

立法會
Legislative Council

LC Paper No. ESC154/17-18

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Ref : CB1/F/3/2

Establishment Subcommittee of the Finance Committee

**Minutes of the 14th meeting
held in Conference Room 3 of Legislative Council Complex
on Monday, 26 March 2018, at 2:30 pm**

Members present:

Hon Mrs Regina IP LAU Suk-ye, GBS, JP (Chairman)

Hon Alvin YEUNG (Deputy Chairman)

Hon James TO Kun-sun

Hon LEUNG Yiu-chung

Hon WONG Ting-kwong, GBS, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon WONG Kwok-kin, SBS, JP

Hon Steven HO Chun-yin, BBS

Hon WU Chi-wai, MH

Hon Charles Peter MOK, JP

Hon CHAN Chi-chuen

Dr Hon KWOK Ka-ki

Hon KWOK Wai-keung, JP

Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Elizabeth QUAT, BBS, JP

Hon Martin LIAO Cheung-kong, SBS, JP

Hon POON Siu-ping, BBS, MH

Dr Hon CHIANG Lai-wan, JP

Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon CHUNG Kwok-pan

Hon CHU Hoi-dick

Hon HO Kai-ming

Hon Holden CHOW Ho-ding

Hon SHIU Ka-fai

Hon SHIU Ka-chun

Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon CHAN Chun-ying
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun
Hon Tony TSE Wai-chuen

Member attending:

Hon Tanya CHAN

Members absent:

Hon Abraham SHEK Lai-him, GBS, JP
Hon IP Kin-yuen

Public Officers attending:

Ms Carol YUEN Siu-wai, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Eddie MAK Tak-wai, JP	Deputy Secretary for the Civil Service 1
Mr Roy TANG, JP	Permanent Secretary for Constitutional and Mainland Affairs
Mr Ryan CHIU	Principal Assistant Secretary for Constitutional and Mainland Affairs 3
Mr WONG See-man	Chief Electoral Officer, Registration and Electoral Office
Ms Bertha LEE	Deputy Chief Electoral Officer (Administration), Registration and Electoral Office
Dr CHUI Tak-yi, JP	Under Secretary for Food and Health
Ms Elizabeth TSE, JP	Permanent Secretary for Food and Health (Health)
Mr Howard CHAN, JP	Deputy Secretary for Food and Health (Health) 1
Miss Amy YUEN	Deputy Secretary for Food and Health (Health) 2
Mr Ian CHIN	Head, Electronic Health Record Office,

Mr FONG Ngai	Food and Health Bureau Head, Healthcare Planning and Development Office, Food and Health Bureau
Ms Winnie YEUNG	Principal Executive Officer (Health), Food and Health Bureau
Mr Edward YAU, GBS, JP	Secretary for Commerce and Economic Development
Mr Philip YUNG, JP	Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism)
Ms Cora HO	Deputy Secretary for Commerce and Economic Development (Belt and Road) Special Duties
Dr Bernard CHAN, JP	Under Secretary for Commerce and Economic Development
Mr Aaron LIU	Deputy Commissioner for Tourism, Commerce and Economic Development Bureau
Mr George TSOI	Assistant Commissioner for Tourism (Special Duties), Commerce and Economic Development Bureau

Clerk in attendance:

Ms Connie SZETO	Chief Council Secretary (1)4
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Staff in attendance:

Mr Keith WONG	Council Secretary (1)4
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Miss Yannes HO	Legislative Assistant (1)6
Ms Haley CHEUNG	Legislative Assistant (1)9

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The Chairman drew members' attention to the information paper ECI(2017-18)16, which set out the latest changes in the directorate establishment approved since 2002 and the changes to the directorate establishment in relation to the seven items on the agenda. She then reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP"), they should disclose the nature of any direct or indirect pecuniary interest relating to the item under discussion at the meeting

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before they spoke on the item. She also drew members' attention to RoP 84 on voting in case of direct pecuniary interest.

EC(2017-18)16 Proposed creation of one permanent post of Principal Executive Officer (D1) in the Registration and Electoral Office (REO) with effect from 1 April 2018 or with immediate effect upon approval of the Finance Committee (whichever is later) for strengthening the directorate structure and permanent establishment of the REO

2. The Chairman remarked that the staffing proposal was to create one permanent post of Principal Executive Officer (D1) (designated as Principal Electoral Officer ("PEO")) in the Registration and Electoral Office ("REO") with effect from 1 April 2018 or with immediate effect upon approval of the Finance Committee ("FC"), whichever was later, for strengthening the directorate structure and permanent establishment of REO. She pointed out that discussion of the item was carried over from the meeting on 7 February 2018.

Justification for creation of the proposed permanent post

3. Mr AU Nok-hin queried whether preservation of institutional memory justified the creation of the permanent post of Principal Executive Officer. He asked why the existing Chief Electoral Officer ("CEO") of REO and two Deputy Chief Electoral Officers ("DCEOs") of the Operations Division and the Committee and Research Division of REO were unable to undertake this task. In addition, Mr AU cast doubt on the notion that there were no reporting lines between PEO and the Returning Officers ("ROs") of various districts, given that the review of work and experiences related to election cycles should definitely cover the work and decisions of ROs, such as the decisions to disqualify prospective candidates.

4. Mr James TO was worried about making the PEO post permanent to facilitate preservation of REO's institutional memory, in particular whether and how PEO would preserve the experience of disqualifying prospective candidates, and whether the eligibility criteria for elections would be tightened by referring to the Confirmation Form or similar arrangements. In addition, he was concerned that PEO might build up a database by compiling case examples of disqualification of prospective candidates and the justifications behind them, so that it would be easier for

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ROs of various districts to give advice and impose further restrictions on the elections in future.

5. Permanent Secretary for Constitutional and Mainland Affairs ("PSCMA") reiterated that there were no reporting lines between PEO and ROs. He explained that PEO would be the "second-in-charge" in REO responsible for heading a dedicated Elections Division set up to undertake all work relating to the planning, preparation and conduct of the elections in the election cycle. Moreover, ROs did not form part of the staff establishment of REO. Their functions and duties, including making a decision on whether the nomination of a person as candidate was valid, were prescribed by the relevant legislation (e.g. the requirements to be complied with by persons nominated as candidates under section 40 the Legislative Council Ordinance ("LCO") (Cap. 542)). LCO also empowered ROs to discharge their duties. In response to Mr James TO's further enquiry, PSCMA said that the Chief Executive ("CE") neither would advise nor had advised REO or any RO as to whether an individual had complied with the requirements under section 40 of LCO. Furthermore, the legislation did not empower PEO to advise ROs as to whether the nomination of a person as candidate was valid.

6. Regarding the duties of a DCEO, PSCMA pointed out that the Committee and Research Division in REO was mainly responsible for demarcation of constituency boundaries and handling matters related to the Electoral Affairs Commission ("EAC") Secretariat; the Operations Division was mainly responsible for processing applications for registration of electors and updating of electors' particulars, and assisting in the conduct of the Voter Registration Campaign. Their duties were different from those of the Elections Divisions. He added that there would be at least one major election in all but one year in the coming decade. Under the current practice, REO created a supernumerary PEO post only at the beginning of each election cycle, and allowed it to lapse upon the end of the cycle. This arrangement would undermine REO's ability based on accumulated experience to review the relevant public elections after an election cycle, and would render the preservation of institutional memory at the senior level of REO gravely ineffective.

Scope of advice provided by Nomination Advisory Committees

7. Mr CHU Hoi-dick said that some prospective candidates for the 2018 Legislative Council By-election had requested the Nomination Advisory Committees ("NACs") to advise as to whether they were eligible for candidacy, but NACs said that they would only give advice on general elections. He asked whether NACs would consider giving advice also to

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prospective by-election candidates.

8. PSCMA advised that according to the provisions of the Electoral Affairs Commission (Nominations Advisory Committees (Legislative Council)) Regulation (Cap. 541C), NACs would only advise as to whether a particular prospective candidate for a general election was eligible to be nominated as a candidate. In addition, Section 1(2)(a) of the Regulation stipulated that the legislation did not empower NAC to advise on any matter relating to any requirements under section 40 of LCO.

Voter registration exercise and election arrangements

9. Mr Vincent CHENG expressed support for the staffing proposal to strengthen the directorate structure of REO. He enquired about REO's tasks relating to registration of electors, particularly with regard to the compilation of electoral registers. Mr KWONG Chun-yu expressed concern about how REO would verify the accuracy of the information contained in the registers of electors, and enquired how REO would handle suspected vote-rigging cases.

10. PSCMA said that the current number of registered electors in Hong Kong exceeded three million. REO implemented various checking measures to ensure accuracy of voter registration records. The checking measures included follow-up inquiries on undelivered poll cards arising from elections; cross-matching of the residential addresses of electors with the Housing Department, the Hong Kong Housing Society and the Home Affairs Department; checks on residential addresses with multiple electors or multiple surnames of electors; and checks on addresses situated at buildings already demolished or vacant buildings to be demolished. He pointed out that REO currently had an establishment of 157 posts (including time-limited posts), with the ratio of directorate staff to non-directorate staff at about 1:130, which was far higher than those of other departments of comparable size, such as the Intellectual Property Department (about 1:15) and the Hong Kong Observatory (about 1:60), hence there was a cogent need to create a permanent PEO post for strengthening the directorate structure of REO. Regarding the work on verifying the information contained in the registers of electors, CEO reiterated that REO had implemented various checking measures and conducted cross-matching exercise to ensure the accuracy and completeness of voter registration records. For example, REO would conduct follow-up inquiries on undelivered poll cards arising from elections and contact the electors concerned by various means to verify their registered addresses. If the electors concerned failed to respond to REO for confirmation or updating of their registered addresses before the

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statutory deadline, their names would be listed on the omissions lists, and removed from the final register upon completion of the statutory inquiry procedures. In addition, starting from 1 February 2018, electors applying for change of registered address were required to submit address proofs when submitting the application form to REO.

11. Considering the polling hours on election days too long, Dr CHIANG Lai-wan suggested that the Government should draw reference from the practices in neighbouring regions by shortening the polling hours to the evening. She also asked whether the tasks of PEO would include a study on the introduction of electronic counting to replace the existing manual counting process, with a view to enhancing the counting efficiency.

12. PSCMA replied that a longer time was currently required for vote counting because of the adoption of manual counting and the need to count votes separately for geographical and functional constituencies. He said that PEO would assist CEO in studying the feasibility of introducing electronic counting and related technical issues, including commissioning a consultant firm to explore the use of technology to improve counting efficiency.

13. Mr CHAN Chi-chuen noted from the experience of past election cycles that complex and sensitive issues that straddled different policies and areas would arise in each election cycle. REO also needed to participate in senior level meetings with outside bodies including venue vendors, political parties, etc., on matters relating to election preparation and execution. He enquired how REO coordinated the efforts of various departments to perform the aforesaid tasks.

14. PSCMA explained that REO needed to identify a large number of suitable venues for use as polling and counting stations, including fallback venues, for each election. Some of these venues were managed by the Leisure and Cultural Services Department ("LCSD"). In this connection, REO had to coordinate with LCSD and the district organizations that had hired venues from LCSD for the use of such venues. In addition, REO needed to make close contact with the Police in relation to the security issues of the polling and counting stations. It was necessary for such inter-departmental and sensitive matters to be overseen and handled by a dedicated directorate officer. CEO added that collaboration across bureaux/departments ("B/Ds") would be realized in different ways, including meetings and correspondences.

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Tasks and functions of the Principal Electoral Officer

15. Mr Alvin YEUNG noted that PEO's duties included detailed electoral planning and execution of all sorts of arrangements for major elections within the election cycle, comprehensive reviews in between election cycles, and updating and improving the electoral arrangements. He asked how REO would take forward the aforesaid tasks if the permanent PEO post could not be created. He also requested the Government to explain why, under the four Elections Divisions in the proposed organization chart of REO (Enclosure 4 to the paper), two DCEOs were permanent posts and the other two were time-limited posts.

16. Mr AU Nok-hin asked whether REO would set specific value-for-money indicators for the tasks of PEO, such as the number of electors' particulars required to be checked in the next election cycle to ensure the accuracy of the registers of electors. He requested the Government to elaborate on how PEO would examine the issues that came to light during an election and formulate specific improvement measures for the next election cycle, including whether PEO would look into the disputes arising from the Confirmation Form.

17. PSCMA remarked that if this staffing proposal was not endorsed, CEO and the four DCEOs in the Elections Divisions would have to take up the tasks of the proposed PEO post. Given that CEO already had a heavy workload in providing executive support to EAC and undertaking the day-to-day administration of REO, the absence of a dedicated directorate officer in REO to steer the electoral preparatory work would pose an unbearable risk on the smooth conduct of elections. He stressed that REO used to create a time-limited PEO post in every election year, and the post would lapse upon the end of the election cycle. This staffing proposal aimed at making PEO post permanent, so that the officer could conduct meticulous and comprehensive reviews to update and improve the electoral arrangements in between election cycles, taking into account the lessons learnt in the previous cycle. He reiterated that the Confirmation Form was proposed by EAC in accordance with relevant legislation, and REO would not examine the relevant arrangements and disputes. In response to Mr AU Nok-hin's further enquiry, PSCMA said that CEO's duties would not be altered as a result of the PEO post being made permanent.

18. Regarding the work of the Elections Divisions, PSCMA explained that Elections Division 1 was responsible for identifying suitable venues as polling and counting stations for elections and allocating electors to respective polling stations; Elections Division 2 was mainly responsible for providing executive support to NACs and ROs and preparing electoral

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forms; Elections Division 3 was mainly responsible for designing ballot papers, setting up and operating the Central Command Centre and Statistical Information Centre, and handling matters related to exit polls; Elections Division 4 was mainly responsible for formulating the working procedures of the Central Counting Station, and designing, developing, testing and implementing various computer systems for use by the Central Counting Station. He said that it would be desirable if all the four DCEOs were permanent posts, but due to resource considerations, two of them were created on a time-limited basis.

19. Dr Fernando CHEUNG asked whether PEO's work included reviewing the operation of REO, in particular the way it dealt with the unfairness (e.g. disqualification of prospective candidates) and inappropriate arrangements (e.g. transportation arranged by candidates to take elderly people to polling stations to cast their vote) that took place during the elections.

20. PSCMA pointed out that EAC was required to submit a report to CE within three months of the conclusion of each election. The report should include a review of the effectiveness of the electoral arrangements and recommendations for improvements in future elections. The Constitutional and Mainland Affairs Bureau and REO also followed up the recommendations put forth in the report. He said that if there was a violation of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap. 554) during an election, REO would refer the case to the relevant law enforcement agencies for follow up action.

21. Mr WU Chi-wai expected that the workload in reviewing and improving the electoral system would gradually reduce as a result of the implementation of new improvement measures. He asked whether the Government would consider creating a supernumerary PEO post with a longer term of office (e.g. five years), so as to complete the key tasks set out in the discussion paper, before reviewing and assessing the need to make the post permanent in the next election cycle.

22. PSCMA pointed out that from the perspective of the civil service establishment, creation of a permanent post was desirable for the purpose of more effective financial and personnel management where it was necessary to continuously perform the job for a long time. He supplemented that the current regular workload for each election cycle was already sufficient to justify the creation of a permanent PEO post.

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Follow-up to the computer theft incident of the Registration and Electoral Office

23. Mr KWONG Chun-yu requested the Government to give an account of the progress and/or outcome of the investigations into REO's computer theft incident in 2017. PSCMA said that the disciplinary investigations into the computer theft incident were still underway. As mentioned at the last meeting, the Task Force on the Computer Theft Incident of the Registration and Electoral Office had interviewed about 30 relevant staff members of REO. The Government would ensure that the relevant disciplinary investigations were conducted fairly, but it was inappropriate to disclose their details at this stage.

Voting on the item

24. The Chairman put the item EC(2017-18)16 to vote. At the request of Mr CHAN Chi-chuen, the Chairman ordered a division, and the division bell rang for five minutes. Seventeen members voted for the item and 12 against it. The Chairman declared that the Subcommittee agreed to recommend the item to FC for approval. The votes of individual members were as follows:

For

Mr WONG Ting-kwong
Mr WONG Kwok-kin
Mr KWOK Wai-keung
Mr Martin LIAO
Dr CHIANG Lai-wan
Mr HO Kai-ming
Ms YUNG Hoi-yan
Mr CHAN Chun-ying
Mr Tony TSE
(17 members)

Dr Priscilla LEUNG
Mr Steven HO
Dr Elizabeth QUAT
Mr POON Siu-ping
Mr CHUNG Kwok-pan
Mr Holden CHOW
Dr Pierre CHAN
Mr Vincent CHENG

Against

Mr James TO
Mr WU Chi-wai
Mr CHAN Chi-chuen
Mr Alvin YEUNG
Mr SHIU Ka-chun
Mr Jeremy TAM
(12 members)

Mr LEUNG Yiu-chung
Mr Charles Peter MOK
Dr Fernando CHEUNG
Mr CHU Hoi-dick
Mr KWONG Chun-yu
Mr Gary FAN

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25. Mr CHAN Chi-chuen requested that the item be voted on separately at the relevant FC meeting.

EC(2017-18)18 Proposed establishment changes arising from the reorganisation of the Health Branch of the Food and Health Bureau with effect from 1 April 2018 or with immediate effect upon approval of the Finance Committee, whichever is later

26. The Chairman remarked that the staffing proposal was to make establishment changes arising from the reorganization of the Health Branch of the Food and Health Bureau ("HB/FHB") with effect from 1 April 2018 or with immediate effect upon approval of FC, whichever was later.

27. The Chairman pointed out that the Administration consulted the Panel on Health Services on the proposal on 20 November 2017. Panel members did not oppose to the Administration's submission of the proposal to the Establishment Subcommittee. Having regard to the increasingly important role of Chinese medicine ("CM") in the healthcare system of Hong Kong, some members considered it inappropriate for a five-year supernumerary post to lead the Chinese Medicine Unit ("CMU"). Some members suggested that the issues of regulation and development of CM should be overseen by different units. The Administration advised that the service needs for this time-limited post would be reviewed in 2021-2022, having regard to operational exigencies. Moreover, some members expressed concern that the Project Director of the Chinese Medicine Hospital Project Office ("CMHPO") would be seconded from the Hospital Authority ("HA") rather than held by a civil servant. The Administration responded that this arrangement was necessary as it was imperative for the director to have the requisite expertise in developing and operating hospitals. Regarding the suggestion to reorganize the management of the Electronic Health Record Office ("eHRO"), members urged the Administration to step up efforts in taking forward the Stage 2 Development of the Electronic Health Record Sharing System ("eHRSS"). Individual members opined that the Electronic Health Record ("eHR") Programme did not need directorate support as its work had already been regularized.

Establishment of the Chinese Medicine Unit to foster the development of Chinese medicine in Hong Kong

28. Mr CHAN Chun-ying expressed support for HB/FHB to create the dedicated CMU to foster the development of the CM industry of Hong

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Kong, including exploring new markets in the Mainland. Pointing out that the Mainland had all along outpaced Hong Kong in the development of CM, he enquired about the CMU's strategy for exploring new markets in the Mainland.

29. Permanent Secretary for Food and Health (Health) ("PSFH(H)") remarked that as the medical profession in Hong Kong had long enjoyed a good reputation for its development, CMU would introduce the CM industry with Hong Kong characteristics to the Mainland market in the belief that it would be attractive to the latter.

30. Dr Pierre CHAN expressed support for the proposed reorganization of HB/FHB. He pointed out that the Western medicine ("WM") sector supported the development of CM industry in Hong Kong, but hoped that the Government would clearly differentiate the development of CM from that of WM, so as to avoid the perception of WM leading CM.

31. Under Secretary for Food and Health ("USFH") advised that the CM sector would play a leading role in the development of the CM industry of Hong Kong and during the Government's planning for the development of a Chinese medicine hospital ("CMH"). The situation where WM led the CM industry development would not happen.

32. Noting from paragraph 11 of the Government's paper that experienced CM practitioner would be engaged to provide input to CMU, Mr CHAN Chun-ying and Mr Holden CHOW enquired about the details of the arrangement.

33. PSFH(H) said that in addition to eight non-directorate officers providing support for CMU, the Government planned to recruit two registered CM practitioners to join the unit, including a consultant CM practitioner with at least 10 years of practising experience. She believed that the experience and professional judgment of the consultant CM practitioner would help take forward the various tasks of CMU.

34. Mr CHAN Chi-chuen pointed out that it was a long-term engagement for the Government to foster the development of the CM industry. The proposed creation of a five-year supernumerary post of Principal Assistant Secretary for Food and Health (Health) 7 ("PAS(H)7")/Head (CMU) ("H(CMU)") to lead CMU was inappropriate. He asked whether the Administration would set performance indicators for the post, and whether it would consider making the post permanent upon expiry of the term of office.

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35. PSFH(H) remarked that as development of the CM industry was the Government's new policy direction, creation of the H(CMU) post on a five-year time-limited basis was considered appropriate and prudent. The Government would review the work progress of H(CMU) and consider whether to extend the post before it lapsed. Deputy Secretary for Food and Health (Health)1 ("DSFH(H)1") added that the Government had already set out in the paper the main duties of H(CMU) for the next five years, and H(CMU) would be committed to leading the unit to complete the tasks. The Government had all along briefed the Panel on Health Services on the CM industry development in Hong Kong. Moreover, the Government had earmarked a \$500 million fund in the 2018-2019 Budget to promote the development of CM, and the CMU would study how to use the fund.

Establishment of the Chinese Medicine Hospital Project Office

36. Pointing out that Project Director of the CMHPO ("PD(CMHPO)") was not subordinate to H(CMU), Mr CHAN Chun-ying enquired how the Government would ensure effective liaison and cooperation between the two posts, so as to avoid uncoordinated administration.

37. PSFH(H) replied that both PD(CMHPO) and H(CMU) were responsible to the Permanent Secretary for Health. She would coordinate the division of labour between the two posts to ensure their full cooperation.

38. Mr Holden CHOW noted from the Government's paper that PD(CMHPO) would be seconded from HA. He was worried that as the HA personnel, who were all in the WM profession, might not be familiar with the CM industry development in Hong Kong and lack experience in planning for the development of a CMH, the planning work might be affected.

39. PSFH(H) said that as HA had experience in building new hospitals in Hong Kong, PD(CMHPO) seconded from HA would team up with personnel from the CM industry to plan for the first CMH in Hong Kong, including paying duty visits to overseas CMHs. DSFH(H)1 added that CMU would provide policy support and professional advice on the development of the CMH to facilitate the planning of the new hospital.

Implementation of voluntary health insurance

40. Noting from the Government's paper that the Administration would recruit an outsider for the proposed Head (VHIS) post to lead the Voluntary

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Health Insurance Scheme ("VHIS") Office, Ms YUNG Hoi-yan enquired about the recruitment details and specific duties of the post. She also asked whether the work of the VHIS Office would overlap with that of the Insurance Authority.

41. Head, Healthcare Planning and Development Office, Food and Health Bureau ("H(HPDO)") advised that the proposed post should be held by a person who had to be well versed with the operation of the healthcare and insurance industries while having a background in economics or actuarial science. As there were no suitable candidates in the civil service, the Government would resort to outside recruitment. Upon taking office, the priority task of the Head (VHIS) would be to oversee the preparatory work for the VHIS, and to monitor the introduction of health insurance products by insurance companies as well as the participation rate of members of the public after implementation of the Scheme in order to ensure smooth development of the Scheme. Upon completion of the first phase of the Scheme, the VHIS Office would focus its efforts on consumer education, and would also upload the details of various VHIS products on its website, together with information on premiums, so as to help and educate the public in purchasing such products. In addition, the VHIS Office would handle enquiries and complaints involving VHIS products, and issue guidelines to insurance companies on the VHIS. If a complaint involved the ethical issues of an insurance company, the VHIS Office would refer it to the Insurance Authority for follow-up action.

42. Dr KWOK Ka-ki criticized the Government for its lack of commitment to safeguarding public health, as the sole purpose of implementing the VHIS was to exclude healthcare needs of the public from the public healthcare system.

43. Mr SHIU Ka-fai did not agree with Dr KWOK Ka-ki's views. He opined that as the current public healthcare services had already overloaded thus affecting the quality, the implementation of the VHIS could reduce the pressure on public healthcare services by allowing the financially more capable members of the public to switch to the private healthcare system. He supported the staffing proposal, which enabled HB/FHB to undertake a broad range of policy work on healthcare services as soon as possible through reorganization and increasing its manpower.

44. PSFH(H) remarked that the purpose of the VHIS was to provide more choices on healthcare services for members of the public instead of merely addressing the various existing healthcare issues. In response to Dr KWOK Ka-ki's further enquiry, H(HPDO) advised that the annual civil service staff cost of the VHIS Office was about \$8.9 million, and the

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Government would brief the Panel on Health Services on the work progress of the VHIS Office from time to time.

Work of the Electronic Health Record Office

45. Pointing out that the WM sector and patients were generally dissatisfied with the design and functions of the existing eHRSS, Dr Pierre CHAN urged the Government to properly address the Stage 2 Development of the eHRSS after redeployment of the post of Head, Electronic Health Record Office, and continue to study ways to enhance the functions and operation of the system.

46. USFH said that there were certain limitations in the functions of the existing eHRSS for use by doctors and patients because it was a design prototype. After deployment of the relevant staff, the Government would continue to develop and enhance the functions of the system.

Development of other healthcare policies

47. Dr KWOK Ka-ki was concerned about the slow progress in identifying measures to assist patients with rare diseases to access expensive drugs and improving dental services. He requested the Administration to explain how the reorganization of HB/FHB would expedite such work.

48. USFH advised that the new-term Government had paid more attention in helping patients with uncommon diseases to access expensive drugs. Besides, HA had commissioned a consultant to review the current mode of operation of the Samaritan Fund in helping patients using expensive drugs, and reviewed the ways in which the Community Care Fund helped such patients. The review report was expected to release in the middle of this year. Taking into account the review outcome, the Government would then consider introducing new measures to help patients. Regarding the efforts to improve dental services, DSFH(H)1 said that oral health policy currently fell under the purview of the Principal Assistant Secretary for Food and Health (Health) 1 ("PAS(H)1"), who had to undertake duties relating to the development of CM and other areas of public health at the same time. After the reorganization, HB/FHB would create an additional post of PAS(H)7 to be designated as H(CMU) to oversee the development of CM. PAS(H)1 would then be able to focus more on oral health and other public health policy issues.

49. In response to Dr KWOK Ka-ki's enquiry about the progress of construction for new hospitals, PSFH(H) said that in order to speed up the

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development of hospitals, the Architectural Services Department was planning to create a directorate post dedicated to taking forward the development of new hospitals. DSFH(H)1 supplemented that the Government had invited HA to study the implementation of the second 10-year hospital development programme, and the new Budget had also set aside \$300 billion for long-term healthcare planning, such as building new hospitals. These measures would help speed up the development of new hospitals.

50. Dr Fernando CHEUNG pointed out that the treatment of patients suffering from rare diseases was generally followed up by HA doctors at present, but genetic doctors knowledgeable of rare diseases in the Clinical Genetic Service ("CGS") were under the Department of Health ("DH"). As there was often a lack of communication between HA and DH doctors, the exchange of expertise in genetic diseases was not effective. He asked whether the Government would capitalize on the current reorganization of HB to consider letting HA and DH work together on the treatment of rare diseases.

51. USFH said that the Government had planned to incorporate CGS under DH into the nearly completed Children's Hospital. CGS doctors would be stationed and relevant medical equipment be equipped in that hospital with a view to improving the quality of medical services provided to patients with uncommon diseases. In long-term consideration, the Government had established the Steering Committee on Genomic Medicine to review the development of and overall support for genetic medicine in Hong Kong. The committee would make recommendations to the Government on how to promote the development of genomic medicine.

Justification for reorganization of the Health Branch

52. Pointing out that the staffing proposal involved making permanent a number of posts in HB/FHB, Mr CHAN Chi-chuen asked why the Government needed to create more permanent posts in HB/FHB.

53. PSFH(H) said that the Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional Development released its review report in 2017, setting out the direction for healthcare manpower planning and for professional development and regulation of healthcare professionals in Hong Kong. It was therefore necessary for the Government to create a number of permanent posts to take forward the various recommendations of the report.

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54. Pointing out that HB/FHB was responsible for a wide range of tasks but the currently proposed reorganization did not bring about a proper division of labour among the various areas of work, Dr Fernando CHEUNG was worried that the administrative management of HB/FHB would become more chaotic after the reorganization. He requested the Government to explain how the proposed reorganization of HB/FHB into three Divisions (see Enclosure 10 to the Government's paper for details) would facilitate the implementation of policies on health and medical issues by FHB.

55. PSFH(H) explained that according to the Government's proposal to reorganize HB/FHB into three Divisions, Division 1 was mainly responsible for work relating to the existing medical and health services, including development of CM. Division 2 was mainly responsible for primary care work, including implementation of the eHR Programme. Division 3 dealt with matters relating to long-term healthcare planning, including studies on how to improve healthcare manpower planning and refine the laws and regulations related to healthcare services. She added that the key focus of the reorganization was to ensure adequate manpower for various important medical and health policies, and some tasks still necessitated joint efforts from both DH and HA staff.

Voting on the item

(At 4:40 pm, as a quorum was not present, the Chairman directed the members to be summoned. A quorum was present at 4:41 pm.)

56. The Chairman put the item EC(2017-18)18 to vote. At the request of Mr CHAN Chi-chuen, the Chairman ordered a division, and the division bell rang for five minutes. Twenty-four members voted for the item. The Chairman declared that the Subcommittee agreed to recommend the item to FC for approval. The votes of individual members were as follows:

For

Mr WONG Ting-kwong
Mr Steven HO
Mr Charles Peter MOK
Dr Fernando CHEUNG
Mr Martin LIAO
Ir Dr LO Wai-kwok
Mr CHU Hoi-dick
Mr Holden CHOW
Mr SHIU Ka-chun

Mr WONG Kwok-kin
Mr WU Chi-wai
Mr CHAN Chi-chuen
Dr Elizabeth QUAT
Mr POON Siu-ping
Mr Alvin YEUNG
Mr HO Kai-ming
Mr SHIU Ka-fai
Ms YUNG Hoi-yun

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Dr Pierre CHAN
Mr KWONG Chun-yu
Mr Vincent CHENG
(24 members)

Mr CHAN Chun-ying
Mr Jeremy TAM
Mr Tony TSE

(At 4:47 pm, the Chairman declared that the meeting be suspended for five minutes. The meeting resumed at 4:54 pm)

EC(2017-18)19 Proposed creation of a new one-rank grade and one permanent post/non-civil service position of Commissioner for Belt and Road (D6); creation of one permanent post of Administrative Officer Staff Grade B (D3); and creation of one supernumerary post of Administrative Officer Staff Grade C (D2) for five years in the Belt and Road Office of the Commerce and Economic Development Bureau with effect from 1 April 2018 or with immediate effect upon approval of the Finance Committee, whichever is later for taking forward the work on the Belt and Road Initiative more effectively and on a sustained basis

57. The Chairman remarked that the staffing proposal was to create a new one-rank grade and one permanent post/non-civil service position of Commissioner for Belt and Road ("CBR") (D6); create one permanent post of Administrative Officer Staff Grade B (D3); and create one supernumerary post of Administrative Officer Staff Grade C (D2) for five years in the Belt and Road Office ("BRO") of the Commerce and Economic Development Bureau ("CEDB") with effect from 1 April 2018 or with immediate effect upon approval of FC, whichever was later, for taking forward the work on the Belt and Road Initiative ("B&RI") more effectively and on a sustained basis.

58. The Chairman pointed out that the Government consulted the Panel on Commerce and Industry on the proposal on 19 December 2017. The Panel supported in principle the Government's proposal. Members noted that the CBR post would report to the Permanent Secretary for Commerce and Economic Development (Commerce, Industry, and Tourism) ("PSCED(CIT)"), and through him to the Secretary for Commerce and Economic Development ("SCED"). Some members expressed concern as to whether pitching the CBR post at the rank level equivalent to a head of department, i.e. D6, was commensurate with CBR's duties. Some other members opined that as it was essential for the holder of the CBR post to

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have held senior positions and have extensive experience in dealing with business and professional sectors, the Government should consider conducting open recruitment for this post in order to identify suitable candidates with relevant experience for the job.

Need for establishment of the Belt and Road Office

59. Mr SHIU Ka-fai and Ir Dr LO Wai-kwok expressed support for the staffing proposal, which would help Hong Kong capture the development opportunities brought by B&RI. They considered that Hong Kong enjoyed a unique position in the promotion of B&RI, and some professional sectors (including the legal and accounting sectors) also had an edge. Ir Dr LO expected BRO to be more receptive to sectorial views and boost Hong Kong's status as an international arbitration centre through B&RI.

60. Noting that the Deputy Secretary for Commerce and Economic Development (Commerce and Industry) 1 ("DSCED(CI)1") was currently responsible for overseeing Hong Kong's external commercial relations, Mr WU Chi-wai enquired whether some tasks of DSCED(CI)1 would be undertaken by CBR instead, and the demarcation of duties between the two posts. He also enquired about the impact on the Government's internal coordination work relating to B&RI in the event that the staffing proposal was not approved by FC.

61. Dr KWOK Ka-ki said that there were political risks in B&RI and risks of breach of contract in some B&RI projects. He was concerned that Hong Kong's active participation in B&RI might have an adverse effect on the relations between Hong Kong and some countries along the Belt and Road. He asked how CBR would address such issues. Dr KWOK also doubted that Hong Kong would gain very limited substantial economic benefits from B&RI because the enterprises engaged with B&RI were mostly state-owned enterprises ("SoEs"). Dr Fernando CHEUNG and Mr WU Chi-wai shared Dr KWOK's concerns. Dr CHEUNG also asked whether the Government had assessed if Hong Kong would be drawn into the political disputes among relevant countries because of its efforts in taking forward B&RI. Mr WU suggested that the Government should consider downplaying the connection between BRO and B&RI, such as by removing the wording "Belt and Road" from the name of BRO and expanding the terms of reference of BRO and CBR beyond taking forward Hong Kong's participation in B&RI. Dr CHEUNG and Mr WU also enquired about the substantial economic benefits to be brought to Hong Kong by the establishment of BRO.

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62. Regarding the need for setting up BRO, SCED said that the Government decided to set up BRO having regard to the increasing interest in B&RI across the world and the huge business opportunities that B&RI would bring to Hong Kong. If it was not focused on taking forward B&RI, BRO would be unable to effectively present to relevant countries or regions Hong Kong's edge and unique position in B&RI (including Hong Kong's membership in the World Trade Organization and ability to enter into free trade agreements and investment protection agreements with other economies).

63. SCED further pointed out that since the Mainland put forward B&RI in 2013, there had been increasing support for B&RI across the world. Currently more than 100 countries and organizations supported B&RI. During overseas visits, the Government had also noticed the high regard given to B&RI by quite a number of countries, including member states of the Association of South East Asian Nations ("ASEAN"), and that they understood Hong Kong's unique role to play in this respect. He stressed that B&RI brought business opportunities not just to SoEs, but also to many professional sectors in Hong Kong, including such sectors as architecture, planning and surveying, legal services, accounting, insurance and arbitration services. BRO would maintain close liaison with various sectors to help Hong Kong capture the huge development opportunities brought by B&RI. It had organized mega events for this purpose in Beijing in February 2018 to present to Mainland enterprises (including SoEs) Hong Kong's edge in taking forward B&RI.

64. Regarding the division of labour within the Government, SCED said that although BRO was under CEDB, various B/Ds in the current-term Government were involved in taking forward B&RI, while CEDB and BRO would play a major role in coordination and organization. In this connection, BRO would undertake quite a number of additional tasks, including liaison with the Ministry of Foreign Affairs, the Ministry of Commerce, the State-owned Assets Supervision and Administration Commission of the State Council, and the Hong Kong and Macao Affairs Office of the State Council, etc.

65. Regarding the risks involved in B&RI, SCED agreed that there were risks in some B&RI projects. He pointed out that the local professional sectors could provide risk assessment services to enterprises participating in B&RI projects across the world. This was also one of the advantages that Hong Kong enjoyed in taking forward B&RI.

66. Mr CHAN Chi-chuen was concerned whether BRO would decide not to disclose any relevant information on the grounds that B&RI was a

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state policy, if it found in its analysis that some B&RI projects were at risk.

67. SCED reiterated that BRO was not an institution for making investment assessments or decisions on B&RI projects. Many B&RI projects involved a huge scale of investment and investors from different regions. Hong Kong had a major edge in the provision of professional services, such as financing, project design and facilitation of project management. One of BRO's tasks was to facilitate the participation of Hong Kong's professional sectors in B&RI projects and encourage investors in B&RI projects to make use of Hong Kong as a platform for signing contracts.

68. Pointing out that B&RI was a state policy, Mr CHU Hoi-dick was of the view that the Government put forward the staffing proposal out of political consideration, and he was concerned that the Mainland might interfere with Hong Kong's trading policies through BRO in future. Mr CHU enquired whether the countries participating in B&RI had appointed commissioners or set up dedicated offices to handle matters relating to B&RI.

69. SCED stressed that the establishment of BRO would not deprive Hong Kong of its autonomy in trade policy, which was enshrined in the Basic Law. He pointed out that Hong Kong and the Mainland signed the Arrangement between the National Development and Reform Commission and the Government of the Hong Kong Special Administrative Region for Advancing Hong Kong's Full Participation in and Contribution to the Belt and Road Initiative ("the Arrangement") in December 2017, which guided and served as the blueprint of mutual co-operation. The Arrangement put forward specific collaboration measures covering various areas to secure a mutually beneficial relationship for both parties. He added that the United Kingdom had appointed a special envoy to handle matters relating to B&RI, and some ASEAN countries (e.g. Vietnam) also attached high importance to B&RI.

Proposed creation of the post on a permanent basis and employment arrangement

70. Mr CHAN Chi-chuen enquired about the reasons for creating the CBR post on a permanent basis, and the criteria adopted by the Government in deciding whether a certain post should be created on a permanent or supernumerary basis. Given the Government's suggestion that the CBR post could be held by a civil servant or a non-civil servant, he enquired whether the post would eventually be held by an existing staff member of BRO.

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71. SCED responded that the Government had considered different options for the establishment of BRO (including setting up a temporary office). Having considered that taking forward B&RI was a long-term task, the Government proposed to create the post concerned on a permanent basis. As regards the recruitment arrangement, the current proposal was that the CBR post could be held by a civil servant or a non-civil servant. This arrangement gave the Government the flexibility to recruit talents from outside to allow for more diversity in the BRO line-up when necessary.

72. While expressing support for the staffing proposal, the Chairman enquired about the rationale for the proposed creation of a supernumerary post of Assistant Commissioner for Belt and Road ("ACBR") that would only last for five years, given that the B&RI-related work was rather complicated. The Chairman also enquired about the Government's specific requirements for the post-holder and whether there was already a suitable candidate. In addition, she asked about the arrangements for the contract, salary and benefits in the event that the post was held by a non-civil servant, and whether there would be nationality restrictions.

73. SCED responded that the Government had all along created posts in a prudent manner, and therefore proposed a five-year duration for the ACBR post. The Government would consider the need for extension before the supernumerary post lapsed. Regarding the recruitment arrangement for the CBR post, he said that the Government would conduct an open recruitment exercise. As CBR had to not just liaise with external stakeholders (including officials of the Mainland authorities and Belt and Road countries, and relevant enterprises and professional sectors of Hong Kong), but also provide policy input on the formulation of B&RI-related measures, the Government proposed that the rank of CBR be pitched at the level commensurate with a head of department, and the post was not subject to any nationality restrictions. The post-holder of CBR should possess a global vision, high capability, and extensive experience in dealing with the business and professional sectors. He emphasized that there were no target candidates. PSCED(CIT) supplemented that if the CBR post was held by a non-civil servant, according to the Government's established arrangement for employing non-civil servants, the person concerned would sign a three-year contract with the Government and be entitled to the same remuneration and benefits as those of a civil servant of the same rank. SCED further said that both Invest Hong Kong and Create Hong Kong had posts available to be filled by civil servants and non-civil servants.

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Work of the Belt and Road office

74. Mr Alvin YEUNG asked whether BRO would be responsible for taking forward the development of the Guangdong-Hong Kong-Macao Bay Area ("Bay Area"). He also requested the Government to elaborate on the division of labour between BRO and the Hong Kong Economic and Trade Offices ("ETOs"), including whether BRO would coordinate the work of the ETOs in countries along the Belt and Road. Mr CHU Hoi-dick was concerned that the work of BRO might overlap with that of the Hong Kong Trade Development Council and ETOs.

75. SCED responded that taking forward the Bay Area development fell within the purview of the Constitutional and Mainland Affairs Bureau. In pursuing B&RI, Hong Kong would seek synergy with the Bay Area development. Therefore, the Arrangement had included taking forward the Bay Area development as one of its areas of work. Regarding the division of labour with ETOs, SCED said that both BRO and ETOs were responsible to PSCED(CIT), and there were no reporting lines between them. When taking forward B&RI, BRO would cooperate with other B/Ds (including ETOs), while ETOs would give Hong Kong a steer on the conduct of promotional activities for B&RI overseas.

76. The Chairman said that one of the priorities of B&RI was to drive capital flow in the region, and one of Hong Kong's roles in B&RI was to facilitate infrastructure investments. She noticed that the Hong Kong Monetary Authority ("HKMA") had undertaken a number of tasks, including setting up the Infrastructure Financing Facilitation Office, assisting the Mainland in the issuance of green bonds, and striving for the establishment of an office of the Asian Infrastructure Investment Bank in Hong Kong. Given that EC(2017-18)19 did not mention the division of labour between BRO and HKMA, she enquired whether BRO would handle financial matters. The Chairman also requested the Government to elaborate on the work relating to people-to-people bonds under the Arrangement, and whether the Home Affairs Bureau ("HAB") would need to seek policy support from CEDB or BRO for their work in this regard.

77. SCED reiterated that various B/Ds (including HKMA) in the current-term Government would participate in taking forward B&RI in many areas, including financial and technological development. For example, the Chief Executive and other staff of HKMA also participated in the forum held in Beijing in February 2018. CEDB and BRO played a role mainly in coordination and organization. Regarding the work on people-to-people bonds under B&RI, SCED said that the relevant projects included mainly the Belt and Road Scholarship Scheme, as well as

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strengthening the cultural exchange and the interaction of community groups between Hong Kong and Belt and Road countries. When taking forward these projects, HAB did not need to seek policy support from CEDB or BRO.

78. Mr WU Chi-wai requested the Government to elaborate on the details of BRO's work on introducing foreign investment, and how its effectiveness would be assessed.

79. SCED said that BRO would also introduce foreign investment. For example, it would encourage the use of Hong Kong's professional services or start-ups among the Belt and Road countries, and attract foreign investors to set up special purpose vehicles or sign project contracts in Hong Kong for B&RI projects. However, as more and more countries participated in B&RI, it would be difficult for the Government to gather statistics on the amount of foreign investment concerned.

Performance evaluation of the Belt and Road Office

80. Dr Fernando CHEUNG, Mr Alvin YEUNG, Mr WU Chi-wai and Mr CHAN Chi-chuen considered that the Government should set out quantitative indicators for evaluating the work of BRO and the holders of the proposed posts (e.g. the number of Belt and Road countries with which Hong Kong should strengthen or establish ties, the number of Belt and Road countries which set up regional offices in Hong Kong, and the number of new arbitration cases involving the Belt and Road to be addressed). Mr CHAN also asked how BRO would be accountable to the Legislative Council, including whether it would regularly brief the Panel on Commerce and Industry on its work.

81. In response, SCED pointed out that quantitative indicators might not effectively reflect the effectiveness of BRO's work. The Government would evaluate three facets of BRO's work, i.e. (a) liaison with relevant Mainland authorities and SoEs, (b) cooperation between Hong Kong and major Belt and Road countries, and (c) collaboration with CEDB and other departments, in the effort to explore business opportunities for the enterprises, professional sectors and start-ups of Hong Kong.

Voting on the item

82. At 6:04 pm, the Chairman put the item EC(2017-18)19 to vote. Since there was a lack of quorum at this point of time, the Chairman ordered that the quorum bell be rung.

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83. At 6:05 pm, a quorum was present for the Subcommittee meeting. At the request of Ir Dr LO Wai-kwok, the Chairman ordered a division, and the division bell rang for five minutes. Fourteen members voted for the item and six against it. The Chairman declared that the Subcommittee agreed to recommend the item to FC for approval. The votes of individual members were as follows:

For

Mr WONG Ting-kwong
Mr Steven HO
Mr KWOK Wai-keung
Mr POON Siu-ping
Mr HO Kai-ming
Mr SHIU Ka-fai
Mr Vincent CHENG
(14 members)

Mr WONG Kwok-kin
Mr Charles Peter MOK
Mr Martin LIAO
Ir Dr LO Wai-kwok
Mr Holden CHOW
Ms YUNG Hoi-yan
Mr Tony TSE

Against

Mr CHAN Chi-chuen
Mr Alvin YEUNG
Mr SHIU Ka-chun
(6 members)

Dr Fernando CHEUNG
Mr CHU Hoi-dick
Mr Jeremy TAM

84. Mr CHAN Chi-chuen requested that the item be voted on separately at the relevant FC meeting.

EC(2017-18)22

Proposed creation of one supernumerary post of Administrative Officer Staff Grade C (D2) in the Tourism Commission of the Commerce, Industry and Tourism Branch of the Commerce and Economic Development Bureau for a period of three years with immediate effect upon approval of the Finance Committee for promoting cruise tourism in Hong Kong, overseeing the operation of the Kai Tak Cruise Terminal, the operation and development of the Hong Kong Disneyland Resort

85. The Chairman remarked that the staffing proposal was to create one supernumerary post of Administrative Officer Staff Grade C (D2) in the Tourism Commission of the Commerce, Industry and Tourism Branch of the Commerce and Economic Development Bureau for a period of three years with immediate effect upon approval of FC for promoting cruise

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tourism in Hong Kong and overseeing the operation of the Kai Tak Cruise Terminal ("KTCT") and the operation and development of the Hong Kong Disneyland Resort.

86. The Chairman pointed out that the Administration consulted the Panel on Economic Development on the proposal on 27 November 2017. Members did not object to the proposal in general. During the discussion, members expressed serious concerns about the low usage and visitor flow of KTCT which undermined the economic benefits that the terminal should achieve. The Government was requested to provide information regarding the strategies and comprehensive plan to liven up KTCT. The Information was issued to members vide LC Paper No. CB(4)406/17-18(01).

Boosting visitor flow of the Kai Tak Cruise Terminal

87. Mr Holden CHOW pointed out that the increased number of ship calls and passenger throughput at KTCT in recent years reflected the Government's efforts in promoting the development of cruise industry in Hong Kong. He held that the Government should consider expanding the retail area in KTCT to attract spending by cruise passengers at the terminal, and draw more local visitors to the terminal in the long run. In addition, he urged the Government to expedite introduction of water taxi service at KTCT as soon as possible so as to facilitate public and visitor access to the terminal.

88. Under Secretary for Commerce and Economic Development ("USCED") advised that the main function of KTCT was to berth cruise ships and provide swift and effective services, including efficient immigration clearance procedure, to cruise passengers. Therefore, adequate immigration facilities were essential for the terminal. It was undesirable for the Government to reduce the immigration facilities to make room for permanent retail use. In order to boost visitor flow to the terminal, the terminal operator had formulated short, medium and long-term measures. For example, the terminal operator had held different non-cruise events at the terminal during days with no ship calls. The tourism sector and sports organizations could also use facilities such as the rooftop park of terminal to hold events. In addition, road widening works had been carried out in the vicinity of the terminal, and a new bus route would be available to serve the terminal. The Government was also discussing with the transport sector the feasibility of introducing water taxis. It was believed that these measures would help drive more people to the terminal. Moreover, a number of sites near the terminal had been included in the 2018-2019 Land Sale Programme for commercial

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development. It was expected that the development of the surrounding area, once completed, would drive visitor flow to the terminal.

Dealing with competition from other cruise terminals in the region

89. Noting from the Government's paper that a number of new cruise terminals in Southern China would be commissioned, Mr CHAN Chi-chuen enquired whether the Government would gauge the views of cruise visitors on KTCT through questionnaires with a view to raising the service level at the terminal so as to maintain the competitiveness of the terminal in the region.

90. USCED remarked that about 34% of the passengers using KTCT were international visitors, while more than 90% of the passengers using cruise terminals in the Mainland were Mainlanders. It showed that the sources of visitors of KTCT and Mainland terminals were not the same. With cruise ships of various international brands calling at Hong Kong, KTCT had a competitive edge over the cruise terminals in the Mainland in terms of cruise product diversity. The Government would explore with neighbouring Mainland cities the room for collaboration in the cruise industry, including developing cruise products featuring multiple destinations. Deputy Commissioner for Tourism Commerce and Economic Development Bureau added that the KTCT Management Committee, comprised of the Tourism Commission, Immigration Department, Customs and Excise Department, other relevant departments and the KTCT operator, would monitor the operation of the terminal through regular meetings, and would also collect passengers' views on the terminal services through questionnaires. Past survey findings revealed that passengers were generally satisfied with the service level of the terminal.

Development of a cruise industry chain in Hong Kong

91. Regarding the strategies for cruise industry development in Hong Kong, the Chairman pointed out that apart from increasing the number of cruise ship calls and cruise passenger throughput, the Government should also study how to develop a cruise industry chain in Hong Kong, such as formulating policies to attract cruise lines to use Hong Kong as their homeport. She enquired how the holder of the proposed post would drive the development of a cruise industry chain upon taking office.

92. USCED advised that the Government's objective was to enhance the position of Hong Kong in the international cruise industry, and attract more cruise lines to use Hong Kong as their homeport and deploy more

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cruise ships to Hong Kong in providing a diverse range of cruise travel products. The Government would explore room for collaboration with neighbouring cities in promoting the cruise industry, including attracting more international cruise passengers, and would also make use of the Belt and Road tourism forum to be held in Hong Kong at the end of 2018 to publicize to the world Hong Kong's achievements in the development of the cruise industry.

93. The Chairman remarked that as some members were still waiting for their turns to ask questions, the Subcommittee would continue the discussion on this item at the next meeting.

94. The meeting ended at 6:28 pm.

Council Business Division 1
Legislative Council Secretariat
22 June 2018