:05 pm
Secretary for Food and Health • Food Safety and Environmental Hygiene	8 April	9:00 am - 10:40 am
Secretary for Food and Health • Health	8 April	10:50 am - 12:40 pm
Secretary for Innovation and Technology	8 April	2:00 pm - 3:45 pm
Secretary for Development • Planning and Lands	8 April	3:55 pm - 5:35 pm
Secretary for Development • Works	8 April	5:45 pm - 6:55 pm
Secretary for Education	9 April	9:00 am - 11:00 am
Secretary for Security	9 April	11:10 am - 1:10 pm
Secretary for Labour and Welfare • Welfare and Women	9 April	2:30 pm - 4:50 pm
Secretary for Labour and Welfare • Labour	9 April	5:00 pm – 6:30 pm

**Summary of written and supplementary questions
and requests for additional information**

<u>Director of Bureau/ Controlling Officer</u>	<u>No. of initial written questions</u>	<u>No. of supplementary questions</u>	<u>No. of requests for additional information (verbal)</u>
Secretary for Financial Services and the Treasury • Financial Services	98	5	0
Secretary for Financial Services and the Treasury • Public Finance	174	9	0
Director of Administration	95	2	2
Director of Audit	2	0	0
Permanent Secretary to Chief Executive	55	1	0
Commissioner, Independent Commission Against Corruption	23	0	1
Secretary General, Legislative Council Secretariat	38	0	0
The Ombudsman	2	1	0
Secretary for the Environment	307	5	1
Secretary for Transport and Housing • Housing	93	2	0

<u>Director of Bureau/ Controlling Officer</u>	<u>No. of initial written questions</u>	<u>No. of supplementary questions</u>	<u>No. of requests for additional information (verbal)</u>
Secretary for Transport and Housing • Transport	367	7	0
(i) Judiciary Administrator	40	5	0
(ii) Secretary for Justice	151	7	1
Secretary for the Civil Service	110	6	2
Secretary for Constitutional and Mainland Affairs	191	1	0
Secretary for Home Affairs	392	2	0
Secretary for Commerce and Economic Development • Commerce, Industry and Tourism	291	4	0
Secretary for Commerce and Economic Development • Communications and Creative Industries	108	2	0
Secretary for Food and Health • Food Safety and Environmental Hygiene	361	2	6
Secretary for Food and Health • Health	606	9	2
Secretary for Innovation and Technology	215	5	0

<u>Director of Bureau/ Controlling Officer</u>	<u>No. of initial written questions</u>	<u>No. of supplementary questions</u>	<u>No. of requests for additional information (verbal)</u>
Secretary for Development • Planning and Lands	360	5	1
Secretary for Development • Works	163	0	0
Secretary for Education	619	10	0
Secretary for Security	884	27	5
Secretary for Labour and Welfare • Welfare and Women	798	2	0
Secretary for Labour and Welfare • Labour	179	0	0
Total :	6722	119	21

**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the morning of 6 April 2020
9:00 am to 12:25 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Chun-ying, JP (Deputy Chairman)

Hon James TO Kun-sun

Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Prof Hon Joseph LEE Kok-long, SBS, JP

Hon Jeffrey LAM Kin-fung, GBS, JP

Hon WONG Ting-kwong, GBS, JP

Hon Starry LEE Wai-king, SBS, JP

Hon CHAN Hak-kan, BBS, JP

Hon Paul TSE Wai-chun, JP

Hon Claudia MO

Hon Michael TIEN Puk-sun, BBS, JP

Hon Steven HO Chun-yin, BBS

Hon Frankie YICK Chi-ming, SBS, JP

Hon WU Chi-wai, MH

Hon YIU Si-wing, BBS

Hon MA Fung-kwok, SBS, JP

Hon Charles Peter MOK, JP

Hon CHAN Chi-chuen

Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP

Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LAU Kwok-fan, MH
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Financial Services

Mr James H. LAU Jr., JP	Secretary for Financial Services and the Treasury
Mr Joseph CHAN, JP	Under Secretary for Financial Services and the Treasury
Ms Michelle LI, JP	Permanent Secretary for Financial Services and the Treasury (Financial Services)
Mr Chris SUN, JP	Deputy Secretary for Financial Services and the Treasury (Financial Services)1
Mr Aaron LIU, JP	Deputy Secretary for Financial Services and the Treasury (Financial Services)2
Mr Sam HUI	Deputy Secretary for Financial Services and the Treasury (Financial Services)3
Miss Crystal YIP	Administrative Assistant to Secretary for Financial Services and the Treasury
Mr Raymond CHAN	Chief Executive Officer (Financial Services), Financial Services and the Treasury Bureau
Ms Marion CHAN, JP	Commissioner for Census and Statistics
Ms Phyllis McKENNA	Official Receiver
Ms Ada CHUNG, JP	Registrar of Companies
Mr Sunny YUNG	Chief Executive Officer, HKMC Annuity Limited

Mr Darryl CHAN, JP	Executive Director (External), Hong Kong Monetary Authority
Mr Colin POU, JP	Executive Director (Financial Infrastructure), Hong Kong Monetary Authority
Ms Tess LEUNG	Senior Vice President (Operations), Hong Kong Mortgage Corporation Limited

Public Finance

Mr James H. LAU Jr., JP	Secretary for Financial Services and the Treasury
Ms Alice LAU, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Mr Andrew LAI, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ²
Mr Howard LEE	Deputy Secretary for Financial Services and the Treasury (Treasury) ³
Miss Crystal YIP	Administrative Assistant to Secretary for Financial Services and the Treasury
Dr Edward CHENG	Principal Assistant Secretary for Financial Services and the Treasury (Treasury) (H)
Mr Hermes TANG, CDSM, CMSM	Commissioner of Customs and Excise
Mr Jimmy TAM, CMSM	Assistant Commissioner of Customs and Excise (Excise & Strategic Support)
Mr WONG Kuen-fai, JP	Commissioner of Inland Revenue
Mr CHOI Lap-yiu, JP	Commissioner of Rating and Valuation
Miss Mary CHOW, JP	Director of Government Logistics
Miss Leonia TAI, JP	Government Property Administrator
Mrs Sylvia LAM YU Ka-wai, JP	Director of Architectural Services
Mr Alan SIN	Assistant Director of Architectural Services (Property Services)
Mr Charlix WONG, JP	Director of Accounting Services

Ms Jessie WONG, JP Co-ordinator (Budget and Tax),
Financial Secretary's Office

Central Administration and Other Services

Ms Esther LEUNG, JP	Director of Administration
Mr Bobby CHENG, JP	Deputy Director of Administration 1
Ms Jennifer CHAN, JP	Deputy Director of Administration 2
Mr Andrew AU, JP	Government Economist
Mrs Betty FUNG, JP	Head, Policy Innovation and Co-ordination Office
Mr Peter CHAN	Deputy Director, Dialogue Office
Mr Thomas Edward KWONG, JP	Director of Legal Aid
Ms Angelina KWAN, JP	Head, Human Resources Planning and Poverty Co-ordination Unit
Mr John CHU Nai-cheung, JP	Director of Audit
Miss Janny WUN Yuen-ming	Departmental Secretary, Audit Commission
Ms Shirley LAM, JP	Permanent Secretary, Chief Executive's Office
Mr Steve CHOW	Chief Executive Officer (Administration), Chief Executive's Office
Mr Simon PEH, SBS, IDSM	Commissioner, Independent Commission Against Corruption
Mr Ken HO	Director of Investigation (Private Sector), Independent Commission Against Corruption
Ms Sally KWAN	Assistant Director (Administration), Independent Commission Against Corruption
Mr Kenneth CHEN, SBS	Secretary General, Legislative Council Secretariat
Miss Roxanna LO	Accountant, Legislative Council Secretariat
Ms Winnie CHIU, PDSM, PMSM	The Ombudsman
Mr SO Kam-shing	Deputy Ombudsman

Clerk in attendance:

Ms Anita SIT
Ms Angel SHEK

Assistant Secretary General 1
Chief Council Secretary (1)1

Staff in attendance:

Ms Alice CHEUNG

Senior Legislative Assistant (1)1

**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the afternoon of 6 April 2020
2:00 pm to 6:45 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu

Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Environment

Mr WONG Kam-sing, GBS, JP	Secretary for the Environment
Mr TSE Chin-wan, BBS, JP	Under Secretary for the Environment
Ms Maisie CHENG Mei-sze, JP	Permanent Secretary for the Environment/Director of Environmental Protection
Ms Irene YOUNG Bick-kwan, JP	Deputy Secretary for the Environment
Mr Elvis AU Wai-kwong, JP	Deputy Director of Environmental Protection (1)
Mrs Vicki KWOK WONG Wing-ki, JP	Deputy Director of Environmental Protection (2)
Mr Owin FUNG Ho-yin	Deputy Director of Environmental Protection (3)
Mr Bruno LUK Kar-kin	Deputy Director of Environmental Protection (Waste Management Duties)
Mr Kelvin LO Kwok-wah, JP	Director of Drainage Services
Dr LEUNG Siu-fai, JP	Director of Agriculture, Fisheries and Conservation
Mr Ricky LAU Chun-kit, JP	Director of Civil Engineering and Development
Mr Alfred SIT Wing-hang, JP	Director of Electrical and Mechanical Services

Mr Tony CHAN Cheuk-sang Assistant Director of Marine
(Planning and Services)

Housing

Mr Frank CHAN Fan, JP Secretary for Transport and Housing
Dr Raymond SO Wai-man, BBS, JP Under Secretary for Transport and
Housing
Mr Donald TONG Chi-keung, JP Permanent Secretary for Transport
and Housing (Housing)
Mrs Alice CHEUNG CHIU Hoi-yue, JP Deputy Secretary for Transport and
Housing (Housing)
Mr Philip CHAN Kwan-ye, JP Director of Sales of First-hand
Residential Properties Authority
Ms Polly KWOK Wai-ling, JP Deputy Director of Housing
(Corporate Services)
Ms Connie YEUNG Kwong-yim, JP Deputy Director of Housing
(Development and Construction)
Mr Ricky YEUNG Yiu-fai Deputy Director of Housing (Estate
Management)
Mr Martin TSOI Wai-tong Head (Independent Checking Unit),
Housing Department Permanent
Secretary's Office
Mr YU Tak-cheung, JP Director of Buildings
Mr CHAN Nap-ming Project Director 1, Task Force on
Transitional Housing
Mr Stephen WONG Wing-hung Project Director 2, Task Force on
Transitional Housing
Mr CHOI Lap-yiu, JP Commissioner of Rating and
Valuation
Mr Alan FONG Kim-fung Deputy Director of Lands(Legal)

Transport

Mr Frank CHAN Fan, JP Secretary for Transport and Housing
Dr Raymond SO Wai-man, BBS, JP Under Secretary for Transport and
Housing
Mr Joseph LAI, JP Permanent Secretary for Transport
and Housing (Transport)

Mrs Sharon YIP, JP	Deputy Secretary for Transport and Housing (Transport)1
Mr Kevin CHOI, JP	Deputy Secretary for Transport and Housing (Transport)2
Miss Winnie TSE	Deputy Secretary for Transport and Housing (Transport)3
Mr Wallace LAU, JP	Deputy Secretary for Transport and Housing (Transport)4
Ms Angela LEE, JP	Deputy Secretary for Transport and Housing (Transport)5
Mr Jimmy CHAN, JP	Director of Highways
Ms Mable CHAN, JP	Commissioner for Transport
Mr Victor LIU, JP	Acting Director-General of Civil Aviation
Miss Agnes WONG, JP	Director of Marine
Mr Alfred SIT, JP	Director of Electrical and Mechanical Services
Mr Raymond CHENG	Head, Airport Expansion Project Coordination Office

Clerk in attendance:

Ms Angel SHEK	Chief Council Secretary (1)1
Mr Derek LO	Chief Council Secretary (1)5

Staff in attendance:

Ms Clara LO	Legislative Assistant (1)9
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**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the morning of 7 April 2020
9:00 am to 1:05 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen

Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Kenneth LEUNG
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Judiciary Administration and Legal Administration

Miss Emma LAU, JP	Judiciary Administrator
Ms Wendy CHEUNG	Deputy Judiciary Administrator (Operations)
Mr Jock TAM	Assistant Judiciary Administrator (Corporate Services)
Mr Desmond LAM	Chief Treasury Accountant, Judiciary
Ms Teresa CHENG, GBS, SC, JP	Secretary for Justice
Ms Gracie FOO, JP	Director of Administration and Development
Mr Paul HO	Deputy Director of Public Prosecutions (II)
Mr Wesley WONG, SC, JP	Solicitor General
Ms Fanny IP	Acting Law Draftsman
Ms Christina CHEUNG, JP	Law Officer (Civil Law)
Mr Paul TSANG, SBS	Law Officer (International Law)
Dr James DING	Commissioner of Inclusive Dispute Avoidance and Resolution Office

Civil Service

Mr Joshua LAW, GBS, JP	Secretary for the Civil Service
Mr Thomas CHOW, JP	Permanent Secretary for the Civil Service
Mr Brian LO, JP	Deputy Secretary for the Civil Service (1)
Ms Amy WONG, JP	Deputy Secretary for the Civil Service (2)

Mr Eric CHAN, JP	Deputy Secretary for the Civil Service (3)
Mr Hermes CHAN	Director of General Grades
Ms Bertille LI	Principal Executive Officer (Management), Civil Service Bureau
Mr Charlix WONG, JP	Director of Accounting Services
Mr YAU Kin-chung, JP	Secretary General, Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service
Dr Ronald LAM, JP	Deputy Director of Health
Ms Fontaine CHENG	Secretary, Public Service Commission

Constitutional and Mainland Affairs

Mr Patrick NIP, JP	Secretary for Constitutional and Mainland Affairs
Mr Andy CHAN, JP	Under Secretary for Constitutional and Mainland Affairs
Mr Roy TANG, JP	Permanent Secretary for Constitutional and Mainland Affairs
Miss Rosanna LAW, JP	Deputy Secretary for Constitutional and Mainland Affairs (1)
Ms Elizabeth TAI, JP	Deputy Secretary for Constitutional and Mainland Affairs (2)
Ms Maisie CHAN, JP	Deputy Secretary for Constitutional and Mainland Affairs (3)
Ms Elena SHUM	Chief Executive Officer (Newspaper and Article Administration / Communications Authority)
Mr Alan YUNG	Chief Electoral Officer

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
Ms Angel SHEK	Chief Council Secretary (1)1

Staff in attendance:

Miss Queenie LAM	Senior Legislative Assistant (1)2
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**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the afternoon of 7 April 2020
2:00 pm to 6:05 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP

Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Home Affairs

Mr LAU Kong-wah, JP	Secretary for Home Affairs
Mr Jack CHAN, JP	Under Secretary for Home Affairs
Mrs Cherry TSE, JP	Permanent Secretary for Home Affairs
Mr Patrick LI, JP	Deputy Secretary for Home Affairs (1)
Mrs Angelina CHEUNG, JP	Deputy Secretary for Home Affairs (2)
Mr YEUNG Tak-keung, JP	Commissioner for Sports
Ms YING Fun-fong, JP	Project Manager, Home Affairs Bureau
Miss Janice TSE, JP	Director of Home Affairs
Mr Vincent LIU, JP	Director of Leisure and Cultural Services
Mr Rex CHANG, JP	Director of Information Services

Commerce, Industry and Tourism

Mr Edward YAU Tang-wah, GBS, JP	Secretary for Commerce and Economic Development
Miss Eliza LEE Man-ching, JP	Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism)

Ms Vivian SUM Fong-kwang, JP	Deputy Secretary for Commerce and Economic Development (Commerce and Industry)1
Mr Gary POON Wai-wing, JP	Deputy Secretary for Commerce and Economic Development (Commerce and Industry)2
Ms Betty HO Siu-ping	Deputy Secretary for Commerce and Economic Development (Commerce and Industry)3
Mr Joe WONG Chi-cho, JP	Commissioner for Tourism
Mr Denis YIP Shing-fai	Commissioner for Belt and Road
Mr Hermes TANG Yi-hoi, CDSM, CMSM	Commissioner of Customs and Excise
Miss Cathy CHU Man-ling, JP	Postmaster General
Mr David WONG Fuk-loi, JP	Director of Intellectual Property
Mr Stephen PHILLIPS	Director-General of Investment Promotion
Ms Salina YAN Mei-mei, JP	Director-General of Trade and Industry
Dr CHENG Cho-ming, JP	Director of the Hong Kong Observatory
Mr Dane CHENG Ting-yat	Executive Director, Hong Kong Tourism Board

Communications and Creative Industries

Mr Edward YAU Tang-wah, GBS, JP	Secretary for Commerce and Economic Development
Mr Clement LEUNG, JP	Permanent Secretary for Commerce and Economic Development (Communications and Creative Industries)
Ms Julina CHAN, JP	Deputy Secretary for Commerce and Economic Development (Communications and Creative Industries)
Mr Edward TO, JP	Deputy Secretary for Commerce and Economic Development (Communications and Creative Industries) (Special Support)

Mr Victor TSANG
Mr LEUNG Ka-wing, JP
Ms CHAN Man-kuen

Mr Chaucer LEUNG
Mr Tony LI

Head of Create Hong Kong
Director of Broadcasting
Deputy Director of Broadcasting
(Programmes)
Director-General of Communications
Deputy Director of Film, Newspaper
and Article Administration

Clerk in attendance:

Ms Anita SIT
Ms Angel SHEK

Assistant Secretary General 1
Chief Council Secretary (1)1

Staff in attendance:

Miss Bowie LAM

Council Secretary (1)1

**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the morning of 8 April 2020
9:00 am to 12:40 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)

Hon CHAN Chun-ying, JP (Deputy Chairman)

Hon James TO Kun-sun

Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, GBS, JP

Hon Tommy CHEUNG Yu-yan, GBS, JP

Prof Hon Joseph LEE Kok-long, SBS, JP

Hon Jeffrey LAM Kin-fung, GBS, JP

Hon WONG Ting-kwong, GBS, JP

Hon Starry LEE Wai-king, SBS, JP

Hon CHAN Hak-kan, BBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon Mrs Regina IP LAU Suk-yea, GBS, JP

Hon Paul TSE Wai-chun, JP

Hon Claudia MO

Hon Michael TIEN Puk-sun, BBS, JP

Hon Steven HO Chun-yin, BBS

Hon Frankie YICK Chi-ming, SBS, JP

Hon WU Chi-wai, MH

Hon YIU Si-wing, BBS

Hon MA Fung-kwok, SBS, JP

Hon Charles Peter MOK, JP

Hon CHAN Chi-chuen

Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon Dennis KWOK Wing-hang
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS

Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ¹
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Food Safety and Environmental Hygiene

Prof Sophia CHAN, JP	Secretary for Food and Health
Mr Philip YUNG, JP	Permanent Secretary for Food and Health (Food)
Mr Michael YOUNG	Head, Resource Management and Administration, Food and Health Bureau
Miss Vivian LAU Lee-kwan, JP	Director of Food and Environmental Hygiene
Dr Philip HO Yuk Yin, JP	Controller, Centre for Food Safety, Food and Environmental Hygiene Department
Dr LEUNG Siu-fai, JP	Director of Agriculture, Fisheries and Conservation
Dr SIN Wai-mei, JP	Government Chemist

Health

Prof Sophia CHAN, JP	Secretary for Food and Health
Ms Elizabeth TSE, JP	Permanent Secretary for Food and Health (Health)
Mr Michael YOUNG	Head, Resource Management and Administration, Food and Health Bureau
Dr Constance CHAN Hon-ye, JP	Director of Health
Dr Ronald LAM Man-kin, JP	Deputy Director of Health

Dr Tony KO Pat-sing
Dr Deacons YEUNG Tai-kong
Dr SIN Wai-mei, JP

Chief Executive, Hospital Authority
Director (Cluster Services), Hospital
Authority
Government Chemist

Clerk in attendance:

Ms Anita SIT
Ms Angel SHEK

Assistant Secretary General 1
Chief Council Secretary (1)1

Staff in attendance:

Ms Alice CHEUNG

Senior Legislative Assistant (1)1

**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the afternoon of 8 April 2020
2:00 pm to 6:55 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP
Hon Kenneth LEUNG
Dr Hon KWOK Ka-ki

Hon KWOK Wai-keung, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Innovation and Technology

Mr Nicholas YANG, GBS, JP	Secretary for Innovation and Technology
Dr David CHUNG Wai-keung, JP	Under Secretary for Innovation and Technology
Ms Annie CHOI Suk-han, JP	Permanent Secretary for Innovation and Technology
Mrs Millie NG KIANG Mei-nei, JP	Deputy Secretary for Innovation and Technology (1)
Mr Davey CHUNG Pui-hong, JP	Deputy Secretary for Innovation and Technology (2)
Ms Rebecca PUN Ting-ting, JP	Commissioner for Innovation and Technology
Mr Victor LAM Wai-kiu, JP	Government Chief Information Officer
Ms Olivia NIP Sai-lan, JP	Commissioner for Efficiency

Planning and Lands

Mr Michael WONG Wai-lun, JP	Secretary for Development
Mr LIU Chun San, JP	Under Secretary for Development
Ms Bernadette LINN, JP	Permanent Secretary for Development (Planning and Lands)
Ms Doris HO Pui-ling, JP	Deputy Secretary for Development (Planning and Lands)1
Mr Maurice LOO Kam-wah, JP	Deputy Secretary for Development (Planning and Lands)2
Mr Vic YAU Cheuk-hang, JP	Deputy Secretary for Development (Planning and Lands) 3

Ms Karen CHAN, JP
Mr Raymond LEE, JP
Mr YU Tak-cheung, JP

Acting Director of Lands
Director of Planning
Director of Buildings

Works

Mr Michael WONG Wai-lun, JP
Mr LIU Chun San, JP
Mr LAM Sai-hung, JP

Secretary for Development
Under Secretary for Development
Permanent Secretary for
Development (Works)

Mr Vincent MAK Shing-cheung, JP

Deputy Secretary for Development
(Works)²

Mr Francis CHAU Siu-hei

Deputy Secretary for Development
(Works)³

Ms Brenda AU Kit-ying, JP

Head of Energizing Kowloon East
Office

Mr John KWONG Ka-sing

Head of Project Strategy and
Governance Office

Mrs Sylvia LAM YU Ka-wai, JP

Director of Architectural Services

Mr Ricky LAU Chun-kit, JP

Director of Civil Engineering and
Development

Mr Alfred SIT Wing-hang, JP

Director of Electrical and Mechanical
Services

Mr Kelvin LO Kwok-wah, JP

Director of Drainage Services

Mr WONG Chung Leung, JP

Director of Water Supplies

Clerk in attendance:

Ms Anita SIT
Ms Angel SHEK

Assistant Secretary General 1
Chief Council Secretary (1)1

Staff in attendance:

Ms Clara LO

Legislative Assistant (1)9

**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the morning of 9 April 2020
9:00 am to 1:10 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, SBS, MH, JP

Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS

Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Education

Mr Kevin YEUNG, JP	Secretary for Education
Dr CHOI Yuk Lin, JP	Under Secretary for Education
Mrs Ingrid YEUNG, JP	Permanent Secretary for Education
Mr Esmond LEE, JP	Deputy Secretary for Education (1)
Ms Priscilla TO, JP	Deputy Secretary for Education (2)
Mrs CHAN SIU Suk-fan	Acting Deputy Secretary for Education (3)
Mrs HONG CHAN Tsui-wah	Deputy Secretary for Education (5)
Ms May CHAN, JP	Deputy Secretary for Education (6)
Mr Godwin LAI	Principal Assistant Secretary for Education (Special Education)
Prof James TANG	Secretary-General, University Grants Committee
Mrs Carrie YAU, GBS, JP	Executive Director, Vocational Training Council
Dr SO Kwok Sang	Secretary General, Hong Kong Examinations and Assessment Authority
Mr Donald NG, JP	Head, Working Family and Student Financial Assistance Agency

Security

Mr John LEE, SBS, PDSM, PMSM, JP	Secretary for Security
Mr Sonny AU, PDSM, PMSM, JP	Under Secretary for Security
Ms Carol YIP, JP	Permanent Secretary for Security
Ms Winnie NG, JP	Deputy Secretary for Security (1)
Mrs Apollonia LIU, JP	Deputy Secretary for Security (2)
Miss Hinny LAM	Deputy Secretary for Security (3)
Ms Ivy LAW, JP	Commissioner for Narcotics
Ms Jenny TAM	Principal Management Services Officer (Security), Security Bureau
Mr TANG Ping-keung, PDSM	Commissioner of Police
Mr Daryl LI, FSDSM	Director of Fire Services
Mr Erick TSANG, IDSM	Director of Immigration
Mr WOO Ying-ming, CSDSM	Commissioner of Correctional Services
Mr Hermes TANG, CDSM, CMSM	Commissioner of Customs and Excise
Captain West WU, MBS, GDSM, AE	Controller, Government Flying Service
Mr Francis FONG	Chief Staff Officer, Civil Aid Service
Mr WONG Ying-keung	Chief Staff Officer, Auxiliary Medical Service
Mr Richard YU, CDSM, CMSM	Secretary-General, Independent Police Complaints Council
Ms Flemy YIP	Secretary, Secretariat, Commissioner on Interception of Communications and Surveillance
Mr Victor LIU, JP	Director-General of Civil Aviation

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
Ms Angel SHEK	Chief Council Secretary (1)1

Staff in attendance:

Miss Bowie LAM	Council Secretary (1)1
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**Attendance of members and public officers at the
special meetings of the Finance Committee
from 6 to 9 April 2020**

**Meeting held in the afternoon of 9 April 2020
2:30 pm to 6:30 pm
Legislative Council Complex Conference Room 1**

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP

Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Martin LIAO Cheung-kong, GBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kiwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Public officers attending:

Mr Raistlin Lau, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Mike CHENG	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)

Welfare and Women

Dr LAW Chi-kwong, GBS, JP	Secretary for Labour and Welfare
Mr Caspar TSUI, JP	Under Secretary for Labour and Welfare
Ms CHANG King-yiu, JP	Permanent Secretary for Labour and Welfare
Mr David LEUNG, JP	Deputy Secretary for Labour and Welfare (Welfare) 1
Mr Johann WONG, JP	Deputy Secretary for Labour and Welfare (Welfare)2
Ms Manda CHAN, JP	Commissioner for Rehabilitation
Mr Donald NG, JP	Head, Working Family and Student Financial Assistance Agency
Mr Gordon LEUNG, JP	Director of Social Welfare
Mr LAM Ka-tai, JP	Deputy Director of Social Welfare (Services)
Ms WONG Yin-yee	Deputy Director of Social Welfare (Administration)
Ms Michelle LAM	Deputy Director of Social Welfare (Administration)
Ms Mable CHAN, JP	Commissioner for Transport

Labour

Dr LAW Chi-kwong, GBS, JP	Secretary for Labour and Welfare
Mr Caspar TSUI, JP	Under Secretary for Labour and Welfare
Ms CHANG King-yiu, JP	Permanent Secretary for Labour and Welfare

Mr Daniel FONG	Principal Assistant Secretary for Labour and Welfare (Manpower)
Mr Carlson CHAN, JP	Commissioner for Labour
Miss Mabel LI, JP	Deputy Commissioner for Labour (Labour Administration)
Mr Jeff LEUNG, JP	Deputy Commissioner for Labour (Occupational Safety and Health)
Mr Charles HUI, JP	Assistant Commissioner for Labour (Employment Services)
Mr WU Wai-hung, JP	Assistant Commissioner for Labour (Occupational Safety)
Dr WAN Yuen-kong	Occupational Health Consultant (1), Labour Department
Mr Donald NG, JP	Head, Working Family and Student Financial Assistance Agency

Clerk in attendance:

Mr Derek LO	Chief Council Secretary (1)5
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Staff in attendance:

Miss Queenie LAM	Senior Legislative Assistant (1)2
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**Special Meetings of the Finance Committee of the Legislative
Council to Examine the Estimates of Expenditure 2020-21**

(9:00 am - 10:10 am on 6 April 2020)

**Speaking Note of the Secretary for Financial Services
and the Treasury**

Chairman and Honourable Members,

I will briefly introduce the estimates of expenditure for financial services and our key areas of work in the coming year.

Estimates of Expenditure

2. The allocation to the Financial Services Branch and departments under its purview for 2020-21 is about \$2.3 billion. The amount represents an increase of about \$400 million over last year.

Key Areas of Work

3. In the coming year, we will focus our work on safeguarding Hong Kong's financial stability on the one hand and promoting market development and enhancing financial co-operation with the Mainland on the other, in order to reinforce our status as an international financial centre.

(I) Safeguarding Financial Stability

4. We are committed to maintaining the stability of the financial system in Hong Kong. With Coronavirus Disease 2019 (COVID-19) spreading across the globe, the number of confirmed cases has increased globally and locally. The situation has become very serious and put the worldwide economy under great pressure. Many international organisations and economists are pessimistic over the economic outlook and have warned about the risk of global recession this year. Under the influence of COVID-19 and many other uncertainties in the global and local environments, the global and Hong

Kong's financial markets have become more volatile, and our economy has worsened abruptly. Nevertheless, our financial system remains resilient, different facets, including the linked exchange rate system, continue to function effectively. Stress tests conducted by financial regulators indicate that even in extremely adverse situations, banks, intermediaries in the securities sector and insurers will still be able to meet the relevant regulatory requirements. Our financial system has withstood crises one after another and we believe that with our resilient regulatory regime, Hong Kong can cope with market volatility. In the coming year, the Government and financial regulators will continue to closely monitor the financial market situation, with a view to ensuring financial stability.

(II) Promoting Market Development

5. On promoting market development, I would like to give a brief account of our priorities.

(i) Asset and Wealth Management

6. Following the introduction of a new open-ended fund company structure in July 2018, we are currently conducting the legislative exercise relating to the establishment of a limited partnership regime for private equity funds, so as to provide more options for funds to be set up in Hong Kong. The relevant bill was gazetted in March 2020, pending passage by the Legislative Council (LegCo). In addition, to attract more private equity funds to domicile and operate in Hong Kong, we also plan to provide tax concession for carried interest issued by private equity funds operating in Hong Kong subject to the fulfilment of certain conditions. We will consult the industry on the proposal, and the relevant arrangement will be applicable starting from 2020-21 upon completion of the legislative exercise.

(ii) Securities Market

7. The rapid development of the Exchange Traded Fund (ETF) market in recent years has brought new opportunities to the securities market in Hong Kong. In order to further strengthen the competitiveness of Hong Kong as an ETF listing platform, the Government will expand the existing scope of the stamp duty on stock

transfers waiver for ETF-related transactions to cover also those paid by market makers in the course of creating and redeeming ETF units listed in Hong Kong. This initiative will reduce the overall cost of trading ETFs and hence attract ETF issuers to launch ETFs that track Hong Kong stocks. We plan to table the relevant subsidiary legislation before LegCo this quarter (i.e. the second quarter of 2020) to give effect to the proposal.

8. Moreover, we are further enhancing the mutual capital market access between Hong Kong and the Mainland. With effect from 28 October 2019, companies with a weighted voting rights structure as listed in Hong Kong under the new listing regime of the Hong Kong Exchanges and Clearing Limited are included as eligible securities under Southbound Trading of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect upon fulfilment of certain criteria. The Government and regulators will continue to discuss with the relevant Mainland authorities to cover more investment products in the mutual market access schemes, with a view to promoting the collaboration and interaction between the two financial markets.

(iii) Facilitating the Development of the Insurance Industry

9. To enhance Hong Kong's competitiveness as an international insurance hub and help the industry seize new opportunities, including those arising from the development of the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) and the Belt and Road Initiative, we introduced an amendment bill into the LegCo for scrutiny in this legislative session and gazetted two other amendment bills in March 2020. The amendment bills aim to serve for the following purposes. First, to reduce by 50% the profits tax rate for all general reinsurance business of direct insurers, selected general insurance business of direct insurers and selected insurance brokerage business, so as to help promote the development of marine insurance, underwriting of specialty risks and high value-added maritime services. Second, to establish a new regulatory regime which facilitates the issuance of insurance-linked securities in Hong Kong and to expand the scope of insurable risks by captive insurers set up in Hong Kong, thereby enriching the risk management tools available in the Hong Kong market and catering for the risk management needs of multinational companies respectively. Third, to enhance the structure

for the supervision of insurance groups where the holding company for the group is incorporated in Hong Kong, with a view to meeting international standards and establishing Hong Kong as a preferred base for large insurance groups in Asia Pacific.

(iv) Development of Financial Technologies (Fintech)

10. We will continue to promote the development of Fintech in Hong Kong on various fronts, including expanding the applications of the Faster Payment System and creating conditions conducive to the development of the Fintech ecosystem in Hong Kong. While striving to facilitate financial innovation, the Government will also continue to work closely with financial regulators to protect the interests of the investing public.

(v) Green Finance

11. Last year, we saw the successful offering of our inaugural green bond under the Government Green Bond Programme. We plan to issue a total of around \$66 billion green bonds in the five years commencing from this year, having regard to the market situation. This will further consolidate and develop Hong Kong's position as a premier green finance hub in the region and attract more institutions to make use of our capital market for green financing and investing.

(vi) eMPF Platform

12. To create room for fee reduction and a predominantly paperless Mandatory Provident Fund (MPF) experience, the Government is working with the Mandatory Provident Fund Schemes Authority (MPFA) to set up an eMPF Platform to facilitate standardisation, streamlining and automation of MPF scheme administration processes to maximise operational efficiency. The MPFA issued the Request for Proposal documents for the eMPF Platform last December, with a view to awarding the tender in the second half of 2020. Subject to the result of the tendering exercise, it remains our target to have the eMPF Platform ready by 2022 the earliest and the on-boarding to the eMPF Platform by all trustees by phases in the subsequent two to three years.

(vii) Retail Bond Market

13. To promote the further development of the retail bond market and encourage the financial sector to continue tapping the silver market, we plan to issue inflation-linked retail bond (iBond) and Silver Bond again this year. Depending on the market conditions, the total issuance size of the two retail bonds will be no less than \$13 billion. The Hong Kong Monetary Authority (HKMA) will announce the details in due course.

(III) Enhancing Financial Co-operation with the Mainland

14. Following the third meeting of the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area, six finance-related measures were announced, covering areas such as personal banking services and insurance. Among which, HKMA has maintained close communication with the Mainland authorities on the design of the wealth management connect scheme, with a view to launching the scheme as early as possible. On the premise of ensuring proper management of risks and protection of investors, the scheme aims to enable residents of Hong Kong and Mainland cities in the Greater Bay Area to invest in wealth management products in each other's market. This will create more business opportunities for the financial industries of the two places and provide more choices of wealth management products for residents therein, thereby further facilitating the cross-boundary flow and use of Renminbi (RMB), and reinforcing Hong Kong's position as the hub for offshore RMB business as well as the intermediary for capital flowing into and out of the Mainland. HKMA will draw on the successful experience of existing mutual market access schemes in devising the relevant management arrangements.

15. Last but not least, to ease the pressure on enterprises brought about by the economic downturn, the Financial Secretary has announced in the Budget that the registration fees for all annual returns (except for late delivery) charged by the Companies Registry will be waived for two years. This will benefit about 1.4 million companies and reduce related revenue by about \$212 million in total. We will introduce the proposed amendments to the relevant subsidiary legislation into LegCo this quarter.

16. Chairman, my colleagues and I will be happy to answer any questions from Members.

- End -

**Special Meetings of the Finance Committee of the Legislative
Council to Examine the Estimates of Expenditure 2020-21
Public Finance**

(10:20 am - 11:00 am on 6 April 2020)

**Speaking Note of the Secretary for Financial Services
and the Treasury**

Chairman and Honourable Members,

This session of the special meetings of the Finance Committee will examine the expenditure estimates of the Treasury Branch and related departments. The policy areas under the Treasury Branch's purview cover revenue and financial control, provision of central support services within the Government and maintenance of government properties. Before the question session begins, I would like to brief Members on a few points.

Estimates of Expenditure

2. The estimated total expenditure of the Treasury Branch and the departments under its purview for 2020-21 is about \$84.511 billion. The amount represents an increase of \$74.726 billion (i.e. more than sevenfold) over the original estimate of \$9.785 billion for the last year. The increase is mainly attributed to a substantial rise in the non-recurrent expenditure under Head 147 of the Treasury Branch, from the approved estimate of \$34 million in the last financial year to an estimate of \$74.851 billion this year, as a result of the implementation of one-off relief measures. The one-off relief measures include a cash payout scheme¹ and two one-off electricity charges subsidy schemes² (i.e. electricity charges subsidy for eligible residential accounts and supplementary electricity charges subsidy for

¹ The cash payout scheme involves a non-recurrent expenditure of \$71.008 billion in 2020-21.

² The supplementary electricity charges subsidy for eligible public housing tenants affected by redevelopment, major repair or improvement works and the electricity charges subsidy for eligible residential accounts involve non-recurrent expenditures of \$500,000 and \$3.842 billion respectively in 2020-21.

eligible public housing tenants affected by redevelopment, major repair or improvement works). Discounting the non-recurrent expenditure, the estimated total recurrent expenditure of the Treasury Branch and the departments under its purview is \$9.464 billion, which is \$56 million (around 0.6%) less than the original estimate for the last year.

Key Areas of Work in the Coming Year

3. As regards our work in the coming year, I would like to brief Members on the following key areas.

4. On public finance, the Government will continue to exercise fiscal prudence to ensure healthy public finance. Our current fiscal reserves of about \$1,100 billion enable us to roll out countercyclical measures of a massive scale to support our people and enterprises in light of the economic situation in Hong Kong. While we expect a fiscal deficit of \$139.1 billion in 2020-21, more than \$120 billion of it is related to the one-off relief measures (including the cash payout scheme), which will not incur long-term financial commitments. Such special measures and the ever-growing expenditure, however, will deplete our fiscal reserves. Take the 2020-21 financial year as an example. Our reserves, which are equivalent to 22 months of government expenditure at the beginning of the year, will drop to a level equivalent to 16 months of government expenditure at year-end. In the coming years, government expenditure will enter a consolidation period. We should, in future, be more mindful of the Government's long-term affordability when we increase spending, which should be commensurate with the growth in revenue. To increase our revenue, we need to maintain the growth and vibrancy of our economy. We will also consider seeking new revenue sources or revising tax rates in due course. The scale of the one-off relief measures may also have to be progressively reduced.

5. On international tax co-operation, we will keep close watch on the latest developments of the work of the Organisation for Economic Co-operation and Development on setting rules for the imposition of a global minimum tax rate, and assess the impact on our tax regime. The Government will invite scholars, experts and members of the business community to tender advice on the matter, with a view to ensuring that Hong Kong's tax regime not only is in line

with new developments in the international tax scene, but also helps maintain our premier business environment and competitiveness.

6. We will also continue to expand Hong Kong's network of Comprehensive Avoidance of Double Taxation Agreements (CDTAs), so as to reduce the tax burden on our enterprises and individuals running businesses overseas. So far, Hong Kong has signed 43 CDTAs, and negotiations with 14 tax jurisdictions are underway. Our target is to bring the total number of CDTAs to 50 by the end of 2022.

7. Regarding the cash payout scheme, the Financial Secretary announced in the Budget that a sum of \$10,000 would be disbursed to each Hong Kong permanent resident aged 18 or above, with a view to encouraging and boosting local consumption on the one hand, and relieving people's financial burden on the other. While the Appropriation Bill is under scrutiny, we, together with a number of departments and banks, are proceeding at full steam with the preparation work, including drawing up the procedures and designing and developing the computer systems, in order to launch the scheme and announce the details as soon as possible. To facilitate early disbursement of the money to citizens in an orderly manner, the registration procedures and the entire workflow design will be developed based on the principles of simplicity, convenience and security. Our target is to commence registration in July and disburse the sum starting from summer vacation.

8. Chairman, my colleagues and I will be happy to answer any questions from Members.

Financial Services and the Treasury Bureau
April 2020

**Speech by the Secretary for the Environment
at the Finance Committee Special Meeting (2020-21)**

Chairman,

This year, the Financial Secretary's Budget has allocated over \$13 billion to the Environment Bureau (ENB) for two key areas, namely, enhancing environmental protection and providing financial relief to the relevant sectors.

2. First, in respect of enhancing environmental protection, the Budget proposes allocating more than \$10 billion to implement various measures. One of them is that we will support the green transformation of vehicles by formulating Hong Kong's first roadmap for the popularisation of electric vehicles (EVs) and rolling out the following measures:

- launch a \$2 billion pilot scheme to subsidise the installation of EV charging-enabling infrastructure in car parks of private residential buildings;
- set aside \$80 million to launch a pilot scheme for electric public light buses;
- earmark \$350 million to launch a pilot scheme for electric ferries; and
- earmark \$7.1 billion for the ex-gratia payment scheme which aims to phase out about 40,000 Euro IV diesel commercial vehicles.

3. Other measures related to environmental protection include the following:

- set up a \$200 million Green Tech Fund to support the research and development, as well as application, of decarbonisation and green technologies;

- earmark not less than \$300 million each year to stabilise the recycling volume and the price of local waste paper; and
- encourage Hong Kong-owned factories to adopt cleaner production technologies with a view to improving the regional environment. \$300 million has been earmarked to extend the Cleaner Production Partnership Programme.

4. Moreover, in view of the current fight against the pandemic, the Budget has put extra funding of more than \$3 billion under ENB to extend the relief measures announced last year. These measures include the following:

- increase funding by about \$2.9 billion to extend the validity period of the electricity subsidy for non-residential customers from four months to eight months;
- increase funding by about \$120 million to extend the sewage charge waiver period for non-domestic accounts from four to eight months;
- extend the rental reduction waiver of 50% for eligible tenants of EcoPark, country park refreshment kiosks and Hong Kong Wetland Park for another six months until this September; and
- extend the rental support scheme for the recycling industry from six months to one year through allocating additional funding of \$100 million from the Recycling Fund. In addition, the Recycling Fund will allocate another \$100 million to support the recycling industry in its fight against the pandemic.

5. Today, my colleagues and I are happy to listen to the Honourable Members' views and respond to questions.

**Legislative Council
Special Finance Committee Meeting (Housing Session)
6 April 2020**

**Opening Remarks
by the Secretary for Transport and Housing**

Chairman,

1. Housing is a livelihood issue of greatest concern to the current-term Government. Based on the “supply-led” and “flexibility” principles under the Long Term Housing Strategy (LTHS), the Government will continue to increase public and private housing supply through a multi-pronged strategy. I am going to briefly introduce the following measures.

Housing Supply

2. According to the projection announced in the Long Term Housing Strategy Annual Progress Report 2019, the total housing supply target for the 10-year period from 2020-21 to 2029-30 will be 430 000 units. According to the public/private split of new housing supply of 70:30, the public housing supply target will be 301 000 units, comprising 210 000 public rental housing (PRH)/Green Form Subsidised Home Ownership Scheme (GSH) units and 91 000 Other Subsidised Sale Flats (SSFs).
3. Assuming that all sites identified as of now can be smoothly delivered on time for housing development, the estimated public housing production for the 10-year period from 2020-21 to 2029-30 is about 272 000 units, which is 24 000 units more than that for the 10-year period from 2019-20 to 2028-29 as announced in 2018. The extent of shortfall has narrowed from 67 000 units as projected in 2018 to 29 000 units.

4. The Government will continue to spare no efforts in increasing the short, medium and long term housing land supply through a series of measures, including pressing ahead with various planned initiatives such as rezoning existing sites and carrying out major development projects. Furthermore, the Chief Executive announced in the 2019 Policy Address a series of new measures to increase land supply, such as invoking the Lands Resumption Ordinance and other applicable ordinances to resume private lands for development of public housing or Starter Homes for Hong Kong Residents (SH) project; and the concrete implementation of Land Sharing Pilot Scheme. These measures help increase the land supply for public housing development. Relevant departments will strive to implement these new initiatives.

Short and medium term support measures

5. In view of the current tough economic situation, the Financial Secretary has introduced a series of counter-cyclical measures, which include paying one month's rent for lower income tenants living in the public rental units of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HKHS). The estimated expenditure of the proposed measure is about \$1,829 million. It is estimated that HA and HKHS will implement the rent payment about one month to one and a half months after the passage of the Appropriation Bill and a total of around 790 000 tenants will be benefited.
6. Furthermore, the 2019 Policy Address proposed that HA make active preparation to accelerate the sale of the unsold flats in the Tenants Purchase Scheme (TPS) estates, with a view to further meeting the home ownership aspirations of PRH tenants. Currently, there are around 41 000 unsold flats in the 39 TPS estates. We will, in later time, consult Legislative Council Panel on Housing regarding how to accelerate the sale of these flats, and put up concrete recommendations on sales arrangements for HA's consideration in Q2/Q3 of 2020.

7. As regards SH, the Government invited public tender for a private residential site on Anderson Road, Kwun Tong on 20 March for implementing the second SH pilot project. The tender invitation will close on 15 May this year. According to the land sale conditions, the Government will randomly select no less than 1 000 SH units from the completed residential units built by the developer. The SH units will be offered for sale at 80% of the prevailing market prices to eligible applicants.
8. In the aspect of increasing public housing development, HA is exploring the feasibility of redeveloping individual factory estates as appropriate for public housing use, particularly to increase the supply of PRH units, taking into account individual site conditions and arrangements. HA has commenced the respective preliminary assessments progressively, which are expected to be completed gradually in end of this year. HA will announce the results and recommendations as appropriate.
9. With regards to the promotion of transitional housing, the task force on transitional housing (“Task Force”) under the Transport and Housing Bureau has been working closely with community organisations to facilitate completion of projects to increase supply. At present, the Task Force has identified sufficient sites for the provision of 10 000 transitional housing units in the coming 3 years. The Government is assessing the feasibility to develop transitional housing on a number of government, institution or community sites that have no development plan in the short term, with a view to meeting the further increase of the supply target of transitional housing to 15 000 units for the coming 3 years, as announced by the Chief Executive in mid-January this year. The community organisations will announce details of individual projects at suitable junctures.
10. We are grateful for the Legislative Council’s approval of the funding allocation of \$5 billion last month, to set up a Funding Scheme to support the implementation of Transitional Housing Projects by Non-government Organisations (the Funding Scheme). The Government expects to formally launch the Funding Scheme in mid-2020. Besides, the Task Force will continue to provide assistance to organisations to apply for

subsidies from different sources of funds and offer advice to individual projects, taking into account the needs of individual projects.

11. Furthermore, to alleviate the hardship faced by the families waiting for PRH and those living in unpleasant environments, the Government will, on a trial basis, provide cash allowance to eligible General Applicant households who are not living in public housing, not receiving the Comprehensive Social Security Assistance (CSSA) and have been waiting for PRH for more than three years, until they are offered the first PRH allocation. The Government is working out the details of the trial scheme for the provision of cash allowance, with a view to launching the scheme in the second half of next year. Before the introduction of the trial scheme, the Community Care Fund will put forward two rounds of “one-off living subsidy” for the low-income households not living in PRH and not receiving the CSSA in the financial year of 2020-21.
12. The Transport and Housing Bureau will also set up a Working Group, which will engage consultant to examine the feasibility and, if so, viable options for implementing tenancy control on subdivided units (SDUs) as well as examine various subjects relevant to SDU tenancy control. We aim to complete the consultancy studies by the first half of next year.

Concluding remarks

13. Chairman, I am pleased to answer policy-related questions from Members, while the Controlling Officers and my other colleagues would respond to those questions relating to implementation matters and the use of financial resources.

-ENDS-

**Opening Remarks by the Secretary for Transport and Housing
at the LegCo Special Finance Committee Meeting (Transport)
on 6 April 2020**

Honourable Chairperson,

Today, I would like to brief Members on our work on land, marine and air transport in the new financial year.

2. For railways, Tuen Ma Line Phase 1 was commissioned on 14 February this year. The remaining works of the Shatin to Central Link is in full swing. The “Tai Wai to Hung Hom Section” and “Hung Hom to Admiralty Section” are expected to commission by the end of 2021 and the first quarter of 2022 respectively. We will continue to implement the new railway projects recommended under the Railway Development Strategy 2014, and will invite the MTR Corporation Limited to commence detailed planning and design for the Tung Chung Line Extension, Tuen Mun South Extension and Northern Link in the coming year. The Government will consult the public on the new railway schemes after confirming their details.

3. In respect of major road infrastructures, the construction of the TM-CLKL Northern Connection is anticipated to be completed in end 2020 at the earliest. Upon commissioning, the travelling time between Northwest New Territories and Lantau will be significantly reduced, which will not only help alleviate the traffic load of North Lantau Highway, Lantau Link and Tuen Mun Road, but also provide as an alternative route to the Hong Kong International Airport.

4. The Route 6 will provide an important road link between West Kowloon, Kai Tak and Tsueng Kwan O. The works of the Tseung Kwan O-Lam Tin Tunnel and the Central Kowloon Route under the project are in full swing. Upon commissioning of the entire Route 6, it is estimated that the journey time during peak hours between Tseung Kwan O Town Centre and Yau Ma Tei Interchange along the Route 6 will be substantially reduced from about 65 minutes now to about 12 minutes.

5. The Trunk Road T2 and Cha Kwo Ling Tunnel commenced construction in November 2019 for target commissioning of the entire Route 6 in 2026.

6. Due to unforeseen events including the Novel Coronavirus epidemic in recent months, the supply chain of construction materials and installations have been affected and the workforce for site works has been reduced. We will continue to closely monitor the progress of works and assess the impacts on the overall works projects.

7. In the 2019 Policy Address, it was announced that a Special Scheme would be launched under the Universal Accessibility Programme for retrofitting lifts at walkways in or connecting to estates under the Tenants Purchase Scheme and Buy or Rent Option Scheme, and Public Rental Housing estates with properties divested under the Hong Kong Housing Authority. The Highways Department will consult District Councils on the Special Scheme starting from the second quarter of this year.

8. In terms of public transport, the Government has enhanced the Public Transport Fare Subsidy Scheme since January 2020 to further alleviate the fare burden of commuters. We will also provide Special Helping Measures for outlying island ferry routes starting from the second quarter of this year, in order to reduce burden of fare increases. In addition, the Government continues to enhance the operation safety of franchised buses. Among the 45 recommendations put forward by the relevant Independent Review Committee, 43 have been implemented or are being implemented, with some of them becoming on-going measures.

9. On the use of roads, to maximise the efficiency of limited road space, the Government will progressively take forward various “Smart Mobility” initiatives, including the installation of the new generation on-street parking meters, thereby providing real-time information on vacant on-street metered parking spaces and supporting remote payment of parking meter fees; the preparation for implementing Free-flow Tolling System at government tolled tunnels and the Tsing Sha Control Area, thereby enabling motorists to use toll tags (in-vehicle units) to pay tolls; the development of a Traffic Data Analytics System for more accurate assessment of traffic conditions

and provision of real-time suggestions, etc.

10. To encourage enterprises or organisations to conduct research and application on vehicle-related innovation and technology, we have earmarked around \$1 billion for setting up a Smart Traffic Fund which is expected to commence operation in 2020-21.

11. Separately, to reduce the cost of using government tolled tunnels and Control Areas incurred by the public, public transport operators and transport trades, we plan to introduce amendments to the relevant subsidiary legislation in the second quarter this year so as to implement the initiative in respect of the toll-free arrangement for the subsea tunnel connecting Tuen Mun and Chek Lap Kok and the Tseung Kwan O-Lam Tin Tunnel upon commissioning, as well as the toll waiver for the Lantau Link and the Tseung Kwan O Tunnel when the two new tunnels are commissioned respectively.

12. We are taking forward the legislative amendment work to abolish the embarkation fee for cross-boundary ferry passengers, with a view to bringing it into effect in 2020.

13. In respect of marine transport, the Transport Department completed the open tender assessment of the “Central - Hung Hom” and “water taxi” ferry services in March this year. The selected operator has started gearing up for the services, which are expected to commence operation in the second and fourth quarter of this year respectively. In addition, we plan to submit the legislative amendments on enhancing the regulatory regime on pleasure vessels to the Legislative Council later with a view to strengthening their safety requirements.

14. As for the maritime industry, the Government will continue to bolster the development of high value-added maritime services. We have introduced the relevant Amendment Bills to provide tax exemption for qualifying ship lessors, and offer a 50% profits tax concession to qualifying ship leasing managers and eligible marine insurance business.

15. The Government also plans to introduce tax concessionary measures for maritime commercial principals (such as ship managers, ship brokers and ship agents) to encourage them to establish presence in Hong Kong.

16. As for the logistics industry, the Government will introduce a pilot subsidy scheme this year for providing subsidy to qualified third party logistics service providers on a matching basis by injecting \$345 million; each enterprise may be granted subsidies up to \$1 million; it is expected that around 300 enterprises can benefit from it. In addition, the Government will release by phases two port back-up sites at Kwai Chung and Tsing Yi respectively through public tender for developing multi-storey port back-up and modern logistics facilities.

17. As far as aviation is concerned. Despite the cargo traffic was relatively weak in first two months of the year due to the impact of the epidemic, we remain committed to maintaining its leadership status as an international aviation and cargo hub. We will continue to support Airport Authority Hong Kong in enhancing its long-term competitiveness, including the ongoing development on intermodal connectivity, taking forward the SKYCITY, the expansion of the express air cargo terminal, the development of the premium logistics centre at Kwo Lo Wan, and its continued efforts in achieving various international accreditations, etc.

18. Honourable Chairperson, I will be happy to answer policy-related questions from Members. Controlling officers and other colleagues will answer questions pertaining to operation and the use of financial resources.

Transport and Housing Bureau
April 2020

**The Judiciary Administrator's Speaking Notes
at the Special Finance Committee Meeting
on 7 April 2020**

The Judiciary has the constitutional responsibility to administer justice fairly and impartially. In the financial year 2020-21, a total provision of \$2,264.0 million is sought to enable the Judiciary to discharge its responsibilities.

2020-21 Draft Estimates

2. In accordance with the budgetary arrangements agreed between the Judiciary and the Government in 2005, the Judiciary submitted its resource requirements for 2020-21 to the Government in July 2019, prior to the Government's drawing up of the 2020-21 budget for the Judiciary. The Judiciary considers that the above budgetary arrangements have been working satisfactorily, and that the Government has been helpful in the process.

3. The draft Estimates of 2020-21 for the Judiciary, amounting to \$2,264.0 million, represents an increase of \$262.1 million, or 13.1%, over our revised estimates for 2019-20. In 2020-21, the Judiciary will be provided with the financial resources required for the creation of one additional judicial post and 34 net additional non-judicial civil service posts, filling of existing judicial and non-judicial vacancies, provision of additional operating expenses to strengthen court operation, facilitate the application of information technology in the Judiciary and enhance administrative support on the various fronts of the Judiciary.

Judicial Manpower

4. The establishment of judicial posts now stands at 218. The Judiciary was provided with the financial resources for the creation of three additional District Judge posts for the Family Court in the 2019-20 financial year. These proposals were supported by the Panel on Administration of Justice and Legal Services in February 2019 and endorsed by the Establishment Subcommittee in May 2019. We are seeking the approval of the Finance Committee. For the current

financial year, with the support of the Government by providing the necessary financial resources, the Judiciary proposes to create one additional judicial post of Justice of Appeal of the Court of Appeal of the High Court to strengthen the establishment of the Court of Appeal of the High Court to cope with the increased workload.

5. Over the past years, the Judiciary has been launching open recruitment exercises for filling judicial vacancies at appropriate timing, having regard to the overall judicial manpower situation and operational needs of the different levels of courts:

- (a) at the Judge of the Court of First Instance of the High Court (“CFI”) level, the Judiciary has conducted five open recruitment exercises on a more regular basis since 2012, including the latest round of recruitment exercise launched in mid-2018 and completed in 2019. A total of 26 CFI Judges have been appointed, including six CFI Judges appointed from the latest recruitment exercise;
- (b) for the District Judge level, three rounds of open recruitment launched in 2011, 2016 and 2018 were completed. A total of 36 judicial appointments were made as a result, including five District Judges appointed from the latest recruitment exercise; and
- (c) four rounds of open recruitment exercises for Permanent Magistrates have been conducted since 2011, including the latest round of recruitment exercise launched in March 2019. A total of 45 Permanent Magistrates were appointed, including four Permanent Magistrates so far appointed from the latest recruitment exercise. More judicial appointments arising from the latest round will be announced in due course.

6. To address the persistent recruitment difficulties at the CFI level as well as the long-term needs of the whole of the Judiciary, and with the support of the Government, enhancements to the conditions of service for Judges and Judicial Officers (“JJOs”) have been implemented with effect from 1 April 2017. The Judiciary hopes that

this would have a positive impact on recruiting suitable practitioners to join the Bench.

7. With the support of the Government, the legislative amendment exercise for the extension of retirement ages of JJOs had been completed. Following the passage of the Judicial Officers (Extension of Retirement Age) (Amendment) Bill 2019 by the Legislative Council on 27 November 2019, the new retirement age arrangements have come into effect since 6 December 2019. The Judiciary believes that extending the retirement ages of JJOs would have a positive impact on attracting quality candidates who are in private practice to join the Bench at the later stage of their career life, in particular at the CFI level, and also on retaining experienced judicial manpower where appropriate.

8. For the year 2020-21 and as far as judicial manpower is concerned, the Judiciary will aim to seek the Legislative Council's approval for the creation of three District Judge posts and one Justice of Appeal of the Court of Appeal of the High Court post, and follow up on the making of judicial appointments upon completion of the open recruitment of Permanent Magistrates. The Judiciary is also planning to launch another round of recruitment for CFI Judges, District Judges and Permanent Magistrates starting from the latter part of 2020-21 financial year. In addition, the Judiciary would continue to keep in view the judicial manpower situation and engage deputy JJOs in the interim in helping to meet pressing operational needs as far as practicable.

Non-Judicial Manpower

9. In 2020-21, on top of meeting the on-going operational needs in discharging its responsibilities on all fronts, the Judiciary will continue to enhance administrative support in respect of a number of major initiatives. To this end, a net addition of 34 civil service posts will be required.

10. First, the Judiciary proposes to make permanent a Principal Executive Officer ("PEO") (D1) post in the Judiciary Administration ("Jud Adm") to rationalise the existing manpower in the Accommodation Section so as to provide on-going and long-term

strategic and management support to the Jud Adm on accommodation matters and court security.

11. Besides, the Judiciary was provided with the financial resources for the creation of one Administrative Officer Staff Grade (“AOSG”) B1 post and one AOSGC post to strengthen the administrative support in the 2019-20 financial year. These proposals were supported by the Panel on Administration of Justice and Legal Services in February 2019 and endorsed by the Establishment Subcommittee in May 2019. We are seeking the approval of the Finance Committee.

12. Furthermore, additional/continuous staffing support will be required for many new and on-going initiatives. These include the provision of:

- (a) necessary support to the additional judicial post to be created to cope with the workload of the Court of Appeal of the High Court;
- (b) enhanced court/administrative support to cope with the surge in workload arising from the huge volume of non-refoulement claims cases filed with the High Court;
- (c) continuous/enhanced administrative support to facilitate the application of information technology in the Judiciary and implementation of the Information Technology Strategy Plan; and
- (d) enhanced court/administrative support for coping with increased workload, for example, enhanced support to JJOs in the High Court and the District Court; taking forth long-term accommodation strategy and court security measures; enhanced support to the press office and public communication; and enhancement of services in various areas such as the Probate Registry, the High Court Registry, etc.

The Way Forward

13. The Judiciary will consult the Panel on Administration of Justice and Legal Services on the proposed creation of one permanent judicial post and the proposed making permanent of one civil service directorate post before submitting the proposals to the Establishment Subcommittee for endorsement and the Finance Committee of the Legislative Council for approval. The Judiciary looks forward to receiving Members' support.

Conclusion

14. The Judiciary will continue to explore areas for improvement to enhance access to justice and to provide quality services to court users and members of the public.

15. Thank you.

**Opening Remarks of the Secretary for Justice
at the Special Meeting of Finance Committee
of the Legislative Council
to Examine the Estimates of Expenditure 2020-21
on 7 April 2020**

Chairman and Members,

The total estimated expenditure of the Department of Justice (DoJ) for 2020-21 is about \$2,448 million, representing an increase of only about 5.1% over the original estimate for the last financial year.

2. With regard to manpower, there will be a net creation of 57 posts.

3. For briefing out and court costs, the estimated expenditure was worked out on the basis of information available at the time of preparing the estimates and the principles of prudent management of public finances.

4. The policy initiatives implemented by DoJ in 2019 have been set out in detail in the paper submitted to the Panel on Administration of Justice and Legal Services. Let me summarise our work in 2019 and 2020.

5. In 2019, DoJ established the **Inclusive Dispute Avoidance and Resolution Office** to co-ordinate initiatives to enhance Hong Kong's position as a leading legal and dispute resolution centre.

(A) International initiatives

(1) Enhancing cooperation with other jurisdictions and international organisations

6. Internationally, DoJ separately **signed a Memorandum of Cooperation (MoC)** each **with Japan, Korea and Thailand** in 2019. With the support of the Central People's Government (CPG), DoJ also

signed an MoC with the United Nations Commission on International Trade Law (UNCITRAL) in 2019.

7. Moreover, we have made considerable progress with the Asian-African Legal Consultative Organization (AALCO) in exploring the proposal of establishing a regional centre for international commercial arbitration in Hong Kong.

(2) Cooperating with inter-governmental international organisations

8. With the support of the CPG, DoJ is also **targeting decision-making meetings of inter-governmental international organisations to be held in Hong Kong**. The fruits of our efforts include: (1) the AALCO Annual Session; (2) an inter-sessional meeting of the UNCITRAL Working Group III.

9. **International legal conferences** held in 2019 include: (1) the Investor-State Dispute Settlement Reform; (2) a conference on the Hague Judgments Convention, etc. DoJ will also co-organise an **international conference to mark the 40th anniversary of the United Nations Convention on Contracts for the International Sale of Goods** with UNCITRAL and the Asian Academy of International Law (AAIL) in 2020.

(B) Mainland-related initiatives

(1) Enhancing legal cooperation arrangements in civil and commercial matters with the Mainland

10. The scope of enforcement of **the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the HKSAR** concluded in January 2019 extends beyond that of the Hague Judgments Convention.

11. **The Arrangement Concerning Mutual Assistance in Court-ordered Interim Measures in Aid of Arbitral Proceedings by the Courts of the Mainland and of the HKSAR** signed on 2 April 2019 made Hong Kong the first and only jurisdiction outside

Mainland China to date where, choosing Hong Kong as the seat of arbitration, parties to arbitral proceedings administered by eligible arbitral institutions can apply to Mainland courts for interim measures.

12. We are setting up an **arrangement for cooperation on cross-boundary insolvency matters** with the Supreme People's Court.

(2) Policy initiatives relating to the development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA)

13. DoJ and the High People's Court of Guangdong Province signed a **framework arrangement on exchange and mutual learning in legal aspects** in September 2019 and already rolled out exchange activities.

14. To leverage on the strength of "One Country, Two Systems and Three Jurisdictions", the legal departments of Guangdong Province, Macao and Hong Kong held the **Guangdong-Hong Kong-Macao Bay Area Legal Departments Joint Conference** in Hong Kong on 12 September 2019. A joint conference mechanism was established to explore areas for collaboration.

(3) Policy initiatives for advancing contribution to the Belt and Road Initiative

15. DoJ, the Ministry of Commerce and the State-owned Assets Supervision and Administration Commission of the State Council worked in collaboration to establish a **tripartite platform** for Mainland enterprises and the Hong Kong legal profession, with the first event held in 2019 and the second roundtable meeting to be held later in 2020.

(C) **Local initiatives**

16. With the support of the CPG, DoJ has secured training opportunities in international organisations (such as UNCITRAL) for Hong Kong's legal talent, which can be effected upon completion of relevant internal administrative procedures.

(D) Policy initiatives on strengthening Hong Kong as a capacity building centre

17. In addition to organising **capacity building courses** from time to time, DoJ has also reached an agreement with the **Hague Academy of International Law** to support its organisation of regular courses in Hong Kong in collaboration with the AAIL starting from late 2020.

(E) Vision 2030 for Rule of Law

18. In November 2019, DoJ hosted the **inaugural annual Legal Week** comprising the 3rd UNCITRAL Asia Pacific Judicial Summit, the inaugural Hong Kong Mediation Lecture and the 32nd LAWASIA Conference 2019.

19. DoJ will **launch the “Vision 2030 for Rule of Law”**, a **visionary initiative spanning over ten years**, during the second Legal Week, which will be held in November this year.

20. Under the **“Vision 2030 for Rule of Law”**, through professional exchanges, capacity building and promotional activities with people from different jurisdictions, stakeholders (including our youth, legal practitioners and academics) can strengthen the Hong Kong community’s understanding of the concept of the rule of law and its implementation, enhance the development of the rule of law internationally and safeguard Hong Kong’s prosperity, stability and sustainable development. Moreover, DoJ will work with the Independent Commission Against Corruption to promote the rule of law. DoJ will set up a task force to identify short, medium and long term goals for effective implementation of the initiative.

21. Under the **“Vision 2030 for Rule of Law”**, DoJ will, through provision of subsidies, encourage less experienced legal professionals to participate in international conferences.

(F) Highlights of other work and initiatives of DoJ

(1) Promotion of mediation

22. DoJ has been actively promoting mediation as an effective means to resolve disputes, including exporting the Hong Kong brand, the **“Mediate First” Pledge campaign**, to Shanghai and Shenzhen in 2019.

Conclusion

23. I look to the Committee for support for DoJ’s estimated expenditure, ongoing policy initiatives and future work outlined above. My colleagues and I will be happy to answer your questions.

24. Thank you.

**Opening Remarks by Secretary for the Civil Service at the
Special Meeting of the Finance Committee of the Legislative
Council on 7 April 2020**

Chairman,

Among the matters related to the civil service in the 2020-21 Draft Estimates of Expenditure, I would like to focus my introduction on three items.

2. **The first item is civil service establishment.** In 2020-21, the overall growth of the civil service establishment is 3.2%. The additional civil service posts are for enhancing existing services, taking forward new initiatives and meeting the manpower demand of government departments arising from practical operational needs and increased workload so as to ease the work pressure on civil servants. About 90% of the additional manpower belong to middle and lower ranks covering a number of frontline grades. The Government will continue to manage the civil service establishment in a prudent manner and increase manpower resources suitably based on operational needs for implementing new policy measures and enhancing existing services.

3. **The second item is increase the number of Government short-term internships.** In order to encourage and assist young people to make better planning and preparation before entering the job market, the Government offers different short-term internships to students every year. In 2020-21, we plan to substantially increase the number of internship places from some 2,000 to almost 5,000, including inviting public organisations to provide internship places so as to increase the diversity of the programme and the choices for students. The initiative will provide more students with internships, thereby enabling young people to gain work experience and, at the same time, deepen their understanding and knowledge of government operations and different areas of work of the public service.

4. **The third item is about financial provisions.** In the 2020-21 Draft Estimates of Expenditure, Head 37 - Department of Health: Programme (7) “Medical and Dental Treatment for Civil Servants” is the Head of Expenditure that has a relatively substantial increase in financial provision in the policy area of management of the civil service. A financial provision of about \$2,420 million is proposed, representing an increase of 36.2% over the 2019-20 Revised Estimate. The increase is mainly for continuously improving the medical and dental services for serving civil servants, pensioners and other eligible persons. About \$1,070 million out of the said provision is for providing medical and dental services at Families Clinics and government dental clinics respectively. Apart from meeting the operating expenses of the clinics, the provision will also be used for setting up additional specialised dental surgeries and strengthening manpower support for Families Clinics and government dental clinics to meet service and development needs. Also, the Department of Health will implement two new service programmes in Families Clinics, the “Integrated Care Programme” for improving the quality of care for patients with diabetes mellitus, and the “Stable Drug Use Pilot Programme” for enhancing drug safety for patients with chronic diseases and stable condition who are required to take multiple types of drugs. Regarding the payment and reimbursement of medical fees and hospital charges, the proposed allocation is about \$1,350 million.

5. Chairman, this is the end of my introduction. I would welcome questions from Members.

**Opening remarks by the
Secretary for Constitutional and Mainland Affairs
at the Special Meeting of the Finance Committee of the
Legislative Council on 7 April 2020**

Chairman,

I wish to brief Members on the main points of the estimates of expenditure of the Constitutional and Mainland Affairs Bureau (“CMAB”) in 2020-21.

Estimates of Expenditure of CMAB

2. In 2020-21, CMAB is allocated \$845.7million. The focus of work for this financial year is as follows -

(I) Electoral Arrangements

Seventh-term Legislative Council general election

3. In preparation for the seventh-term Legislative Council (“LegCo”) general election to be held this year, the Government will continue to work closely with the Electoral Affairs Commission (“EAC”) to ensure that the election will be conducted in a fair, open and honest manner in accordance with the relevant legislation.

4. The EAC is conducting a 30-day public consultation on the “Proposed Guidelines on Election-related Activities in respect of the Legislative Council Election”, and plans to issue the finalised guidelines in mid-June.

2020 Voter Registration (“VR”)

5. The 2020 VR campaign has commenced in late-February. Eligible persons who have yet to register as electors are encouraged to register by the statutory deadline of 2 May.

(II) Promoting the Constitution and the Basic Law

6. To celebrate the 30th anniversary of the promulgation of the Basic Law and to enhance promotion of and education on the Constitution and the Basic Law, CMAB will set aside about \$23 million in 2020-21 for organising or sponsoring various types of promotional activities through various means to enable the public to have a more comprehensive and thorough understanding of the “one country, two systems” principle, the Constitution and the Basic Law.

(III) Rights of the Individual

7. In 2020-21, subventions to the Equal Opportunities Commission (“EOC”) and the Office of the Privacy Commissioner for Personal Data (“PCPD”) will remain the major parts of the estimated total provision in human rights under the Bureau. CMAB will continue to carry out our work in various areas.

EOC and PCPD

8. EOC is responsible for implementation of four anti-discrimination ordinances. The total subvention for EOC in 2020-21 is \$133.9 million, up by 7.3% compared with the revised estimate of 2019-20 (i.e. \$124.8 million). The increase in financial provision for EOC in 2019-20 is mainly due to additional funding for EOC to enhance its work in various aspects, including its efforts in the prevention of sexual harassment.

9. PCPD will continue to raise public awareness in protecting and respecting personal data, as well as encourage public and private organisations to embrace personal data protection as an essential part of corporate governance. We will continue to support the work of PCPD in this area. In 2020-21, the allocation to PCPD is \$88.70 million, which is largely equivalent to the revised estimate of 2019-20.

Discrimination Law Review (“DLR”)

10. We introduced the Discrimination Legislation (Miscellaneous Amendments) Bill 2018 (“2018 Bill”) to the Legislative Council (“LegCo”) in December 2018 so as to implement eight of the

recommendations set out in EOC's Submission to the Government on the DLR that are less complex and controversial. The Bills Committee formed by LegCo has completed scrutiny of this Bill.

11. In response to views received in the course of scrutiny of the above-mentioned 2018 Bill, we also formulated legislative amendments to expand the protection afforded under the Sex Discrimination Ordinance (Cap. 480) in order to outlaw harassment of breastfeeding women.

Anti-discrimination on grounds of sexual orientation and gender identity

12. The Government has always been committed to promoting equal opportunities for people of different sexual orientations and transgenders, with a view to fostering in the community the culture and values of inclusiveness, mutual respect and non-discrimination. We have been broadcasting promotional video on different platforms to promote the message of "Eliminate Discrimination, Embrace Inclusion", as well as encouraging more organisations to adopt the Code of Practice against Discrimination in Employment on Ground of Sexual Orientation ("the Code") through multiple channels to provide equal opportunities for people of different sexual orientations.

13. We are studying and analysing the experience of other jurisdictions in tackling discrimination against sexual minorities through administrative and legislative measures. The draft study report is being compiled. We plan to establish a communications platform to discuss with stakeholders and implement feasible anti-discrimination proposals based on the findings of the study. We are also drawing up a charter on non-discrimination of sexual minorities in the domains of provision of goods, facilities and services, disposal and management of premises, employment and education for voluntary adoption by service providers, with a view to enhancing the acceptance towards sexual minorities.

(IV) Mainland Affairs and Co-operation with Taiwan

14. In 2020-21, the financial provision for Mainland and Taiwan Offices is \$377.2 million, representing an increase of around

\$57.80 million (about 18.1%) as compared with the revised estimate for 2019-20. This is mainly due to additional provision for stepping up promotional efforts. There is also an addition of \$20.80 million due to retirement of more civil servants and changes of personnel in the year; and an addition of \$37.21 million in the operational expenses of the Mainland and Taiwan Offices.

Support to Hong Kong residents on the Mainland affected by the epidemic

15. Since the occurrence of coronavirus disease (COVID-19) until 5 April this year, the five Mainland Offices of the Government of the Hong Kong Special Administrative Region (“HKSAR”) had received about 2 800 requests for assistance relating to the epidemic, of which more than 90% were related to Hubei, and around 800 enquiries. The Hong Kong Economic and Trade Office in Wuhan (“WHETO”) and other Mainland Offices have been providing practicable assistance and support having regard to the actual circumstances.

16. Some Hong Kong people in Hubei, especially those with chronic illnesses, require medications provided in Hong Kong. Arrangements have been made by the HKSAR Government to deliver medications to Hong Kong residents in Hubei who are in need. As at 5 April, arrangements were made to deliver medications to about 260 Hong Kong residents in Hubei. The Department of Health has also set up a health hotline to provide medical information to Hong Kong residents in Hubei. In case Hong Kong residents in Hubei are in need of daily necessities or supplies, WHETO would contact the small districts where they live and the local government for assistance. As arranged by WHETO, the International Social Service Hong Kong Branch and Social Workers Across Borders (Hong Kong, China) Hubei Representative Office have set up hotlines and Wechat accounts to provide support services. The International Social Service Hong Kong Branch has also donated powdered milk to families in need.

17. In addition, given the compulsory quarantine measures in Hong Kong, some Hong Kong residents in Guangdong and Fujian are unable to go to Hong Kong to attend follow-up medical consultations or collect medications and then return to the Mainland on the same day as they had done previously. The HKSAR Government introduced a

special scheme for delivering prescription medications to Hong Kong residents who are currently residing in Guangdong and Fujian. As of 5 April, arrangements have been made to deliver medications to more than 4 200 Hong Kong residents in need.

Development of the Guangdong-Hong Kong-Macao Greater Bay Area

18. In addition, the HKSAR Government proactively takes forward the Guangdong-Hong Kong-Macao Greater Bay Area development. After its two meetings in March and November 2019, the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area, chaired by Mr Han Zheng, Vice Premier of the State Council, and with members including Chief Executives of Hong Kong and Macao SAR, promulgated 24 policy measures to provide greater convenience for Hong Kong people to develop, work and reside in the Mainland cities of the Greater Bay Area and promote the convenient flow of people and goods within the Area. The HKSAR Government is following up with the relevant ministries/departments on the early implementation of these 24 policy measures.

19. We have also stepped up efforts in stakeholder engagement with a view to gauging the views of various sectors on the effective implementation of the Outline Development Plan for Guangdong-Hong Kong-Macao Greater Bay Area (“Outline Development Plan”). Furthermore, we have also been promoting the development of the Greater Bay Area to local community and overseas stakeholders through dedicated website and social media, radio and television broadcast, as well as organising exhibitions and symposiums.

20. In 2020-21, CMAB will continue to take forward the development of the Greater Bay Area. Through publicity activities, we will enhance public awareness on the Greater Bay Area development and the Outline Development Plan and encourage the community to seize the opportunities brought about by the development.

Facilitation Measures for Hong Kong people in the Mainland

21. To further facilitate Hong Kong and Macao residents to use the Home Visit Permit for receiving public services and handling personal matters on the Mainland, the National Immigration Administration has set up a service platform for Exit-Entry Certificate Identification to provide facilitation on the use of the Home Visit Permit in the areas of transport, finance, communications, education, healthcare, taxation and accommodation, etc. In January 2020, the National Immigration Administration announced that a total of 35 facilitation measures had basically been implemented.

22. In the coming year, the Mainland Offices will continue to disseminate information in relation to the facilitation measures.

Development of Hong Kong-Taiwan Relations

23. We will continue to foster economic, trade and cultural exchanges and co-operation between Hong Kong and Taiwan. The Hong Kong Economic, Trade and Cultural Office in Taiwan will continue to promote Hong Kong's strengths and enhance exchanges between the two places.

**Constitutional and Mainland Affairs Bureau
April 2020**

**Speaking Note of the Secretary for Home Affairs
at the Special Meeting of the Finance Committee
of the Legislative Council on 7 April 2020**

Mr Chairman,

I would like to brief Members about the key areas of our work on home affairs in 2020-21.

Arts and Culture

2. Since its inception in 2016, the Art Development Matching Grants Scheme (ADMGS) has been well received by different arts groups. It has also helped foster a culture of private donations to the arts and cultural sector. To ensure the sustainability of the ADMGS and to encourage arts groups to seek non-Government resources and support in a more active manner, the Government will inject an additional \$900 million into the ADMGS.

3. The West Kowloon Cultural District has formally entered its operational phase. The Xiqu Centre, the Art Park and Freespace, among others, have been commissioned last year. Other arts and cultural facilities in the district will also be completed in the next few years.

4. To continue its support for District Councils to promote arts and cultural activities at the district level, the Government will, starting from 2020-21, regularise the additional “dedicated allocation” of \$20.8 million for the promotion of arts and cultural activities under the community involvement (CI) programmes. In this connection, the total annual amount of funding for CI programmes will be maintained at \$461.6 million.

Sports

Supporting Hong Kong athletes to prepare for the Tokyo Olympic and Paralympic Games

5. Despite the postponement of the Tokyo Olympic and Paralympic Games, we will continue to give our full support for Hong Kong athletes to achieve outstanding results at the Games. As at the end of March this year, Hong Kong athletes have qualified for 30 and 17 events in the Tokyo Olympic and Paralympic Games respectively. The Hong Kong Sports Institute (HKSI) has implemented anti-epidemic measures to help safeguard the health of our athletes, and will make flexible arrangement to adjust training programmes and competition plans in order to help our athletes continue with their intensive preparation.

Enhanced funding support to the Sports Federation & Olympic Committee of Hong Kong, China (SF&OC) and “national sports associations” (NSAs)

6. To further promote the development of sports in Hong Kong, the Government will substantially increase the annual subvention provided for the SF&OC and 60 NSAs progressively from the existing level of about \$300 million to over \$500 million. The additional subvention will be used to enhance the promotion of sports for all and community participation in sports, step up the training for youth and squads, provide more opportunities for athletes to participate in overseas competitions, and improve the manpower and governance of NSAs.

Special measures in response to social incidents and the epidemic

7. Last year, some major sports events were cancelled as a result of social incidents. We will provide a special direct grant of up to \$2 million to each of the “M” Mark events affected. We are also actively considering providing appropriate support to those “M” Mark events affected by the epidemic.

New facilities building project of the HKSI

8. We will continue to take forward the new facilities building project of the HKSI and commence its pre-construction activities as soon as possible to provide local athletes with world-class training and support facilities.

Kai Tak Sports Park

9. Construction works for the Kai Tak Sports Park have been commenced in February 2019 and are now in good progress. It is anticipated that the project will be completed in 2023 as scheduled.

Five-year Plan for Sports and Recreation Facilities

10. Out of the 26 projects under the Five-year Plan for Sports and Recreation Facilities, 10 projects have been approved with funding and their construction works are already underway. The funding proposals for six other projects are pending consideration by the Legislative Council. We hope that the funding can be approved within this legislative session and the works be commenced as soon as possible.

Transformation of public play spaces

11. The Government plans to transform more than 170 public play spaces managed by the LCSD across the territory over the next five years in order to provide innovative, challenging and interesting play spaces. The total estimated expenditure for the entire project is about \$686 million.

Youth Development

12. Around \$100 million under the Youth Development Fund will be allocated to provide subsidies to nearly 200 young entrepreneurs and to render start-up support and incubation services to about 4 000 young people. Besides, in order to provide more opportunities for young people to participate in policy discussions, the Government has regularised the Member Self-recommendation Scheme for Youth. So far, more than 250 posts are held by young people who have been appointed to advisory and statutory bodies (“ASBs”) directly or

indirectly through “self-recommendation”. The proportion of appointed youth members in ASBs has increased from 7.8% in 2017 to 11.6% at present, gradually approaching the target of 15% within the current-term Government.

District Administration

District-led Actions Scheme

13. The annual recurrent provision for District-led Actions Scheme will be increased from \$63 million to \$80 million from 2020-21 onwards to further address long-standing problems and capitalise on opportunities in districts.

Building management

14. In 2020-21, we will regularise the Building Management Professional Advisory Service Scheme to strengthen our support for owners of “three-nil buildings” and encourage them to form owners’ corporations.

15. My colleagues and I are happy to answer questions from Members. Thank you.

Special FC Meeting on 7 April 2020
Speaking Notes for
Secretary for Commerce and Economic Development

Foreword

Chairman,

- I will briefly introduce our key tasks under the commerce, industry and tourism areas in the current financial year.
- Hong Kong's economy is going through a major storm and is facing severe challenges. As I pointed out on various past occasions, our economy has been successively affected by three major adverse blows: first the United States-China trade conflict, second the social unrest arising from the extradition proposal, and third the current COVID-19 outbreak.
- Hong Kong's economy has entered into a technical recession since the third quarter of 2019. The gross domestic product dropped by 2.8% and 2.9% in the third and fourth quarters respectively, resulting in an annual decrease of 1.2%. For external trade, the value of goods for export decreased by 12% in the first two months of this year. As regards the retail trade, the provisional total retail sales in February represented a decrease of 44% as compared with last year. On tourism, the number of visitor arrivals decreased drastically by 96.4% in February as compared with last year, and further dropped by 98% in the first 25 days in March with only 3 000 visitor arrivals on average each day. In sum, these three major indicators all reflect an indisputable fact that we are entering economic recession.
- In response to the severe challenges that our economy is facing, we have introduced targeted measures covering different areas of our work. The main ones include:

Tourism

- As one of the pillar industries, the tourism industry has been a driving force of Hong Kong economy for years. However, while the tourism industry was already hard hit by the local social incidents in the second half of last year, the recent outbreak of the COVID-19 has taken a heavy toll on the industry. The Government has been in close liaison with the Hong Kong Tourism Board (HKTB), the Travel Industry Council of Hong Kong and the trade, and rolled out several rounds of measures to reduce the trade's operation pressure. They include the Travel Agents Incentive Scheme introduced in November last year, the Green Lifestyle Local Tour Incentive Scheme introduced in January this year, as well as the Travel Agents Subsidy Scheme and the Licensed Guesthouses Subsidy Scheme set up under the Anti-epidemic Fund in February 2020. The four schemes are all cash subsidy schemes. The total amount disbursed so far has exceeded \$280 million. Among the subsidy schemes, the government has completed over 99% of the registrations for the Travel Agents Subsidy Scheme and the Licensed Guesthouses Subsidy Scheme. That is, nearly all travel agents and guesthouses have already received the subsidies.
- The Government has proposed to provide an additional funding of \$791 million in 2020-21 for HKTB to step up promotion and revive the tourism industry when the pandemic is over. The overall provision to HKTB this year is almost 40% (39%) more than that of last year for supporting the trade, launching large-scale tourism promotion worldwide, restoring visitors' interest in travelling to Hong Kong and rebuilding the city's tourism image.

SME Support Measures

- Dedicated Fund on Branding, Upgrading and Domestic Sales and relevant measures
 - In the past year, small and medium enterprises (SMEs) faced multi-fold impact on and unprecedented challenges in running their businesses. Last year, in view of the US-China trade

conflict, global economic downturn and the social incidents, we already stepped up efforts to enhance various schemes for supporting SMEs.

- Amongst others, we further injected \$2 billion into the Dedicated Fund on Branding, Upgrading and Domestic Sales, and extended the geographical coverage to include all economies which have signed Free Trade Agreements with Hong Kong. The funding amount for each enterprise has been doubled from the original level of \$2 million to currently \$4 million. In addition, we further injected \$1 billion into the SME Export Marketing Fund to double the cumulative funding ceiling for each enterprise from \$400,000 to \$800,000.
- Last September, we introduced an arrangement of principal moratorium for up to 12 months under the SME Financing Guarantee Scheme (SFGS) and further launched a new 90% Guarantee Product in December to help SMEs obtain a maximum loan amount of \$6 million for cashflow. We established in January “SME ReachOut” to support SMEs in identifying suitable funding schemes and answering questions relating to applications, with a view to enabling SMEs to make better use of the various funding support measures provided by the Government.
- The Budget announced the introduction of a concessionary low-interest loan with 100% Government guarantee under the SFGS. The maximum loan amount per enterprise is up to the total amount of employee wages and rents for six months, subject to a cap of \$2 million. The maximum repayment period is three years, with an option of principal moratorium for the first six months. The interest rate is set at the prime rate minus 2.5% and the guarantee fee is waived. I would like to thank the Legislative Council’s support in prompt approving a funding commitment of \$20 billion so that we could roll out the new product within April to provide timely assistance to SMEs in need of cash.

Convention and Exhibition Industry Subsidy Scheme

- The convention and exhibition (C&E) industry has almost come to a complete halt with the pandemic. We have reserved \$1.02 billion under the Anti-epidemic Fund to take forward the C&E Industry Subsidy Scheme. Once the pandemic is over, we will subsidise enterprises to participate in exhibitions and major conventions organised by the Hong Kong Trade Development Council (TDC), as well as other organisers to host exhibitions and international conventions at the Hong Kong Convention and Exhibition Centre and the AsiaWorld-Expo, in order to reinvigorate Hong Kong's reputation as an international premier C&E hub. We have started planning to attract major C&E events to Hong Kong in the coming year.

Subvention for the Hong Kong Trade Development Council

- To help SMEs cope with international trade and economic developments more effectively, as well as to rebuild international confidence on Hong Kong as Asia's commercial hub, the Government proposes to provide an additional one-off subvention of \$150 million to TDC. The total subvention for the year will be \$614.2 million, which is the highest in over 50 years since TDC's establishment. TDC will strengthen its work to help Hong Kong companies diversify their businesses and create opportunities. Measures include setting up Hong Kong Pavilions in large-scale exhibitions in major cities such as those in Europe and the Mainland; promoting Hong Kong products by online and offline marketing through the Design Gallery network and setting up pop-up stores; organising various missions; actively inviting companies worldwide to participate in exhibitions in Hong Kong; as well as organising buyer missions to Hong Kong for sourcing, etc. TDC has also devised plan to join the Government to resume economic activities and revitalise the economy after the pandemic has subsided.

- Apart from the aforementioned short-term targeted measures, we will continue our efforts on other areas of work, some highlights being:

CEPA and the development of Guangdong-Hong Kong-Macao Greater Bay Area

- Hong Kong and the Mainland signed an agreement last November to amend the CEPA Agreement on Trade in Services (which has been implemented since June 2016) to introduce new liberalisation measures in a number of professional services and sectors that Hong Kong enjoys competitive advantage, such as financial services, legal services, construction and related engineering services, testing and certification, television, motion pictures, tourism services, etc. Liberalisation measures include removing or relaxing restrictions on equity shareholding, capital requirement and business scope in the establishment of enterprises; relaxing qualification requirements for service provision, etc.
- The new liberalisation measures include measures applicable to the whole of Mainland as well as measures for pilot implementation in the Guangdong-Hong Kong-Macao Greater Bay Area, making it easier for Hong Kong service suppliers and professionals to set up enterprises and develop business on the Mainland. The above amendments will be implemented starting from 1 June 2020.

Expansion of ETO Network

- With a view to strengthening Hong Kong's external trade and economic relations, the HKSAR Government has been actively expanding its network of overseas ETOs and strengthening external promotions and exchange to open up new business opportunities for Hong Kong. We are currently focusing efforts in the preparatory work for opening the Dubai ETO, which is expected to commence operation in 2020. The ETO would be the second ETO set up by the current-term Government. The HKSAR Government will continue to explore the feasibility of establishing ETOs in different countries to further strengthen Hong Kong's global trade and economic network.

Taking Forward the Belt and Road Initiative

- In the coming year, we will continue to capitalise on the opportunities brought by the Belt and Road Initiative for our enterprises and the professional services sector. In addition to enhancing policy efforts in co-operation with the relevant Mainland authorities, including in such areas as capacity building, the HKSAR Government will continue to establish various business exchange and matching platforms, including organising overseas business and professional missions; co-organising the annual Belt and Road Summit with TDC; and supporting TDC in promoting project participation by means of its Belt and Road Portal. Besides, we will assist and encourage interested Hong Kong enterprises to try out to set up businesses in the Mainland's overseas Economic and Trade Co-operation Zones, with a view to better adapting to the changing dynamics of the international trade landscape.

Conclusion

- As mentioned above, we will make the best use of the current window of temporary suspension of activities due to the COVID-19 outbreak to carry out the planning and preparatory work for short, medium and long term economic and trade activities. This would enable Hong Kong to move forward early once the pandemic subsides, and to carry out more extensive and intensive promotions on our fundamental strengths and advantages. We will also adjust our strategies as appropriate so as to cope with new challenges.
- The above are my main points. Chairman, my colleagues and I will be pleased to answer questions from Members.

**Speaking Notes for
the Secretary for Commerce and Economic Development
at the Special Meeting of the Finance Committee
on 7 April 2020**

Introduction

Chairman,

- As I have said in the last session, Hong Kong’s economy is facing an unprecedented blow and tremendous challenges in view of the global epidemic. Notwithstanding, CEDB has continued to strive to roll out and implement our policies and initiatives. I will now highlight several areas of our work.

Telecommunications and Broadcasting

- On telecommunications, Hong Kong has formally entered the 5G era as scheduled in April this year. In the face of the epidemic and an extremely challenging investment environment, three mobile network operators have launched 5G services on 1 April and the remaining operator will do so later in Q2. All major telecommunications operators have committed capital investment of billions of dollars in the next few years to develop 5G infrastructure providing coverage across Hong Kong, demonstrating the industry's strong confidence in Hong Kong’s prospects. During the epidemic, video conferencing and distance learning are being widely used by many corporates and the general public, and believably this will help popularise 5G applications.
- As for broadcasting, we will implement full digital TV broadcast on 1 December this year as scheduled. Analogue TV households have around 7 months’ time to prepare to replace TV sets or install set-top boxes.
- The Government has engaged the Hong Kong Council of Social Service to launch the “Community Care Fund Digital TV Assistance Programme” to assist needy analogue TV households to

switch to digital TV. As at 31 March, we have received 7 100 applications and installed digital TV sets or set-top boxes for 4 300 households.

Creative Industries

- As with other industries, the creative industries sector is facing unprecedented challenges because of the epidemic.
- In respect of the film industry, we have injected \$1 billion into the Film Development Fund (FDF) last year. In the past few months, in view of the epidemic, we have been exploring with the trade how to make the best use of the fund to roll out measures with a view to increasing the number of Hong Kong film productions and providing assistance to different film professions in enhancing employment and training.
- Major measures to be rolled out this year include:
 - (1) Sponsoring veteran directors to partner with young directors – in the spirit of passing on the baton - to co-produce 10 to 12 films, each with subsidy amount up to \$9 million;
 - (2) Implementing the enhanced measures under the Film Production Financing Scheme of increasing the Government’s maximum financing amount to \$9 million for each production;
 - (3) Setting aside \$10 million to launch the “Scriptwriting Incubation Programme” to develop quality scripts; and
 - (4) Providing short advanced professional training courses to groom film specialists.
- We will closely liaise with the trade, undertake all preparatory work in earnest, and subject to the development of the epidemic, roll out the various measures in a timely manner.

- We have also set aside resources with a view to stepping up promotion of Hong Kong films abroad once the epidemic is over.
- In respect of the CSI, an injection of \$1 billion had also been made earlier. In 2019-20, with positive response from the industry, we have committed funding support of more than \$300 billion for various creative projects.
- In the past few months, a number of mega promotional events such as the Business of Design Week 2019 have been postponed or cancelled due to Hong Kong's situation. Depending on the development of the epidemic, we will expedite the processing of new applications as well as applications for project variation, with a view to facilitating the project proponents to use the approved funds to launch their work.
- For approved projects that could not be held as scheduled, we will exercise flexibility as far as practicable to allow postponement and adjustment of the sponsorship amount to accommodate the additional expenses as required.

Legislative Review

- On the review of the television and sound broadcasting regulatory framework, the Bills Committee has completed clause-by-clause examination of and supported the Broadcasting and Telecommunications Legislation (Amendment) Bill 2019. We will arrange to resume Second Reading debate once the House Committee resumes operation, with a view to implementing the relaxation measures as soon as possible.
- As for the review of the telecommunications regulatory framework, we briefed the Panel on Information Technology and Broadcasting in November 2019 on the outcome of the public consultation. The Panel generally supported our legislative plan. We are continuing with the drafting of the amendment bill.

Conclusion

- Chairman, this concludes my opening remarks. Members are welcome to raise questions.

~End~

**Speaking Note for Secretary for Food and Health
at the Special Meeting of the Finance Committee
on 8 April 2020**

Food Safety and Environmental Hygiene

Chairman and Honourable Members,

The Food and Health Bureau (FHB) is committed to ensuring food safety and environmental hygiene as well as promoting the sustainable development of the local agriculture and fisheries industry.

2. In the 2020-21 Estimates, about \$10.53 billion is earmarked for recurrent expenditure in the policy portfolio of “Environment and Food”, representing an increase of about \$1.34 billion (14.6%) over the previous year and accounting for 2.2% of recurrent government expenditure.

Public Markets

3. We are taking forward a number of new public market projects that are at different stages of planning, including building a new public market in Tin Shui Wai. New design and operation model are being considered with a view to enhancing business vibrancy and meeting the needs of residents. Meanwhile, we are actively undertaking the development of a temporary market in Tin Shui Wai, which is expected to be completed and commissioned by the end of this year at the soonest. We have already consulted Yuen Long District Council on these two projects.

4. As to the Market Modernisation Programme, we are carrying out the overhaul of Aberdeen Market as a prototype. Support from Southern District Council has been obtained.

Pest Control

5. On mosquito control, we will consolidate the results achieved last year, which include that only one local dengue fever case was recorded when it has become an endemic illness in the region and that the ovitrap index for *Aedes albopictus* was maintained at a low level throughout the year. Government departments are installing about 2 700 new mosquito traps in each district to prevent mosquito breeding before start of the rainy season. Besides, the Food and Environmental Hygiene Department (FEHD) will place about 5 000 ovitraps with new design throughout the territory to calculate the number of adult mosquitoes directly so as to facilitate various departments to formulate more targeted anti-mosquito measures.

6. As for rodent control, FEHD is studying the use of thermal imaging cameras with artificial intelligence analytical functions to monitor the area and extent of rodent activities. The data captured can quantify and assess the effectiveness of anti-rodent work by directly comparing the rodent population density before and after anti-rodent operations. FEHD is conducting field trials in Kowloon City District in order to assess the feasibility of quantifying rodent surveillance by the technology.

Food Safety

7. The Centre for Food Safety (CFS) of FEHD will implement a series of enhancement measures, including upgrading and developing various information technology systems, with a view to providing online services for trade facilitation on the one hand, and strengthening the support to its frontline staff in control and surveillance of imported food, and reinforcing its capability in management of food safety incidents, risk assessment and food traceability on the other. The first phase online services have already been rolled out at the end of last year and in the first quarter of this year to enable food traders to complete registration electronically through a portal and submit online applications for import licences and import permission for certain types of controlled food. In the next phase, the portal will cover applications for more types of food.

Animal Welfare

8. The Government attaches great importance to animal welfare and animal management. We conducted a public consultation on enhancing animal welfare last year. The majority of respondents supported stronger protection of animal welfare. We will come up with the legislative amendment proposals as well as the way forward after studying these views.

New Agriculture Policy

9. We are striving to implement the New Agriculture Policy. Funding for the construction works of Agri-Park Phase 1 is supported by the LegCo panel and the Public Works Subcommittee. We hope to obtain funding approval from the Finance Committee as soon as possible so that the construction works could commence smoothly.

10. The Sustainable Agricultural Development Fund (SADF) has approved ten applications so far, and also provided direct funding for farmers to acquire farming equipment, involving a total commitment of about \$110 million.

Fisheries Development

11. As for fisheries, the Sustainable Fisheries Development Fund (SFDF) has approved 23 projects with a total commitment of over \$126 million to support aquaculture and capture fisheries and help fishermen acquire modernised capture or culture equipment.

12. In addition, we are currently conducting environmental impact assessments for designating new fish culture zones, and new marine fish culture licences are expected to be issued in the first half of the year to promote the development of aquaculture.

Anti-epidemic Fund

13. The Government has established the Food Licence Holders Subsidy Scheme and Licensed Hawkers Subsidy Scheme under the Anti-epidemic Fund to provide financial support to the food business sector and licensed hawkers hit hard by the COVID-19 outbreak. The Anti-epidemic Fund also provides subsidies to operators of live marine fish wholesale stalls in Fish Marketing Organization markets and owners of fishing vessels or fish collector vessels with Mainland deckhands.

14. FEHD and the Agriculture, Fisheries and Conservation Department (AFCD) have started to accept applications since early March. FEHD has received 27 700 and 5 450 applications under the Food Licence Holders Subsidy Scheme and Licensed Hawkers Subsidy Scheme respectively. As of last Friday (3 April), the total numbers of applications approved together with payment authorised under the two schemes are 18 200 and 4 677 respectively, with subsidies totaling over \$2,495 million. AFCD has also received 1 341 and 66 applications from owners of fishing vessels or fish collectors and live marine fish wholesale traders respectively. A total of 538 and 45 applications from these owners and traders have already been approved, involving about \$91.5 million of subsidies. These two departments will make disbursement to the eligible applicants as soon as possible.

15. Chairman, my colleagues and I are happy to answer questions from Members.

**Speaking Note for the Secretary for Food and Health
at the Special Meeting of the Finance Committee
on 8 April 2020**

Health

Chairman and Honourable Members,

In 2020-21, the estimated recurrent government expenditure on healthcare is \$87.1 billion¹, which accounts for 17.9% of the Government's total recurrent expenditure. From 2017-18 to 2020-21, the recurrent provision on healthcare has recorded a cumulative growth of 39%.

2. New and additional resources available in this financial year are mainly used for various enhanced or newly introduced public healthcare services. On the support for the Hospital Authority (HA), the Government will continue to increase progressively the recurrent provision for the HA having regard to population growth rates and demographic changes. In 2020-21, a recurrent provision of \$75 billion, which represents an increase of 35% over the provision in 2017-18, will be provided for the HA to implement, inter alia, major staff retention initiatives as follows:

- (1) enhancing the Special Retired and Rehire Scheme to encourage experienced doctors to continue their service on contract terms in the HA after retirement until the age of 65;
- (2) creating opportunities for around 200 Associate Consultants to be promoted to Consultants within the next five years; and
- (3) providing additional allowance for registered nurses who have attained specialty qualifications.

¹ An increase of about \$4.4 billion or 5.4% as compared with the previous year.

It is estimated that the additional expenditure for the above initiatives will increase substantially from around \$160 million in 2021-22 to around \$1.2 billion in 2025-26. The Government has already committed resources on this front.

3. Besides, a recurrent provision of \$10.9 billion, which represents an increase of 3.8% over the 2019-20 revised estimate, will be provided to the Department of Health (DH) for enhancing services and implementing key measures, including:

- (1) new initiatives, namely implementing a pertussis vaccination programme for pregnant women, prevention of mother-to-child transmission of Hepatitis B and extension of the Baby-Friendly Maternal and Child Health Centres designation, which will involve an estimated expenditure of about \$20 million;
- (2) implementing the Colorectal Cancer Screening Programme, which was launched in full scale earlier this year;
- (3) continuing with enhanced measures to improve the uptake rate of seasonal influenza vaccination; and
- (4) providing school girls with human papillomavirus vaccination in schools to prevent cervical cancer.

“Anti-epidemic Fund” – Enhancing Support to the HA in Combating the Epidemic

4. In light of the development of the novel coronavirus infection in Hong Kong, the Government would allocate \$4.7 billion from the Anti-epidemic Fund to the HA for enhancing support in combating the epidemic. The HA will deploy the funding in different aspects in response to the epidemic. With regards to manpower, the HA announced on 24 February that it would provide frontline staff engaging in high risk duties under the public hospitals’ Emergency Response Level with a special allowance, in order to show appreciation and recognition to them. The HA will deploy the resources flexibly

having regard to the development of the situation, so as to provide optimal support to frontline healthcare staff.

Healthcare Facilities

5. In 2016, the Government introduced the first 10-year Hospital Development Plan (HDP) and earmarked \$200 billion for its implementation. Various projects are under way. The entire plan is expected to provide over 6 000 additional beds and more than 90 additional operating theatres. We plan to seek funding approval from the Finance Committee (FC) for four projects² in the current legislative session and look forward to Members' support. Meanwhile, the HA is actively taking forward the planning of the second 10-year HDP. It is expected that over 9 000 additional beds and other new healthcare facilities can be provided to meet the projected service demands up to 2036.

6. To expand the capacity for professional healthcare training, the Government has earmarked around \$20 billion to upgrade and increase the teaching facilities of the University of Hong Kong, Chinese University of Hong Kong and Hong Kong Polytechnic University. Around \$180 million was allocated to the three universities in 2018-19 for carrying out short-term renovation and enhancement of facilities. The Government will seek to re-submit the projects of the three universities, totalling some \$1.7 billion, to the FC as soon as possible in the current legislative session. The Government will continue to follow up with the three universities on the remaining medium and long-term works projects with a view to further upgrading and increasing their healthcare-relevant teaching facilities.

Primary Healthcare

7. The Government will continue to allocate resources to vigorously promote district-based primary healthcare services, with a view to enhancing the public's capability in self health management and providing community support for chronic patients. The first

² The four projects include the main works for the expansion of United Christian Hospital; the demolition, site formation and foundation works for the redevelopment of Grantham Hospital, phase 1; a community health centre cum social welfare facilities at Pak Wo Road, North District; and a Hospital Authority Supporting Services Centre.

District Health Centre (DHC) in Hong Kong was set up in the Kwai Tsing District last year.

8. In the 2019 Policy Address, the Chief Executive announced that the setting up of DHCs in all 18 districts will be expedited. It is expected that within the term of the current government, DHCs in six more districts and smaller interim “DHC Expresses” in the remaining 11 districts will be established. The Government has earmarked a recurrent expenditure of \$650 million for setting up DHCs in six districts in the coming two years. Another sum of around \$600 million will be allocated to subsidise the establishment of “DHC Expresses” by non-governmental organisations (NGOs) to provide district health promotion, consultation and chronic disease care services.

Mental Health Services

9. The social incidents in the last six months or so and the recent outbreak of epidemic have inevitably affected the mental health of some people in Hong Kong. Against this background, the DH launched the Mental Health Infostation, a one-stop portal clustering mental health information for people who need support. The Government has also earmarked an annual recurrent provision of \$50 million for an on-going mental health promotion and public education initiative, under which a series of publicity activities will be organised to promote the importance of mental health and encourage people to seek professional help when needed. Meanwhile, we have contacted some NGOs to provide free services through their mental health programmes, such as “Care4ALL” and “Time to Heal”, for people suffering from mental distress triggered by the social incidents or the epidemic. Besides, we will continue to work closely with the Advisory Committee on Mental Health to co-ordinate and follow up with relevant bureaux/departments for taking forward measures for the enhancement of mental health services

Development of Chinese Medicine

10. The Government has incorporated Chinese medicine (CM) into the healthcare system of Hong Kong and allocated more recurrent resources to develop CM services.

11. On the development of the CM hospital, we are in the course of tendering and expect to commence the second stage of the tender process in the middle of this year. We hope to identify a non-profit-making organisation by the end of the year for the operation of the hospital.

12. The Government will increase the recurrent subvention for the 18 district CM clinics administered by the HA. Starting from March this year, the Government will provide in these 18 clinics an annual quota of about 620 000 for subsidised CM general consultation, tui-na and acupuncture services, at a standard fee of \$120. In addition, starting from March 2020 the additional daily fee for integrated Chinese-Western medicine inpatient services available at seven public hospitals will be reduced from \$200 to \$120.

13. Since the launch of the \$500 million Chinese Medicine Development Fund (CMDf) in June last year, a total of about \$10 million have been approved under the CMDf to provide funding for the sector in such aspects as nurturing CM talent, and conducting CM-related research and projects relating to the promotion of CM. The CMDf has benefited different levels of CM practitioners and the CM drug sector, as well as those non-profit-making and academic institutions promoting CM development in Hong Kong. The CMDf will continue to approve applications and launch different funding projects to further facilitate CM development in Hong Kong.

14. Chairman, my colleagues and I are now happy to answer questions from Members.

**Speaking Notes of the Secretary for Innovation and Technology
at the Special Meeting of the Finance Committee
on 8 April 2020 (Wednesday)**

Chairman, the Innovation and Technology Bureau (“ITB”), through different measures in the past year, continued to perfect the innovation and technology (“I&T”) ecosystem in Hong Kong on the one hand, and stepped up support for the industry to cope with the volatile environment on the other. The Financial Secretary has announced in the 2020-21 Budget (“the Budget”) various new and enhanced measures. I will give a brief overview as follows.

2. Firstly, the Budget has announced to earmark \$3 billion for Phase II of the Hong Kong Science Park (“Science Park”) Expansion Programme. To respond to the keen local demand for research and development (“R&D”) facilities, the Hong Kong Science and Technology Parks Corporation (“HKSTPC”) has commissioned a consultant to conduct a master planning study on the expansion of the Hong Kong Science Park (“Science Park”) to explore on-site and off-site development options. Upon completion of the relevant studies by the HKSTPC, we will consult the Legislative Council (“LegCo”) Panel on Commerce and Industry (“C&I Panel”) on the specific proposal and financial arrangement of the Expansion Programme, and seek funding approval from the LegCo Finance Committee.

3. Also, the Government has announced to set aside \$40 million to subsidise short-term internships for undergraduates and postgraduates taking STEM programmes in local universities. Through the STEM Internship Scheme, we hope to encourage STEM students to gain I&T-related work experience during their studies, and to develop an interest in pursuing a career in I&T after graduation, so as to enlarge the local I&T talent pool. We are drawing up the details of the scheme and consulting relevant universities on operational matters. We will consult the LegCo C&I Panel in due course, with a view to launching the scheme within 2020.

4. Besides, the Budget has announced to further enhance some existing funding schemes. We have since 1 April raised the Government's funding ratio under the Technology Voucher Programme ("TVP") from two-thirds to three quarters, and increased the funding ceiling and maximum number of projects per applicant to \$600,000 and six. We believe that these would encourage local enterprises to undertake more and larger-scale projects for using technologies to improve productivity, and to upgrade or transform. We will also consolidate the Research Programme ("RP") and the Postdoctoral Hub ("PH") starting from July this year to allow for more flexibility for eligible institutions in engaging R&D talent.

5. Indeed, in the past few months, ITB has introduced enhancements to a number of funding schemes, thereby allowing more companies to benefit from our support and enabling companies to commence projects with sufficient funds. The enhancement measures include expanding the applicable technology areas and coverage under the Technology Talent Admission Scheme; extending the funding scopes of the Public Sector Trial Scheme, RP and PH, as well as enabling advance disbursement of partial funding for the Enterprise Support Scheme, TVP, the Reindustrialisation and Technology Training Programme and the Patent Application Grant.

6. As the Financial Secretary has said in the Budget, "there is still some way to go to develop I&T into mature industries". In the coming year, my ITB colleagues and I will continue to work hard to foster I&T development in Hong Kong. Apart from implementing the initiatives and proposals put forward in the Budget, our key tasks include –

- first, to release the *Smart City Blueprint for Hong Kong 2.0* within this year to update the latest progress of various initiatives and set out new proposals;
- second, to launch the electronic identity platform currently named as "iAM Smart" and the "Next Generation Government Cloud" and "Big Data Analytics Platform" in the second half of this year;

- third, to continue taking forward I&T infrastructure projects, especially the Hong Kong-Shenzhen Innovation and Technology Park in the Loop, the Cyberport 5, the InnoCell, the Data Technology Hub and the Advanced Manufacturing Centre;
- fourth, to press ahead with the establishment of two *InnoHK* research clusters with a view to progressively setting up the first batch of R&D laboratories this year, thereby promoting R&D collaboration between top local and overseas researchers;
- fifth, to launch the Re-industrialisation Funding Scheme and develop a Microelectronics Centre for promoting “re-industrialisation” in Hong Kong;
- sixth, to organise the first City I&T Grand Challenge to drive the I&T atmosphere in Hong Kong; and
- seventh, to continue actively participating in the development of an international I&T hub in the Guangdong-Hong Kong-Macao Greater Bay Area, creating a broader arena for the I&T sector.

7. At present, Hong Kong is still going through the difficult epidemic. We, hand in hand with the I&T sector, will continue making use of local technologies to contribute to the epidemic fight. On this occasion, I would like to thank Members for the support and valuable comments all along on I&T development. I hope Members and the public will continue to support the work of ITB.

8. Thank you, Chairman.

- End -

**Speaking Points of the Secretary for Development
at the Special Finance Committee Meeting (Planning and Lands)
on 8 April 2020 (Wednesday)**

Chairman,

1. In 2020-21, the priority tasks on the Planning and Lands portfolio under the purview of the Development Bureau (DEVB) are:
 - (a) Increasing land supply;
 - (b) Enhancing building safety;
 - (c) Common Spatial Data Infrastructure development; and
 - (d) Harbourfront enhancement.

Land Supply

2. We will continue to pursue the multi-pronged land supply strategy. The Tung Chung East Reclamation and Kwu Tung North/Fanling North New Development Area (NDA) projects are being implemented as scheduled. Subject to funding approval by the Legislative Council, land resumption and works for the first phase development of the Hung Shui Kiu/Ha Tsuen NDA will commence in the second half of this year. As for the Yuen Long South development, the statutory planning process will start shortly.
3. Of the about 1 500 hectares (ha) of brownfield sites, some 800 ha (or more than half) are within the boundary of NDAs or other development projects. Regarding the remaining 450 ha which might have development potential, the Planning Department (PlanD) has completed the review of 160 ha and considered that over 20% of them i.e. 36 ha, together with adjoining land parcels, are suitable for public housing development. The Civil Engineering and Development Department will kick-start the engineering feasibility studies progressively starting from the

second quarter of this year. Meanwhile, the PlanD is examining the remaining 290 ha, with a view to completing the assessment by end 2020.

4. In September 2019, we commissioned the study on phase one development of the New Territories North covering the San Tin/Lok Ma Chau Development Node, and a study on the development of the 32 ha of Fanling Golf Course for housing purpose. The two studies are expected to be completed early next year.
5. We are now making final preparations for the launch of Land Sharing Pilot Scheme, including setting up a Panel of Advisors. We will strive to announce the details and start accepting applications within April.
6. In addition, we have commenced studies on the development of three urban squatter areas for public housing. These studies are targeted for completion in 2021.
7. We will continue to press ahead with the first batch of six projects under the “single site, multiple use” initiative. Within this year, we will consult District Councils about the mix of community facilities proposed for joint-user complexes, and thereafter commence the technical assessments, detailed design and other follow-up work as soon as possible.

Building Safety

8. In enhancing building safety, the Buildings Department (BD) will make effective use of additional resources to step up law enforcement in respect of slope safety, fire safety, window safety, unauthorised building works and unauthorised, dangerous and abandoned signboards, as well as construction site safety. Besides, the BD will make effective use of the additional provision in implementing Operation Building Bright 2.0 and enhance efficiency and effectiveness in handling water seepage complaints.

Common Spatial Data Infrastructure (CSDI)

9. We will use the earmarked funding of \$360 million to launch the territory-wide 3D digital map in phases from this year onward and roll out the CSDI for full operation by end-2022. We also plan to establish the first Geospatial Lab in late 2020 to encourage development of innovative and smart mobile applications for improving quality of life.

Harbourfront Enhancement

10. The Government will continue to pursue vigorously various harbourfront enhancement projects with the earmarked funding of \$6.5 billion. Last year, around two kilometres of promenades were opened up for public use. This year, we will keep up the efforts and open up another kilometre to extend the total length of the promenades along both sides of the Victoria Harbour to about 24 kilometres.
11. The above is a brief report. My respective Controlling Officers of the Planning and Lands Branch and relevant departments have provided answers to 160 written questions from Members accounting for the use of resources under their purview. We will be happy to respond to any further questions that Members may wish to raise. Thank you.

**Speaking Points of the Secretary for Development
for the Special Finance Committee Meeting (Works)
on 8 April 2020 (Wednesday)**

Chairman,

- In the new financial year, we have got four priority areas under the Works portfolio.
- First of all, with approval from the Legislative Council's (LegCo's) Finance Committee in mid-March for the creation of two directorate posts to lead the Project Strategy and Governance Office, we will press ahead with Construction 2.0 and lead the reform of the construction industry by advocating innovation, professionalisation and revitalisation. Apart from implementing measures to control the costs of public works, we will push forward the digitisation of works supervision systems for all major public works projects in phases with a view to strengthening project supervision and enhancing efficiency, safety and performance quality.
- Secondly, to meet the challenges of a shortage of skilled workers and an ageing workforce in the construction industry, we will continue to work with the Construction Industry Council to strengthen the training of construction workers, particularly regarding the application of new technologies and safety awareness, so as to attract more young people to join the industry. We will also encourage in-service workers to upgrade their skill levels and develop multiple skills, so as to allow for more flexible deployment of workers to alleviate manpower shortages. In addition, we will encourage and support a wider adoption of innovative technologies to speed up the development of the construction industry through the \$1 billion Construction Innovation and Technology Fund.

- Thirdly, regarding studies on works projects, apart from seeking funding approval for studies related to artificial islands in the Central Waters, we plan to conduct a planning and engineering study on reclamation at Lung Kwu Tan and the coastal area of Tuen Mun West. We hope to have further discussion at the Public Works Subcommittee meetings in due course. In addition, funding approval is also being sought for an engineering study on Road P1 in Lantau in order to meet the development needs along the northshore of Lantau.
- Fourthly, we will continue to develop Kowloon East into the second core business district and take forward initiatives in San Po Kong to enhance connectivity, improve the environment and promote diversified development. This year, we will prepare amendments to the outline zoning plan for development of the Kwun Tong Action Area. As regards the Kowloon Bay Action Area, demolition of the former waste recycling centre there has begun. Construction of a footbridge connecting the Kowloon Bay MTR station and the future East Kowloon Cultural Centre is now in progress. Works on revitalising the Tsui Ping River and improving Lam Wah Street Playground will commence pending LegCo's funding approval.
- Now, I would like to brief Members on three areas of work that may be of concern to all of us. First of all, regarding protection of public safety, we propose additional funding of \$2 billion for expanding the Lift Modernisation Subsidy Scheme, so that the total number of aged lifts that can benefit from the scheme will increase from about 5 000 to about 8 000.
- Besides, we propose to set aside about \$440 million to launch a five-year subsidy scheme to encourage property owners to implement water safety plans for their buildings. It is expected that about 5 000 buildings will benefit from the scheme.
- As for tree care, we have set up a Tree Risk Inspection Squad to enhance the auditing of tree risk assessments and management work, and to conduct inspections and spot checks more frequently. Also, we will set up a \$200 million Urban Forestry Support Fund this year to implement various new measures to strengthen

manpower training, public education and promotion of proper tree care.

- The above is a brief account of our work. The controlling officers of the Works Branch and the relevant departments under the Development Bureau have already replied to 76 questions raised by Members on issues concerning deployment of resources under the Works portfolio. We are happy to answer any further questions that Members may now wish to raise.

Speaking Notes of
Mr. Kevin Yeung Yun-hung, JP,
Secretary for Education
at the Special Meeting of the Legislative Council's Finance Committee
to examine the Estimates of Expenditure 2020-21
on 9 April 2020

Mr. Chairman,

The total expenditure on education in 2020-21 is \$112.3 billion. Of this, the recurrent education expenditure increases by 7.8% to \$99.6 billion, accounting for over one-fifth of the total government recurrent expenditure and taking up the largest share among all policy areas. The recurrent expenditure on education has, over ten years (i.e. from 2011-12 to 2020-21 financial year), increased by 79% with an average growth rate of 6.7% per annum. This demonstrates the Government's long-term commitment to invest in education.

2. The current term Government has devoted substantial resources to education and implemented a series of measures in the past two years. Every aspect of the education sector can benefit from these measures. In 2020-21, we will consolidate the effects of these measures and, at the same time, keep allocating new resources to education as well as for nurturing talents and take forward the following new measures announced in the Policy Address and Budget.

3. For primary and secondary education, we will enhance the manpower arrangement for vice-principals in public sector schools; improve the demarcation arrangements for headship rankings as well as the manpower at the middle management level in public sector secondary schools; upgrade the Primary School Curriculum Leader post in public sector primary schools of a smaller scale. We will also enhance the staff establishment of the boarding section of aided special schools in order to provide better services for the boarders of these schools. The measures include upgrading the ranks of warden and assistant warden of boarding sections with a capacity of 40 or above, and increasing the number of assistant wardens and

houseparents-in-charge; improving the Saturday and Sunday manning ratios; and providing an additional grant to the boarding sections of schools for children with physical disability, moderate intellectual disability (ID), severe ID and visual impairment cum ID to employ personal care workers or hire related services.

4. Starting from the 2020/21 school year, we will adjust the additional funding model for schools admitting non-Chinese speaking (NCS) students with an annual adjustment mechanism to enhance the support for NCS students in learning Chinese and create an inclusive learning environment in schools. We will provide all public sector primary and secondary schools, Direct Subsidy Scheme primary and secondary schools, and special schools, which admit a relatively small number of NCS students, with enhanced additional funding under a new two-tiered arrangement. In addition, for five years starting from the 2020/21 school year, we will provide specific parent education programmes for parents of NCS students.

5. Furthermore, we will enhance the support for students with autism spectrum disorders by assisting public sector ordinary schools to deploy a tiered intervention model by phases. We will also regularise the student grant for secondary day-school, primary school and kindergarten students starting from the 2020/21 school year, and pay the examination fees for school candidates sitting for the 2021 Hong Kong Diploma of Secondary Education Examination.

6. In addition, we plan to launch the “Enhancement and Start-up Grant Scheme for Self-financing Post-secondary Education” to provide financial support for self-financing institutions in offering designated sub-degree or undergraduate programmes that meet market needs but require high start-up costs. We will also implement in the 2020/21 academic year a pilot scheme for five cohorts to provide fellowships for local students admitted to designated taught postgraduate programmes that meet Hong Kong’s development needs.

7. As regards Vocational and Professional Education, we will implement a pilot programme for three years starting from the 2020/21 academic year to provide subsidies for trainees under the Training and Support Scheme of the Vocational Training Council to take part in study and exchange programmes outside Hong Kong.

8. Mr. Chairman, my colleagues and I will be happy to answer further questions from Members. Thank you.

Education Bureau
9 April 2020

**Speaking Notes for the Secretary for Security
at the Special Meeting of the Finance Committee on 9 April 2020**

Chairman,

- In the draft Estimates for the new financial year, allocation for the policy areas under Security Bureau (SB)'s responsibility will be \$57.5 billion, accounting for 7.9% of the total government expenditure.

Law and Order

- The operational priorities of the Hong Kong Police Force (HKPF) for 2020-21 are to combat violent crimes, triads, syndicated and organised crimes, dangerous drugs and "quick-cash" crimes, to promote cyber security and combat technology crimes, and to ensure public safety and step up counter-terrorism work. In view of the occurrence of over 1 400 public order events since last June, where many of which turned into illegal acts of serious violence, HKPF will enhance its readiness, combat all illegal acts of violence and safeguard public peace. We are also very concerned that violent extremists were involved in a number of bomb cases in recent months. Their behaviour was very close to terrorist attacks commonly seen overseas. The Government will be fully prepared, and will enhance public awareness of counter-terrorism and an emerging "homegrown terrorism" threat which severely endangers the personal safety of the general public.

Control Points

- In response to the development of the COVID-19 epidemic, the Government had, since end January 2020, implemented a series of measures to reduce passenger flow between Hong Kong and overseas. At this point, passenger clearance is only available at the airport and two land-based control points (i.e. Shenzhen Bay and Hong Kong-Zhuhai-Macao Bridge); and the operating hours of passenger clearance at the two land-based control points had also been shortened to 10 hours. At the airport, we restrict the entry of

non-Hong Kong residents coming from overseas countries and regions.

- After implementing a series of immigration restrictions and compulsory quarantine measures, the total number of arrivals on 7 April was 992, representing a decrease of 99.5% in comparison with the figure of around 236 000 prior to the implementation of the measures.
- Concerning the construction progress of the Heung Yuen Wai Boundary Control Point, its building works have been largely completed in 2019 and the control point is ready for commissioning. The Government will continue to liaise with the Mainland authorities on the arrangement for commissioning the new control point such that the frontline law enforcement departments can get themselves ready for the commissioning.

Non-refoulement Claims

- Since the commencement of the comprehensive review of the strategy of handling non-refoulement claims in 2016, various measures have yielded considerable results. The number of non-ethnic Chinese illegal immigrants has dropped by over 80%, and the number of new claims has also dropped by over 80%. The Immigration Department (ImmD) has basically completed the screening of the backlog claims. The number of appeal cases pending the Torture Claims Appeal Board's handling has also dropped significantly to below 3 000, which are expected to be completed in the first half of next year the soonest. ImmD will also expedite the removal of unsubstantiated claimants from Hong Kong.
- The Government consulted the Legislative Council (LegCo) Panel on Security on the proposed amendments to the Immigration Ordinance in 2018 and 2019, and exchanged views with relevant stakeholders (including the two legal professional bodies). Meanwhile, we also commenced drafting of the amendment bill. Taking into account the situation of LegCo's operation, the Government will review the timetable for taking forward the relevant work.

Fire Safety Improvement Works Subsidy Scheme

- The Government, in partnership with the Urban Renewal Authority (URA), implemented the \$2-billion Fire Safety Improvement Works Subsidy Scheme in 2018 to facilitate owners of old composite buildings to carry out improvement works for compliance with the enhanced fire safety requirements under the Fire Safety (Buildings) Ordinance. URA received over 2 400 applications which met the basic requirements. Since the response from the public was positive, we have proposed to allocate an additional funding of \$3.5 billion, increasing the total subsidy funding from \$2 billion to \$5.5 billion so as to benefit more eligible owners of old composite buildings.

Combating Drug Abuse Problem

- The number of reported drug abusers has continued to decrease. The total number of reported drug abusers decreased by 17% in 2019 compared with that in the previous year, and by around 40% compared with five years ago (i.e. 2014). This represents the achievements made as a result of the Government and various sectors of the community fighting drugs together under the existing policy. However, the median history of drug abuse has increased from 4.6 years in 2017 to 5.5 years in 2019 (i.e. seeking help for the first time after taking drugs for 5.5 years). As such, the problem of hidden drug abuse requires our attention. In addition, the number of cannabis abusers has also increased. We will continue to take strong enforcement action and carry out publicity and education, and monitor the legalisation of cannabis in overseas jurisdictions.

Custody and Rehabilitation

- The Correctional Services Department (CSD) will continue to proactively develop “Smart Prison” through application of innovation and technology and modernising correctional facilities, so as to enhance the efficiency of penal management, level of security and effectiveness of rehabilitation programme.

Tasks taken up by the Disciplined and Auxiliary Services in Fighting the Coronavirus

- In addition to the work directly relevant to the security policy mentioned above, in view of the development of the COVID-19 epidemic, under the coordination of SB, the disciplined services and the two auxiliary forces have actively participated in the work of the SAR Government in fighting the epidemic.
- The tasks concerned include providing different practical assistance to Hong Kong people outside Hong Kong; assisting in the preparation for the setting up of quarantine centres and temporary accommodation, as well as operation of these facilities; provision of emergency ambulance services or hospital admission/transfer services for persons requiring isolation or suspected/confirmed cases; assisting the Department of Health in issuing and enforcing quarantine orders; participation in the patrol and enforcement work relating to the requirement of prohibiting group gatherings; carrying out inspection of the quality of surgical masks sold; as well as participation in the expansion plan on masks production initiated by CSD. Apart from serving colleagues, the participants also include volunteers who are retirees from disciplined forces.

CSD Masks

- In particular, for the expansion plan on masks production initiated by CSD, with the participation of (around 2 000) serving and retired CSD officers as well as persons in custody, the masks production volume has increased by phases from a monthly average of 1.1 million pieces in January, and is expected to reach 5 million by mid-April. We estimate that the production volume may further increase to 7 million pieces per month in mid-May. CSD will also explore the feasibility of producing other protective equipment.
- I thank colleagues and volunteers of various forces for their hard work and readiness to contribute in participating in the above work.

Chairman, the representatives from Departments and I are pleased to answer questions from Members.

Thank you, Chairman.

Security Bureau
April 2020

**Speaking Notes for the Secretary for Labour and Welfare
at the Special Meeting of the Finance Committee
on 9 April 2020**

Welfare and Women

Chairman and Honourable Members,

In 2020-21, government recurrent spending on social welfare and women's interests is estimated to be \$93.9 billion, accounting for 19.3% of the total recurrent government expenditure of the year, second only to education. Compared with the revised estimate for 2019-20 of \$82.3 billion, there is an increase of about \$11.6 billion (14.2%). This reflects the Government's commitment to supporting the disadvantaged. The Government will continue to provide and enhance our support to the disadvantaged, including the elderly, children, persons with disabilities, low-income families and those in need. Now, let me highlight how the Labour and Welfare Bureau (LWB) will make use of these resources.

Elderly Care

2. The recurrent government expenditure on elderly services in 2020-21 is estimated to reach about \$12.3 billion, representing an increase of about 17% over the revised estimate in 2019-20. In 2020-21, the Government will provide an additional 1 797 subsidised residential care places, including 181 places provided by contract homes and subsidised homes, and 1 616 EA1 places under the Enhanced Bought Place Scheme, as well as 320 subsidised day care places for the elderly. The Government has also allocated additional resources to implement various initiatives on enhancing elderly services put forth in the 2019 Policy Address, including providing a total of additional 3 000 service quota under the Integrated Home Care Services (Frail Cases) in 2020 and 2021, and providing an additional 1 000 service vouchers, bringing the total to 8 000, under the Pilot Scheme on Community Care Service Voucher for the Elderly. In addition, the Government will allocate additional resources to relevant subsidised elderly service units (including subsidised elderly homes and elderly

community care and support service units) to provide soft meals for elderly persons with swallowing problem. The Government will also make arrangements under the Pilot Scheme on Residential Care Service Voucher for the Elderly and the Pilot Scheme on Community Care Service Voucher for the Elderly accordingly so that service units can provide soft meals to elderly persons in need.

Social Welfare Service Units

3. To make available a more comfortable environment for service users to take part in activities, starting from 2020-21 onwards, the Government will provide an additional recurrent provision of \$46.6 million to the non-governmental organisations subvented by the Social Welfare Department and operating day service units to meet the electricity costs of providing air conditioning for all activity areas. This initiative will benefit 1 147 subvented day service units and more than one million service users.

Neighbourhood Support Child Care Project (NSCCP)

4. To enhance the service quality of the NSCCP, the Social Welfare Department has allocated an additional provision of about \$24 million to service operators since January this year, enabling them to increase manpower to strengthen training for home-based child carers, and raised the level of incentive payment for home-based child carers to encourage more volunteers to serve as child carers.

Launching the Pilot Scheme on Social Work Services for Pre-primary Institutions

5. For early identification of and provision of assistance to pre-primary children and their families with welfare needs, the Government has allocated \$990 million from the Lotteries Fund to provide social work services in phases in subsidised/aided child care centres, kindergartens and kindergarten-cum-child care centres for about 150 000 pre-primary children and their families. The first two phases have provided services to 485 eligible pre-primary institutions in total. The third phase will commence in August this year.

Short Term Food Assistance Service

6. Given the prevailing local economic condition, the Government will allocate a further \$85 million to the short-term food assistance service for meeting the projected growth in demand for food assistance. The Government expects that the proposed allocation will sustain the service till July 2021, with at least 20 000 number of beneficiaries.

Community Investment and Inclusion Fund

7. The Government will inject \$500 million into the Community Investment and Inclusion Fund (CIIF) to support social capital development projects (including community support projects for residents of new public rental housing estates) and build mutual help networks in the community through cross-sector collaboration. The funding injection should enable the continual operation of the CIIF until 2024, for supporting about 140 projects benefiting more than 140 000 people.

Strengthening After School Care Programme

8. In order to meet the keen service need, the Government will introduce various enhancement measures to strengthen the after school care programme at primary school level, including addition of 2 500 full fee-waiving places, relaxation of application eligibility, increase of subsidy level, provision of extra subsidy for students with special educational needs, and streamlining of financial vetting process, etc. The enhancement measures are expected to roll out in October 2020 and benefit more than 5 700 students and their families.

Ethnic Minority (EM) District Ambassador pilot scheme

9. In view of the increasingly diversified needs of EM communities, the SWD will launch a three-year EM District Ambassador pilot scheme in 2020-21 in nine districts with higher EM population. Additional EM or designated staff will be engaged as “EM District Ambassadors” to enhance service provision in welfare service units of the SWD and subvented NGOs.

Rehabilitation Services

Supporting Pre-school Children with Special Needs

10. To provide early support to pre-school children with special needs, the Government will keep in view the demand and supply of pre-school rehabilitation services and the manpower supply of allied health professionals concerned, and provide additional places under various pre-school rehabilitation services in a timely manner. The Government has plans to increase the number of on-site pre-school rehabilitation services places by 1 000 each year for the three school years from 2020/21 to 2022/23. This total increase of 3 000 service places will bring the overall number of service places to 10 000, involving an additional full-year provision of \$306 million. The total number of service places of special child care centres as well as early education and training centres will also increase gradually by about 1 200 to about 6 700 from 2019-20 to 2021-22, involving an additional full-year provision of \$150 million.

Enhancing Community Support and Residential Services

11. The Government will continue to increase the number of day rehabilitation services and residential services places. In 2019-20 to 2021-22, about 3 800 additional services places are expected to be gradually provided through planned development projects, involving an additional full-year provision of \$628 million. In 2020-21, 345 additional residential places will be purchased under the Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities, and 130 additional day rehabilitation services places will be provided through purchase of premises, involving an additional full-year provision of \$61 million.

Training Sponsorship

12. The Government will continue to implement the Training Sponsorship Scheme to sponsor non-governmental organisations (NGOs) providing subsidised elderly or rehabilitation services in offering tuition fee sponsorship to Occupational Therapy (OT) and Physiotherapy (PT) students whom the NGOs have recruited. The Scheme covers the OT/PT Master Programmes of Hong Kong

Polytechnic University from 2020-21 to 2023-24 as well as the OT Bachelor Programme of Tung Wah College from 2020-21 to 2022-23.

Cash Assistance

13. As regards cash assistance, the Chief Executive's 2019 Policy Address has announced a series of improvement measures under the Comprehensive Social Security Assistance (CSSA) Scheme, which include substantially increasing the rent allowance, and relaxing the eligibility of a range of supplement and special grants. It is expected that an additional annual expenditure of \$960 million will be incurred. Meanwhile, in order to maintain the relativity between the payments under the Working Family Allowance (WFA) and CSSA, the Government will increase all payment rates under WFA, which will incur an additional annual expenditure of \$460 million. The Government has issued a paper to the Finance Committee of the Legislative Council with respect to the aforementioned improvement measures, and will implement them as soon as practicable after their approval.

14. Furthermore, the Chief Executive announced on 14 January 2020 to standardise the payment rates of the Old Age Living Allowance (OALA) by adopting the Higher OALA rate, as well as significantly increase the asset limits to \$500,000 for elderly singletons and \$750,000 for elderly couples. These enhancements are estimated to benefit about 150 000 elderly persons, which will involve an additional annual expenditure of about \$3.7 billion. The implementation timetable and relevant details will be announced in due course.

15. The Chief Executive also announced on 14 February 2020 to provide a one-off special allowance under the newly established Anti-epidemic Fund to each beneficiary household under the WFA and means-tested Student Financial Assistance (SFA) for pre-primary, primary and secondary students. The Working Family and Student Financial Assistance Agency will start disbursing the special allowance in batches by end-June, which will benefit more than 200 000 low-income households, and involve a one-off expenditure of \$990 million.

16. Separately, the Financial Secretary has proposed in the 2020-21 Budget to provide an extra allowance to recipients of social security and the Work Incentive Transport Subsidy, which is equal to one month of payment. It is expected to benefit over 1.4 million persons, and will involve an additional one-off expenditure of about \$4.2 billion.

17. The various measures I have just mentioned involve an additional recurrent expenditure of more than \$5 billion per year, as well as another \$5 billion one-off expenditure.

Women's Development

18. In 2020-21, the Government has earmarked around \$38 million to promote women's interests and support the work of Women's Commission (WoC). These include the provision for assisting WoC in implementing the "Capacity Building Mileage Programme", and implementing the "Funding Scheme for Women's Development" under which 18 District Councils and women's groups may implement programmes that are conducive to women's development.

19. Chairman, this concludes my opening remarks. Members are welcome to raise questions.

– End –

**Speaking Notes for the Secretary for Labour and Welfare
at the Special Meeting of the Finance Committee
on 9 April 2020**

Labour

Chairman and Honourable Members,

Recurrent spending on labour and manpower development in 2020-21 is estimated to be \$2,460 million, representing an increase of \$320 million (15.1%) over the revised estimate of \$2,140 million last year. It accounts for 0.5% of the total recurrent government expenditure. I will briefly highlight the key areas of work in respect of labour and manpower development in the coming year.

Supporting Employees

2. Hong Kong's economy has seen negative growth since the second half of 2019 and the unemployment rate has been on the rise. Compounded with the threat posed by the COVID-19 infection, it is anticipated that the labour market will further deteriorate. The Government plans to raise the ceiling of the on-the-job training (OJT) allowance payable to employers under the Employment Programme for the Elderly and Middle-aged, the Youth Employment and Training Programme as well as the Work Orientation and Placement Scheme in the second half of this year, with a view to further encouraging employers to hire the elderly, young people and persons with disabilities. With the introduction of the enhancement measures, employers engaging a job seeker under these three employment programmes would be entitled to an allowance of up to \$60,000.

3. The Government will also launch a pilot scheme in the second half of this year to offer a retention allowance to eligible elderly persons, young people and persons with disabilities engaged under these employment programmes so as to encourage them to undergo and complete OJT, thereby stabilising employment. Subject to the length of the OJT period, the maximum amount of retention allowance that a full-time employee may receive is \$12,000.

Abolishing the “Offsetting” of Severance Payment and Long Service Payment with Employers’ Mandatory Contributions under the Mandatory Provident Fund System

4. Regarding the abolition of the arrangement of “offsetting” severance payment and long service payment with employers’ mandatory contributions under the Mandatory Provident Fund (MPF) System, the Government will continue to work in full steam on the preparatory work, including mapping out the operational details of the supporting measures, such as assisting employers to set up designated saving accounts under their own name, and embarking on the drafting of the enabling bill, etc. The Government will strive to introduce the enabling bill into the Legislative Council (LegCo) by the end of this year, with a view to securing its passage by 2022 and implementing the abolition of the “offsetting” arrangement two years after the passage of the enabling bill and in tandem with the full implementation of the eMPF Platform of the MPF System.

Extending Statutory Maternity Leave

5. The Government introduced the Employment (Amendment) Bill 2019 (the Bill) into LegCo on 8 January this year. At present, the Panel on Manpower is handling the Bill. The Bill proposes that maternity leave (ML) under the Employment Ordinance be increased by four weeks and be taken by eligible employees continuously after the existing 10 weeks’ ML. The current statutory rate of maternity leave pay (MLP) (i.e. four-fifths of the employee’s average daily wages) would be maintained for calculating the additional MLP in respect of the extension of ML, subject to a cap of \$36,822 per employee. The cap amount may be reviewed from time to time. While the cap is stipulated in the Bill, the employer is not prohibited from paying a higher amount to the employee under the contract of employment.

6. The additional four weeks’ MLP will be funded by the Government by way of reimbursement to employers through an administrative scheme. The Labour Department (LD) will develop a new Disbursement Information System (DIS) for implementing the new Reimbursement of Maternity Leave Pay Scheme (RMLPS). The Government consulted the Panel on Manpower on the proposal for developing DIS this January. Members had no objection in principle

to the Government's submission of the proposal to the Finance Committee for funding approval. Subject to the passage of the Bill and approval of funding for DIS within the current LegCo term, the Government aims to implement RMLPS by the end of next year.

Increasing Progressively the Number of Statutory Holidays

7. The Chief Executive announced on 14 January this year 10 new initiatives on improving people's livelihood, one of which is to increase progressively the number of statutory holidays so that it is eventually on par with the number of general holidays. The Government will work out and invite the Labour Advisory Board (LAB) to discuss the relevant proposal, and facilitate and support its work. LD will provide relevant information for LAB to discuss on the proposal.

Setting up a Dedicated Foreign Domestic Helpers Division

8. Foreign domestic helpers (FDHs) are an important workforce in Hong Kong. LD will set up a dedicated FDH division to ensure effective coordination and implementation of measures to strengthen the protection of FDHs, and provide better support to FDHs and their employers. The responsibilities of the division include: enhancing publicity and education efforts; providing more support services to FDHs and employers; supporting the implementation of FDH policy measures; and exploring new FDH source countries.

Enhancing Occupational Safety and Health

9. The Government attaches great importance to occupational safety and health (OSH) of employees. LD has been adjusting its strategies of inspection and enforcement, publicity and promotion, as well as education and training according to the OSH risk levels of different industries, driving employers and employees to work together in taking sufficient precautionary measures to prevent accidents.

10. As the number of fatal industrial accidents in the construction industry and its accident rate per 1 000 workers have been the highest of all industries, LD will continue to undertake a series of targeted measures to improve construction workers' OSH. These measures

include conducting in-depth surprise inspections of construction sites involving high-risk processes or with poor safety performance, and stepping up participation in site safety management committee meetings of public work projects so that LD will be apprised of their latest risk situation and give advice, and adjust the inspection strategy accordingly in a more focused manner. In addition, with a view to enhancing the protection of workers of the renovation and repair sector, LD will establish an additional office through new resources allocated in this year to monitor the OSH of repair, maintenance, alteration and addition works.

11. LD launched a “Construction Safety Ambassador Pilot Scheme” early this year, encouraging construction workers to report any unsafe working conditions to LD. LD collaborated with the property management sector to strengthen the current referral mechanism for renovation and maintenance works carried out in individual units of estates. LD is also refining the statutory notification mechanism of construction works to cover those with shorter durations or engaging less workers but involving higher risk. Upon receipt of the relevant information, LD will conduct targeted inspections in accordance with its nature and risk level.

12. Besides, LD will continue to launch large-scale promotional programmes and produce “Work Safety Alerts” in the form of animation videos to enhance OSH awareness of stakeholders.

Pilot Rehabilitation Programme for Employees Injured at Work

13. The Chief Executive announced in the 2019 Policy Address the Government’s plan to introduce a three-year pilot rehabilitation programme for employees injured at work (Pilot Programme) targeting at injured employees from the construction industry. The Government also proposed to commission the Occupational Safety and Health Council to administer the Pilot Programme through legislative amendments. The Pilot Programme will be mainly funded by the Government, while employers are to shoulder part of the rehabilitation treatment expenses to fulfill their existing statutory responsibility under the Employees’ Compensation Ordinance.

14. After consultation with relevant stakeholders on the design and proposed mechanics of the Pilot Programme, LD has embarked on drafting legislative amendments and drawing up details for the Pilot Programme. The Government aims to introduce a bill to amend the Occupational Safety and Health Council Ordinance into LegCo in the 2020-21 legislative session. Subject to the progress of the legislative amendment exercise and the time required for concrete preparatory work, the Government envisages launching the Pilot Programme in 2022.

Training Support for Employees

15. Employees Retraining Board (ERB) launched the “Love Upgrading Special Scheme” (“Special Scheme”) in October last year to provide comprehensive training for two to three months to employees affected by the economic downturn and special allowance to eligible trainees during the training period. In view of the positive response to the Special Scheme, the 2020-21 Budget proposes to allocate \$2.5 billion for ERB’s enhancement and extension of the Special Scheme. ERB has published a subsidiary legislation in the Gazette on 27 March and submitted for tabling at LegCo to increase the maximum amount of monthly allowance per trainee from \$4,000 to \$5,800, with a target commencement date on 25 May. This initiative will benefit over 40 000 eligible trainees who take part in the regular courses and those of the Special Scheme annually.

16. Chairman, this concludes my opening remarks. Members are welcome to raise questions.

– End –