

立法會

Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 31st meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 11 July 2014, at 7:10 pm

Members present:

Hon NG Leung-sing, SBS, JP (Chairman)
Hon Emily LAU Wai-hing, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon WONG Ting-kwong, SBS, JP
Hon Cyd HO Sau-lan, JP
Dr Hon LAM Tai-fai, SBS, JP
Hon CHAN Kin-por, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon CHEUNG Kwok-che
Hon IP Kwok-him, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP

Hon James TIEN Pei-chun, GBS, JP
Hon Steven HO Chun-yin
Hon WU Chi-wai, MH
Hon YIU Si-wing
Hon Gary FAN Kwok-wai
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Dr Hon Kenneth CHAN Ka-lok
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Kenneth LEUNG
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Dr Hon Elizabeth QUAT, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Hon TANG Ka-piu, JP
Dr Hon CHIANG Lai-wan, JP
Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon LEUNG Yiu-chung
Dr Hon LAU Wong-fat, GBM, GBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon Ronny TONG Ka-wah, SC
Hon Starry LEE Wai-king, JP
Hon CHAN Hak-kan, JP
Dr Hon LEUNG Ka-lau
Hon WONG Kwok-kin, SBS
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon WONG Yuk-man
Hon Frankie YICK Chi-ming

Hon CHAN Yuen-han, SBS, JP
Hon Alice MAK Mei-kuen, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon Dennis KWOK
Hon IP Kin-yuen
Ir Dr Hon LO Wai-kwok, BBS, MH, JP
Hon CHUNG Kwok-pan
Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Public officers attending:

Ms Elizabeth TSE Man-yee, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr LIU Chun-san	Principal Assistant Secretary for Development (Works) 2
Mr Daniel CHUNG Kum-wah, JP	Director of Drainage Services
Mr KWOK Ping-keung	Chief Engineer (Consultants Management), Drainage Services Department
Mr LAM Ka-tai	Deputy Director of Social Welfare (Services)
Mr Simon KONG Ha-wing	Senior Architect, Social Welfare Department
Mr Stephen SUI, JP	Commissioner for Rehabilitation, Labour and Welfare Bureau
Mr FONG Kai-leung	Assistant Director of Social Welfare (Rehabilitation and Medical Social Services)
Mrs Elina CHAN	Principal Assistant Secretary for Labour and Welfare (Welfare) 3
Miss Cecilla LI	Assistant Director of Social Welfare (Elderly)
Miss Emmy WONG Kwok-ling	Principal Assistant Secretary for Financial Services and the Treasury (Financial Services) 3

Mr Leslie TANG Wai-kong, JP	Commissioner for Census and Statistics
Mr Stephen LEUNG Kwan-chi	Deputy Commissioner for Census and Statistics
Mr Leo YU Chun-keung	Senior Statistician (Census Planning) 1, Census and Statistics Department
Ms Esther LI So-fan	Senior Systems Manager (Census System Services), Census and Statistics Department

Clerk in attendance:

Mr Andy LAU	Assistant Secretary General 1
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Staff in attendance:

Mr Derek LO	Chief Council Secretary (1)5
Mr Daniel SIN	Senior Council Secretary (1)7
Mr Ken WOO	Senior Council Secretary (1)5
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Christy YAU	Legislative Assistant (1)7

Action

**Item No. 4 – FCR(2014-15)9
RECOMMENDATIONS OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 8 APRIL 2014**

PWSC(2014-15)3

HEAD 704 – DRAINAGE

Environmental Protection – Sewerage and sewage treatment

401DS – Feasibility study on relocation of Sham Tseng sewage treatment works to caverns

PWSC(2014-15)4

HEAD 704 – DRAINAGE

Environmental Protection – Sewerage and sewage treatment

402DS – Feasibility study on relocation of Sai Kung sewage treatment works to caverns

The meeting continued with the combined deliberation on the items PWSC(2014-15)3 and PWSC(2014-15)4 taken out from the recommendations

of the Public Works Subcommittee ("PWSC") made on 8 April 2014 for separate voting.

2. Mr Gary FAN opined that, among the released sites in the four feasibility studies on rock cavern development in the PWSC's recommendations being considered at the meeting, the existing site of Diamond Hill fresh water and salt water service reservoirs was most suitable for public housing development. Mr FAN was concerned that the other three sites would be used for constructing luxury flats. As such, Mr FAN enquired whether the Administration would provide information about the cost-benefit analysis of the released sites during the public consultation exercise, enabling the public to make informed choices about the future use of these sites.

3. Principal Assistant Secretary for Development (Works) 2 advised that preliminary results of the feasibility studies would be provided to the public during the initial stage of the public consultation exercises while more detailed information would be made available to the public as the feasibility studies progressed along.

4. Referring to the information provided by engineering consultancy companies and professionals, Dr Fernando CHEUNG said that the construction, ventilation, maintenance and odour control costs of the cavern sewage treatment works were higher than their counterparts built above the ground. Dr CHEUNG queried if the feasibility studies would assess the difference in operating costs between the cavern and above-the-ground sewage treatment works.

5. Director of Drainage Services confirmed that the feasibility studies would evaluate the operating costs of the cavern sewage treatment works. He supplemented that the operating costs of the existing Stanley sewage treatment works housed in caverns were similar to that of the existing Sai Kung sewage treatment works, which was built above the ground with a similar sewage treatment capacity. Although cavern sewage treatment works might consume more electricity for ventilation, they consume less electricity for water temperature control, which was crucial for sewage treatment.

6. There being no further questions on the two items from members, the Chairman put the item PWSC(2014-15)3 to vote. The Chairman declared that the Committee approved the item.

7. The Chairman then put the item PWSC(2014-15)4 to vote. The Chairman declared that the Committee approved the item.

Item No. 5 – FCR(2014-15)18
LOTTERIES FUND
HEAD 341 – NON-RECURRENT GRANTS

8. The Chairman said that the item sought the Committee's approval for allocating \$104.647 million from the Lotteries Fund for meeting the capital costs of the redevelopment project of Heep Hong Society ("HHS")'s Catherine Lo Centre ("CLC") at Sandy Bay Road, Pokfulam, for the provision of pre-school rehabilitation and other support services.

9. Mr CHEUNG Kwok-che, Deputy Chairman of the Panel on Welfare Services, reported that the Panel discussed the funding proposal on 14 April 2014. Panel members raised no objection to submit the proposal to the Finance Committee ("FC") for consideration. Nevertheless, some Panel members urged the Administration to increase the subvented pre-school rehabilitation places and improve the public transport arrangement for users commuting to and from CLC.

Provision of additional subvented places

10. While expressing support for the funding proposal, Dr Fernando CHEUNG indicated his concern over the acute shortage of pre-school rehabilitation services as evidenced by the long waiting time for these services. In his view, the shortage problem would render the children in need unable to receive early intervention support in a timely manner. Dr CHEUNG requested the Administration to increase the supply of subvented places. Ms Emily LAU, Ms Claudia MO and Mr LEUNG Kwok-hung echoed similar views.

11. Deputy Director of Social Welfare (Services) ("DDSW(S)") explained that the Administration was committed to increasing the subvented pre-school rehabilitation places. The number of subvented places to be provided under the redevelopment project was more than that originally scheduled. It was also anticipated that 1 471 additional places would come on stream between the financial years 2014-2015 and 2017-2018 with 832 more places made available in the financial year 2014-2015 alone.

12. DDSW(S) further advised that under the Special Scheme on Privately Owned Sites for Welfare Uses ("the Special Scheme"), which was launched to encourage social welfare organizations to provide the necessary welfare facilities through in-situ expansion or redevelopment, the Administration had received 63 preliminary proposals, and 25 of them (including the proposed redevelopment project of CLC) were related to the

provision of pre-school rehabilitation services providing 3 842 additional places in total. Moreover, the Administration had collaborated with social welfare organizations to launch pilot schemes to provide the children in need with early intervention support.

13. Considering the provision of an additional 114 subvented pre-school rehabilitation places under the proposed redevelopment project insufficient to meet the demand, Dr CHIANG Lai-wan urged the Administration to provide more places through better utilization of the redevelopment site. Dr CHIANG queried why the special child care centre ("SCCC") and early education and training centre ("EETC") would only occupy the five lowest floors of the ten-storey building of CLC after redevelopment, leaving the upper floors to office facility and self-financing units.

14. DDSW(S) advised that self-financing units of CLC after redevelopment would provide a variety of support services to cater for the developmental and social needs of children and youth with disabilities. He added that the Child Care Services Regulations (Cap. 243A) required all child care centres to be registered and no part of any centre premises be situated at a height of more than 24 m above ground level.

Number of children on the waiting list

15. Ms Emily LAU queried about the number of children on the waiting list for pre-school rehabilitation services. DDSW(S) advised that there were a total of 6 245 subvented pre-school rehabilitation places and 7 400 children on the waiting list.

16. Taking note of the Administration's reply, Ms Claudia MO, Dr Fernando CHEUNG and Mr LEUNG Kwok-hung questioned the projected number of children still on the waiting list after taking into account the additional places to be provided.

17. DDSW(S) advised that around 2 200 children remained on the waiting list for the pre-school rehabilitation places after taking into account the additional places to be provided by phases. He explained that the net increase in the number of applicants is about 700 per annum. In this regard, he further explained that each year there were 4 000 new applicants and 3 300 existing service users ceasing to be eligible for the services after reaching the age of six.

18. Despite the Administration's explanation, Ms Claudia MO, Dr Fernando CHEUNG and Mr LEUNG Kwok-hung expressed dissatisfaction

with the way in which the Administration had presented the information regarding the projected number of waitlistees for the pre-school rehabilitation places.

19. Ms Claudia MO asked what measures the Administration had been taken to address the needs of the children waiting for subvented pre-school rehabilitation services. DDSW(S) said that the Community Care Fund ("CCF") had supported them through its assistance programme of "Training Subsidy for Children who are on the Waiting List for Subvented Pre-school Rehabilitation Services". Under the assistance programme, each child could receive not less than four sessions of pre-school training per month which were provided by special child care workers, psychologists or occupational therapists/physiotherapists/speech therapists. The assistance programme would be incorporated into the Government's regular assistance programme from October 2014 onwards.

20. In view of the long waiting list, Ms Emily LAU opined that the Administration should develop more SCCCs and EETCs in new public rental housing ("PRH") and Home Ownership Scheme ("HOS") estates. Ms LAU asked if the Administration faced any difficulty in identifying the sites for providing additional rehabilitation places.

21. Sharing Ms Emily LAU's view, Mr Frederick FUNG was gravely concerned about the Administration's reluctance to designate a certain proportion of land in new PRH and HOS development to welfare facilities, in particular SCCCs, EETCs, residential care homes for the elderly ("RCHEs") and those for the disabled.

22. DDSW(S) responded that the Administration had kept on identifying sites for pre-school rehabilitation facilities when new PRH development projects were carried out. It had not faced any difficulty in the process and four new SCCCs and EETCs would be established in PRH estates in September 2014.

Provision of self-financing services

23. Dr CHIANG Lai-wan and Mr LEUNG Kwok-hung queried whether social welfare organizations made profits from the provision of self-financing services. If so, the Administration should not provide public funds to these organizations for developing related facilities. If such services were non-profit making, the Administration should study the reason of high service fees by comparing the cost structure of different service providers.

24. Dr Fernando CHEUNG pointed out that self-financing services were operated on a cost-recovery basis and their costly service fees imposed a heavy burden on ordinary families.

25. DDSW(S) replied that self-financing services could allow greater flexibility for social welfare organizations in service planning, provide more choices to those in need and fill the gap of subvented services. The strong demand for therapists to provide professional services contributed to the high level of service fees. Nevertheless, any operating surplus generated from self-financing services would be ploughed back for the development of the services. DDSW(S) added that support measures had been introduced to assist families having financial difficulties to pay for the rehabilitation service fees of their children. The Children Training Fund under HHS provided a maximum 75% of fee subsidy to these families subject to a ceiling of \$6,000 per year. The assistance programme under CCF also provided subsidized training services for children waiting for the subvented pre-school rehabilitation services with a maximum monthly subsidy up to \$2,615 per child.

Monitoring the salary level of the senior executives in social welfare organizations

26. Mr LEUNG Kwok-hung was concerned that social welfare organizations might charge high fees for their self-financing services so as to pay the high salaries of their senior executives. Mr LEUNG asked whether the Administration had put in place mechanism to monitor the salary level of the senior executives in these organizations.

27. DDSW(S) responded that the operation of social welfare organizations was monitored by their own Executive Committees or Board of Directors comprising members from the professional sectors. The Administration also issued guidelines requiring subvented organizations to disclose the number and salaries of their senior executives. After receiving such information, the Administration would examine the salary level of these senior executives to ensure that it was comparable with market pay. If there was any deviation from the market, the Administration would request the respective Executive Committees or Board of Directors to take follow-up actions.

Ratio of subvented services to self-financing services

28. Dr Fernando CHEUNG noted that, in terms of the net operational floor area of the redeveloped building of CLC, the ratio of subvented units to self-financing units was 5.5:4.5. Dr CHEUNG took the view that the public

funds were allocated to develop self-financing units targeted at middle class families instead of grass-roots families which had a more pressing need for subvented services. Dr CHEUNG urged the Administration to provide more subvented services under the redevelopment project, say by raising the floor area ratio of subvented units to self-financing units to at least 8:2. Mr CHEUNG Kwok-che shared a similar view and opined that the ratio should be increased to at least 7:3.

29. DDSW(S) said that when determining the number of subvented and self-financing places, the Administration would take into account the overall services demand, the experience of social welfare organizations in running related welfare services and the need of corporate development for these organizations. Regarding the redeveloped building of CLC, DDSW(S) explained that the subvented units and related office facility would occupy a total area of 1 112 m², representing 60% of the net operational floor area.

Transport arrangement for users of CLC

30. Mr CHEUNG Kwok-che expressed concern about the lack of public transport services for users of CLC, mainly children and their parents, who could only commute to and from the building by public light bus.

31. Dr Fernando CHEUNG added that CLC was located in an area with many other rehabilitation facilities for the elderly and the disabled. Many service users with mobility difficulties might have problems commuting to the area where there was no wheelchair accessible public transport service. In view of the strong transport demand from service users, Dr CHEUNG urged the Administration to improve the public transport services to the area.

32. DDSW(S) advised that two coaches with a total seating capacity of 110 would be arranged to serve users of CLC after redevelopment, which was higher than the normal capacity standard set for special child care centres. HHS had also evaluated the impact of redevelopment on the traffic flow in its technical feasibility study and submitted the results to the Transport Department, which concluded that the coach service could meet the need of service users. DDSW(S) supplemented that there were three public light bus routes passing by CLC and two bus routes with a stop nearby.

33. In response to Mr CHEUNG Kwok-che's enquiry about the funding arrangement for coach drivers, DDSW(S) explained that it was the Administration's practice to provide full subvention to the concerned body for meeting the salary expenses of coach drivers.

34. There being no further questions from members, the Chairman put the item to vote. The Chairman declared that the Committee approved the item.

Item No. 6 – FCR(2014-15)13

LOTTERIES FUND

HEAD 341 – NON-RECURRENT GRANTS

35. The Chairman advised that the item sought the Committee's approval for allocating \$49,019,000 from the Lotteries Fund for meeting the construction costs of a new contract RCHE with a Day Care Unit for the Elderly in PRH development of the Housing Authority at the site of ex-Kwai Chung Police Married Quarters at Kwai Yi Road, Kwai Chung.

36. Mr CHEUNG Kwok-che, Deputy Chairman of the Panel on Welfare Services reported that the Panel discussed the funding proposal on 14 April 2014. Panel members did not raise objection in principle to submit the proposal to FC for consideration. Some Panel members requested the Administration to improve the declining service quality of contract RCHEs, increase the number of subsidized residential care places for the elderly, and expedite the tendering process and consequently the construction works so that the proposed RCHE could come into operation as early as possible.

Provision of additional subvented residential care places for the elderly

37. Noting that the proposed RCHE would provide 60 subsidized residential care places and 40 non-subsidized residential care places, Mr CHEUNG Kwok-che urged the Administration to increase the ratio from 6:4 to 7:3 in the face of an increasing number of the elderly waiting for the subsidized residential care places. Mr LEUNG Kwok-hung expressed a similar view.

38. DDSW(S) explained that the average ratio of subsidized residential care places to non-subsidized residential care places in the 22 existing contract RCHEs was 6:4. Among them, 13 contract RCHEs had a ratio higher than 6:4 and the ratio of the remaining nine contract RCHEs was below that. Therefore, not all contract RCHEs provided subsidized and non-subsidized places at a ratio of 6:4. When determining the ratio for individual contract RCHEs, the Administration would take into account the characteristics of the socio-economic condition of the districts where RCHEs were located and the availability and utilization of other non-subsidized residential care places in the vicinity.

39. Mr TANG Ka-piu opined that the reason for the Administration to keep the 6:4 ratio was its reluctance to bear the recurrent expenditure of subsidized services since for non-subsidized services, it was only required to pay for the construction costs of related facilities, while service operator was responsible for the recurrent expenditure.

40. Dr Fernando CHEUNG expressed concern about the use of public funds for developing non-subsidized residential care places, which was unaffordable to many households. In his view, all public funds should be used for developing subsidized places only, leaving the development of non-subsidized places to the market.

41. DDSW(S) advised that the non-subsidized residential care places could provide an alternative for those in need, which was of high quality and at affordable fees.

Development of residential care homes for the elderly in public housing estates

42. In view of the ageing population, Ms Emily LAU queried whether the Administration had reserved land for the development of RCHEs in new PRH and HOS estates. Ms LAU asked if any RCHE development faced objection at the community level.

43. DDSW(S) said that welfare facilities were provided as an integral part of new PRH development projects. The Administration would also consult the local community on the proposed welfare facilities and received no objection so far. DDSW(S) pointed out that seven of the 11 sites earmarked for the construction of new RCHEs, RCHEs with Day Care Units and Day Care Centres for the Elderly were located at new PRH estates. Moreover, about 9 000 additional service places would be provided for the elderly under the Special Scheme, in which 7 000 of them were residential care places.

44. Mr LEUNG Kwok-hung commented that the divestment of the Housing Authority's retail facilities to The Link Real Estate Investment Trust rendered the Administration impossible to plan new RCHEs in the existing PRH and HOS estates. As such, more RCHEs should be developed in new estates to compensate for the inadequacy of residential care places for the elderly.

Completion time and design of the proposed project

45. Mr CHEUNG Kwok-che suggested that construction works could be carried out in tandem with the invitation of tenders for service operation so

as to shorten the lead time required for the proposed RCHE to come into operation.

46. DDSW(S) advised that the Administration had planned to start the tendering procedures early before the completion of the construction works. This would enable the Administration to hand over the premises to the selected service operator at an earlier time, thus advancing the commencement of services of the proposed RCHE.

47. Considering that the design of the proposed RCHE as an institution separated from the community was outdated, Dr Fernando CHEUNG suggested reserving certain floors of new PRH buildings for the development of small-scale RCHEs, so that these care home facilities could resemble the home environment making their full integration into the community easier. DDSW(S) took note of Dr CHEUNG's view and would follow up the case with the Housing Department.

Other views

48. Dr CHIANG Lai-wan urged other members to support the funding proposal as the elderly in Kwai Chung had been looking forward to a new RCHE for a long time.

49. Mr Alan LEONG supported the funding proposal, but was disappointed at the lack of any long-term social welfare planning after the Five Year Plan for Social Welfare Development was discontinued after 1999. Notwithstanding that a wide range of welfare services was provided in Hong Kong, Mr LEONG considered the supply of each type of welfare services insufficient.

50. Mr TANG Ka-piu urged the Administration to abolish the re-tendering arrangement of contract RCHEs as it adversely affected the service quality and decision of service operators in making long-term service and human resource investment.

51. DDSW(S) said that the contract for each RCHE would last for five years and the Government should be entitled to extend the contract term for up to another five years. The contract would then be re-tendered. The re-tendering arrangement opened up opportunities for non-governmental organisations and the private sector to operate RCHEs. DDSW(S) supplemented that of the 22 contract RCHEs currently in operation, four were operated by the private sector.

52. Mr TANG Ka-piu considered that the subsidized community care services could help alleviate the problem of long waiting time for residential care places and sought information about the number of the elderly who received such services in the course of waiting.

53. Assistant Director of Social Welfare (Elderly) said that as at end-March 2014, about 6 200 elderly were on the waiting list of nursing home places, in which 12% of them received subsidized community care services. The corresponding figures for the elderly waiting for care-and-attention places were about 23 000 and 12% respectively. She added that the Administration would reinforce the subsidized community care services to assist the elderly in need.

54. There being no further questions from members, the Chairman put the item to vote. The Chairman declared that the Committee approved the item.

Item No. 7 – FCR(2014-15)11

CAPITAL WORKS RESERVE FUND

HEAD 710 - COMPUTERISATION

Census and Statistics Department

New Subhead "Computer Equipment and Services for the 2016 Population By-census"

55. The Chairman said that the item sought the Committee's approval of a new commitment of \$88,814,000 for acquiring computer equipment and services for the 2016 Population By-census ("16BC"). The Chairman advised that the Administration consulted the Panel on Financial Affairs on the funding proposal on 2 December 2013.

Sexual minorities

56. Mr CHAN Chi-chuen recapitulated that in the Administration's paper on 16BC for the Panel (LC Paper No. CB(1)390/13-14(07)), the Administration had indicated the inclusion of transgender and transsexual persons in the refined classification for the proposed data topic of "sex", which would mean a third sex alongside male and female. For the data topic "marital status", the refined classification would take into account "co-habitation", same-sex relationship, etc., Mr CHAN questioned whether the Administration would take forward the above-mentioned classifications in 16BC. Moreover, he proposed to estimate from 16BC the population size of

sexual minorities, which he had previously proposed to the then-Commissioner for Census and Statistics.

57. Commissioner for Census and Statistics ("C for C&S") said that since 16BC was large in scale, involving more than 6 000 enumerators and 240 000 households, and normally consisted of relatively simple questions, it would not cover complicated or sensitive topics. Therefore, the Administration had decided that data topics on demographics of transgender persons, same-sex marriage and sexual minorities would not be included in 16BC.

58. Mr CHAN Chi-chuen reminded the Administration that it was its own initiative to consider including these data topics and requested the Administration to explain the reason for giving up the idea.

59. C for C&S said that there were concerns about the accuracy in the data collected on the relevant subject matters, and that at present the Administration would not consider adding to 16BC the data topics proposed by Mr CHAN Chi-chuen.

60. Dr Priscilla LEUNG expressed support for the Administration's proposal for 16BC and considered Mr CHAN Chi-chuen's proposal highly controversial requiring further deliberations. She opined that the Administration had not yet obtained a mandate from the community for implementing it in the meantime.

61. Mr LEUNG Kwok-hung, however, pointed out that the suggestion made by Mr CHAN Chi-chuen was originally proposed by the Administration and suggested that the Administration should consider practices in other countries regarding the collection of data about sexual minorities.

Cost and implementation

62. Dr Fernando CHEUNG asked about the reason for the combined cost of hardware and software for 16BC which exceeded contract staff cost. Dr CHEUNG also questioned the merits of purchasing over 6 000 mobile devices, and enquired about how they would be disposed of upon the completion of 16BC.

63. C for C&S said that the mobile devices would be used by the enumerators to replace paper questionnaires in order to achieve greater accuracy and efficiency in capturing data. In addition, the use of mobile devices would provide better data security in that the devices would only store

personal data at a minimal amount and in encrypted form, which would be uploaded to the centralized computer system simultaneously minimizing the risk of data leakage.

64. Deputy Commissioner for Census and Statistics ("DC for C&S") supplemented that the reason for the smaller ratio of staff cost in the total cost of 16BC was that the funding provision for deployment of the 6 000 enumerators had been sought separately, and the present estimate in the paper was for hiring contract staff for system implementation. He said that upon completion of 16BC, the 6 000 mobile devices would be handled in accordance with existing Government practice, including redeployment within the C&SD or to other Government departments, or disposal through auction.

65. Mr WU Chi-wai noted that the proposal comprised enhancements to 17 sub-systems and an overhaul of a sub-system, and asked for the reason that 16BC, being smaller in scale compared to a population census, would lead to the current proposal for a significant overhaul of hardware and software. Mr WU asked whether the 2021 Population Census would require another major system overhaul.

66. DC for C&S said that the priority of the Administration was to reuse existing sub-systems already implemented for the 2011 Population Census. He said that 17 of the 18 sub-systems were reusable after minor modifications for 16BC, and one sub-system required an overhaul to accommodate the Internet dissemination of census statistics. A new sub-system would also be added and there would be a total of 19 sub-systems. He said that C&SD would evaluate the sub-systems and reuse them for the 2021 Population Census where appropriate.

67. In response to Mr WU Chi-wai's enquiry on the reuse of the mobile devices by Government departments other than C&SD upon completion of 16BC, DC for C&S said that the Administration had not identified potential users of the devices in other Government departments.

Data security

68. Mr Charles Peter MOK enquired about the encryption method of secured data transfer and whether SSL encryption was used for web interface.

69. C for C&S said that the secured data transfer conformed to the relevant provisions in the Government's Security Regulations, which was more secure than using paper questionnaires, and that SSL encryption was used for web interface.

70. As regards Mr Charles Peter MOK's enquiry whether the relatively small provision for site preparation was due to the use of existing data facilities, Senior Systems Manager (Census System Services) advised that the existing data centre of C&SD was to be used with the expansion of existing cloud services and addition of new servers.

Statistical data for policy formulation

71. Dr Kenneth CHAN opined that the C&SD did not provide adequate statistical support to the Administration, in particular the Planning Department ("PD"), for policy formulation and implementation. He asked whether 16BC would assist the planning and implementation of the New Territories Small House Policy by the PD by providing accurate and reliable statistics on, for instance, population size of indigenous villagers for zoning purpose.

72. C for C&S said that the By-census would provide statistics of high precision for population sub-groups and small geographical areas, and would be made available for use by the PD.

Data to be collected and questions to be asked in 16BC

73. Dr Helena WONG considered that the data collected by the Administration in 16BC would be subject to bias when it did not include a third sex in its data classification. Dissatisfied with the Administration's neglect on collecting census statistics related to gender neutrality and its failure in providing a complete picture of the population through census statistics, Dr WONG expressed great reservation in the Administration's proposal. Dr WONG urged the Administration to make improvements in this regard and asked whether the Administration had considered collecting data on other minorities, such as ethnic minorities, new immigrants, and cross-boundary families and urged the Administration to avoid potential biases.

74. The Chairman reminded members to focus on matters directly related to the proposal under discussion.

75. Ms Cyd HO shared Dr Helena WONG's views that the Administration had not been striving to conduct an accurate census, and expressed support for the inclusion of a third sex in the data classification of 16BC. She asked how the Administration identified the questions to be asked in 16BC.

76. C for C&S said that in deciding which and how questions were to be asked in a population census, C&SD always adopted a professional approach

and that the key criterion was that accurate data could be collected from responses to the questions asked.

77. The Chairman announced that the meeting be adjourned and said that four meetings would be held the next day, i.e. 12 July 2014, with the first meeting starting at 9:00 am.

78. The meeting was adjourned at 9:10 pm.

Legislative Council Secretariat
18 November 2014