

**立法會**  
***Legislative Council***

LC Paper No. FC4/19-20  
(These minutes have been  
seen by the Administration)

Ref : FC/1/1(11)

**Finance Committee of the Legislative Council**

**Minutes of the 11<sup>th</sup> meeting**  
**held at Conference Room 1 of the Legislative Council Complex**  
**on Friday, 11 January 2019, at 3:00 pm**

**Members present:**

Hon CHAN Kin-por, GBS, JP (Chairman)  
Hon CHAN Chun-ying, JP (Deputy Chairman)  
Hon James TO Kun-sun  
Hon LEUNG Yiu-chung  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Tommy CHEUNG Yu-yan, GBS, JP  
Prof Hon Joseph LEE Kok-long, SBS, JP  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon WONG Ting-kwong, GBS, JP  
Hon Starry LEE Wai-king, SBS, JP  
Hon CHAN Hak-kan, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon WONG Kwok-kin, SBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon Claudia MO  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon Steven HO Chun-yin, BBS  
Hon Frankie YICK Chi-ming, SBS, JP  
Hon WU Chi-wai, MH  
Hon YIU Si-wing, BBS  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP  
Hon Kenneth LEUNG  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon KWOK Ka-ki  
Hon KWOK Wai-keung, JP  
Hon Dennis KWOK Wing-hang  
Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, BBS, JP  
Hon Martin LIAO Cheung-kong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Dr Hon CHIANG Lai-wan, SBS, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Alvin YEUNG  
Hon Andrew WAN Siu-kin  
Hon CHU Hoi-dick  
Hon Jimmy NG Wing-ka, JP  
Dr Hon Junius HO Kwan-yiu, JP  
Hon HO Kai-ming  
Hon LAM Cheuk-ting  
Hon Holden CHOW Ho-ding  
Hon SHIU Ka-fai  
Hon SHIU Ka-chun  
Hon Wilson OR Chong-shing, MH  
Hon YUNG Hoi-yan  
Dr Hon Pierre CHAN  
Hon Tanya CHAN  
Hon CHEUNG Kwok-kwan, JP  
Hon HUI Chi-fung  
Hon LUK Chung-hung, JP  
Hon LAU Kwok-fan, MH  
Dr Hon CHENG Chung-tai  
Hon KWONG Chun-yu  
Hon Jeremy TAM Man-ho  
Hon Gary FAN Kwok-wai  
Hon AU Nok-hin  
Hon Vincent CHENG Wing-shun, MH  
Hon Tony TSE Wai-chuen, BBS  
Hon CHAN Hoi-yan

**Member absent:**

Hon Kenneth LAU Ip-keung, BBS, MH, JP

**Public officers attending:**

Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Mike CHENG Wai-man	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Caspar TSUI Ying-wai, JP	Under Secretary for Labour and Welfare
Mr Carlson CHAN Ka-shun, JP	Commissioner for Labour
Ms Melody LUK Wai-ling, JP	Assistant Commissioner for Labour (Labour Relations)
Mr Michael HONG Wing-kit	Chief Civil Engineer (Public Works Programme), Transport and Housing Bureau
Mr Michael LI Kiu-yin	Project Director 2, Architectural Services Department
Ms Suzanna CHAN Chung-kwan	Senior Project Manager 229, Architectural Services Department
Ms Wendy AU Wan-sze	Principal Assistant Secretary for Food and Health (Health)5
Mr TAN Tick-yee	Assistant Director of Social Welfare (Elderly)
Ms Ann Mary TAM Kwai-yee	Chief Architect (2), Housing Department
Dr AU YEUNG Tung-wai	Service Director (Primary and Community Health Care), New Territories West Cluster, Hospital Authority

**Clerk in attendance:**

Ms Anita SIT	Assistant Secretary General 1
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**Staff in attendance:**

Ms Angel SHEK	Chief Council Secretary (1)1
Ms Ada LAU	Senior Council Secretary (1)7
Mr Joey LO	Senior Council Secretary (1)8
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Mandy POON	Legislative Assistant (1)1

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Action

The Chairman reminded members of the requirements under Rules 83A and 84 of the Rules of Procedure.

**Item No. 1 — FCR(2018-19)70**

**RECOMMENDATION OF THE ESTABLISHMENT  
SUBCOMMITTEE MADE ON 5 DECEMBER 2018**

**EC(2018-19)16**

**HEAD 90 — LABOUR DEPARTMENT**

**Subhead 000 — Operational expenses**

2. The Chairman advised that this item sought the approval of the Finance Committee ("FC") for the recommendation made by the Establishment Subcommittee ("ESC") at its meeting held on 5 December 2018 regarding EC(2018-19)16, i.e. creating one permanent post of Chief Labour Officer (D1) ("the proposed post") in the Labour Department ("LD") to take up various new tasks in relation to the abolition of the "offsetting" of severance payment ("SP") and long service payment ("LSP") with employers' mandatory contributions under the Mandatory Provident Fund ("MPF") System. Members had requested that the recommendation be voted on separately at the FC meeting. ESC had spent about four hours on scrutinizing the recommendation, and a number of information papers had also been provided by the Administration.

Justifications for creating the proposed post

3. Members noted that as announced in the 2018 Policy Address, the abolition of the "offsetting" arrangement would be enhanced and the Government would, inter alia, assist employers to set up their own designated saving accounts ("DSAs") to save up in advance to meet the potential SP/LSP expenses in future ("the enhanced proposal"). The Administration was communicating with stakeholders regarding the details of the relevant arrangements. Members expressed views on whether the

proposed post should be created in LD at the present stage, and whether it should be created on a permanent or supernumerary basis.

4. Mr Jimmy NG enquired about the division of work between the Labour and Welfare Bureau ("LWB") and LD as regards the abolition of the "offsetting" arrangement. He considered it more appropriate to create the directorate post in the relevant policy bureau (i.e. LWB), given that the abolition of the "offsetting" arrangement involved policy matters.

5. The Commissioner for Labour ("C for L") advised that LD operated under the mode of merger of bureaux and departments, such that LD, in addition to continuing with the task of policy implementation, was also responsible for policy formulation and preparation of policy papers. Therefore, it was appropriate to create the proposed post in LD to deal with tasks relating to the abolition of the "offsetting" arrangement.

6. Mr Tony TSE stated that he supported the creation of the proposed post, and did not oppose the abolition of the "offsetting" arrangement. Nevertheless, he opined that since the proposal for abolishing the "offsetting" arrangement had not been finalized and the relevant enabling legislation were yet to be enacted, it seemed too early to create the proposed post on a permanent basis at the present stage. He enquired about the factors that had been considered by the authorities in determining whether the proposed post should be created on a supernumerary or permanent basis. Mr TSE and Mr YIU Si-wing suggested that the proposed post should be created on a time-limited and supernumerary basis in the first place, so that the authorities could, having regard to operational needs, enjoy the flexibility of deleting the post, or extending the duration of the post, or converting the post to a permanent one. Mr CHUNG Kwok-pan also considered that the proposed post should be created on a supernumerary basis at the present stage.

7. Mr SHIU Ka-fai did not support the creation of the proposed post, given that the business sector and the Government had not yet reached a consensus on the abolition of the "offsetting" arrangement. Mr Frankie YICK considered it inappropriate for the Administration to have raised the request of creating the proposed post prior to responding to the various proposals made by micro, small and medium-sized enterprises ("MSMEs").

8. Mr WONG Ting-kwong, Mr YIU Si-wing and Mr CHAN Chi-chuen expressed worries that if members supported the creation of the proposed post, it would be tantamount to accepting the enhanced proposal or the Administration's other proposals as the "ultimate proposal".

9. While expressing support for the abolition of the "offsetting" arrangement, Mr CHAN Chi-chuen queried why the Government did not create the proposed post on a supernumerary and time-limited basis. He noted that some people/organizations had issued a letter under the name of "All colleagues in the Labour Officer grade" to Members of the Legislative Council ("LegCo"), in which they indicated that given the manpower shortage in LD, their workload would be aggravated if the proposed post was to be created in a supernumerary manner. Mr CHAN opined that as the general manpower shortage in LD was a fundamental problem that should be dealt with separately, it had no impact whatsoever on whether the proposed post should be created on a supernumerary basis.

10. Mr HO Kai-ming expressed support for the creation of the proposed post, with a view to expeditiously implementing the proposal on abolishing the "offsetting" arrangement. He proposed that the Administration might, in the first place, try out the abolition arrangement in its outsourced services, which was conducive to assessing the operation of the abolition arrangement (e.g. the case volume of labour disputes that might be generated by the arrangement). Prof Joseph LEE expressed support for the creation of the proposed post. He enquired about the impacts of creating the post concerned on a permanent or supernumerary basis on the upward mobility of departmental staff. Mr LEUNG Yiu-chung remarked that the Administration must first undertake to abolish the "offsetting" arrangement before he could consider whether to support the creation of the proposed post or not.

11. C for L explained that in general the creation of supernumerary posts was applicable to posts tasked with time-limited duties. However, as the implementation of the abolition of the "offsetting" arrangement, regardless of the proposal to be adopted, was meant to be a long-term task, it was not appropriate to create the proposed post on a supernumerary basis. If the proposed post was to be created on a supernumerary basis, it could not be filled through staff promotion because time-limited posts could only be filled through internal deployment by way of acting appointments by staff of the next lower rank under general circumstances. As a result of consequential acting appointments, vacancies would arise in the junior rank (i.e. Assistant Labour Officer II) because the officers concerned were required to act up the senior posts. There were currently around 30 time-limited posts in the Labour Officer grade in LD. At present, there were only two permanent Chief Labour Officer ("CLO") posts in LD. Creating an additional CLO post might also facilitate the broadening of the promotion ladder of the grade concerned.

12. Under Secretary for Labour & Welfare ("USLW") advised that the enhanced proposal as announced in the 2018 Policy Address not only necessitated complicated and controversial amendments to different pieces of legislation, but also called for the formulation of meticulous implementation arrangements. After the abolition of the "offsetting" arrangement had come into effect, the Administration had to oversee and review its implementation. The Administration considered it appropriate to create an additional permanent directorate post in LD for leading the preparatory team currently responsible for supporting the tasks relating to the abolition of the "offsetting" arrangement. In future, when it came to the implementation of the abolition of the "offsetting" arrangement, LD also needed to increase the manpower of other posts to support the work of the proposed post. USLW advised that while creating the proposed post as a permanent one could ensure continuity in taking forward the abolition arrangement, the expression of support for the creation of the proposed post did not necessarily translate into the expression of support for any proposals on abolition of the "offsetting" arrangement.

13. USLW further advised that the current-term Government was resolute in implementing the abolition of the "offsetting" arrangement. In this connection, the Administration had been maintaining liaison with different stakeholders, including various major trade unions, chambers of commerce and employers' organizations, as well as organizing briefing sessions for them on the details of the enhanced proposal. If necessary, the Administration was ready to organize more briefing sessions to brief stakeholders on the details of the proposal. He pointed out that if the recommendation for creating the proposed post was approved, it could facilitate the taking forward of such communication and explanatory work by the Administration. USLW also pointed out that since the details of DSAs were yet to be confirmed, it was difficult to try out the abolition arrangement in outsourced government services. In his view, the most urgent task was to expeditiously formulate the implementation arrangements and operational details of the abolition arrangement, so that a specific proposal could be submitted to LegCo for consideration as soon as possible.

14. Mr Tony TSE observed that amongst the 530 posts in the Labour Officer grade, 30 (i.e. about 5%) were time-limited supernumerary posts. He enquired whether it was a prevalent phenomenon in other government departments. Mr HO Kai-ming pointed out that in respect of D1 to D6 posts, there were only 13 such posts in LD whilst as many as 33 such posts were in the Social Welfare Department, reflecting that there was serious manpower shortage in LD.

15. C for L advised that amongst the 530 officers in the Labour Officer grade, 190 were in the junior rank (i.e. Assistant Labour Officer II) and about 30 such posts were vacant owing to acting-up appointments. USLW advised that should there be the need to further increase the manpower of the Labour Officer grade, the Administration would apply for the resources required in future via established mechanism.

16. At the request of Mr Tony TSE, the Administration would, after the meeting, provide information on the proportion of the time-limited posts of the Labour Officer grade and that of comparable grades of other departments in the overall establishment of the respective departments for illustrating whether the number/proportion of such time-limited posts in LD was on the high side such that there was a need to create the proposed post on a permanent basis to alleviate the workload of LD.

*[Post-meeting note: The supplementary information provided by the Administration was circulated to members on 3 May 2019 vide LC Paper No. FC131/18-19(01).]*

The rank and duties of the proposed post

17. Ms Claudia MO and Dr KWOK Ka-ki were concerned whether the proposed post could take up various tasks such as consulting stakeholders, coordinating both employers and employees for accepting the proposal of abolishing the "offsetting" arrangement, formulating policies and amending legislation, particularly the task of lobbying the business sector to accept the enhanced proposal; and whether the duties concerned were commensurate with the rank. Mr Jimmy NG remarked that abolishing the "offsetting" arrangement was a rather complex task, and he was concerned whether creating only one permanent CLO post in LD would suffice to deal with the relevant work. Dr CHENG Chung-tai stated that in comparison with the duties of the new directorate posts recently created in other bureaux/departments, the responsibilities and duties of the proposed post were quite onerous but the proposed post was pitched at the rank of D1 only. It seemed that the ranking of the proposed post was not commensurate with its duties and responsibilities.

18. Mr YIU Si-wing enquired whether the proposed post was responsible for conducting consultation on the enhanced proposal. Mr WONG Ting-kwong enquired whether the incumbent of the proposed post would examine afresh the enhanced proposal and consult various stakeholders with a view to further improving the proposal, or whether he/she would only be responsible for the implementation and administration of the enhanced proposal.



19. USLW advised that LWB and LD would, under the leadership of SLW, take forward the abolition of the "offsetting" arrangement, with a preparatory team having been set up within LD to support the work concerned. Therefore, the abolition of the "offsetting" arrangement was not a duty to be taken up by the proposed post alone. Since Labour Officer grade officers possessed the expertise and experience in formulating policies and handling labour disputes, they should be competent at the job. It was therefore appropriate to create a CLO post pitched at D1 level in LD. Regarding the advanced work concerned, the incumbent of the proposed post had to discuss the abolition of the "offsetting" with various key stakeholders, including explaining the enhanced proposal to various parties, as well as formulating relevant policies and implementation details. Upon the introduction of the abolition of the "offsetting" arrangement, the incumbent of the proposed post was tasked with reviewing and monitoring the implementation as well as handling the labour relations issues that might arise. In addition, upon the implementation of the enhanced proposal, the incumbent of the proposed post also had to handle matters relating to employers' DSAs, which was a long-term task.

20. C for L supplemented that CLO was a high-ranking officer in the Labour Officer grade who was adequately competent and sufficiently experienced to provide the required policy support. At present, LD's preparatory team responsible for supporting the communication and explanatory work relating to the implementation of the abolition arrangement was comprised of one Senior Labour Officer and two Labour Officers only. Creating the proposed post would expedite such work. Apart from creating the proposed post, LD anticipated that it still had to increase its manpower in future to take up new tasks pertaining to the abolition of the "offsetting" arrangement.

21. Mr Gary FAN enquired whether and in what way the Administration would, through the creation of the proposed post, protect the rights and interests of outsourced workers by preventing enterprises from circumventing labour legislation, including monitoring the payment of SP/LSP by outsourced contractors to their workers.

22. USLW advised that upholding and protecting the rights and interests of outsourced workers came under the portfolios of other units in LD. He informed members that "Enhancing the protection of non-skilled employees engaged by government service contractors" would be discussed at the meeting of the Panel on Manpower to be held on 15 January 2019.

USLW emphasized that the Administration would seriously follow up on cases of incompliance with labour legislation and unreasonable dismissal.

23. C for L supplemented that regarding circumvention of SP/LSP payment, LD had along been conducting investigations into and taking follow-up actions against such cases, and prosecutions were made when necessary. The Administration anticipated that SP/LSP-related labour disputes would increase upon the abolition of the "offsetting" arrangement, thus it was necessary to create the proposed post to help handle such cases.

Proposal for abolishing the "offsetting" arrangement and progress of the consultation work

24. Pointing out that the Administration had advised members at the ESC meeting that the abolition of the "offsetting" arrangement would involve a lot of advanced work, Mr Gary FAN enquired whether the Administration had drawn up a timetable for the aforesaid advanced work, when the incumbent of the proposed post would collect the views of major stakeholders, and which labour unions/groups the officer would meet.

25. USLW advised that the current-term Government had all along been consulting major stakeholders on abolishing the "offsetting" arrangement. The Chief Executive put forward the enhanced proposal in the 2018 Policy Address. The creation of the proposed post would serve to enhance and expedite the communication with and explanations to various stakeholders on the enhanced proposal and its implementation details.

26. Dr KWOK Ka-ki noted that under the enhanced proposal, the Administration would provide employers with a two-tier subsidy, for which the total financial commitment had been estimated at \$29.3 billion, to help share employers' expenses on SP/LSP in respect of the employment period after the effective date of the abolition of the "offsetting" arrangement within a 25-year subsidy period. He considered it necessary for the authorities to consider ways to ensure that the commitments could be "capped".

27. Ir Dr LO Wai-kwok noted that within the 25-year subsidy period under the enhanced proposal, the ratio of SP/LSP shared by the Administration would progressively decrease as the number of years after the abolition of the "offsetting" arrangement increased. He was concerned that in the event of a downturn in the economic cycle, some enterprises (regardless of size) might have difficulty paying SP/LSP upon business closure. Furthermore, he sought clarification on the scope of the

second-tier subsidy. Mr YIU Si-wing considered that the complexity of the enhanced proposal would create heavy financial and administrative burden on MSMEs.

28. Mr CHUNG Kwok-pan requested that a comparison among different proposals for abolishing the "offsetting" arrangement (including the "central fund" proposal) be made, and enquired about the department that was responsible for managing DSAs and the additional manpower involved should the enhanced proposal be implemented.

29. Mr Holden CHOW asked whether the incumbent of the proposed post would continue to explore options other than the enhanced proposal, including the "central fund" proposal put forward by the business sector, should FC approve the creation of the proposed post.

30. Mr Frankie YICK noted that the Administration had reservations about the "central fund" proposal put forward by MSMEs, as the proposal was considered to be susceptible to moral hazards and abuse. He sought clarification on the Administration's view.

31. USLW advised that different proposals for abolishing the "offsetting" arrangement had their pros and cons: the enhanced proposal was relatively complicated, but the "central fund" proposal could give rise to moral hazards. After introducing the enhanced proposal, the Administration had been actively engaging various stakeholders to gauge their views on the proposal. Should the creation of the proposed post be approved, the officer concerned would be responsible for explaining to major stakeholders so as to give them a better understanding of the pros and cons of various proposals.

32. USLW explained that the advantage of the DSAs set up under the enhanced proposal was that each employer could set up its DSA to meet the capital requirements for SP/LSP payment. Compared with large enterprises, MSMEs would have smaller savings in their DSAs, possibly making it more difficult for them to cover all financial expenses arising from the abolition of the "offsetting" arrangement. Hence, the second-tier subsidy under the enhanced proposal had been raised to assist employers whose accrued DSA balance was insufficient to pay SP/LSP after netting the first-tier subsidy. In addition, the progressive reduction in the Government's sharing rate based on the number of years after the abolition of the "offsetting" arrangement had taken into account the continuous increase in employers' accrued DSA balance. The mechanism, under which subsidies would be progressively reduced based on the number of years, could also deter employers from laying off all employees in one go

in an attempt to get the subsidies before the percentage of government subsidies was reduced to 0%. C for L advised that the current proposal was to enable employers to set up DSAs on the online eMPF platform established by the Mandatory Provident Fund Schemes Authority. As to which department would be responsible for managing DSAs and what the manpower requirement would be, no decision had been finalized at this stage. The proposed post would be responsible for, inter alia, formulating the operation arrangements for DSAs. Assistant Commissioner for Labour supplemented that the Administration had submitted to ESC a written explanation (LC Paper No. ESC31/18-19(01)) on the moral hazards involved in the setting up of the "central fund".

Labour disputes arising from abolition of the "offsetting" arrangement

33. Mr CHUNG Kwok-pan and Mr HO Kai-ming asked how the Labour Tribunal ("LT") could cope with the large number of labour dispute cases which might arise from the abolition of the "offsetting" arrangement. Mr YIU Si-wing expressed worries about the possible increase in unreasonable dismissal cases caused by the abolition of the "offsetting" arrangement. Ir Dr LO Wai-kwok enquired about the Administration's assessment of the new labour relations trend that might emerge after the abolition of the "offsetting" arrangement.

34. Mr AU Nok-hin was worried that after the abolition of the "offsetting" arrangement, more employers would circumvent the continuous contract requirement under the Employment Ordinance (Cap. 57) (i.e. continuous employment by the same employer for four weeks or more, with at least 18 hours worked in each week). He hoped that the incumbent of the proposed post would also be responsible for handling the aforesaid issue, and asked whether the authorities would consider amending the legislation to plug the relevant loophole.

35. USLW advised that at the meeting of the Panel on Manpower held on 21 November 2017, members expressed concerns about the labour disputes and other matters that might arise from the abolition of the "offsetting" arrangement, and urged the authorities to step up monitoring. The authorities would review the operation of the enhanced proposal five years after its implementation, and the proposed post would be responsible for handling this task. USLW stressed that the Administration would seriously follow up on cases of non-compliance with labour legislation and unreasonable dismissal.

36. C for L advised that in the past, an average of 70% of labour dispute cases were settled through LD's conciliation, thereby sparing the

need for referral to LT. Whether it was necessary to increase LT's manpower would be contingent upon further reviews to be conducted in future on the implementation of the proposal to abolish the "offsetting" arrangement.

37. C for L further advised that, given the current manpower shortage of the labour market, it would be significantly less likely for employers to circumvent SP/LSP payment by requiring employees to sign a new short-term employment contract. The Labour Advisory Board had conducted several studies on this issue and would continue to explore ways to enhance the provision of protection for short-term contract staff. The task would be taken up by officers other than the incumbent of the proposed post.

Other issues

38. Mr Tony TSE noted that the duration of some supernumerary Assistant Labour Officer II posts in LD created to handle the work relating to the working hours policy would expire in 2021. Given that the Administration had indicated that it would not legislate for "standard working hours", he sought confirmation on whether such time-limited posts would be deleted in 2021.

39. C for L advised that although the Administration had no plan to introduce any legislative proposal on the working hours policy, it was currently discussing the drawing up of working hours guidelines with 11 different industries. The authorities hoped to finalize the working hours guidelines as soon as possible, despite being uncertain at this stage as to whether the work could be completed by 2021. Should such needs arise, the authorities would consider extending the duration of the relevant supernumerary posts in LD, but would not convert them to permanent posts.

40. The meeting was suspended at 5:00 pm, and resumed at 5:11 pm.

Motion to adjourn discussion on item FCR(2018-19)70

41. At 5:22 pm, Mr CHUNG Kwok-pan, when speaking on the item, moved without notice under paragraph 39 of the Finance Committee Procedure ("FCP") that discussion on item FCR(2018-19)70 be adjourned ("the adjournment motion").

42. Mr Tony TSE and Mr AU Nok-hin spoke in support of the motion. In gist, they considered that the Administration's proposal to create the proposed post on a permanent basis was not sufficiently justified.

43. Mr CHUNG Kwok-pan spoke in reply. The Chairman put the adjournment motion to vote. At the request of members, the Chairman ordered a division. The motion was [negatived](#).

Motion proposed by a member under paragraph 37A of the Finance Committee Procedure

44. At 5:33 pm, the Chairman put to vote the question that the [motion](#) proposed by Mr Tony TSE under FCP 37A ("FCP 37A motion") to express views on the item should be proceeded with forthwith. At the request of members, the Chairman ordered a division. The Chairman declared that the question put was [carried](#).

45. The Chairman said that each member might speak once on the FCP 37A [motion](#) proposed by Mr Tony TSE for no more than three minutes. Mr Tony TSE spoke on his motion first. Mr CHUNG Kwok-pan, Mr Frankie YICK, Mr LEUNG Yiu-chung, Mr Jeremy TAM, Dr CHENG Chung-tai and Mr AU Nok-hin spoke in support of the motion. They considered that the proposed post should be converted into a time-limited supernumerary post. Subsequently, Mr WU Chi-wai, Mr HO Kai-ming and Mr KWOK Wai-keung spoke against the motion. In gist, while acknowledging the need to create the proposed post, they considered it necessary for the authorities to take measures to tackle the insufficient manpower of the Labour Officer grade. After Mr Tony TSE had spoken in reply, the Chairman put the motion moved by Mr Tony TSE to vote. At the request of members, the Chairman ordered a division. The Chairman declared that the motion was [carried](#).

Voting on FCR(2018-19)70

46. At 6:03 pm, the Chairman put item FCR(2018-19)70 to vote. At the request of members, the Chairman ordered a division. The Chairman declared that 35 members voted in favour of and 5 members voted against the item. Two members abstained from voting. The votes of individual members were as follows:

*For:*

Mr LEUNG Yiu-chung  
Mr WONG Kwok-kin  
Mr Michael TIEN Puk-sun

Ms Starry LEE Wai-king  
Ms Claudia MO  
Mr WU Chi-wai

Mr Charles Peter MOK	Mr CHAN Chi-chuen
Mr LEUNG Che-cheung	Ms Alice MAK Mei-kuen
Mr KWOK Wai-keung	Mr Dennis KWOK Wing-hang
Dr Fernando CHEUNG Chiu-hung	Dr Helena WONG Pik-wan
Mr IP Kin-yuen	Dr Elizabeth QUAT
Mr POON Siu-ping	Mr Alvin YEUNG
Mr Andrew WAN Siu-kin	Mr CHU Hoi-dick
Mr HO Kai-ming	Mr LAM Cheuk-ting
Mr Holden CHOW Ho-ding	Mr SHIU Ka-chun
Ms YUNG Hoi-yan	Dr Pierre CHAN
Ms Tanya CHAN	Mr HUI Chi-fung
Mr LUK Chung-hung	Mr KWONG Chun-yu
Mr Jeremy TAM Man-ho	Mr Gary FAN Kwok-wai
Mr AU Nok-hin	Mr Vincent CHENG Wing-shun
Ms CHAN Hoi-yan	
(35 members)	

*Against:*

Mr Frankie YICK Chi-ming	Mr YIU Si-wing
Mr CHUNG Kwok-pan	Mr SHIU Ka-fai
Mr Tony TSE Wai-chuen	
(5 members)	

*Abstained:*

Mr CHAN Chun-ying	Dr CHENG Chung-tai
(2 members)	

47. The Chairman declared that the item was approved.

**Item No. 2 — FCR(2018-19)71**

**RECOMMENDATION OF THE PUBLIC WORKS  
SUBCOMMITTEE MADE ON 12 DECEMBER 2018**

**PWSC(2018-19)33**

**HEAD 711 — HOUSING**

**Health — Clinics**

**75MC — Community health centre-cum-residential care home for  
the elderly at Tuen Mun Area 29 West**

48. The Chairman advised that this item sought FC's approval for the recommendation made by the Public Works Subcommittee ("PWSC") at its meeting held on 12 December 2018 regarding PWSC(2018-19)33, i.e. upgrading 75MC "Community health centre-cum-residential care home for

the elderly at Tuen Mun Area 29 West" ("the proposed CHC-cum-RCHE"), which was to be implemented in an integrated design with the public housing development at Tuen Mun Area 29 West, to Category A at an estimated cost of \$1,046.4 million in money-of-the-day prices. Members had requested that the recommendation be voted on separately at the FC meeting. PWSC had spent about 2 hours and 32 minutes on scrutinizing the item, and a number of information papers had also been provided by the Administration.

49. The Chairman declared that he was an independent non-executive director of The Bank of East Asia.

The proposed residential care home for the elderly

50. In response to Mr Gary FAN's enquiries, Chief Architect (2), Housing Department ("CA(2)/HD") advised that the project site had a permitted gross floor area of 45 000 sq m, and the proposed scope of works comprised the construction of the CHC-cum-RCHE, which occupied around 7 500 sq m, ancillary facilities and ancillary works.

51. Noting that the proposed RCHE would provide only 100 residential care places, Ms Claudia MO suggested an increase in the building's height and hence its permissible floor area to allow more places to be provided. Mr KWONG Chun-yu shared the view that the number of places to be offered by the proposed RCHE was on the low side. He enquired about the technical difficulties involved in increasing the provision of places. Ms Alice MAK proposed that the underground space of the site might be used to provide car parks and other facilities.

52. Chief Civil Engineer (Public Works Programme), Transport and Housing Bureau ("CCE(PWP)/THB") advised that the Administration had carefully considered how the site could be used in an optimal way, and planning had been conducted along the principle of "single site, multiple uses". The site for the proposed CHC-cum-RCHE was not big in size and its permissible floor area was constrained by building height and plot ratio restrictions. As the present design had maximized the plot ratio of the site, it was not possible to further increase the gross floor area. Moreover, as part of the underground space of the site was earmarked as a "drainage reserve", coupled with the presence of other constraints, the proposal to develop underground space was not feasible.

53. Assistant Director of Social Welfare (Elderly) ("ADSW(E)") indicated that the scale of an RCHE with 100 places was both common and suitable, having taken into account the manpower requirement for



operating an RCHE. The proposed RCHE was designed in compliance with planning standards with a net operational floor area of 1 096 sq m. The floor area per place, calculated on the basis of 100 residents, was 10.96 sq m. ADSW(E) said that an RCHE with 100 places at Tseng Choi Street, Tuen Mun was scheduled for completion between 2020 and 2021, and the premises of ex-Kei Leung Primary School at Leung King Estate would be converted into an integrated welfare services complex comprising a 100-place RCHE, which was expected to commence service in around 2023 or 2024. Furthermore, a private lot located at Pok Oi Hospital in Lam Tei, Tuen Mun would be used for the construction of an RCHE. If construction progressed on schedule, the RCHE was expected to be completed for commissioning in a few years' time.

54. Ms Claudia MO noted that the Administration would allocate funds from the Lotteries Fund through established mechanism to cover the expenses for the proposed RCHE's internal fitting-out works and purchase of furniture and equipment. She suggested that the Administration should simplify the funding process. CCE(PWP)/THB said that the Administration would consider streamlining the process such that direct grants might be allocated from the Lotteries Fund to the non-governmental or private organizations that would operate the RCHE in future for the purpose of carrying out internal fitting-out works and purchasing furniture and equipment.

#### The proposed community health centre

55. Ms Alice MAK asked whether the proposed CHC would, in future, function as a general out-patient clinic ("GOPC") for the provision of primary healthcare services. Mr AU Nok-hin suggested that a wider range of public healthcare services, such as dental treatment, should be made available at the CHC's consultation rooms.

56. Service Director (Primary and Community Health Care), New Territories West Cluster, Hospital Authority stated that as the three GOPCs in Tuen Mun District had almost saturated their capacity at present, it was necessary to build the proposed CHC to cope with the demand. The CHC would have 23 consultation rooms to better meet the demand of residents in Tuen Mun District for primary healthcare services. Principal Assistant Secretary for Food and Health (Health) 5 said that the Hospital Authority would arrange the provision of medical consultations and a variety of multi-disciplinary healthcare services in the consultation rooms. At present, public dental services were mainly provided by the Department of Health, which operated dental clinics in Tuen Mun District. The

Administration had no plan to provide dental services at the proposed CHC.

57. Responding to Mr CHU Hoi-dick's enquiries, Service Director (Primary and Community Health Care), New Territories West Cluster, Hospital Authority advised that the respective numbers of attendances recorded for Tuen Mun Clinic, Tuen Mun Wu Hong Clinic and Yan Oi General Out-Patient Clinic in 2017-2018 were 142 843, 82 798 and 141 314. In the course of planning for the proposed CHC, consideration had been given to possible future changes in the demographic structure of Tuen Mun District and the consequential demand for healthcare services. Upon the full operation of the proposed CHC, the service capacity of GOPCs in Tuen Mun District would be enhanced.

58. At the request of Mr CHU Hoi-dick, the Administration would provide the following information after the meeting:

- (a) the consultation quotas and the attendances for the three GOPCs currently operated by the Hospital Authority in Tuen Mun District;
- (b) the Administration's projection of the overall population and elderly population growth trend in Tuen Mun District and how the relevant projection was made; and
- (c) information on how and whether the GOPC services to be provided by the proposed CHC could alleviate the demand for such services by residents in Tuen Mun District in future, taking into account (a) and (b) above.

*[Post-meeting note: The supplementary information provided by the Administration was circulated to members vide LC Paper No. FC111/18-19(01) on 11 February 2019.]*

59. Mr LEUNG Che-cheung expressed support for the proposed project. He remarked that the public housing development at Tuen Mun Area 29 West would be an integration of RCHE and CHC with public housing. He also suggested that the Administration should conduct the planning with better designs to reduce the risk of infectious disease outbreak in the neighbourhood and minimize the nuisances that might be caused to residents by ambulances running in and out of the area. Mr AU Nok-hin enquired whether consideration could be given to providing an emergency vehicular access at the side leading to Po Tin Estate.

60. CA(2)/HD advised that the facilities under the public housing development at Tuen Mun Area 29 West would have separate entrances. Ambulance parking spaces would be provided near the front entrance of the proposed CHC and the entrance to the RCHE to facilitate convenient pick-up and drop-off of patients/residents. The design of the emergency vehicular access to the development was proposed after discussion with the Transport Department and traffic impact assessment.

61. Mr Michael TIEN enquired about the progress of the Administration's follow-up work on his proposal to install the smart parking system at the proposed CHC. CCE(PWP)/THB said that the Transport and Housing Bureau, the Transport Department and major stakeholders were actively exploring the implementation of the smart parking system at the proposed CHC, but the technical feasibility of which was yet to be determined.

62. Ms Claudia MO opined that the name of "Community Health Centre" did not seem to reflect the scale of and equipment in the proposed CHC as described in the discussion paper (PWSC(2018-19)33). She suggested that the Administration should consider renaming it. Service Director (Primary and Community Health Care), New Territories West Cluster, Hospital Authority said that as the proposed CHC would be the fourth CHC of this type and scale in Hong Kong, it was believed that members of the public knew very well the scale of and equipment in these CHCs.

63. At 6:57 pm, the Chairman directed that the meeting be extended for 15 minutes.

Voting on FCR(2018-19)71

64. At 7:02 pm, the Chairman put item FCR(2018-19)71 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item, and that the item was approved.

65. The meeting ended at 7:05 pm.