

立法會
Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 73rd meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 10 June 2016, at 7:20 pm

Members present:

Hon CHAN Kin-por, BBS, JP (Chairman)
Hon CHAN Kam-lam, SBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Hon James TO Kun-sun
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon CHEUNG Kwok-che
Hon WONG Kwok-kin, SBS
Hon IP Kwok-him, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Albert CHAN Wai-yip
Hon Michael TIEN Puk-sun, BBS, JP
Hon NG Leung-sing, SBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS

Hon Gary FAN Kwok-wai
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Dr Hon Kenneth CHAN Ka-lok
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Hon Alice MAK Mei-kuen, BBS, JP
Hon Dennis KWOK
Hon Christopher CHEUNG Wah-fung, SBS, JP
Hon SIN Chung-kai, SBS, JP
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Hon TANG Ka-piu, JP
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
Hon Tony TSE Wai-chuen, BBS

Members absent:

Hon LEE Cheuk-yan
Hon LEUNG Yiu-chung
Dr Hon LAU Wong-fat, GBM, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Hon Cyd HO Sau-lan, JP
Hon Starry LEE Wai-king, JP
Dr Hon LAM Tai-fai, SBS, JP
Hon CHAN Hak-kan, JP
Dr Hon LEUNG Ka-lau
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon WONG Yuk-man
Hon Claudia MO
Hon James TIEN Pei-chun, GBS, JP
Hon Charles Peter MOK, JP

Hon CHAN Han-pan, JP
Hon Kenneth LEUNG
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Elizabeth QUAT, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG Ngok-ki

Public officers attending:

Ms Elizabeth TSE Man-ye, 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)
Miss Susie HO Shuk-ye, JP	Permanent Secretary for Commerce and Economic Development (Communications and Creative Industries)
Mr Joe WONG Chi-cho, JP	Deputy Secretary for Commerce and Economic Development (Communications and Creative Industries)
Mr Ivanhoe CHANG Chi-ho	Principal Assistant Secretary for Commerce and Economic Development (Communications and Creative Industries) B
Mr Wellington FUNG Wing	Assistant Head of Create Hong Kong (2)
Mr Patrick LI Pak-chuen, JP	Deputy Director of Home Affairs (1)
Ms Aubrey FUNG Ngar-wai, JP	District Officer (Tuen Mun)
Mr Lothar LEE Hung-sham, MH	Vice-Chairman, Tuen Mun District Council
Mr Cliff AU Wai-cheung	Controller (Social Services), Yan Oi Tong
Mr Laurence LAM Kwok-wai	Social Service Manager, Yan Oi Tong
Mr Daniel MA Ho-kwan	Chief Supervisor, Yan Oi Tong

Clerk in attendance:

Ms Anita SIT

Assistant Secretary General 1

Staff in attendance:

Mr Derek LO

Chief Council Secretary (1)5

Mr Keith WONG

Council Secretary (1)5

Mr Raymond SZETO

Council Secretary (1)6

Mr Frankie WOO

Senior Legislative Assistant (1)3

Ms Michelle NIEN

Legislative Assistant (1)5

Miss Yannes HO

Legislative Assistant (1)6

Action

Item No. 4 – FCR(2016-17)39

HEAD 55 – GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMUNICATIONS AND CREATIVE INDUSTRIES BRANCH)

Subhead 700 – General non-recurrent

Item 480 – Film Development Fund

The Committee continued with the deliberation of the agenda item FCR(2016-17)39.

Effectiveness of the proposed funding

2. Mr LEUNG Kwok-hung queried whether the funding proposal (i.e. increasing the maximum level of subsidy ("distribution subsidy") under the Film Development Fund ("FDF") for Hong Kong-produced Cantonese movies distributed and exhibited in the Mainland) was effective and whether the policy objectives of the Administration could be achieved. He also enquired whether the introduction of the proposed distribution subsidy would lead to double subsidies as it overlapped with the existing Film Production Financing Projects ("FPFP") and Film Production Grant Scheme ("FPGS") under FDF.

3. Mr CHAN Chi-chuen enquired how the Administration would assess the effectiveness of the scheme apart from reviewing the number of applications for distribution subsidy. He was concerned that the scheme might be abused by films that were made in a rough and slipshod way.

4. The Permanent Secretary for Commerce and Economic Development (Communications and Creative Industries) ("PSCCI") responded that the policy objectives of the funding proposal were to enhance support for Hong Kong-produced Cantonese movies to explore the Mainland market, and to facilitate the development of relevant downstream industries. The number of applications for distribution subsidy would reflect whether the subsidy was conducive to fostering film industry in Hong Kong. The Government would seek the industry's views on the effectiveness of the distribution subsidy in order to decide whether the scheme should be continued. PSCCI also said that numerous costs were involved in promoting Hong Kong-produced Cantonese movies in the Mainland market, and this item proposed to subsidize the sales and distribution expenses among the costs involved.

5. Mr LEUNG Kwok-hung noted that the Film Development Council of Hong Kong ("FDC") made recommendations in relation to the approval of the applications for distribution subsidy. He considered that FDC members should include non-industry members and/or Legislative Council Members in order to enhance its independence. In response, PSCCI pointed out that there were already non-industry members in FDC at present.

Restrictions on application for subsidy

6. Mr CHAN Chi-chuen noted that the maximum amount of distribution subsidy granted to each eligible movie would be pegged to the number of cinemas in Guangdong Province which had screened the film concerned. He enquired whether there were other restrictions on application for distribution subsidy. Mr CHAN also said that filmmakers could apply for distribution subsidy under FDF after their films were screened, and the funds under FDF might not suffice if there were too many applications. He enquired whether the Administration would consider requiring filmmakers to apply for distribution subsidy under FDF before their films were screened.

7. PSCCI responded that no other restrictions were imposed on the application for distribution subsidy and filmmakers were not required to submit their applications to FDF before screening of their films.

Cost-effectiveness of the subsidy schemes under FDF

8. Mr LEUNG Kwok-hung noted that most of the movies supported by FPDF had not been screened in the Mainland. This might reflect that the cost-effectiveness of FPDF was low. He considered that the Administration should enhance promotion of movies that were subsidized. Mr CHAN Chi-chuen also opined that criteria should be set to assess the effectiveness of the subsidy schemes under FDF.

9. Mr Abraham SHEK was of the opinion that the effectiveness of the subsidy schemes under FDF should not solely be evaluated by the box office receipts of subsidized movies. All subsidy schemes could help promote film industry in Hong Kong.

10. PSCCI responded that the policy objective of FDF was to support the development of film industry in Hong Kong. However, for movies which applied for the subsidy, it was hard to predict accurately their box office receipts at the time when their applications were processed. She further said that the targets of the subsidy scheme were low-budget movies. The box office receipts of some of the subsidized movies (such as *The Way We Dance*) were good and such projects had brought about some budding directors and their teams. The Government would review the effectiveness of various subsidy schemes from time to time. Apart from box office receipts, the criteria used in assessing the effectiveness of such schemes also included whether the projects had helped promote the film industry in Hong Kong.

11. There being no further questions from members, the Chairman put the item FCR(2016-17)39 to vote. At the request of Mr CHAN Chi-chuen, the Chairman ordered a division and the division bell was rung for five minutes. The Chairman announced that 27 members voted in favour of and three members voted against the item. The votes of individual members were as follows –

For:

Mr Albert HO
Mr Abraham SHEK
Mr Jeffrey LAM
Dr Priscilla LEUNG
Mr WONG Kwok-kin
Mr Michael TIEN
Mr Frankie YICK
Mr MA Fung-kwok

Mr TAM Yiu-chung
Prof Joseph LEE
Mr Andrew LEUNG
Mr CHEUNG Kwok-che
Mr IP Kwok-him
Mr NG Leung-sing
Mr YIU Si-wing
Dr Kenneth CHAN

Mr LEUNG Che-cheung
Mr Christopher CHEUNG
Dr Helena WONG
Mr Martin LIAO
Dr CHIANG Lai-wan
Mr Tony TSE
(27 members)

Miss Alice MAK
Mr SIN Chung-kai
Mr IP Kin-yuen
Mr POON Siu-ping
Mr Christopher CHUNG

Against:

Mr LEUNG Kwok-hung
Mr CHAN Chi-chuen
(3 members)

Mr Albert CHAN

12. The Chairman declared that the Committee approved the item.

Item No. 5 – FCR(2016-17)40

**RECOMMENDATION OF THE PUBLIC WORKS SUBCOMMITTEE
MADE ON 20 APRIL 2016**

PWSC(2016-17)2

HEAD 707 – NEW TOWNS AND URBAN AREA DEVELOPMENT

Recreation, Culture and Amenities – Mixed amenity packages

**66RG – Signature Project Scheme (Tuen Mun District) – Promotion of
Youth Development in Tuen Mun**

Item No. 6 – FCR(2016-17)41

HEAD 63 – HOME AFFAIRS DEPARTMENT

Subhead 700 – General non-recurrent

**New Item – "Signature Project Scheme (Tuen Mun District) – Promotion
of Youth Development in Tuen Mun"**

13. The Chairman advised that both items FCR(2016-17)40 and 41 were related to the "Signature Project Scheme (Tuen Mun District) – Promotion of Youth Development in Tuen Mun". He suggested that the Committee combine discussion on the relevant papers before voting on the two items separately.

14. The Chairman further said that the item FCR(2016-17)40 invited the Committee to approve the recommendation of the Public Works Subcommittee ("PWSC") made on 20 April 2016, i.e. the proposals in the paper PWSC(2016-17)2 relating to the upgrading of 66RG project "Signature Project Scheme (Tuen Mun District) - Promotion of Youth Development in Tuen Mun" to Category A at an estimated cost of \$3.7 million in money-of-the-day prices. The item FCR(2016-17)41 invited the Committee to approve the creation of a new commitment of \$28.3 million under Head 63 – Home Affairs Department for the "Signature Project Scheme (Tuen Mun District) – Promotion of Youth Development in Tuen Mun".

15. The Chairman declared that he was a paid consultant of the Munich Reinsurance Company. Mr Albert CHAN declared that he was a social worker in the past.

Justification for the proposed project

16. Mr Albert CHAN criticized that there might be transfer of benefits and wastage of public funds so far as the project on "Promotion of Youth Development in Tuen Mun" ("the YD Project") was concerned. He pointed out that there were 14 youth centres in Tuen Mun ("TM") at present. While the youth population in the district was declining, the population of the elderly was growing. He queried whether there was a need to allocate additional resources to provide youth services in TM District. He also said that the YD Project could be delivered by youth centres in the district and not necessarily by Yan Oi Tong ("YOT") (which was the major provider for youth services in TM District). He was concerned whether the funding proposal was tantamount to providing additional subsidy to YOT, and enquired whether the Administration had consulted the Social Welfare Department ("SWD") and social workers in the district regarding the implementation of the YD Project. He also opined that the Administration should review the internal coordination mechanism relating to the formulation of youth service policy (including the roles of the Home Affairs Bureau and SWD). Mr CHAN stressed that other youth centres in the district should be invited to actively participate in the YD Project, so as to prevent such centres from being marginalized. He also said that the Administration should provide information on the current situation of youth services in TM district.

17. Dr Priscilla LEUNG, Mr TAM Yiu-chung, Mr LEUNG Che-cheung and Miss Alice MAK supported the funding proposal. They said that youth services were very important, and the youth population in TM District should not be the only factor for determining whether the funding proposal should be supported. They also agreed with the objectives of the YD Project (i.e. to broaden the youth's horizons and develop their potentials). Miss MAK also said that most of the projects initiated by District Councils ("DCs") under the Signature Project Scheme ("SPS") involved hardware construction, and it was not common to see SPS projects which, similar to the YD Project, provided services directly to residents in local districts (another example being the project of "Enhancement of Community Healthcare Services" in Kwai Tsing district). The Legislative Council should support this project.

18. The Deputy Director of Home Affairs (1) ("DDHA(1)") responded that specific project proposals under SPS were determined by respective DCs after detailed discussions. He also said that YOT was aware of the need to maintain close liaison with other non-governmental organizations ("NGOs") providing youth services in the district when delivering the YD Project, and thus had taken the views of those NGOs into account and secured their support during the design stage of the Project. Under the Project, it was planned to establish in TM a youth social innovation network comprising various youth service units in the district. In contrast with the focus of services provided by other youth service centres in the district, the YD Project focused on nurturing the youth with an entrepreneurial mind and social innovativeness. Hence, the two types of services could complement each other. The Vice-Chairman of Tuen Mun District Council ("the VC/TMDC") added that the population of TM would continue to grow, and so would the youth population. In considering SPS, TMDC had conducted public consultations and questionnaire surveys. TMDC had come to know that there were insufficient services in the district to help young people move upward and therefore recommended the implementation of the YD Project.

19. The District Officer (Tuen Mun) ("DO(TM)") also pointed out that the joint convention of youth service units of NGOs in TM District had indicated that it welcomed the implementation of the YD Project. Moreover, as the number of grassroots families in TM was higher than that in other districts, the personal development opportunities for young people from these families might be undermined. Hence, it was necessary to implement the Project in order to broaden the horizons of young people in the district.

20. Mr Albert CHAN enquired why YOT did not make use of its existing resources to implement the YD Project. In response, the Controller (Social Services) of Yan Oi Tong ("C(SS)/YOT") said that although YOT had the experience in providing youth services, it did not have sufficient resources to implement the YD Project on its own.

Tendering for the YD Project

21. Regarding tendering process for the YD Project, VC/TMDC said that it was specified in the tender that the proposed services should not overlap with the on-going services provided by the existing youth centres in the district. DO(TM) said that NGOs from across the territory were welcome to participate in the tender for the Project. The received tenders were then assessed by a vetting committee comprising members of TMDC and representatives from relevant government departments (including SWD, the Home Affairs Department, the Leisure and Cultural Services Department, and the Education Bureau) according to the agreed assessment criteria.

Implementation of the proposed Project and provision of services

22. Mr Albert HO said that he supported the Project and enquired how the Project could achieve its objectives.

23. Miss Alice MAK enquired about the views of social workers in TM District on the YD Project, special features of the Project, and the details of services to be provided by the "Youth Space" under the YD Project.

24. In response, DDHA(1) said that the YD Project involved a sum of \$32 million, of which \$3.7 million would be used for renovation of existing facilities for setting up a youth activity centre named "Youth Space" to serve as a platform for providing youth services. The remaining sum would be spent on non-works components to provide various kinds of services.

25. C(SS)/YOT added that social workers in TM District generally welcomed the enhancement of social services and they had taken part in the preparation work for the YD Project. In the course of implementing the Project, YOT would maintain close liaison with youth centres in the district. He further said that the objectives of the Project were to provide services for the community and establish a community support network, and stressed that the YD Project would not be implemented by YOT alone. Chief Supervisor of Yan Oi Tong ("CS/YOT") said that the "Youth Space" would focus on providing training in social innovation, organizing mentorship schemes in small

groups, and building up the capacity of young people in order to address the problems in the district. He expected that the YD Project would be beneficial to all walks of life in TM District.

26. Dr Priscilla LEUNG enquired that, apart from the existing youth centres in the district, what other channels would be used to attract participants (such as the youth at risk) in the course of implementing the YD Project. She also asked how the Project would broaden the youth's horizons and whether mentorship schemes would be included in the Project.

27. DDHA(1) responded that when implementing the YD Project, YOT would nurture entrepreneurship spirit among participants through initiatives such as training and workshops that aimed to cultivate independent thinking, judgement capability and positive mindset, so as to enable participants to propose solutions with innovative ideas to solve social issues. There would also be mentors to help them implement their innovative ideas. The proposed mentorship network under the Project would help guide the youth to set their life goals, while the social network to be developed with youth services organizations and educational bodies in the district would generate more opportunities and make available shared resources for the Project, thereby bringing more opportunities to young people to broaden their horizons. In addition to nurturing youth leaders, the Project also proposed to train participants to become volunteers and transform them from service receivers to planners to help with the implementation of the Project. This would also cultivate volunteerism in the district and enhance the youth's sense of belonging to the community. Some of the outstanding youth leaders would even be given the opportunity to join overseas exchange programmes. Furthermore, YOT would recruit youth at risk to participate in the Project through liaison with youth centres in the district, including organizations which provided services for youth at risk. VC/TMDC added that apart from YOT, there were other partners involved in the Project, such as the Office of Service-Learning of Lingnan University. Moreover, relevant outreaching teams of various youth centres in TM District would introduce the YD Project to youth at risk.

28. In response to Mr LEUNG Kwok-hung's enquiry, C(SS)/YOT said that YOT had in the past provided services similar to those under the YD Project, albeit in a piecemeal and non-systematic manner. CS/YOT added that there were new services provided under the YD Project.

Venue and organization in relation to provision of services

29. Mr CHAN Chi-chuen enquired about the reasons why the venue to set up the "Youth Space" was not to be provided by partner organizations of the Project; the owner of the relevant venue; and the arrangement for the venue after the funding period.

30. DO(TM) responded that after the YD Project was finalized, TMDC decided to renovate an existing premise at Tseng Choi Street Government Services Complex as the venue for providing services under the Project. The funding proposal would provide financial support to cover the expenses of the Project in the first six years. After the funding period, TMDC would discuss the specific arrangements for using the venue concerned and the performance of YOT during the six-year funding period, so as to determine whether YOT should be invited to continue to implement the Project. VC/TMDC added that the venue concerned was a government premise at present, and TMDC would discuss with the Government concerning the extension of the Project after the funding period.

Sustainability of the proposed Project

31. Mr LEUNG Che-cheung noted that after the six-year funding period, YOT would operate the Project on a self-financing basis. Mr LEUNG enquired about the measures to be taken to ensure the sustainability of the Project.

32. The VC/TMDC responded that TMDC would decide on the relevant financial arrangements when the YD Project was close to completion. He pointed out that YOT was an established NGO, and currently it also provided services on a self-financing basis. It was believed that YOT would be capable of operating the Project continuously on the said basis at that time. DDHA(1) added that YOT had explored ways to continue with the project. Upon completion of the six-year funding period, YOT would seek funding support from other sources (such as charity funds and donations etc.). It might also charge fees for some of the trainings and workshops and lease part of the Project venue to organizations in the district during idle times, thereby generating revenue to support the provision of services.

Assessment of the effectiveness of the Project

33. Mr CHAN Chi-chuen noted that the YD Project would spend \$1.9 million on project evaluation and social impact assessment ("SIA"). He enquired whether it was a tender requirement to make such an arrangement or whether it was proposed by YOT; how to assess if the expenses were reasonable; and whether YOT had conducted SIA on its services in the past.

34. Social Service Manager of Yan Oi Tong ("SSM/YOT") responded that the arrangement of conducting SIA was proposed by YOT in its tender. In recent years, there had been a new trend in the global social welfare sector to conduct SIA on service projects. The Hong Kong Council of Social Service ("HKCSS") also encouraged the social welfare sector in Hong Kong to conduct SIAs. YOT would discuss with HKCSS on the details of SIA to be conducted on the project. SSM of YOT also said that YOT had not conducted SIA on its services in the past. It was expected that such an assessment would be undertaken by an independent organization (such as a local university).

35. Mr CHAN Chi-chuen enquired about the details of assessment of the effectiveness of the Project. Mr Albert HO was also concerned about the measures to be taken to evaluate the effectiveness of the Project.

36. DDHA(1) responded that the YD Project would be evaluated from various perspectives. Apart from conducting regular evaluation every three months to review the service performance of the Project based on the data collected, the Administration had also earmarked \$1.9 million in the funding proposal for conducting SIA at the end of the third and sixth years of the Project. The assessment was not only capable of measuring the effectiveness of the Project, but would also be a forward-looking way to chart the long-term youth service planning and sector development.

Engagement of non-civil service contract staff

37. Mr CHAN Chi-chuen enquired why the YD Project spent \$2 million to hire non-civil service contract ("NCSC") staff for TMDC to monitor the implementation of the Project, and whether there was similar arrangement in other SPS projects.

38. DDHA(1) responded that the expenses involved hiring two NCSC staff members, including one Project Manager and one Executive Assistant, to assist TMDC in monitoring the implementation of the two SPS projects (i.e. the YD Project and "Revitalisation of TM River and Surrounding Areas"). As the Project Manager would be mainly responsible for supervising the works components of the projects, the contract for this post would lapse following the completion of the works and related tasks under the two projects. The duties of the Executive Assistant would include assisting in monitoring the services provided by YOT under the YD Project, and TMDC planned to retain the post until termination of the project services upon the end of the six-year period.

Objective of the SPS

39. In response to Miss Alice MAK's enquiry, DDHA(1) said that the policy objective of the SPS was to allow the 18 DCs to, having regard to the circumstances of their respective districts, put forward project proposals that were not just meant to pursue innovative ideas but were able to resolve district issues.

Voting on FCR(2016-17)40 and 41

40. There being no further questions or comments from members, the Chairman put the item FCR(2016-17)40 to vote. At the request of Mr Albert CHAN, the Chairman ordered a division and the division bell was rung for five minutes. The Chairman announced that 14 members voted in favour of and three members voted against the item. The votes of individual members were as follows –

For:

Mr TAM Yiu-chung
Mr Paul TSE
Mr Frankie YICK
Mr MA Fung-kwok
Miss CHAN Yuen-han
Miss Alice MAK
Ir Dr LO Wai-kwok
(14 members)

Mr WONG Ting-kwong
Mr NG Leung-sing
Mr YIU Si-wing
Dr Kenneth CHAN
Mr LEUNG Che-cheung
Mr POON Siu-ping
Mr Tony TSE

Against:

Mr LEUNG Kwok-hung
Mr CHAN Chi-chuen
(3 members)

Mr Albert CHAN

41. The Chairman declared that the Committee approved the item.

42. The Chairman then put the item FCR(2016-17)41 to vote. The Chairman declared that the Committee approved the item.

43. At 9:15 pm, the Chairman declared that the meeting be adjourned.

44. The meeting was adjourned at 9:15 pm.

Legislative Council Secretariat
19 September 2016