### 立法會 Legislative Council

LC Paper No. CB(3) 15/16-17

# Paper for the House Committee meeting of 14 October 2016

### Questions scheduled for the Legislative Council meeting of 19 October 2016

### Questions by:

(1)	Hon HUI Chi-fung	(Oral reply)
(2)	Hon Mrs Regina IP	(Oral reply)
(3)	Hon MA Fung-kwok	(Oral reply)
(4)	Hon LEUNG Yiu-chung	(Oral reply)
(5)	Hon Paul TSE	(Oral reply)
(6)	Dr Hon Elizabeth QUAT	(Oral reply)
(7)	Hon Tanya CHAN	(Written reply)
(8)	Hon Frankie YICK	(Written reply)
(9)	Hon CHAN Hak-kan	(Written reply)
(10)	Hon WU Chi-wai	(Written reply)
(11)	Hon IP Kin-yuen	(Written reply)
(12)	Hon Alice MAK	(Written reply)
(13)	Hon Kenneth LEUNG	(Written reply)
(14)	Hon Charles Peter MOK	(Written reply)
(15)	Hon Sixtus LEUNG	(Written reply)
(16)	Hon WONG Kwok-kin	(Written reply)
(17)	Hon KWOK Wai-keung	(Written reply)
(18)	Hon Eddie CHU	(Written reply)
(19)	Dr Hon Elizabeth QUAT	(Written reply)
(20)	Hon Paul TSE	(Written reply)
(21)	Hon Frankie YICK	(Written reply)
(22)	Hon WU Chi-wai	(Written reply)

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NOTE :

- # 議員將採用這種語言提出質詢
- # Member will ask the question in this language

### 2016 Legislative Council General Election

### (1) <u>Hon HUI Chi-fung</u> (Oral reply)

Quite a number of the arrangements for the Legislative Council ("LegCo") General Election just held have attracted various criticisms. Some electors who claimed that they were eligible to vote in the District Council (Second) Functional Constituency ("DC (Second) FC") election were refused to be issued with the ballot papers for that FC election; the Registration and Electoral Office arranged polling staff to take home ballot papers, copies of register of electors and electoral materials about one week before the polling day for temporary custody, and bring them to the polling stations on the morning of the polling day; at some polling stations, the numbers of ballot papers issued and collected did not tally with each other; the polling hours of several polling stations had to be extended because a large number of electors were still queuing to cast their votes there at the scheduled polling end time of 10:30 pm, and some electors even had to wait until 2:30 am on the following day before they could vote. In this connection, will the Government inform this Council:

- of the total number of polling stations which were set up at smaller premises because requests for borrowing premises had been rejected; whether it has reviewed if the arrangement for polling staff to keep custody of electoral materials for as long as one week is appropriate; if it has not reviewed, of the reasons for that; if it has reviewed and the outcome is in the negative, the improvement measures;
- as it is stipulated in the legislation that a person applying for registration as an elector for a geographical constituency is also regarded as having applied for registration as an elector for DC (Second) FC unless the person indicates otherwise, of the number of electors who, albeit not having indicated otherwise at the time of elector registration, were refused to be issued with the ballot papers for that FC election, and the reasons for that; and
- (3) of the number of polling stations at which the numbers of ballot papers issued and collected did not tally with each other, and set out the relevant reasons by name of polling station; the number of polling stations of which the polling hours were extended, and set out the relevant reasons by name of polling station; the measures in place to prevent the recurrence of the aforesaid two situations?

## Proposed enhancements to decision-making and governance structure for listing regulation

### (2) <u>Hon Mrs Regina IP</u> (Oral reply)

The Securities and Futures Commission ("SFC") and The Stock Exchange of Hong Kong Limited ("SEHK") issued a joint consultation paper on proposed enhancements to SEHK's decision-making and governance structure for listing regulation in June this year. Some members of the financial services industry have reacted strongly to the proposals put forth in the consultation paper. are of the view that the existing structure has all along been working well in the However, the proposed new Listing Regulatory recent 30 years or so. Committee and Listing Policy Committee, each with less than 10 members, may make decisions overriding those of the existing Listing Committee which is broadly representative, allegedly weakening the latter's power to vet and approve Also, the Financial Services Development Council, Hong Kong has recently indicated that the proposals concerned simply cannot achieve the objectives set out in the consultation paper. In this connection, will the Government inform this Council:

- (1) as the objectives of the proposals put forth in the consultation paper include the establishment of a more efficient decision-making structure to address various regulatory issues (including stock price manipulation, corporate governance shortfalls, disclosure problems and other misconduct which prejudices public investors), whether the Government knows the respective numbers of cases in which SFC conducted investigations and instituted prosecutions in respect of such issues and the number of convictions concerned, in each year during the period from 2011 to September this year, with a tabulated breakdown by regulatory issue, as well as the percentage of the number of companies investigated in the total number of listed companies;
- as the Chief Executive Officer of SFC has indicated that there is no Plan B for the consultation, how the authorities will deal with the situation where the proposals concerned are not accepted by the industry; whether the authorities have assessed if the proposals concerned have violated the market participant-based regulatory principle set out in the Davison Report, which has been adopted by the authorities since 1988; whether the Government will request SFC to revise the proposals concerned so as to garner more support from members of the industry; if it will, of the details; and
- (3) as some members of the industry have indicated that the proposals put forth in the consultation paper, if implemented, will increase the costs and time required for listing, impact on the development of the industry and undermine the competitiveness of Hong Kong, whether the Government knows the time generally required for completing the entire initial public offering ("IPO") process currently; how the time for vetting

and approving listing applications in Hong Kong compares with the relevant time in other major securities markets; as Hong Kong ranked first globally in terms of IPO funds raised last year, whether the Government has assessed the impact of the implementation of the proposals concerned on the competitiveness of Hong Kong as an international financial centre; if it has assessed, of the details; if not, the reasons for that?

## Using industrial building units for arts, cultural, recreational and sports purposes

### (3) Hon MA Fung-kwok (Oral reply)

In June this year, a No. 4 alarm fire broke out in the mini-storages of an industrial building at Ngau Tau Kok Road. Subsequently, the Lands Department ("LandsD") takes risk-based enforcement actions against lease breaches involving the change of uses in industrial buildings. LandsD will issue warning letters to owners of industrial building units involved in lease breaches, requiring them to rectify the breach of uses within 14 days, or else LandsD will initiate the procedure for re-entering such units. In this connection, will the Government inform this Council:

- (1) of the number of cases to date in which LandsD has issued warning letters; among such cases, the number of those related to lease breaches involving uses of industrial building units for arts, cultural, recreational and sports purposes; whether the authorities will give consideration to stakeholders' views and grant longer grace periods to the persons concerned in those cases of lease breaches that do not involve high fire safety risk; if they will not, of the reasons for that;
- of the criteria currently adopted by LandsD for assessing the fire safety risk involved in using industrial building units for arts, cultural, recreational and sports purposes, as well as the criteria adopted for assessing such risk involved in other non-industrial uses like mini-storages, scientific researches, etc. in industrial building units; if the two sets of criteria are the same, of the reasons for that; and
- (3) as there are views that the enforcement actions taken by LandsD run contrary to the direction of the policy, put forward earlier by the authorities, that the restrictions on non-industrial uses in industrial buildings be appropriately relaxed to better utilize the existing spaces in industrial buildings, whether the authorities will expeditiously revise the definition of "industrial use" set out in the Hong Kong Planning Standards and Guidelines as well as the relevant fire safety requirements, so as to avoid compressing the room for survival of the arts, cultural, recreational and sports industries; if they will, of the details; if not, the reasons for that?

### (4) <u>Hon LEUNG Yiu-chung</u> (Oral reply)

Some persons with hearing impairment have relayed to me their hope that the Government will make sign language as an official language, and require television ("TV") stations to provide sign language interpretation service in their news programmes, so as to foster a barrier-free environment for these persons to receive important information. On the other hand, when conducting a public consultation exercise in 2014 in respect of the application for renewal of a programme service licence free TV ("TV licence"), Communications Authority ("CA") noted the views expressed by various groups that there was an increasing demand for sign language interpretation service provided in news programmes. However, as the licensee said at that time that there was a short supply of qualified sign language interpreters, CA eventually only included in the renewed licence concerned an enabling clause on the provision of sign language interpretation service. CA also indicated that it had planned to conduct a review at the end of 2015 to explore ways to ensure the accuracy of the contents of news programmes upon inclusion of sign language interpretation in such programmes, so as to comply with the relevant programme The effective date of the clause would be subject to the outcome of In this connection, will the Government inform this Council: CA's review.

- (1) whether it knows the details and progress of the aforesaid review conducted by CA; whether CA has formulated a timetable for implementing the clause on the provision on sign language interpretation service in the TV licence; if CA has, of the details; if not, when CA will formulate such timetable;
- (2) of the training and accreditation schemes for sign language interpreters to be implemented by the authorities in the next three years; and
- (3) whether it will consider making sign language as one of the official languages?

## Impact of Mainland-funded consortia buying commercial and residential sites and properties in Hong Kong

### (5) <u>Hon Paul TSE</u> (Oral reply)

In recent years, cases of Mainland-funded consortia investing huge sums of money to buy commercial and residential sites and properties in Hong Kong have been on the rise. Over the past six months, two thirds of Grade A commercial buildings were gobbled by Mainland-funded consortia, involving an amount as high as some \$20 billion, which far exceeded the total amount in the past decade. In addition, in the past two years, among the 50-odd residential sites sold by the Government, 20% of which were bought by Mainland-funded Like a rising tide that lifts all boats, the price of the units of the first residential project built under the "Hong Kong property for Hong Kong residents" policy (i.e. with land lease conditions restricting the resale of such units to Hong Kong people only) and developed by a Mainland-funded consortium is as high as \$18,000 per square foot ("ft2"). Meanwhile, local developers also offer high prices in land auctions in order to compete for development sites, resulting in many small flats with an area of 200 to 300 ft2 fetching \$20,000 per ft2, which is far beyond the affordability of the general public. In this connection, will the Government inform this Council:

- (1) whether it has assessed if the continuous buying of commercial and residential sites and properties in Hong Kong by Mainland-funded consortia has any impact on the abilities of the general public to buy homes and conduct business; if it has assessed, of the details; if not, whether it will expeditiously do so; whether the so-called "influx of capital from the Mainland into Hong Kong" will offset the effect of the Chief Executive's policy initiative of increasing land supply in the hope of cooling down the overheated property market; if so, of the details;
- (2) whether it will, in view of the incessant rise in property prices, put forward and implement a more effective housing policy to assist first-time home buying families and relieve the youth housing problem; and
- (3) as the Government has adopted the approach of "working on the easier tasks first and the more difficult ones later" (i.e. to proceed with the removal and relocation of non-indigenous villages before developing brownfield sites) in taking forward the public housing development at Wang Chau, whether the Government will adjust the approach and resume illegally occupied Government land for the development of large brownfield sites first, so as to increase the supply of residential sites more quickly?

## Problems related to damage claims lodged by torture claimants in respect of unlawful detention

### (6) <u>Dr Hon Elizabeth QUAT</u> (Oral reply)

In March 2014, the Court of Final Appeal ("CFA") held that, on the basis of the circumstances of the case, a person convicted of overstaying in Hong Kong had been "unlawfully detained" for part of the period for which he was placed, after serving his sentence, under administrative detention by the Director of Immigration Department pursuant to the Immigration Ordinance, and the person was entitled to claim damages for unlawful detention. It is learnt that since the handing down of CFA's judgment, the number of damage claims for unlawful detention lodged by torture claimants has soared. As at February this year, the District Court had a backlog of about 730 such claims. In addition, in August this year, a District Court judge pointed out in his judgment that 450 cases of such claims were handled by the same law firm and 212 of them were granted The judge questioned the sources of funding for the claimants who had not been granted legal aid in their institution of proceedings, and warned that the court would not hesitate to refer any such cases to the authorities for investigation if there was evidence to show that they involved champerty. judge also pointed out that as the claimants of some cases appeared to be economic migrants and their claims had a low success rate, the relevant proceedings should not be commenced at all. The judge also said that a copy of the judgment would be sent to the Director of Legal Aid for reference and In this connection, will the Government inform this Council: consideration.

- in respect of the aforesaid cases involving the institution of proceedings by claimants who had not been granted or who had not applied for legal aid, whether the authorities will take the initiative to investigate if the legal services provided by the law firm concerned involved champerty;
- in the light of the situation in which 212 claim cases granted with legal aid were handled by the same law firm, whether the authorities will review the existing declaration system to ensure that in nominating lawyers to act as their legal representatives, the aided persons have not agreed to share with any person any damages or costs which they may be awarded at the close of the proceedings; and
- (3) given that the cumulative number of non-refoulement claims to date has exceeded 11 000, whether the authorities have assessed if there will be a further surge in the number of claim cases related to unlawful detention; whether the Legal Aid Department ("LAD") will review if the threshold for approving legal aid applications lodged by claimants is too low; if LAD will, of the details; if not, the reasons for that?

### Development of Site 3 of the new Central harbourfront

### (7) <u>Hon Tanya CHAN</u> (Written reply)

At its meeting on the 30th of last month, the Metro Planning Committee of the Town Planning Board agreed to the Draft Planning Brief for the Comprehensive Development Area zone at Site 3 of the new Central harbourfront. The site is earmarked for commercial development and the General Post Office ("GPO") building, which has occupied that site for nearly 40 years, will have to be demolished. The developer will be required to construct the district-tied facilities of GPO (including the GPO Counter Office and the Post Office Box Section, the GPO Delivery Office, and the Speedpost Section) on a location north of Lung Wo Road within Site 3. The existing GPO building will be demolished after those facilities have been handed over to Hong Kong Post for use. In this connection, will the Government inform this Council:

- of the procedure, and its details, to be followed by the Government for granting the development project at Site 3 to the developer; the reasons why the Government will entrust the design and construction of the district-tied facilities of GPO to the developer;
- (2) of the details and outcome of the public consultations conducted in the past by the Government in respect of the development project; and
- (3) whether it has assessed the quantity of construction waste to be generated by the demolition of the existing GPO building, and how the authorities will dispose of such construction waste?

## Impact of the commissioning of the Kwun Tong Line Extension and the South Island Line (East) on public transport services

### (8) <u>Hon Frankie YICK</u> (Written reply)

Under the current public transport policy of the Government, railway is the backbone of our public transport system. Also, the railway network has continued to expand in recent years, including the Kwun Tong Line Extension and the South Island Line (East), which are expected to be commissioned in October and at the end of this year respectively. It is learnt that the Transport Department ("TD") has assessed the impact of the two railway lines on other public transport services and formulated reorganization plans in respect of the public transport services ("reorganization plans"). However, some operators of red minibuses ("RMBs") and taxis have relayed that such reorganization plans only focused on services provided by franchised buses and green minibuses ("GMBs") and overlooked the serious impact on the business opportunities of RMBs and taxis which will be caused by the commissioning of new railway lines. For instance, it is estimated that the patronage of RMBs and taxis plying Kwun Tong District will drop by 50% and 10% respectively, with some RMB routes even having to cease operation, thereby affecting the livelihood of some 50 minibus drivers and reducing the choices of public transport services available for residents of the district. In this connection, will the Government inform this Council:

- (1) whether TD has assessed the impact of the commissioning of the Kwun Tong Line Extension on the patronage of various public transport services (including RMBs, taxis, GMBs and franchised buses) in the districts concerned; if TD has, of a breakdown of the relevant information by type of public transport services;
- (2) whether TD, when formulating the public transport reorganization plan in respect of the Kwun Tong Line Extension, has discussed the new transport arrangements with the operators of the public transport services concerned (including RMBs and taxis); if TD has, of the details; if not, the reasons for that;
- (3) whether TD has consulted the operators concerned regarding the impact that the commissioning of the South Island Line (East) will cause on the various public transport services in the relevant districts; if TD has, of the details; if not, the reasons for that, and when such consultation will be conducted; and
- (4) whether TD will consider setting up additional pick-up/drop-off points for RMBs and taxis as well as relaxing the time period of prohibited zones in districts covered by new railway lines, with a view to lessening the extent to which the business opportunities of such public transport services are reduced due to the expansion of the railway network; if TD will, of the details; if not, the reasons for that and what improvement measures are in place?

#### Transport services for the Pak Shek Kok area

### (9) <u>Hon CHAN Hak-kan</u> (Written reply)

Upon the successive completion and intake of several housing estates including Providence Bay, The Graces · Providence Bay, Providence Peak and Mayfair By The Sea in recent years, the population of the Pak Shek Kok area has exceeded 20 000. Given that about 4 500 new flats will be completed in the district in the coming few years, and two new buildings of the Hong Kong Science Park will also be completed soon, quite a number of residents of the district have relayed to me that the external transport services for the Pak Shek Kok area will be overloaded. In this connection, will the Government inform this Council:

- (1) whether the authorities will reassess if there is a need to construct the Science Park Station along the MTR East Rail Line;
- (2) given that the current trip frequencies of the external bus and green minibus services for the Pak Shek Kok area are on the low side (e.g. with headway at an interval of one hour), and more than half of such bus routes provide peak-only services, whether the authorities will enhance the external public transport services for that area;
- (3) whether the authorities will consider arranging some trips of the franchised bus routes passing by Tolo Highway (such as Route No. 271 running to and from Fu Heng and Canton Road, Tsim Sha Tsui, Route No. 307 running to and from Tai Po Centre and Central Ferry Piers, and Route No. N271 running overnight service to and from Fu Heng and Hung Hom Station) to detour to the Pak Shek Kok area, so as to facilitate residents of the area to commute to and from Kowloon West and the Hong Kong Island; and
- (4) given that the existing franchised bus services connecting the Pak Shek Kok area and the University Station cannot meet the demand, quite a number of members of the public have proposed introducing residents' bus services or green minibus services connecting the Pak Shek Kok area and the University Station, whether the authorities will consider such proposals; if they will, of the details; if not, the reasons for that?

### (10) <u>Hon WU Chi-wai</u> (Written reply)

The Fire Safety (Buildings) Ordinance (Cap. 572), which came into operation on 1 July 2007, stipulates that the fire protection of composite and domestic buildings which were constructed on or before 1 March 1987, or the building works plans for which were first submitted for approval on or before that day, must be enhanced to meet the current requirements. The authorities will issue Fire Safety Directions ("FSDs") to the owners and/or occupiers of such buildings, specifying the fire safety improvement works required for their buildings. Besides, the authorities have issued a Guidebook for the Compliance of Fire Safety Directions issued by the Fire Services Department ("the Guidebook") to assist owners in complying with FSDs. It is learnt that quite a number of owners have encountered difficulties in improving the fire service facilities of their buildings, and such difficulties include fragmentation of ownerships, financial difficulties, and failure to identify suitable fire service installation contractors to carry out the works. Some owners have even indicated that it is difficult for them to comply with FSDs as they are unclear about the criteria mentioned therein. On the other hand, the authorities advised Members of this Council on many previous occasions that the authorities would, on the premise of not compromising basic fire safety, adopt a flexible and pragmatic approach in handling individual cases. In this connection, will the Government inform this Council:

- (1) given that the Government is implementing a pilot scheme under which owners of buildings of not more than three-storey with difficulties in installing fire services water tanks and pumping systems are allowed to install improvised hose reel systems on the ground floor of the buildings, in order to comply with FSDs, and that an official of the Security Bureau said at a meeting of the Panel on Security of this Council in July this year that the Government would explore the feasibility of extending the pilot scheme to six-storey buildings, of the progress of the exploration work taken up by various Government departments concerned and when such work is expected to be completed;
- among the FSDs issued by the Fire Services Department and the Buildings Department in each of the past three years, of the respective numbers of FSDs which, at present, (i) have been complied with, (ii) have been partially complied with, (iii) have not been complied with, and (iv) have been discharged and the reasons for that (set out in a table); and
- (3) given that the Guidebook sets out an alternative arrangement that where a building (i) is of not more than six storeys or 20 metres in height and (ii) does not have adequate space or has been certified by authorized persons that its structure cannot withstand the weight of an additional water tank, the authorities will consider exempting such a building from installing a hose reel system, and the owners concerned are only required to provide

portable dry powder fire extinguishers with a capacity of four kilograms in the common areas of building floors, whether the authorities will, in regard to the difficulties in complying with FSDs encountered by owners of "three-nil" buildings (i.e. buildings without Owners' Corporations, residents' organizations or property management companies), or by other owners facing financial difficulties and being unable to identify suitable fire service installation contractors to carry out the works, extend the alternative arrangement to cover the buildings concerned as an interim measure, so that owners will not be prosecuted by the authorities for the time being for their failure to fully comply with FSDs?

## Impact of the decline in the population of school-aged Secondary One students

### (11) <u>Hon IP Kin-yuen</u> (Written reply)

It has been reported that the past 13 years saw a continuous decline in the population of school-aged Secondary One ("S1") students. To meet the challenges arising from this trend, the authorities launched in 2010 the Voluntary Optimization of Class Structure Scheme ("the Scheme") to assist schools in optimizing class structure by voluntarily reducing the number of classes with a view to achieving sustainable development. Schools participating in the Scheme are allowed, through "enhanced teaching staff establishment", to retain surplus teachers arising from class reduction for a period of six years ("the retention period"), so that the schools concerned can plan to adjust their teacher manpower through natural wastage and other means. In addition, the authorities implemented in 2012 relief measures with a view to "maintaining the stability and strengths of schools and teachers", including allowing aided schools to apply for extension of the retention period to the 2017-2018 school year. However, quite a number of principals and teachers have relayed to me that the threats of "reduction of classes and closure of schools" linger, and teaching staff even need to carry out promotional activities outside school to recruit students, which is extremely unsatisfactory. Owing to low student intake, some schools (particularly those operating one or two S1 classes) have to reduce the number of the New Senior Secondary ("NSS") elective subjects offered to students. this connection, will the Government inform this Council:

- among the aided and government schools in each District Council ("DC") district, of the respective numbers of those which operate one, two...six and seven or more S1 classes in the 2016-2017 school year (set out in a table);
- of the respective (i) total number of S1 places and (ii) population of school-aged S1 students in each DC district in each of the school years from 2016-2017 to 2021-2022 (set out in a table);
- in the school years from 2012-2013 to 2016-2017, of the respective numbers of secondary schools which reduced the number of NSS elective subjects offered, as well as the numbers and names of the subjects reduced; among the schools which reduced the number of such subjects, the number of those operating three or less S1 classes; whether the authorities have assessed if such schools have sufficient teacher manpower for offering NSS elective subjects that are no less than the original number of subjects; if they have assessed, of the details; if the assessment outcome is in the negative, of the support measures to be provided by the authorities for such schools to address the problem relating to reduction in the number of elective subjects offered;
- (4) of the number of new teachers employed using the teaching post quota by schools participating in the Scheme (i.e. the new teachers employed by

such schools since their participation in the Scheme); the numbers of schools which will have to surrender the teaching post quota in the current and the coming three school years in accordance with the revised teaching staff establishment, as well as the numbers of teachers who will have to be displaced; and

(5) given that the population of school-aged S1 students is estimated to rebound gradually from the 2017-2018 school year onwards and return to the previous level in the 2020-2021 school year, whether the authorities have plans to extend the retention period to the 2020-2021 school year, with a view to stabilizing teachers' confidence in job prospects so that they will not have to worry about losing their jobs; if they have such plans, of the details; if not, what specific measures the authorities will take to resolve problem of uncertain job prospects among teachers?

## Measures to combat unscrupulous business practices of financial intermediaries

### (12) <u>Hon Alice MAK</u> (Written reply)

In recent months, quite a number of members of the public have relayed to me that fraudulent cases involving financial intermediaries ("intermediaries") have frequently occurred, even with some victims who had been charged exorbitant intermediary fees committing suicide as they could not withstand the stress. Since 2014, I have received more than 240 complaints totalling over \$380 million, reflecting the severity of the problem. To crack down on the money lending malpractices by intermediaries, the authorities proposed more stringent regulatory measures in April this year. Nevertheless, some members of the money lending industry have pointed out that those measures treat the symptoms but not the root cause of the problem, and the authorities should therefore introduce amendments to the Money Lenders Ordinance (Cap.163) ("the Ordinance") to step up the regulation of intermediaries. In this connection, will the Government inform this Council:

- (1) whether the authorities are currently conducting studies on introducing amendments to the aforesaid Ordinance and setting up a licensing regime for intermediaries; if they are, of the details; if not, the reasons for that;
- of the number of prosecutions instituted by law enforcement agencies against illegal practices of intermediaries since 2015; whether the authorities have stepped up law enforcement actions in response to such increasingly rampant practices; if they have, of the specific measures and their effectiveness;
- (3) given that Caritas Hong Kong and Tung Wah Group of Hospitals set up in April this year dedicated telephone hotlines to provide advisory services for people in financial distress, whether the authorities know the number of enquiries and requests for assistance received by such hotlines so far; and
- (4) given that some members of the money lending industry have pointed out that there are credit reference agencies ("CRAs") leaking consumer credit data of members of the public to unscrupulous intermediaries, whether the authorities know the legal basis on which CRAs provide consumer credit data of members of the public to money lenders such as banks; whether they have taken measures to ensure proper management of consumer credit data of members of the public by CRAs; if they have, of the details?

Processing company registration applications by the Companies Registry

### (13) <u>Hon Kenneth LEUNG</u> (Written reply)

It has been reported that an organization submitted to the Companies Registry ("CR") in March this year an application for registration as a limited company, but the vetting and approval of the application have not been completed so far. In this connection, will the Government inform this Council:

- (1) how the time CR generally takes at present to process an application for incorporation of a local limited company compares to that taken in the United Kingdom and Singapore for processing such kind of applications;
- of (i) the respective numbers of applications for registration of limited companies received, approved and rejected by CR in each of the past three years, and (ii) among those applications the vetting and approval of which have been completed, the respective numbers of applications which took one month or less and more than one month to complete; and
- of the factors considered by CR in vetting and approving applications for registration of limited companies; the reasons why some applications were rejected or have remained outstanding for several months, and whether CR will inform the applicants of the relevant reasons; if CR will, of the details; if not, the reasons for that?

### Pilot Technology Voucher Programme

### (14) <u>Hon Charles Peter MOK</u> (Written reply)

Early this year, the Government announced the allocation of \$500 million to launch a three-year Pilot Technology Voucher Programme ("PTVP") under the Innovation and Technology Fund to subsidize local small and medium enterprises ("SMEs") in using technological services and solutions to improve productivity and upgrade, transform or re-tool their business processes. Some members of the information technology ("IT") sector have expressed great concern about the implementation details and timetable of PTVP. In this connection, will the Government inform this Council:

- (1) of the work plan for implementation in the 2016-2017 financial year by the authorities in relation to PTVP and the timetable for launching PTVP;
- whether the authorities will consult members of the relevant sectors again on PTVP before its launch; if they will, of the details; if not, the reasons for that;
- (3) whether the authorities will draw up a list of approved providers of information technology services and solutions under PTVP; if they will, of the criteria for drawing up the list, and how they will enable more qualified IT companies to participate in the programme; of the estimated number of service providers to be included in the list; whether they will provide incentives to encourage SMEs to use locally-developed IT products;
- of the types of technological services and solutions to be funded under PTVP; the estimated average number of working days needed for completing the entire vetting and approval process (from receipt of an application to disbursement of subsidy);
- (5) given that cloud-based services have gained popularity in recent years, and quite a number of enterprises buy cloud-based services not by one-off payment method, of the appropriate arrangements to be made by the authorities when implementing PTVP in order to cater for such situation; and
- (6) whether it will formulate simple and convenient procedures for submission, vetting and approval of applications for PTVP and disbursement of subsidies, and accept applications submitted by online paperless means?

#### Management of public records

### (15) <u>Hon Sixtus LEUNG</u> (Written reply)

It has been reported that since the establishment of the current-term Government in 2012 up to April this year, the Government Records Service ("GRS") has approved the destroy of records of a total of 259 191 linear metres (a standard measurement unit of the quantity of archival records materials based on the thickness of horizontally filed records materials), equivalent to an annual average of about 280 million pages of documents. The latter doubled the annual average number of records destroyed by the Government of the last two terms (about 30 000 linear metres, i.e. some 140 million pages of documents). On the other hand, the Administration Wing issued in 2009 the General Circular No. 2/2009 "Mandatory Records Management Requirements", setting out the requirements for records management to be met by various policy bureaux and departments. In this connection, will the Government inform this Council:

- (1) whether the authorities have regularly reviewed the staffing establishment of various grades in GRS, particularly if the manpower of the archivist grade is commensurate with its workload; if they have, of the outcome of the latest review; if not, the reasons for that;
- whether the authorities have identified any instances of non-compliance since the issuance of the aforesaid General Circular; if they have, set out in a table the annual numbers of non-compliance cases by type of non-compliance, including the relevant policy bureaux or departments failing to:
  - (i) print email records and file them,
  - (ii) prepare and maintain an accurate records inventory,
  - (iii) establish classification lists for all business records,
  - (iv) keep and store records properly,
  - (v) report incidents of loss and unauthorized destroy of records to GRS immediately and investigate such cases,
  - (vi) transfer records having archival value to GRS according to the records disposal schedules,
  - (vii) obtain GRS's prior agreement before destroy of records, and
  - (viii) dispose of time-expired records at least once every two years;
- (3) given that the Law Reform Commission set up a subcommittee in June 2013 to study the introduction of an archives law, whether the authorities know the work progress of the subcommittee, including the expected date of submission of its final report and whether the minutes of the relevant meetings will be made public?

### (16) <u>Hon WONG Kwok-kin</u> (Written reply)

At present, there are 39 government dental clinics ("dental clinics") across the territory, providing dental services mainly for civil servants and eligible persons (including dependents of civil servants and civil servant pensioners), and only 11 of them provide emergency dental services for members of the public ("emergency dental clinics"). Quite a number of members of the public have pointed out that the emergency dental services are insufficient to meet public demand and the provision of such services is unevenly distributed across the territory. As a result, they have to queue up for a very long time for consultation quotas and have to seek treatment in other districts. In this connection, will the Government inform this Council:

- (1) of the (i) daily quotas and (ii) average usage rates in respect of the services provided for civil servants and eligible persons by each dental clinic:
- (2) of the (i) daily quotas and (ii) average usage rates in respect of the emergency dental services provided for members of the public by each emergency dental clinic;
- (3) whether it has assessed the instances in which members of the public living in districts without emergency dental clinics (e.g. the Wong Tai Sin district) have received emergency dental services in other districts; if it has, of the details, including the number of cases in the past three years in which emergency dental services were provided by each emergency dental clinic for members of the public who came from other districts to seek treatment;
- (4) given that no more than one tooth will be extracted for patients in each consultation session of emergency dental services, whether the authorities will consider allowing patients who need to have several teeth extracted to make appointment for the next consultation session, so as to obviate their need to queue up again for consultation quotas;
- (5) whether the authorities will consider expanding the coverage of emergency dental services, so that each of the 18 District Council districts across the territory will have one emergency dental clinic; and
- (6) given that dental clinics operate under the Department of Health, whether the authorities will redesignate the Secretary for the Civil Service, in place of the Secretary for Food and Health, as the controlling officer responsible for the expenditure on dental services for civil servants?

### (17) Hon KWOK Wai-keung (Written reply)

In January last year, the owner of an industrial building in Chai Wan submitted an application to the Town Planning Board ("TPB") under section 12A of the Town Planning Ordinance (Cap. 131) ("section 12A") for amending the approved Chai Wan Outline Zoning Plan ("OZP") to rezone the site on which the industrial building is situated from "Industrial" to "Other Specified Uses" annotated "Columbarium". Under that provision, TPB shall, within three months after the receipt of the application, hold a meeting to consider the application. However, that owner requested in May last year for deferment of consideration of the application by TPB on the ground that it needed to prepare supplementary information and withdrew the application in July, but re-submitted the application in November. Eventually, TPB considered and made a decision on the application last month. Some residents in Chai Wan District have commented that a decision on the application was pending for almost two years, during which they were greatly distressed. Regarding applications made under section 12A, will the Government inform this Council:

- whether it knows the number of applications made under section 12A which were received by TPB in the past five years; among them, the respective numbers and percentages of applications (i) the applicants of which requested for deferment of consideration of the applications by TPB, (ii) which were approved, (iii) the vetting and approval of which took more than three months to complete, and (iv) which were repeated submissions and the distribution of such applications by district;
- (2) as some members of the public have pointed out that according to statutory procedures, TPB shall, upon receipt of an application for plan amendment, make available as soon as reasonably practicable the application for public inspection at a reasonable time, and within the first three weeks of that period, any person may make comment to TPB in respect of the application, but incessant submission of supplementary information by the applicant resulting in incessant changes to the scope and deadline for the public to make comments may affect their willingness to make comments, and the applicant's requests for deferment of consideration of his/her application by TPB will also lengthen the time for which the affected residents suffer from distress, whether the authorities will consider setting a limit on the maximum number of times an applicant may submit supplementary information and lodge requests for deferment of consideration of his/her application, in order to guard against abuse of the procedures;
- (3) given that some members of the public have pointed out that under the existing procedures, TPB shall, upon receipt of an application for amendment of plan, publish a notice in newspapers and on its website, or post a notice in a prominent position on or near the application site, and send a notice to the Owners' Corporations or other committees of the

buildings within 100 feet from the boundary of the application site, but members of the community and residents who are affected may not be aware of such notices, and the ways in which the notices are disseminated appear to be behind the times in an advanced information society nowadays, whether the authorities will review the relevant practices (including the target recipients of the notices and the scope and methods of dissemination) so as to make it more likely for the affected parties to become aware of the relevant applications to facilitate their tendering views;

- (4) as some members of the public have pointed out that TPB is not currently required to actively initiate public consultation on applications for amendment of plans and it just waits passively for public comments, but some applications have significant impacts on the communities concerned, whether the authorities will review the ways in which TPB collects public views on such applications, including adding the practice of taking the initiative to consult the District Councils concerned, in order to better gauge views from local communities on such applications; and
- whether the authorities will (i) review section 12A and the relevant procedures to guard against abuse of the mechanism for deferring TPB's consideration of applications by the applicants, (ii) set a higher threshold for submission of repeated applications (e.g. requiring an applicant to consult the Planning Department, the Home Affairs Department and the District Councils concerned prior to the submission of the application), and (iii) in respect of cases in which the application was withdrawn by the applicant or refused by TPB, set a deadline for submission of repeated applications, in order to guard against abuse of the application mechanism by applicants, and thus a waste of administrative resources?

### (18) <u>Hon Eddie CHU</u> (Written reply)

In mid-2012, the Government commenced a planning and engineering study on the public housing development at Wang Chau ("Wang Chau development"). The project, which involves 17 000 public housing flats, will be carried out in three phases, with the second and third phases involving large areas of brownfield sites. After conducting informal consultations with a few persons from the local communities, the Government announced in mid-2014 that it would carry out phase one plan of Wang Chau development, under which three non-indigenous villages in green belt areas will be cleared for the construction of 4 000 public housing flats. The incident has aroused wide public concern about land development projects in the New Territories, especially their planning procedures. In this connection, will the Government inform this Council:

- of the details (including the dates of consultation, attendance lists and contents of consultation) of the informal consultations conducted by government departments with any persons or stakeholder groups in respect of the following development projects:
  - (i) housing development at San Hing Road, Tuen Mun,
  - (ii) North East New Territories New Development Areas,
  - (iii) Hung Shui Kiu New Development Area,
  - (iv) housing sites in Yuen Long South,
  - (v) housing development at Kam Tin South, and
  - (vi) Tung Chung New Town Extension;
- of the details (including the dates of consultation, attendance lists and contents of consultation) of the informal consultations, conducted by the Lantau Development Advisory Committee or any Government department before the publication of the report entitled "Space for All" by the Committee in January 2016 and the conduct of the three-month public engagement exercise on this, with any persons or stakeholder groups in respect of the proposals on Lantau development;
- (3) given that the parties whom the Government has informally consulted on Wang Chau development include a person who is in the multiple capacities of being a member of the District Council concerned, the Chairman of the rural committee concerned and the lessee of the brownfield sites concerned, which has aroused extensive discussions in the community and disputes over conflict of interests, whether Government departments need to comply with any guidelines, practices or requirements when choosing the parties to be consulted informally; if so, of the details;
- (4) given that the Secretary for Development indicated in reply to a question raised by a Member of this Council on 29 May 2013 that "[a]s the

co-ordination work on planning, development and land supply is now well handled by the Steering Committee on Land Supply and the Committee on Planning and Land Development, we have no plan to set up another inter-departmental committee specifically responsible for land issues in the New Territories", and yet the Government set up a task force for the planning of Wang Chau and Queen's Hill in June 2013 to steer Wang Chau development and the public housing development plan at Queen's Hill, of the discussion process leading to the decision to set up such task force and the list of persons participating in the discussion; and

of the number of inter-departmental ad hoc committees/task forces on land development in the New Territories chaired by the Chief Executive since 1 July 1997, and set out their establishment dates by name of the committees/task forces?

#### ThunderGo

### (19) Dr Hon Elizabeth QUAT (Written reply)

Earlier on, an academic launched the "ThunderGo" campaign for the 2016 Legislative Council General Election to facilitate electors who had joined the campaign to participate in strategic voting by coordinating the lists of candidates fielded and disseminating to them on the polling day data gathered from opinion polls ("poll data") and recommended lists of candidates, with a view to boosting the number of elected candidates from a particular camp. It was reported that, as a result of the poll data disseminated by ThunderGo, seven candidates respectively announced their "withdrawal of candidature" several days before the election day. Quite a number of members of the public consider that ThunderGo has caused electors not to vote according to their genuine preferences, and hence has done injustice to other candidates, allegedly manipulated election results, and seriously prejudiced the fairness of elections. In this connection, will the Government inform this Council:

- (1) whether it has studied if ThunderGo was in breach of legislation and guidelines relating to elections, including the Electoral Affairs Commission Ordinance (Cap. 541), the Election (Corrupt and Illegal Conduct) Ordinance (Cap. 554) and Guidelines on Election-related Activities in respect of the Legislative Council Election; if it has studied and the outcome is in the negative, of the justifications; if the outcome of the study is in the affirmative, whether the authorities will conduct an investigation; if they will, how the investigation will proceed; whether the authorities will review the relevant legislation with a view to curbing the use of opinion poll results to allocate or canvass votes in an unfair manner during polling;
- as it is stipulated in Cap. 554 that "election advertisement" ("EA") includes any message published for the purpose of promoting or prejudicing the election of a candidate or candidates at the election, whether the authorities have studied (i) if ThunderGo had published EAs, and (ii) if the candidates concerned had to declare the costs incurred by such EAs as election expenses; if they have studied and the outcome is in the affirmative, of the relevant considerations and the method for calculating such election expenses; if the outcome of the study is in the negative, the justifications for that; whether the authorities will review the definition of "EA" and draw up a clearer method for calculating election expenses to ensure that elections are conducted in a fair manner;
- (3) as the aforesaid seven candidates announcing withdrawal of candidature had appealed to electors to vote for some other candidates, whether the authorities have assessed (i) if such acts were in breach of the legislation relating to elections, (ii) if such types of appeals are considered as EAs, and in case such appeals are considered as EAs, (iii) which candidates have to declare the costs incurred by such EAs as election expenses; if

- they have assessed and the outcome is in the negative, of the justifications; and
- (4) whether the authorities will review the relevant legislation with a view to stepping up the regulation of opinion polls conducted on electors' preferences, and the dissemination of poll results, on the polling day so that electors' voting intention and election results will not be affected?

# Monitoring the performance of the Mandatory Provident Fund Schemes Authority and fund managers

### (20) <u>Hon Paul TSE</u> (Written reply)

A number of academics have repeatedly stated that the Mandatory Provident Fund ("MPF") Schemes are full of drawbacks and completely worthless as their high fees and low returns have gnawed retirement fund contributions for a long Another academic has recently pointed out that the expenditure of the Mandatory Provident Fund Schemes Authority ("MPFA") increased sharply by Apart from its rental expenses which are as high as 36% in the past five years. \$70 million per annum, MPFA's previous managing directors were even offered huge amounts of emoluments, with the incumbent managing director having received a total of about \$70 million over the past 13 years. In the year ended March this year, MPFA incurred a deficit as high as \$510 million, and recorded losses for six consecutive years MPFA has not only failed to monitor MPF Schemes properly, but has also failed to make ends meet for a long time, not practising what it preaches. Also, the aforesaid academic has cited various profiteering tricks deployed by fund managers who act in disregard of contributors' interests, resulting in the long-term underperformance of most of Such tricks include: charging fund fees up to 2% and the equity funds. engaging in frequent trading of shares, thereby gnawing MPF contributions for a long time; embezzling dividends payable to clients; charging fund switching fees under all sorts of pretexts; buying investment products at high prices even when the market is overheating on the excuse that fund accounts cannot hold too much cash; and selling investment products at low prices during market downturns for fear that clients may make redemption and switch positions. Furthermore, in the past 10-odd years, fund managers often bought stocks at high prices based on rumours, leading to the underperformance of fund investments and incurring huge losses to clients. Those fund managers, however, were awarded large sums of bonuses or exercised warrants, with their affiliated financial institutions even gaining huge profits from such acts. In this connection, will the Government inform this Council:

- given that the average annual return of MPF equity funds in the past 15 years was less than 4%, lagging substantially behind the rate of increase of the Hang Seng Index in the same period, whether the Financial Services and the Treasury Bureau ("FSTB") and MPFA have studied the reasons, other than the exorbitant fund fees charged by fund managers, that lead to the long-term underperformance of MPF equity funds in terms of investment return; if they have, of the study findings; if not, whether a study can be conducted immediately;
- of the policies in place to regulate and monitor various acts disregarding clients' interests committed by equity fund managers, or even their undesirable investment habits which enable them to profiteer from such acts;

- whether the Government, in the past 15 years, raised questions or issued warnings to fund managers alleged of having engaged in misconduct or acts disregarding clients' interests; if it did, of the number of cases and details of such acts, and the outcome of follow-up actions; if not, the reasons for that; whether it has reviewed the circumstances under which MPFA has not monitored MPF Schemes sufficiently or has not monitored at all, and whether it will expeditiously establish a new regime to regulate fund managers or tighten the existing regime;
- (4) as there are views that MPFA has failed to monitor MPF Schemes properly, has completely no knowledge of the total amount of management fees received by fund managers in the past 15 years, and such fees are of an exorbitant level, whether the Government has regularly reviewed the performance of MPFA, and what policies are in place to impose strict control on MPFA's expenditure; and
- (5) as an academic has pointed out that "the financial sector and the so-called governing elites have been targeting at the general public for making every possible gain and, if this situation goes on, there will be increasing calls for the abolition of MPF Schemes" and that "after the abolition of MPF Schemes, the problems associated with the offsetting arrangement will be gone", whether the Government will, in response to the concerns over the problems of "high fees and low returns" and the offsetting arrangement of MPF Schemes raised by the academic and more and more members of the public, conduct an objective value-for-money assessment on MPFA and the entire MPF system to study if public funds (the Government allocated \$5 billion of public money to fund the operation of MPFA in 1998) and MPF contributions are used properly and, at the same time, consider whether MPF Schemes should be abolished so as to completely solve the problems associated with the offsetting arrangement; if it will, of the details; if not, the reasons for that?

### (21) <u>Hon Frankie YICK</u> (Written reply)

In reply to a question raised by a Member of this Council on 3 December 2014, the authorities stated that regarding the demand for parking spaces for school private light buses (commonly called "nanny vans") which could not be parked at parking spaces for private cars owing to their longer bodies, the Government would implement the following measures as and when necessary: (i) provide on-street parking spaces as long as road safety and other road users are not affected; (ii) allow temporary car parks to operate at sites with no immediate development plans; (iii) require developers to include a suitable number of parking spaces for use by nanny vans, where appropriate, in development projects; and (iv) if the demand for parking spaces for student service vehicles is particularly high in a certain district, the authorities will consider designating some parking spaces at existing temporary car parks for the exclusive use of this class of vehicles when renewing the tenancies of these car parks. In this connection, will the Government inform this Council:

- (1) of the increase in the number of nanny vans in each of the past three years and the current total number of nanny vans;
- (2) whether it has, since December 2014, taken any of the aforesaid measures to increase the number of parking spaces for nanny vans; if it has, of the details (including the locations of implementation and the increase in the number of parking spaces) of such measures;
- (3) whether it has plans to implement the aforesaid measures in the coming three years to increase the number of parking spaces for nanny vans; if it does, of the details (including the locations of implementation and the projected increase in the number of parking spaces); if not, the reasons for that; and
- (4) apart from the aforesaid measures, whether the authorities will explore the adoption of other measures to increase the number of parking spaces for nanny vans (such as requiring the schools concerned to provide parking spaces); if they will, of the details; if not, the reasons for that?

## Provision of walkways and installation of barrier-free access facilities at walkways

### (22) <u>Hon WU Chi-wai</u> (Written reply)

Notwithstanding a government policy that the Government will not construct footbridges connecting private developments, the Government sought funding approval from the Finance Committee of this Council in May this year to construct a footbridge connecting private developments in Tsuen Wan District. Moreover, the Government announced in January this year a new policy of waiving land premium for land lease modification for provision of pedestrian links to encourage the private sector to provide pedestrian links on private land. In addition, the Government launched the "Universal Accessibility" Programme in 2012 to install barrier-free access facilities, such as lifts, at public walkways, including footbridges, etc. in various districts. In this connection, will the Government inform this Council:

- (1) whether the policy that the Government will not construct footbridges connecting private developments is still in force now; if so, of the circumstances under which exceptional treatment is allowed;
- as I have learnt that the Government has refused to provide footbridges and lifts for the residents of quite a number of areas in Kowloon East, including Po Pui Court in Kwun Tong and Chuk Yuen North Estate in Wong Tai Sin, on the ground that certain road sections involved private land ownerships, whether the Government will reconsider providing such facilities for the residents of the areas concerned; if it will, of the details; if not, the reasons for that;
- (3) apart from waiving land premium, whether the Government will consider providing financial support or meeting the expenses on the operation and maintenance of the relevant pedestrian links, so as to further encourage the private sector to provide pedestrian links such as footbridges and lifts on private land for the convenience of local residents; if it will, of the details; if not, the reasons for that; and
- (4) as some residents of Ngau Tau Kok have relayed that in Lok Wah North Estate, there is no barrier-free access leading to Chun Wah Road, On Kay Court and Jordan Valley Playground, and they therefore hope that the Government will provide a lift which directly reaches Chun Wah Road or install a lift next to the existing footbridge, whether the Government will include such items in the Universal Accessibility Programme; if it will, of the details?