

立法會
Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 19th meeting
held at the Conference Room 1 of the Legislative Council Complex
on Friday, 8 June 2012, at 20:55 pm

Members present:

Hon Emily LAU Wai-hing, JP (Chairman)
Dr Hon Margaret NG
Hon CHEUNG Man-kwong
Hon CHAN Kam-lam, SBS, JP
Hon LEUNG Yiu-chung
Hon WONG Yung-kan, SBS, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Miriam LAU Kin-yee, GBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon WONG Kwok-hing, MH
Dr Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon CHEUNG Hok-ming, GBS, JP
Hon WONG Ting-kwong, BBS, JP
Hon Ronny TONG Ka-wah, SC
Hon KAM Nai-wai, MH
Dr Hon LAM Tai-fai, BBS, JP
Hon Paul CHAN Mo-po, MH, JP
Dr Hon Priscilla LEUNG Mei-fun, JP
Hon CHEUNG Kwok-che
Hon IP Wai-ming, MH
Hon IP Kwok-him, GBS, JP

Dr Hon PAN Pey-chyou
Dr Hon Samson TAM Wai-ho, JP
Hon LEUNG Kwok-hung

Members absent:

Prof Hon Patrick LAU Sau-shing, SBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon LEE Cheuk-yan
Dr Hon David LI Kwok-po, GBM, GBS, JP
Hon Fred LI Wah-ming, SBS, JP
Hon James TO Kun-sun
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon LAU Kong-wah, JP
Hon Andrew CHENG Kar-foo
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon LI Fung-ying, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon LEE Wing-tat
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon CHIM Pui-chung
Hon Cyd HO Sau-lan
Hon Starry LEE Wai-king, JP
Hon CHAN Hak-kan
Hon CHAN Kin-por, JP
Dr Hon LEUNG Ka-lau
Hon WONG Sing-chi
Hon WONG Kwok-kin, BBS
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Alan LEONG Kah-kit, SC
Hon Tanya CHAN
Hon Albert CHAN Wai-yip
Hon WONG Yuk-man

Public officers attending:

Ms Julia LEUNG Fung-ye, JP	Acting Secretary for Financial Services and the Treasury
Mr Stanley YING, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Ms Elsie YUEN	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Kenneth CHEN, JP	Under Secretary for Education
Mrs Angelina CHEUNG	Deputy Secretary for Education (6)
Ms Nancy SO	Controller, Student Financial Assistance Agency
Ms Carrie LEE	Deputy Controller (1), Student Financial Assistance Agency
Mr Desmond WONG	Deputy Controller (3), Student Financial Assistance Agency
Mr Paul TANG, JP	Permanent Secretary for Labour and Welfare
Ms Doris CHEUNG, JP	Deputy Secretary for Labour and Welfare (Welfare) 1
Ms Joanna CHUNG	Chief Executive Officer (Rehabilitation), Labour and Welfare Bureau
Ms Rebecca PUN, JP	Deputy Secretary for Transport and Housing (Transport) 2
Ms Carolina YIP, JP	Acting Commissioner for Transport

Clerk in attendance:

Mr Andy LAU	Assistant Secretary General 1
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Staff in attendance:

Ms Anita SIT	Chief Council Secretary (1)5
Mr Daniel SIN	Senior Council Secretary (1)7
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Christy YAU	Legislative Assistant (1)8

Item No. 6 - FCR(2012-13)41

HEAD 173 – STUDENT FINANCIAL ASSISTANCE AGENCY

Subhead 000 Operational expenses

Subhead 228 Student financial assistance

LOAN FUND

HEAD 254 – LOANS TO STUDENTS

Subhead 101 Students of the universities, the Hong Kong Institute of Vocational Education and Hong Kong Design Institute of the Vocational Training Council, Prince Philip Dental Hospital, Hong Kong Institute of Education and Hong Kong Academy for Performing Arts

Subhead 102 Non-means-tested loan scheme

Subhead 103 Means-tested loan for post-secondary students

The Chairman advised that the item sought the approval of the Committee for –

- (a) a package of measures to improve the operation of the Non-means-tested Loan Schemes administered by the Student Financial Assistance Agency;
- (b) related improvement measures on the means-tested assistance schemes, namely the Tertiary Student Finance Scheme – Publicly-funded Programmes and the Financial Assistance Scheme for Post-secondary Students; and
- (c) an increase in the ceiling placed on the total notional annual mid-point salary value of non-directorate posts in the permanent establishment of Head 173 – Student Financial Assistance Agency from \$177,892,000 by \$8,207,520 to \$186,099,520 in 2012-13 for the creation of 28 non-directorate posts.

2. The Chairman also advised that the Education Bureau had consulted the Panel on Education on the funding proposal on 14 May 2012.

3. Mr WONG Kwok-hing expressed the view that in order to mitigate the financial burden on post-secondary students, the Government should consider charging an interest on the loans only after the students had graduated from the universities/tertiary institutes.

4. The Chairman put the item to vote. The Committee approved the funding proposal.

Item No. 7 - FCR(2012-13)42

**HEAD 141 – GOVERNMENT SECRETARIAT :
LABOUR AND WELFARE BUREAU**

Subhead 000 Operational expenses

HEAD 186 – TRANSPORT DEPARTMENT

Subhead 000 Operational expenses

New Subhead "Public transport fare concession scheme for the elderly and eligible persons with disabilities"

Subhead 700 General non-recurrent

New Item "Setting up of a centralised settlement platform and related system enhancement for implementing the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities"

5. The Chairman advised that the item sought the approval of the Committee for –

- (a) the creation of a new Recurrent Subhead "Public transport fare concession scheme for the elderly and eligible persons with disabilities" under the Operating Account under Head 186 Transport Department;
- (b) a total supplementary provision of \$269.2 million in 2012-13 under Head 186 Transport Department, with \$255.4 million under the new Subhead created in paragraph (a) above and \$13.8 million under Subhead 000, for implementing the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities (the Scheme);
- (c) a new non-recurrent commitment of \$10.1 million under Head 186 Transport Department Subhead 700 General non-recurrent for setting up a centralized settlement platform and the related system enhancement for implementing the Scheme in paragraph (b) above; and
- (d) an increase in the ceiling placed on the total notional annual mid-point salary value of non-directorate posts in the permanent establishment of Labour and Welfare Bureau in 2012-13 from \$43,574,000 by \$2,137,800 to \$45,711,800 to create two

non-directorate civil service posts, i.e. one permanent and one time-limited, for implementing the Scheme in paragraph (b) above; and

- (e) an increase in the ceiling placed on the total notional annual mid-point salary value of non-directorate posts in the permanent establishment of Transport Department in 2012-13 from \$520,529,000 by \$5,868,360 to \$526,397,360 to create ten non-directorate civil service time-limited posts for implementing the Scheme in paragraph (b) above.

6. The Chairman also advised that the Labour and Welfare Bureau had consulted the Panel on Welfare Services (WS Panel) on the funding proposal on 14 May 2012.

7. Mr CHEUNG Kwok-che, Chairman of the WS Panel reported that the Panel had discussed the funding proposal at its meeting on 14 May 2012, and heard the views of deputations at the meeting on 29 May 2012. While Panel members generally supported the proposal, they were concerned that the fare concession on ferry services to the outlying islands would not be available until the first quarter of 2013. As ferries were the only means of transportation for the elderly living in the outlying islands, the Government was urged to implement the fare concession on ferries as soon as possible. Some Panel members requested that the Scheme should be extended to trams and public light buses (PLBs) as well. Some Panel members also requested that persons with less than 100% disabilities (e.g. loss of function of one limb) and persons with 100% disabilities aged under 12 should also be covered by the Scheme. At the request of members, the Administration had provided further information relating to recipients with 100% disabilities aged under 12 under the Disability Allowance (DA) and Comprehensive Social Security Assistance schemes.

8. Mr WONG Kwok-hing expressed dissatisfaction that the eligibility criteria of persons with disabilities under the Scheme was based on the definition of "severely disabled" drawn up in 1973, and notwithstanding some WS Panel Members' request for extension of the Scheme to persons with less than 100% disabilities and holders of the Registration Card for People with Disabilities (RC), the Administration did not accede to relaxing the eligibility criteria of the Scheme. Mr WONG expressed the view that the definition of "severely disabled" was outdated and discriminative, and persons with less than 100% disabilities should be allowed to benefit from the Scheme. Mr WONG also expressed the view that the Scheme should also cover tram services, as it should not involve a substantial amount of additional annual expenditure and the implementation arrangements would be relatively straight-forward. Mr WONG pointed out that at a recent meeting with the Chief Executive-elect

and officers of his office, he was given the understanding that the next term Government would pursue his requests. Mr WONG enquired what steps would be taken by the current term Government regarding his requests.

9. Permanent Secretary for Labour and Welfare (PSLW) advised that the Government had to carefully work out the detailed arrangements of the Scheme, as this was a new policy initiative and the financial implications were enormous. Given that a rather wide definition of "persons with disabilities" was adopted in the Disability Discrimination Ordinance (Cap. 487), the criteria used in the payment of DA were adopted for the Scheme. Currently the MTR Corporation Limited also used the same criteria for its fare concession scheme for the persons with disabilities. PSLW pointed out that a comprehensive review would be necessary if the definition of persons with disabilities in the relevant legislation and welfare service schemes were to be revised. A review of the definition of persons with disabilities under the DA scheme was in progress and the new term Government was expected to follow up on the issue. PSLW remarked that after the Scheme had been fully implemented in the three major public transport modes i.e. MTR, franchised buses and ferries, the Government would conduct a review of the Scheme to consider the feasibility of extending the Scheme to other means of public transportation. As the current elderly concessionary fare of tram was less than \$2 per trip, the Scheme was not applicable to the tram services in this regard.

10. Mr CHEUNG Kwok-che was concerned that the Administration did not include children aged under 12 with 100% disabilities under the Scheme on the ground that public transport operators had already been offering half fare concessions for children which would benefit children with disabilities. Mr CHEUNG pointed out that in some cases, the amount of half fare for children was higher than \$2. Noting from the discussion paper that the Administration would review the feasibility of extending the scope of the Scheme to cover children aged under 12 with 100% disabilities, Mr CHEUNG enquired about the relevant timetable, and urged the Administration to complete the review early so that the children concerned could enjoy the benefit starting from the coming school term in September.

11. PSLW advised that the Administration had to take time to study the feasibility of extending the Scheme to children under 12 with 100% disabilities, as such an arrangement would have implications on other subsidies schemes for students. Discussions with the public transport operators concerned on the proposal would also be necessary as the operators would have to modify/upgrade their fare collection systems and there would be cost implications. As regards the proposal to extend the Scheme to other public transport modes, the Administration would conduct a review of the Scheme in

early 2013 after rolling it out on MTR, franchised buses and ferries, and would also carry out a comprehensive review on the long-term welfare, financial and transport implications of the Scheme three years after its implementation i.e. 2016-17.

12. Dr Priscilla LEUNG welcomed the Scheme as the elderly people would be more willing to travel around, which would help improve their mental health. Dr LEUNG opined that the Scheme should cover children under 12 with 100% disabilities as these children should be allowed to benefit from the Scheme. The Scheme should also be extended to tram and PLB services immediately but not after a review of the Scheme three years later. The legal definition of persons with disabilities and the technical adjustments to the systems of the public transport companies should not form a barrier to enabling the elderly and the persons with disabilities to enjoy the benefits of the Scheme.

13. PSLW remarked that one of the principles of the Scheme was that the commuters should pay \$2 for each trip. As the fare of tram services for the elderly was already lower than \$2, the Scheme would not be applicable to tram services in this regard. As the mode of operation of PLBs was different from other types of major public transport such as franchised buses and the MTR, and there were a very large number of PLB operators with different scales and modes of operation, the Administration needed to carefully study the feasibility of extending the Scheme to PLBs. PSLW pointed out that while it was difficult to define different levels of disabilities, the Scheme had adopted the criterion of 100% disabilities having regard to the current arrangement for the Employees' Compensation Scheme. PSLW reiterated that the Administration would conduct a comprehensive review of the Scheme three years after its implementation.

14. Dr PAN Pey-chyou opined that while the Scheme was welcomed by all, the detailed arrangements had failed to meet the expectations of the public. Dr PAN was disappointed with the intransigence of the Administration regarding the definition of persons with disabilities, and opined that a more realistic approach should be adopted in defining persons with disabilities under the Scheme, e.g. people who lost one of their limbs should be covered. Dr PAN remarked that in addition to the eligibility criterion of 100% disabilities, a table listing the types of other eligible persons with disabilities could be devised to facilitate implementation of the Scheme.

15. PSLW reiterated that the 100% disabilities criterion was based on the Employees' Compensation Ordinance (Cap. 282), which already provided a table listing out the types of disabilities covered by the Ordinance. In

implementing the Scheme, the eligibility criteria applicable to persons with disabilities had to be in line with those adopted in other Government schemes. Any review of the criteria would involve professional advice from the Hospital Authority and relevant Government bureaux and departments.

16. Mr IP Wai-ming pointed out that many elderly people travelled on PLBs and the Scheme should cover PLBs. Mr IP enquired about the issues to be studied in reviewing the arrangements of extending the Scheme to PLBs, and the timetable for the review. Mr IP asked whether the Administration would undertake to extend the Scheme to PLBs.

17. PSLW remarked that the Scheme was a new policy initiative and the Administration aimed to implement the Scheme as soon as practicable. The Administration's priority was to implement the Scheme on the major modes of public transport i.e. MTR, franchised buses and ferries, which accounted for about 72% of the daily public transport patronage in 2011. In view of the large number of operators and routes involved, and because of the complex operational and technical issues involved, it would take time for the Administration to consider and work out the arrangements for extending the Scheme to green minibuses (GMBs). Commissioner for Transport (C for T) supplemented that the Administration would need to take time to study the feasibility of including GMBs in the Scheme as some 130 operators and more than 470 routes were involved. C for T pointed out that currently the Octopus Card readers on GMBs might not be able to read the Personalized Octopus with "Persons with Disabilities" Status and the relevant software and hardware might need to be enhanced/replaced if the Scheme were to be extended to GMBs. PSLW added that the financial implications involved would also need to be carefully studied. PSLW said that the Administration would nonetheless start discussing with the trade on the feasibility of incorporating GMBs into the Scheme.

18. Mr LEUNG Yiu-chung opined that the Scheme should not be confined to persons with 100% disabilities, and all persons with disabilities should be entitled to the benefits under the Scheme. Mr LEUNG pointed out that the concern groups had agreed to adopt the 100% disabilities criterion for the MTR fare concession scheme as the persons with disabilities wished to enjoy the benefits as soon as possible after nine years of negotiation. Mr LEUNG enquired whether the Administration agreed in principle to allow children under 12 with 100% disabilities to benefit from the Scheme, and what technical problems had to be resolved before these children could enjoy the benefits.

Action

19. PSLW remarked that in joining the Scheme, the public transport operators were requested to continue to bear the costs of existing fare concessionary schemes that they voluntarily offered, e.g. the half fare concessions for the persons with disabilities on MTR. Given that the RC was not issued for the purpose of welfare benefits, it would not be appropriate to include all RC holders in the Scheme. As regards children aged under 12 with 100% disabilities, they were already enjoying children half fare concessions voluntarily offered by public transport operators. Nonetheless, the Government would actively study the feasibility of covering children aged below 12 with 100% disabilities under the Scheme and would in due course announce the outcome of the Administration's consideration.

20. The Chairman put the item to vote. The Committee approved the funding proposal.

21. The meeting was adjourned at 9:45 pm.

Legislative Council Secretariat
28 September 2012