OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 4 July 2018

The Council met at thirty-three minutes past Eleven o'clock

MEMBERS PRESENT:

THE PRESIDENT
THE HONOURABLE ANDREW LEUNG KWAN-YUEN, G.B.S., J.P.

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE ABRAHAM SHEK LAI-HIM, G.B.S., J.P.

THE HONOURABLE TOMMY CHEUNG YU-YAN, G.B.S., J.P.

THE HONOURABLE JEFFREY LAM KIN-FUNG, G.B.S., J.P.

THE HONOURABLE WONG TING-KWONG, G.B.S., J.P.

THE HONOURABLE STARRY LEE WAI-KING, S.B.S., J.P.

THE HONOURABLE CHAN HAK-KAN, B.B.S., J.P.

THE HONOURABLE CHAN KIN-POR, G.B.S., J.P.

DR THE HONOURABLE PRISCILLA LEUNG MEI-FUN, S.B.S., J.P.

THE HONOURABLE WONG KWOK-KIN, S.B.S., J.P.

THE HONOURABLE MRS REGINA IP LAU SUK-YEE, G.B.S., J.P.

THE HONOURABLE PAUL TSE WAI-CHUN, J.P.

THE HONOURABLE CLAUDIA MO

THE HONOURABLE MICHAEL TIEN PUK-SUN, B.B.S., J.P.

THE HONOURABLE STEVEN HO CHUN-YIN, B.B.S.

THE HONOURABLE FRANKIE YICK CHI-MING, S.B.S., J.P.

THE HONOURABLE WU CHI-WAI, M.H.

THE HONOURABLE YIU SI-WING, B.B.S.

THE HONOURABLE MA FUNG-KWOK, S.B.S., J.P.

THE HONOURABLE CHARLES PETER MOK, J.P.

THE HONOURABLE CHAN CHI-CHUEN

THE HONOURABLE CHAN HAN-PAN, B.B.S., J.P.

THE HONOURABLE LEUNG CHE-CHEUNG, S.B.S., M.H., J.P.

THE HONOURABLE KENNETH LEUNG

THE HONOURABLE ALICE MAK MEI-KUEN, B.B.S., J.P.

THE HONOURABLE KWOK WAI-KEUNG, J.P.

THE HONOURABLE DENNIS KWOK WING-HANG

THE HONOURABLE CHRISTOPHER CHEUNG WAH-FUNG, S.B.S., J.P.

DR THE HONOURABLE FERNANDO CHEUNG CHIU-HUNG

DR THE HONOURABLE HELENA WONG PIK-WAN

THE HONOURABLE IP KIN-YUEN

DR THE HONOURABLE ELIZABETH QUAT, B.B.S., J.P.

THE HONOURABLE MARTIN LIAO CHEUNG-KONG, S.B.S., J.P.

THE HONOURABLE POON SIU-PING, B.B.S., M.H.

DR THE HONOURABLE CHIANG LAI-WAN, S.B.S., J.P.

IR DR THE HONOURABLE LO WAI-KWOK, S.B.S., M.H., J.P.

THE HONOURABLE CHUNG KWOK-PAN

THE HONOURABLE ALVIN YEUNG

THE HONOURABLE ANDREW WAN SIU-KIN

THE HONOURABLE CHU HOI-DICK

DR THE HONOURABLE JUNIUS HO KWAN-YIU, J.P.

THE HONOURABLE HO KAI-MING

THE HONOURABLE LAM CHEUK-TING

THE HONOURABLE HOLDEN CHOW HO-DING

THE HONOURABLE SHIU KA-FAI

THE HONOURABLE SHIU KA-CHUN

THE HONOURABLE WILSON OR CHONG-SHING, M.H.

THE HONOURABLE YUNG HOI-YAN

DR THE HONOURABLE PIERRE CHAN

THE HONOURABLE CHAN CHUN-YING, J.P.

THE HONOURABLE TANYA CHAN

THE HONOURABLE CHEUNG KWOK-KWAN, J.P.

THE HONOURABLE HUI CHI-FUNG

THE HONOURABLE LUK CHUNG-HUNG, J.P.

THE HONOURABLE LAU KWOK-FAN, M.H.

THE HONOURABLE KENNETH LAU IP-KEUNG, B.B.S., M.H., J.P.

DR THE HONOURABLE CHENG CHUNG-TAI

THE HONOURABLE KWONG CHUN-YU

THE HONOURABLE JEREMY TAM MAN-HO

THE HONOURABLE GARY FAN KWOK-WAI

THE HONOURABLE AU NOK-HIN

THE HONOURABLE VINCENT CHENG WING-SHUN, M.H.

THE HONOURABLE TONY TSE WAI-CHUEN, B.B.S.

MEMBERS ABSENT:

PROF THE HONOURABLE JOSEPH LEE KOK-LONG, S.B.S., J.P.

DR THE HONOURABLE KWOK KA-KI

THE HONOURABLE JIMMY NG WING-KA, J.P.

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE MS TERESA CHENG YEUK-WAH, G.B.S., S.C., J.P.
SECRETARY FOR JUSTICE

THE HONOURABLE WONG KAM-SING, G.B.S., J.P.
SECRETARY FOR THE ENVIRONMENT

MR JOSEPH CHAN HO-LIM, J.P.
UNDER SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY, AND SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (pm)

MR CASPAR TSUI YING-WAI, J.P.
UNDER SECRETARY FOR LABOUR AND WELFARE, AND
SECRETARY FOR LABOUR AND WELFARE

THE HONOURABLE JOHN LEE KA-CHIU, S.B.S., P.D.S.M., J.P.
SECRETARY FOR SECURITY

THE HONOURABLE FRANK CHAN FAN, J.P.
SECRETARY FOR TRANSPORT AND HOUSING

PROF THE HONOURABLE SOPHIA CHAN SIU-CHEE, J.P.
SECRETARY FOR FOOD AND HEALTH

DR BERNARD CHAN PAK-LI, J.P.
UNDER SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT, AND
SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT

THE HONOURABLE MICHAEL WONG WAI-LUN, J.P.
SECRETARY FOR DEVELOPMENT

CLERKS IN ATTENDANCE:

MR KENNETH CHEN WEI-ON, S.B.S., SECRETARY GENERAL

MISS ODELIA LEUNG HING-YEE, DEPUTY SECRETARY GENERAL

MISS FLORA TAI YIN-PING, ASSISTANT SECRETARY GENERAL

MS DORA WAI, ASSISTANT SECRETARY GENERAL

PRESIDENT (in Cantonese): Council now holds the regular meeting of 4 July 2018.

TABLING OF PAPERS

The following papers were laid on the table under Rule 21(2) of the Rules of Procedure:

Subsidiary Legislation/Instruments	*L.N. No.*
Medical Registration (Amendment) Ordinance 2018 (Commencement) Notice	129/2018
Medical Council (Election and Appointment of Lay Members) Regulation (Commencement) Notice ..	130/2018

Other Papers

No. 117 — J.E. Joseph Trust Fund
Report, Financial statements and Report of the Director of Audit for the period 1 April 2017
to 31 March 2018

No. 118 — Kadoorie Agricultural Aid Loan Fund
Report, Financial statements and Report of the Director of Audit for the period 1 April 2017
to 31 March 2018

No. 119 — Sir Robert Black Trust Fund
Report of the Trustee on the Administration of the Fund, Financial statements and Report of the Director of Audit for the year ended 31 March 2018

No. 120 — Hong Kong Trade Development Council
Annual Report 2017/18

No. 121 — Hong Kong Export Credit Insurance Corporation
Annual Report 2017-18

No. 122 — The Ombudsman, Hong Kong
Annual Report 2018

No. 123 — Independent Commission Against Corruption
Hong Kong Special Administrative Region
Annual Report 2017

No. 124 — Independent Commission Against Corruption
Complaints Committee
Annual Report 2017

Finance Committee Report on the examination of the Estimates of Expenditure 2018-2019

Report No. 17/17-18 of the House Committee on Consideration of Subsidiary Legislation and Other Instruments

Report of the Bills Committee on Inland Revenue (Amendment) (No. 6) Bill 2017

Report of the Panel on Environmental Affairs 2017-2018

Report of the Panel on Security 2017-2018

Report of the Panel on Development 2017-2018

Report of the Panel on Home Affairs 2017-2018

Report of the Panel on Information Technology and Broadcasting 2017-2018

ADDRESSES

PRESIDENT (in Cantonese): Mr Abraham SHEK will address the Council on the "Independent Commission Against Corruption Hong Kong Special Administrative Region Annual Report 2017".

Independent Commission Against Corruption Hong Kong Special Administrative Region Annual Report 2017

MR ABRAHAM SHEK: President, in my capacity as a member of the Advisory Committee on Corruption, I hereby brief Members on the Independent Commission Against Corruption Annual Report 2017 tabled in the Council today.

Since its inception in 1974, the Independent Commission Against Corruption ("ICAC") has been fighting corruption impartially and professionally with a holistic approach, combining law enforcement, prevention and education. Alongside vigorous enforcement actions, ICAC has put in place systems and rules to eliminate corruption loopholes, as well as reaching out to the community to change the public attitude from meek tolerance to rejection and to engagement in the fight against graft.

In 2017, ICAC received 2 835 non-election related corruption complaints—a slight decrease of 2% when compared to that of 2016. The number of pursuable complaints was 2 129—an increase of 7% when compared to last year's figure. Of these corruption complaints, 66% was targeted at the private sector, 27% was related to government departments and 7% involved public bodies.

Moreover, a total of 500 complaints under the Election Ordinance were received. Of these complaints, 47% was related to the 2016 Legislative Council Election, 46% related to the 2016 Election Committee Subsector Elections and 5% related to the 2017 Chief Executive Election.

President, the overall corruption situation was well under control. The ICAC Annual Survey 2017 conducted by an independent research organization revealed that 99.1% of the respondents had not encountered corruption in the past 12 months, showing a very low level of corruption in Hong Kong.

Building management continued to attract the largest number of complaints in the private sector. In order to maximize the effectiveness of enforcement actions, ICAC implemented a two-pronged strategy consisting of the traditional approach of investigation with a view to prosecution and timely intervention actions in appropriate cases to frustrate possible corrupt and bid-rigging activities at an early stage. As a result of such early intervention, flat owners were made aware of the risks exposed in awarding contracts, enabling them to take appropriate follow-up actions at an early stage where necessary. Besides, corruption prevention leaflets, training videos and toolkits on building management were updated to deliver anti-corruption messages to flat owners, owners' corporations, relevant parties and organizations involved in building management and maintenance.

Noting that the public has a high and legitimate expectation for the integrity and probity of civil servants and public officers, ICAC assisted the government departments and public bodies in enhancing internal control through improving their systems, practices and procedures, with a view to plugging any loopholes that may give rise to corrupt practices, dereliction of duty and abuse of power. Last year, 63 assignment studies were completed and timely advice was provided on 490 occasions to government departments and public bodies. ICAC also stepped up efforts in promoting clean governance and ethical leadership to senior officials, which included briefings for the officials appointed under the Political Appointment System, heads of departments and senior civil servants, after the new term of office was on board.

Amid global concerns for corporate governance and business ethics in recent years, ICAC assisted listed companies in adopting a structured approach to corruption risk management through a 3-year ethics promotion programme. A conference on Business Ethics for Listed Companies was held in September 2017. Moreover, a tailor-made anti-corruption guide and a new training package which illustrate common ethical risks were provided to listed companies or prospective listing applicants.

International cooperation is essential in the fight against corruption. Under the United Nations Convention Against Corruption ("UNCAC"), Hong Kong has the obligation to assist other State Parties in developing and implementing corruption prevention measures. In May 2017, ICAC held an international conference to share with overseas anti-corruption agencies knowledge and experience of money laundering investigation, asset recovery and

cloaking techniques and other pertinent issues. ICAC also set up a small unit to provide training services to anti-corruption agencies in countries along the Belt and Road routes within the framework of UNCAC. Assisting UNCAC signatories in their fight against corruption will not only enable Hong Kong to fulfil its international obligations, but also help these countries build a level playing field for business, to the benefit of Hong Kong companies.

President and fellow Members, probity is among the key pillars that laid the foundation of Hong Kong. In recent years, Hong Kong is persistently rated in international surveys as one of the cleanest cities in the world. The ICAC Annual Survey shows that people from different walks of life demonstrate zero tolerance of corruption, in stark contrast to the "bad old days" when Hong Kong was plagued by corruption. But let us not forget that people in many counties are still suffering because of corruption. Every recognition Hong Kong received is a constant reminder to us of the importance of continued efforts in fostering a probity culture.

As a member of the Advisory Committee on Corruption, I understand ICAC will keep its pledge to fight for the anti-corruption cause and maintain Hong Kong's competitive edge, regardless of the difficulties and challenges ahead. With this, I hope members of the public will continue to render their whole-hearted support to ICAC, as always.

President, I so submit.

PRESIDENT (in Cantonese): Mr Jeffrey LAM will address the Council on the "Independent Commission Against Corruption Complaints Committee Annual Report 2017".

Independent Commission Against Corruption Complaints Committee Annual Report 2017

MR JEFFREY LAM (in Cantonese): President, as the Chairman of the Independent Commission Against Corruption Complaints Committee ("the Committee"), I hereby table the Independent Commission Against Corruption Complaints Committee Annual Report 2017 on behalf of the Committee.

This is the 23rd annual report of the Committee, which provides an account of our work for the year 2017. The Committee's major responsibility is to monitor the handling by the Independent Commission Against Corruption ("ICAC") of non-criminal complaints lodged by anyone against ICAC and its officers. Moreover, the Committee will identify any faults in ICAC's work procedures which might lead to complaints, and make recommendations for improvement.

Upon receipt of all complaints, the Internal Investigation and Monitoring Group ("IIMG") of ICAC will conduct a preliminary assessment. If it considers that a full investigation is not warranted for some cases, it will state the reasons and submit an assessment report for the Committee's consideration. As for complaints with sufficient information for further investigation, IIMG will submit an investigation report to the Committee and report the findings after an investigation is completed. Investigation or assessment reports submitted by ICAC will be arranged to be considered at a Committee meeting. When necessary, the Committee may seek additional information and further details from ICAC before drawing any conclusion on the complaints. The complainants will subsequently be advised of the Committee's conclusions on the relevant complaints in writing.

The Committee held three meetings in 2017 to consider the investigation reports submitted. Of a total of 23 complaints covering 49 allegations, 3 allegations in 3 complaints were found to be substantiated or partially substantiated. Four ICAC officers concerned in these cases have been given suitable advice by their senior officers. In addition, the Committee also considered and endorsed 9 assessment reports. The Committee agreed that there were no grounds or justifications in these complaints which would warrant formal investigations.

In considering the complaints, the Committee and ICAC have carefully examined the relevant internal procedures, guidelines and practices of ICAC to identify room for improvement through their updating, refinement and rationalization. Pursuant to the issues identified in the investigation reports considered during 2017, ICAC had strengthen training for frontline officers to enhance their vigilance and knowledge in the use of information technology for duty purposes as well as proper security classification of documents and their appropriate handling. Moreover, ICAC officers had been specifically reminded of the ways in dealing with difficult requests of complaints, making appropriate

case referrals and handling of items seized during search operations. Apart from strengthening training, ICAC had reviewed the practices of handling confidential correspondences and promulgated some updated internal instructions in this regard.

The year 2017 marked the 40th anniversary of the establishment of the Committee. Over the past four decades, the Committee has been playing the important role of monitoring and reviewing the handling by the ICAC of non-criminal complaints brought against ICAC and its officers. As public expectation for ICAC to address promptly and properly complaints against itself as well as its officers rises ever higher, the Committee will continue to do its part in ensuring the effectiveness of the complaints handling mechanism of the ICAC. On behalf of the Committee, I would like to thank Members and the public for their support and we welcome their views and suggestions on our work.

Thank you, President.

PRESIDENT (in Cantonese): Mr CHAN Kin-por will address the Council on the "Report of the Finance Committee on the examination of the Estimates of Expenditure 2018-2019".

Finance Committee Report on the examination of the Estimates of Expenditure 2018-2019

MR CHAN KIN-POR (in Cantonese): President, on behalf of the Finance Committee, I submit its Report on the examination of the Estimates of Expenditure 2018-2019.

The Finance Committee held a total of 21 sessions of special meetings in April this year to examine the Estimates of Expenditure 2018-2019, with the aim of ensuring that the authorities are seeking a provision no more than is necessary for the execution of the policies approved.

Before the special meetings, 63 members submitted a total of 6 244 written questions on the Estimates of Expenditure to the Administration. A relatively large number of questions were focused on welfare and women affairs, education, food safety and environmental hygiene, as well as commerce and economic

development. The Administration, according to the undertaking it had made earlier, submitted replies to the first 3 300 questions before the special meetings. As for the remaining written questions that were compliant with the Rules of Procedures, and the supplementary questions raised by members during the special meetings, the Administration's replies to these questions were submitted before the third Budget meeting on 2 May 2018. The questions and replies have been uploaded onto the website of the Legislative Council.

At the special meetings, members raised questions on various expenditure items, and they also expressed concerns and views on measures closely related to economic development and people's livelihood referred to in the Budget. The procedures of the special meetings are set out in the report.

Following the passage of the Appropriation Bill 2018 at the meeting of the Legislative Council on 10 May 2018, the Finance Committee started to examine the funding requests submitted by the Financial Secretary for changing the approved Estimates of Expenditure.

President, the Finance Committee spent a total of approximately 31 hours and 22 minutes to complete the examination of the Estimates of Expenditure, the process of which was smooth in general. In this connection, I thank members for their enthusiastic participation and the various Policy Bureaux and departments of the Government for their cooperation.

I so submit.

PRESIDENT (in Cantonese): Ms Tanya CHAN will address the Council on the "Report of the Panel on Environmental Affairs 2017-2018".

Report of the Panel on Environmental Affairs 2017-2018

MS TANYA CHAN (in Cantonese): President, in my capacity as Chairman of the Panel on Environmental Affairs ("the Panel"), I submit the report on the work of the Panel for 2017-2018 and outline several major areas of work of the Panel.

In respect of the implementation of arrangements for municipal solid waste charging, the Panel suggested that the Government should at the same time

introduce financial incentives for the public as a motivation to minimize or recycle waste, with a view to promoting more effectively the reduction of waste at source. The Administration was also requested to allocate more resources to supporting the implementation of measures on waste recovery and recycling. Particularly concerned about the tightening of requirements for import recyclables by the Mainland in recent years, Members urged the Government to maintain close contact with the Mainland authorities, step up support for the local recycling industry and develop a local manufacturing industry using recycled materials. Moreover, the Panel urged the Government to adopt more effective measures to combat illegal land filling and fly-tipping of construction waste, such as increasing the penalties for related offences to enhance the deterrent effect and expanding the enforcement power of the relevant departments through legislative amendments .

As regards nature conservation, the Panel supported in principle the Government's proposal for setting up a Countryside Conservation Office and urged the authorities to properly coordinate the communication and collaboration between the department concerned, non-government organizations and villagers so as to take forward smoothly the conservation and revitalization of rural areas and avoid duplication of resources. In respect of new measures for the protection of endangered species, the Panel requested the authorities to strengthen its detection of the import of unlicensed shark fins and expand the Sham Wan Restricted Area for better conservation of green turtles.

On improvement of air quality, the Panel continued to monitor measures for the development of green transport, particularly those on promoting the use of electric vehicles. In this connection, the Panel urged the Government to raise the current cap on waiver for the first registration tax of electric vehicles and consider mandating the installation of electric vehicle charging facilities at the parking spaces of new buildings. Members also made various suggestions on the introduction of feed-in tariff and renewable energy certificate by the Government, including launching a pilot scheme for solar power generation in the New Territories small houses and providing model installations, with a view to further encouraging the community to consider investing in and installing distributed renewable energy generation equipment.

President, I would also like to take this opportunity to thank members of the Panel and colleagues of the Secretariat for their support over the past year. Thank you.

PRESIDENT (in Cantonese): Mr CHAN Hak-kan will address the Council on the "Report of the Panel on Security 2017-2018".

Report of the Panel on Security 2017-2018

MR CHAN HAK-KAN (in Cantonese): President, in my capacity as Chairman of the Panel on Security ("the Panel"), I submit to the Legislative Council the report on the work of the Panel in this legislative session. As the work of the Panel has already been detailed in the report, I will only highlight to the Council several major areas of work of the Panel.

The Panel was very much concerned about the public order and safety of Hong Kong. In several meetings, members discussed the strategies and measures adopted by the Police in combating all types of crime, urging the authorities to, apart from taking swift enforcement actions, raise the public's awareness of crime prevention. The Administration's ability in dealing with serious emergency situations, particularly the contingency response to terrorist attacks and nuclear accidents, was also discussed. The Panel urged the Administration to step up publicity to advise the public on what should be done in the event of such incidents.

Members noted that the Administration and the Ministry of Public Security of the Mainland had implemented on December last year new arrangements on the reciprocal notification mechanism relating to situations including the imposition of criminal compulsory measures or the institution of criminal prosecution. Under the new arrangements, Mainland agencies which have imposed criminal compulsory measures on Hong Kong residents are required to notify the Special Administrative Region ("SAR") Government within a specified time frame. Members welcomed the new arrangements. Some members suggested that the arrangements should be extended to cover administrative detention of Hong Kong residents on the Mainland.

Members also welcomed the Administration's plan to launch a $2-billion subsidy scheme to subsidize owners of pre-1987 composite buildings to enhance fire safety of their buildings. Noting that the subsidy under the scheme would be disbursed to owners' corporations or owners' committees on a building-basis, members urged the Administration to help the owners of buildings ineligible for the scheme to form owners' corporations and assist individual owners in undertaking measures for fire safety enhancement.

Moreover, members were concerned about the Administration's plan to launch in the fourth quarter this year a territory-wide identity card replacement exercise. They called on the authorities to adopt appropriate measures to ensure that the replacement exercise would not cause inconvenience to the public.

The Panel also discussed the latest drug situation of Hong Kong and the anti-narcotics work of the authorities, efforts in combating trafficking in persons and protecting foreign domestic helpers, the follow-up actions taken by law enforcement agencies in respect of issues of concern raised by the Commissioner on Interception of Communications and Surveillance in his Annual Report as well as various public works and financial proposals.

Lastly, I wish to thank colleagues of the Secretariat for their support, members for their enthusiastic participation as well as the Security Bureau, the various disciplined services and the relevant government departments for their cooperation. I so submit, President.

PRESIDENT (in Cantonese): Mr Tommy CHEUNG will address the Council on the "Report of the Panel on Development 2017-2018".

Report of the Panel on Development 2017-2018

MR TOMMY CHEUNG (in Cantonese): President, in my capacity as Chairman of the Panel on Development, I submit the report on the work of the Panel for this year and outline several major areas of work of the Panel.

During the current session, the Panel has continued to monitor the work of the Government in increasing land supply. Regarding the Hung Shui Kiu New Development Area, the Yuen Long South development area and the Kam Tin South development plan, the Panel supports the aforementioned developments in principle. Yet, the Panel is concerned about how the authorities will assist residents, farmers and households and operators of brownfield operations being affected and whether it has formulated plans to provide sufficient transport support. Members in general welcome the enhancement of the general ex-gratia allowance and rehousing arrangements for development clearance exercises announced by the authorities in May 2018, and have made a number of suggestions for further improvement. The Panel has also conducted a joint meeting with the Panel on Housing to receive public views on this issue.

Regarding the overall strategy on land supply, the Task Force on Land Supply ("the Task Force") appointed by the Chief Executive launched a five-month public engagement exercise in May this year to solicit public views on 18 land supply options as well as other land supply-related issues. Members have expressed divergent views on relevant issues. The Panel will convene a special meeting to gauge the views of the public on this issue.

The Panel has examined the progress of the work of the Urban Renewal Authority ("URA"). Some of the Members consider that URA should, in its redevelopment projects, develop subsidized sale flats, public rental housing and non-luxury private flats. Members also support the "Operation Building Bright 2.0" introduced by the Administration in facilitating building maintenance and rehabilitation, yet they stress that the authorities must implement effective measures against bid-rigging in building maintenance works.

In the wake of the fatal lift incidents that occurred some time ago, the Panel has urgently discussed the issue and recommended a number of measures to enhance lift safety.

The Panel has all along attached importance to the monitoring of Dongjiang water supply and drinking water safety. Members have noted that according to the "package deal lump sum" approach, the annual supply ceiling is set at 820 million cu m per annum. Since the annual water consumption of Hong Kong is usually below the supply ceiling, some Members consider that the Government should review the supply and payment approach. Yet, Members understand that the "package deal lump sum" approach will ensure a reliable supply of Dongjiang water. In response to the views of Members, the Administration will review the payment approach by 2020 when the Supply Agreement will be due to expire.

The work of the Panel in other areas is detailed in the written report.

President, I would also like to take this opportunity to thank the Secretariat for their hard work over the past year. I so submit.

PRESIDENT (in Cantonese): Mr MA Fung-kwok will address the Council on the "Report of the Panel on Home Affairs 2017-2018".

Report of the Panel on Home Affairs 2017-2018

MR MA FUNG-KWOK (in Cantonese): President, in my capacity as Chairman of the Panel on Home Affairs ("the Panel"), I report to the Council the main areas of deliberation of the Panel during the current legislative session.

Being concerned all along about the shortage of sports venues in Hong Kong, the Panel was pleased to note that the authorities had launched a scheme of opening up school facilities for promotion of sports development from the 2017-2018 school year, with a view to increasing the provision of sports facilities, enhancing the sporting culture in schools and encouraging students to develop a healthy sporting habit. Members in general welcomed the scheme.

The Panel supported the Administration's injection of $1 billion into the Arts and Sport Development Fund (Sports Portion) to strengthen the funding support for sports organizations to train athletes and host events, and its injection of a total of $6 billion into the Elite Athletes Development Fund to provide support for the development of elite sports. Members held that apart from increasing funding support for elite sports, the Administration should also devote additional resources to the development of non-elite sports and new sports as well as upgrading school and district-level sports programmes.

On culture and the arts, members welcomed the Administration's proposal of providing $300 million to strengthen the safeguarding, promotion and transmission of intangible cultural heritage. While supportive of the Administration's proposal of providing $500 million to the Leisure and Cultural Services Department for the acquisition of museum collections and commissioning of art and cultural projects for exhibition and display, members requested the Administration to make use of the new funding to promote appreciation of art works and artefacts and enhance the cultural experience of the public.

The Panel also discussed the recommendations set out in the Review on Policy of Private Recreational Leases released by the Government in March this year, including whether all sites under private recreational leases should continue to be handled under the existing lease arrangement and whether private sports clubs suitable for lease renewal should be required to pay a concessionary premium to be set at one third of the full market value. Some members criticized the private sports clubs concerned in this policy for occupying extensive areas of land but entertaining few people. Some other members, on

the other hand, considered that the private sports clubs had made significant contribution to sports development and hoped the room for their development could be kept. The authorities advised that the views collected during the consultation exercise would be submitted to the Executive Council for consideration.

Besides, the Panel discussed the work progress of the Community Care Fund and the Youth Hostel Scheme, the Signature Project Scheme proposed by District Councils, the review of the Building Management Ordinance and the various funding proposals for recreational and sitting-out facilities.

I would like to express my gratitude to members for their enthusiastic participation and serious discussion, and to colleagues of the Secretariat for their support and service during the past year.

President, I so submit.

PRESIDENT (in Cantonese): Mr Charles Peter MOK will address the Council on the "Report of the Panel on Information Technology and Broadcasting 2017-2018".

Report of the Panel on Information Technology and Broadcasting 2017-2018

MR CHARLES PETER MOK (in Cantonese): President, in my capacity as Chairman of the Panel on Information Technology and Broadcasting, I submit the report on the work of the Panel for this year and outline several major areas of work of the Panel.

The Panel has continued to pay attention to developing Hong Kong into a smart city, and it has expressed its opinions on the Hong Kong Smart City Blueprint ("the Blueprint") released by the Administration and the implementation of the Wi-Fi Connected City Programme. The Panel supports the Administration in taking forward the three key infrastructure projects for smart city development and has urged the Government to implement the relevant projects as soon as possible.

The Panel has repeatedly requested the Administration to provide Internet services for residents in remote areas. Members welcome the Administration's initiative to provide subsidies to telecommunications companies to encourage the

extension of fibre-based networks to remote villages. Yet, Members have also requested the Administration to make use of mobile communications technology to provide higher speed Internet services.

The development of innovation and technology relies on support in funding and support from talents and start-ups. The Panel has discussed with the Government the role of Cyberport in promoting innovation and technology and technology ecosystem as a whole. Members supports the funding proposal of the Administration in allocating $300 million to Cyberport for enhancement of support for start-ups, establishment of the Easy Landing Scheme to attract multi-national corporations to set up offices in Cyberport and promotion of the development of local e-sports sector.

The Panel has expressed concern about the Administration's work on reviewing the Broadcasting Ordinance and the Telecommunications Ordinance. Members have expressed worries about the Administration's proposal to relax the foreign ownership threshold of television media, which makes it easier for foreign companies to control the content of television programmes. Moreover, the Panel has proposed that the Administration should review the system governing indirect advertising in television and enhance the existing vetting and approval process for free TV service licence applications.

As for creative industries, Members have listened to the Administration's report on the work progress of the Film Development Fund, and they support the authorities' proposal to inject additional funds into the CreateSmart Initiative. On strengthening the regulation of person-to-person telemarketing calls, Members in general support enacting legislation on the establishment of a statutory Do-not-call Register, and Members have put forth questions and views on details of the implementation and other specific arrangements.

The Panel has joined a duty visit to a number of cities in the Guangdong-Hong Kong-Macao Bay Area with three other Panels to understand the development of these cities in technology, finance and economy. The visit is beneficial to the work of the Panel in future.

I would like to take this opportunity to thank members and the Secretariat for their support for the work of the Panel. I so submit.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Policy on and support for street sleepers

1. **MR SHIU KA-CHUN** (in Cantonese): *President, in the past four years, the number of street sleepers registered with the Social Welfare Department rose from 746 to 1 127 (representing a 50% increase) and, among them, the number of female street sleepers rose from 35 to 104 (representing a two-fold increase). Moreover, the findings of a survey on homeless people who stay overnight in fast food restaurants operating 24 hours a day have shown that there were 57 such type of homeless people across the territory in 2013, whereas the number in four districts alone was 384 at the end of last year. In this connection, will the Government inform this Council:*

(1) whether it will conduct a survey on the number of street sleepers (including homeless people) across the territory as well as the districts and locations where they sleep or stay, so as to provide reference when a policy on street sleepers is formulated;

(2) whether it has studied the causes for the rise in the number of female street sleepers in recent years, and whether it will enhance the support for them, such as increasing the number of accommodation places provided for them; and

(3) whether it will, by making reference to the service model of the Homeless Outreach & Mobile Engagement Street Action Teams in New York, set up a dedicated department to deal with the issue of street sleepers and send out outreach workers to show them care, provide immediate assistance as well as arrange long-term accommodation; if so, of the implementation timetable?

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, my reply to Mr SHIU's question is as follows:

(1) To keep track of the demand for social welfare support services of street sleepers, the Social Welfare Department ("SWD") has been collecting information about the particulars of street sleepers in Hong Kong, including the number of street sleepers and their street-sleeping locations, through SWD's service units and four non-governmental organizations ("NGOs") serving street sleepers. The relevant information is captured in SWD's "Computerised Street Sleeper Registry" and will be updated continuously. SWD will also review the methods for collecting data from time to time to ensure data accuracy, and make reference to the relevant data for the purpose of service planning.

(2) SWD did not conduct any analysis on the reasons of changes in the number of street sleepers based on their gender. The number of female street sleepers in 2017-2018 was 104. To address the emergency and short-term accommodation needs of street sleepers, SWD provided 20 additional subvented hostel/shelter places in 2016-2017 through deploying additional resources, of which five were female places, thus increasing the total number of subvented female places to 31. Together with the 132 female places provided by other NGOs on a self-financing basis, the total number of female hostel/shelter places provided is 163.

Besides facing the same problems and needs as male street sleepers, female street sleepers are more in need of social and emotional support to improve the motivation for receiving services and to change their street sleeping lives. In view of the increasing number of female street sleepers, in addition to increasing the number of female hostel/shelter places, the Integrated Services Teams for Street Sleepers ("ISTs") subvented by SWD have also enhanced the support facilities of their hostel/shelter places and, through early intervention and counselling during their stay in the hostel/shelter, strengthen their confidence and ability to re-integrate into the community.

(3) Street sleeping is a complex social problem, involving policies and work of various bureaux and departments. Various government departments and service units in districts have been collaborating

closely to support street sleepers and improve their motivation for receiving support, with the hope to encourage them to quit street sleeping as soon as possible. SWD is concerned about the welfare needs of street sleepers and has been providing them with appropriate social welfare support services.

At present, SWD subvents three NGOs to each operate an IST to provide street sleepers with integrated services, including emergency shelter or short-term accommodation, emergency fund, personal care (e.g. bathing, haircut and meal arrangement), counselling, long-term accommodation arrangement, employment support and service referrals, etc. The ISTs also conduct day and late-night outreaching visits to approach street sleepers for early identification of their needs and render them the assistance needed. However, street sleeping may be due to various reasons. Personal factors and changes in socio-economic situation aside, street sleepers usually require more time before they will accept the services and make a change to re-integrate into the community. The ISTs will therefore render appropriate assistance to the street sleepers in accordance with the situation of each individual case.

SWD considers that the existing strategies and support services can overall respond to the social welfare needs of street sleepers, but will continue to monitor the situation closely and take appropriate measures in response to the changing needs for social welfare services.

MR SHIU KA-CHUN (in Cantonese): *The Secretary has not answered my question. Sometimes, the Government upholds the evidence-based approach, and at other times, it says that we are now in the big data era. Yet, at present, it relies on the four NGOs serving street sleepers in the collection of data instead of a large-scale census conducted by the Government. The Secretary says that street sleeping is a complex social problem, yet the authorities do not have the data for specific policy analysis. Despite the significant rise in the number of female street sleepers, only five additional subvented hostel/shelter places are provided in a year. I query if this is what the Government means by attaching importance to the issue. I have this supplementary question. Does the Government have the determination to change the present situation of authorities*

concerned each administering its own way and shirking their responsibilities by designating the Labour and Welfare Bureau to be in charge of the relevant policy rather than just answering questions?

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): As I have pointed out in my reply just now, the problems now faced by street sleepers cover a wide variety of issues and involve a number of departments, including the Home Affairs Department ("HAD"), SWD, the Food and Environmental Hygiene Department ("FEHD"), Housing Department ("HD"), Highways Department and the Hong Kong Police Force, and so on. Certainly, the primary task is to identify the various reasons for street sleepers to choose to sleep on the streets. We have the relevant figures, and as I mentioned just now, we notice that there is a rising trend. As for the reasons for street sleepers choosing to sleep on the streets, they involve a variety of problems in housing, financial condition, family, mental health, unemployment or drug addiction, and so on, which have to be handled by different departments in a focused manner. Apart from this, we discovered in the course of data collection that one fourth of the street sleepers choose to sleep on the streets for personal reasons. Among which is the reason that it is more convenient to sleep on the street and it can save money, whereas some of them would rather sleep on the street than to live with others or their families.

Over the years, we have formulated a series of improvement measures in various aspects. These include the provision of 10 additional hostels/shelters places to meet the emergency accommodation needs of street sleepers in April 2010; the inclusion of street sleepers in the target group served by the Integrated Community Centre for Mental Wellness subsidized by SWD in August 2011 to enhance the support for street sleepers with suspected mental health problems; the provision of additional funding to the three ISTs for their emergency relief fund in 2012-2013, an increase from $70,000 to $90,000; and the provision of 20 additional subvented hostels/shelters places in 2016-2017 through resource deployment. As for housing, the Community Care Fund once again enhanced the Subsidy for Comprehensive Social Security Assistance Recipients Living in Rented Private Housing in November 2017, where the subsidy is increased from $2,000 (for one-person households) and $4,000 (for two-or-more-person households) to a maximum of $3,300 (for one-person households) and $6,000 to $11,400 (for two-or-more-person households), and so on.

Regarding the survey conducted by the Society for Community Organization ("SCO") on homeless people staying overnight in fast food restaurants operating 24 hours a day, I notice that close to 20% of the respondents have rental accommodation, and these groups are beyond the data coverage of the "Computerised Street Sleeper Registry". Certainly, we will continue to work with ISTs to focus on understanding and identifying ways to help street sleepers, trying to understand the difficulties they are facing and help them to quit street sleeping.

MR VINCENT CHENG (in Cantonese): *Assistance to the homeless should not be limited to the provision of temporary accommodation, it should be complemented by many other supportive services, such as medical services, family counselling and employment training, and so on. Under the present circumstances, the public resources which the homeless may access are inadequate. In the past three to four years, some pilot schemes were implemented in Shum Shui Po. With the support of the District Councils concerned, HAD allocates resources for two NGOs to make service referral for the homeless. May I ask the Secretary, in districts where there are more homeless people, whether the Government will regularize this additional support service or make SWD take charge of these tasks altogether?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): The social problems faced by street sleepers are multifarious. I believe Mr CHENG understands this full well, and this is particularly so in Shum Shui Po District. In terms of financial support, SWD provides resources to ISTs for the provision of emergency relief every year, so that eligible applicants may apply for the allowance to meet various expenses, including rent, rental deposit, short-term daily expenses or other removal expenses, and so on. If a street sleeper has long-term financial needs, SWD or other NGOs will consider the situation of the person in need and refer him to apply for the Comprehensive Social Security Allowance ("CSSA") or other funds to cope with their actual expenses.

In respect of medical and health care, street sleepers in need may use the various medical services and mental health services provided by the Hospital Authority and the Department of Health. The primary task of FEHD is to maintain the environmental hygiene of places where street sleepers gather. In

fact, many different departments are also involved. For example, HyD is responsible for the repairs and maintenance of footbridges and pavements, and the cleaning work undertaken by contractors. The Police also play an important role here, which includes ensuring law and order, preventing the prevalence of drugs and maintaining order during joint operations.

As Mr CHENG mentioned earlier, HAD had introduced some good plans in the past, particularly the pilot plans in Shum Shui Po, which are examples of success worthy of sharing. In fact, HAD are playing several roles. Members should know that they are responsible for the services of providing temporary cold shelters and temporary heat shelters. More often than not, they will cooperate with the relevant departments and District Council members of the districts concerned in addressing the requests made by street sleepers' concern groups, they will contact them and even follow up the cases.

Regarding the pilot plans in Shum Shui Po District mentioned just now, the District Council has made a report on the strengthening of the support for street sleepers, which started in 2014. In retrospect, during the period between October 2016 and May 2018, SCO has provided 162 times of outreach services, visited street sleepers for over 9 050 times and helped 54 street sleepers to secure accommodation. Certainly, the Salvation Army has also provided 173 times of outreach services, visited street sleepers for over 2 200 times, provided 1 230 times of basic body check-up services and successfully referred 162 cases for medical treatment.

At present, various departments are undertaking their respective tasks, each focusing on the various specific needs of street sleepers. Certainly, these departments will continue to consolidate their work in this aspect. If they have housing needs, we may make enquiries with SWD or HD about the arrangement for compassionate rehousing and for help. In this connection, we will continue to strengthen the support for various departments.

DR FERNANDO CHEUNG (in Cantonese): *President, in the main reply, the Secretary has admitted that SWD has not conducted any analysis on the reasons of changes in the number of street sleepers based on their gender. Though the Secretary does not know the reasons of changes, he considers that the existing strategies and support services can overall respond to the needs of street*

sleepers. I think this is strange. The Secretary says that the authorities are working on various aspects, yet at issue is whether these street sleepers will know the various services available to them when they have come to the state of street sleeping and whether they will take the initiative to apply for such services?

This year, the Homeless and Mental Health Research Team under the I.CARE Community Research Scheme of The Chinese University of Hong Kong released a report, indicating that among the homeless, there is a high ratio of …

PRESIDENT (in Cantonese): Dr Fernando CHEUNG, please state your supplementary question.

DR FERNANDO CHEUNG (in Cantonese): *My supplementary question is about the pilot schemes introduced by academic organizations and organizations serving street sleepers noticing that street sleepers lack family care and initiatives, which include service teams formed by mobile medical vans, doctors and nurses. However, the services of these pilot schemes are: first, unstable; and second, reliant on volunteers …*

PRESIDENT (in Cantonese): Dr Fernando CHEUNG, please state your supplementary question direct.

DR FERNANDO CHEUNG (in Cantonese): … *may I ask the Government when the authorities will consider regularizing these voluntary outreach services, including the mobile medical van services?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, regarding the outreach mobile services mentioned by Dr CHEUNG just now, there are a wide range of funds supporting such services at present. Yet, it warrants attention that many of these cases are rather complicated. As I pointed out earlier, we understand that they sleep on the streets for various reasons. As for female street sleepers, the authorities have provided different accommodation arrangements and SWD has also provided support and sought to understand

whether family problems are involved, so that in addition to the outreach teams, we may exercise intervention and provide support to them in such other aspects as welfare and family services.

If street sleepers are sleeping on the streets because of complicated family problems, with the follow-up by social workers of SWD, they may be offered public housing flats on the grounds of compassionate rehousing. We will make referral in this connection. I think the point is the problems faced by street sleepers in different districts are unique and complex, and it is difficult to address these problems with a general approach. Hence, we will continue to deepen our understanding of the problems faced by street sleepers through the various services provided at present, particularly the services provided by the three ISTs, and to ascertain whether they are fully informed of the housing and welfare support available.

Regarding the outreach services provided by mobile vans mentioned by Dr Fernando CHEUNG earlier, there are different funds providing subsidies to these services. We will continue to facilitate the organizations concerned in applying for funding from these funds.

DR FERNANDO CHEUNG (in Cantonese): *President, he has not answered my supplementary question.*

PRESIDENT (in Cantonese): Dr Fernando CHEUNG, which part of your supplementary question has not been answered?

DR FERNANDO CHEUNG (in Cantonese): *When will the authorities consider regularizing these services?*

PRESIDENT (in Cantonese): Dr CHEUNG, you have already pointed out the part of your supplementary question not answered. Secretary, do you have anything to add?

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I have nothing to add.

MR LEUNG CHE-CHEUNG (in Cantonese): *President, as the Secretary pointed out in the main reply, street sleeping is a complex social problem falling within the purview of a number of departments. Yet, as Hong Kong is a thriving and very prosperous society, it is really baffling to see that there are several hundreds of street sleepers here. May I ask the authorities whether it has set a target to enable all street sleepers to return home as soon as possible?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Street sleeping is definitely a relatively complex issue. One of the figures we mentioned just now which I consider worth drawing the attention of Members is the reasons for people choosing to sleep on the streets. To our understanding, nearly one fourth of the street sleepers express that it is their personal choice to sleep on the streets. The reasons include that they consider it more convenient to sleep on the streets and it can save money, and in some cases, they are unwilling to live with their families due to personal matters and it may be because of drug addiction that they cannot return home.

Certainly, in the long run, housing supply is important. We must rely on the supply of public housing to meet the housing needs of the public and addressing the housing problem. However, since street sleepers are facing all kinds of problems, we have to arrange for organizations providing services or social workers to follow up their cases according to their reasons for street sleeping, so as to help them solve the relevant problems. This is most important. As I said earlier, it is the personal choice of many street sleepers to sleep on the streets. Certainly, there are cases which Members have frequently come across in the community. These street sleepers have flats or public housing flats to live in, but due to different problems, they do not live in their own flats and choose to sleep on the streets. In this connection, we have to work on the medical care aspect or, from the perspective of social workers, contact and help them with different approaches. If their problem is about employment, we will encourage street sleepers to enter the employment market again. Hence, we will continue to help street sleepers from different aspects, geared towards the single target of enabling more street sleepers to quit street sleeping.

MR AU NOK-HIN (in Cantonese): *In recent years, the number of street sleepers returning to street sleeping after moving out of hostels for single persons has increased because they can hardly find a stable job during the six-month stay in the hostels. Since they do not have enough savings to cope with the exorbitant rents in the market, they cannot but wander in the streets. If we are to alleviate the problem of street sleeping at origin, will the Government consider extending the maximum period of stay at hostels and allocate additional resources and manpower to follow up the employment arrangement of street sleepers and help them find jobs?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Regarding the hostels for single persons mentioned by the Honourable Member just now, the scheme is designed not as housing benefit for street sleepers. Yet, we understand there is some flexibility regarding the period of stay at hostels for single persons, and if a lodger needs to extend his stay, more often than not, it will be handled flexibly. Certainly, the crux of the problem of street sleeping is housing. Hence, in the long run, we need to increase the supply of public housing to help them to be allocated a flat. As I mentioned earlier, street sleepers face all kinds of problems. Some of them already have accommodation, yet they still choose to sleep on the streets for they consider it more convenient.

I have heard of a case in which the street sleeper has a public housing flat in Tin Shui Wai, yet he chooses to sleep on the streets in Kowloon for a long period of time for he considers it more convenient for him to go to work. It is evident that we must address each case according to the situation of individual street sleepers. Yet, I agree that in the long run, the Government must increase the supply of housing to address the accommodation problem.

PRESIDENT (in Cantonese): Second question.

Protecting the ecological environment of Mai Po and the adjacent marshes

2. **MR HUI CHI-FUNG** (in Cantonese): *Under the Wild Animals Protection Ordinance, Mai Po and the adjacent marshes ("the Mai Po Marshes") are designated as a restricted area. It has been reported that as mudskippers have*

become a gourmet dish on the Mainland in recent years, and the Mai Po Marshes are close to the Mainland, quite a number of people (mainly Mainland fishermen) trespass on the mudflats in the Mai Po Marshes to catch mudskippers illegally, thus scaring away migratory birds and depriving them of staple food. Furthermore, quite a number of migratory birds have been injured by the hunting appliance deployed in the area. Such activities have had a severe impact on the ecological environment there. In this connection, will the Government inform this Council:

(1) of the number of reports received, and the number of law enforcement operations conducted, by the authorities in each of the past three years on illegal fishing or hunting activities in the Mai Po Marshes; the respective numbers of offenders arrested, prosecuted and convicted (with a breakdown by whether they were Hong Kong residents) as well as the maximum and minimum penalties imposed on the convicted persons;

(2) of the details of the law enforcement work carried out by law enforcement departments at the Mai Po Marshes, including the training received by the law enforcement officers, frequency of and manpower for patrol, as well as the expenditure and strategies of law enforcement work; and

(3) whether, in order to conserve the ecological environment of the Mai Po Marshes more effectively, the authorities will raise the relevant penalties, increase law enforcement resources, step up efforts in public education, strengthen the cooperation with the Mainland authorities in combating illegal fishing, and review the relevant policies and legislation?

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, the Mai Po Marshes and Inner Deep Bay Restricted Area ("the Restricted Area"), comprising a total area of about 800 hectares, includes all the mangrove swamps adjoining the marshes, and the intertidal mudflats and shallow waters of Inner Deep Bay. Mudskippers are common fish species in Hong Kong and can usually be found in the mudflat and shallow water habitats in places such as Inner Deep Bay, Sai Kung, Sha Tau Kok, Tolo Harbour and Lantau Island. Mudskippers are not only found in the Restricted Area. They are not protected

species and are occasionally sold in small amount in the local food market. However, conducting illegal activities (including catching mudskippers) in the Restricted Area might affect to different extents the resting of protected wild animals, especially water birds, and the ecology of the area.

The Wild Animals Protection Ordinance (Cap. 170) ("the Ordinance") stipulates that any person who enters or be within the Restricted Area without a permit issued by the Director of Agriculture and Fisheries and Conservation is liable to a maximum fine of $50,000 on conviction. The Ordinance also bans the possession of hunting appliance or hunting of any local wild animals by means of hunting appliance, and also the hunting or possession of protected wild animals specified in the Ordinance except in accordance with a special permit. Upon conviction, the maximum penalty is a fine of $100,000 and an imprisonment of one year. Regarding the law enforcement, the Agriculture, Fisheries and Conservation Department ("AFCD") conducts regular patrol and enforcement operations in the Restricted Area. At the request of AFCD, the patrolling officers of the Marine Police responsible for Deep Bay and coastal areas would provide support and take joint enforcement actions.

My consolidated reply to the main question raised by Mr HUI Chi-fung, after consulting the Security Bureau, is as follows:

(1) In the past three years (i.e. 2015-2017), AFCD received two to four reports of illegal hunting in the Restricted Area and conducted around 800 boat or foot patrols and enforcement operations each year. A total of 200 to 970 fishing gears were seized in the operations annually. There was no prosecution case established under the Ordinance in the Restricted Area. The breakdown of figures is tabulated in the Annex.

(2) AFCD carried out around 800 patrols in the Restricted Area per year to monitor the ecological conditions and conduct enforcement operations. Upon discovering or receiving reports about illegal entry to the Restricted Area, AFCD will arrange staff to conduct inspections and enforcement operations. Joint operations of AFCD, the Police or other concerned departments will be carried out when necessary.

At present, there are 13 AFCD staff responsible for the management and enforcement operations in the Restricted Area. Regular training related to surveillance, enforcement and prosecution is provided to the relevant staff. As these activities form part of the nature conservation work of AFCD, there is no separate breakdown for the expenditure involved. The Police will also provide assistance and support upon AFCD's request while the number of patrols and manpower allocation will be subject to crime situation and the need of police operations.

(3) To effectively conserve the ecological habitats in the Mai Po Marshes, AFCD and the Police have strengthened collaboration and taken targeted surveillance, patrol, enforcement operations, intelligence collection and exchanges. In respect of cross-boundary cooperation, the Police have been liaising with relevant Mainland authorities to combat criminal activities entering Hong Kong. AFCD has also contacted its Mainland counterpart for combating illegal fishing activities in the Restricted Area through education and publicity efforts for fishermen in both Hong Kong and the Mainland of China. In addition, AFCD reviews the provisions of the Ordinance and relevant policies from time to time with a view to better conserving the wild animals and their important habitats.

Annex

Figures on the enforcement operations to combat illegal hunting in the Restricted Area by AFCD

Year	*2015*	*2016*	*2017*
Number of reports of illegal hunting (cases)	2	4	4
Number of patrols and enforcement operations (times)	Around 800	Around 800	Around 800
Fishing gears seized (units)	209	977	258
Hunting appliances seized (units)	0	1	1
Number of persons arrested and convicted	0	0	0

MR HUI CHI-FUNG (in Cantonese): *President, with regard to reports accusing the Mainlanders of catching all the mudskippers in the Mai Po Marshes in Hong Kong, the Secretary outrageously said in the main reply that mudskippers are not protected wild animals and that the Restricted Area of the Mai Po wetland is not the only habitat for mudskippers. Is this the attitude for protecting the natural ecology? Is it that a minor problem can be played down casually? Let us also look at the number of enforcement operations. It transpires that about 800 patrols are conducted and as many as 970 fishing gears are seized each year and yet, not one single person has been arrested in three years. Judging from this level of law enforcement, coupled with the casual attitude adopted by the Secretary, how can the public believe the Government has the resolve to conserve sites of high ecological value in Hong Kong?*

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, in response to the concern of the Member, I must say that we are keenly concerned about the conditions of sites with high ecological value in Hong Kong. The Restricted Area we are talking about today is one of these sites. As Members can see, the ecological conditions in the Restricted Area have basically remained stable in recent years, and together with the relevant non-governmental organizations ("NGOs"), we have been keeping watch on the environment there.

I wish to add that under the Ordinance, any person (including Hong Kong citizens and people from outside Hong Kong) who enters that area without a permit issued by AFCD is liable to a fine of $50,000. The staff of AFCD will conduct regular patrols and enforcement operations in the area against possible illegal activities.

Over the past three years, regarding the number of patrols conducted by AFCD in the Restricted Area and the number of cases in which illegal entry into the Restricted Area was prosecuted successfully and fined, according to the figures on hand, there were 25 cases of prosecution in 2015, 19 cases in 2016, and 24 cases in 2017. Of course, this is the number concerning illegal entry into the Restricted Area. So, I hope Members will understand that in order to protect this place, if people enter the Restricted Area illegally and disrupt the ecology there, irrespective of where they come from, we will take these cases seriously, and I hope that Members will appreciate the efforts made by the Government.

On the other hand, as I said just now, AFCD has consistently worked with NGOs, including the World Wildlife Fund ("WWF"), in managing and conserving the ecology of the Mai Po Nature Reserve, with a view to enhancing its biodiversity.

MR TONY TSE (in Cantonese): *According to the Secretary's main reply and his remarks made just now, over a period of time in the past, prosecution is brought against people who entered the Restricted Area illegally to engage in improper activities each year. But in respect of reports lodged by the public about illegal hunting, according to the Secretary's main reply, not one single arrest has been made over the years.*

Some members of the public found that after they had made a report, it took as long as three hours for police officers to arrive at the scene and as you may know, Secretary, those people had already left by then. Why does it take so long to arrive at the scene? Will consideration be given to taking other measures to make improvement in order to intercept the suspects and hence effectively ban illegal hunting by these people?

SECRETARY FOR THE ENVIRONMENT (in Cantonese): I thank Mr Tony TSE for his supplementary question. First of all, we thank the public for calling the relevant departments to make a report when they saw people suspected to be engaging in fishing activities illegally in the Restricted Area in Mai Po. Having said that, Members must understand that Mai Po covers a large area measuring 800 hectares. Sometimes, the information provided by the public, especially that on the location, may not be that accurate. Therefore, it may take the relevant officers longer to arrive at the scenes to conduct inspection and enforcement operations.

AFCD regularly uses new technologies, such as unmanned aerial vehicles, to help step up patrols and survelliance in areas surrouding the Mai Po Marshes. Infrared cameras are also installed at suspected hiding spots of Mainland fishermen for the purposes of intelligence collection and law enforcement.

As Members will understand, given the special environment of the mudflats, except with the use of amphibious hovercrafts, it is difficult to conduct patrols and enforcement operations at the mudflats in low tides with ordinary

boats. AFCD is in the course of purchasing a new model of amphibious hovercraft to replace the existing hovercraft, in order to further enhance the efficiency of the various initiatives taken to manage and conserve the precious wetland in Inner Deep Bay. The Police have also been using advanced technologies, such as radar systems and crafts for shallow water, to combat illegal cross-boundary activities. If necessary, the Police can assist the relevant departments in Hong Kong to enhance the effectiveness of law enforcement with the use of crafts for shallow water.

MR LEUNG CHE-CHEUNG (in Cantonese): *President, Mainlanders who come to the Mai Po Nature Reserve to engage in illegal fishing can be discovered easily because the site is mainly made up of mudflats but as the Secretary said earlier, it covers a large area and so, there are indeed certain difficulties in imposing control. Just now the Secretary also mentioned the use of technologies, including unmanned aerial vehicles, infrared cameras, and so on. I would like to know the effectiveness. After making use of so many technologies and taking targeted enforcement operations, how many people have been arrested or what penalties have been imposed? An Honourable colleague said earlier that the punishment is inadequate. Is there a need to impose heavier punishment? I think it is necessary to look at the effectiveness of law enforcement. If it is effective, we will certainly support it. Therefore, I would like the Bureau to tell us about the effectiveness of such work.*

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, I thank Mr LEUNG for his supplementary question. Let me provide some supplementary information here. Targetting cases of illegal entry of Mainland fishermen for fishing in the Restricted Area in recent months, AFCD has enhanced the exchange of intelligence with the relevant departments and the Police in respect of the relevant areas and also conducted joint operations with the Police. For example, in an operation conducted in June, a batch of fishing gear for catching mudskippers was seized. On the other hand, the Police have also stepped up exchange of intelligence with the relevant Mainland departments to curb the illegal entry of Mainland fishermen into Hong Kong.

Moreover, AFCD has enhanced communication and cooperation with WWF, in order to facilitate the arrangements for patrols and assist the Police in law enforcement. According to the information provided by WWF, in June, for

instance, as at 27 June, no further cases of entry by Mainland fishermen into the Restricted Area for fishing have been found. Therefore, these operations or the utilization of technologies have created a deterrent effect and reduced illegal activities carried out by these people. AFCD has deployed additional staff to patrol the Restricted Area by sea and on land and used unmanned aerial vehicles to carry out surveillance at suspected hiding spots of Mainland fishermen but no such cases have been found recently. This shows that the aforesaid operations have produced a warning effect. AFCD will continue to monitor the situation.

During the period from January to 27 June this year, with regard to reports of illegal hunting in the Restricted Area received by AFCD, the number of patrols conducted or the hunting appliances and fishing gear seized, the number of persons arrested in the operations and the situation of Mainland fishermen found to be operating at the mudflats during patrols, I can provide more supplementary information. For instance, in the first half of this year, there were 9 reports of illegal hunting; 450 patrols were conducted; several hundreds of fishing gear were seized; and regarding the number of times of Mainland fishermen being found to be operating at the mudflats during patrols, it was found twice before, and there has been a reduction in these cases recently. So, we will make continuous efforts to put technologies to good use in the hope that a warning effect can be achieved.

IR DR LO WAI-KWOK (in Cantonese): *President, the ecology of the Mai Po Marshes is pretty important. Regarding cases of illegal fishing, the Secretary mentioned earlier a lot of the problems encountered in enforcement, but we are all the more concerned about whether this will affect the food chain in nature. Fishing will lead to a reduction of food for birds and may hence cause the ecology to worsen. In this connection, may I ask the Secretary how the Government monitors the situation of biodiversity in the Mai Po Marshes? Are there any signs of irregularities or deterioration in the situation?*

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, I thank Ir Dr LO Wai-kwok for his supplementary question. Mainland fishermen or Hongkongers who illegally entered the Restricted Area for fishing mostly operated at the mudflats during low tides. When they were catching mudskippers, they might scare away birds foraging at the mudflats. We can explore this issue from a scientific angle. In fact, most migratory birds make

their winter migration to Inner Deep Bay in Hong Kong between October and March. Therefore, as Members may have noticed, during the period between May and July, the number of birds found on the mudflats during patrols by AFCD is comparatively less, for it is not the peak of their winter migration. As such, fishing at the mudflats whether by Mainland fishermen or Hongkongers will affect the birds to a less extent. Of course, we should be law-abiding at all times of the year and should not cause any nuisance to the migratory birds or bird species in the Restricted Area.

According to patrols conducted by AFCD in June and the information provided by WWF, cases of fishing by Mainland fishermen at the mudflats have decreased significantly, and as I said earlier in reply to another Member, so far, with the assistance of technologies, no such cases have been found recently. AFCD will certainly continue to enhance communication and exchange of intelligence with the Police in respect of the Restricted Area and also step up efforts to patrol the Restricted Area while taking necessary actions and conducting enforcement operations. In this connection, we will keep watch on the ecology in this area and for the time being, as I said earlier, we will step up enforcement to reduce the impact on the wetland with significant ecological value.

As I said earlier in the main reply, mudskippers are not a particularly endangered or protected species but in spite of this, we are concerned about the wetland in the area, for it is a birds' paradise. For this reason, we will, by all means, restrict entry into this area and even the conduct of other illegal activities there. So far, we have seen that the situation is under control.

MR GARY FAN (in Cantonese): *In his main reply the Secretary said that AFCD had conducted 800 patrols in the Mai Po Marshes and Inner Deep Bay Restricted Area annually, which means 2 400 patrols in three years and yet, not one single arrest was made in these three years. No one was arrested, and only fishing gear was seized. Such efficiency is shockingly low and most astonishing, rendering the effectiveness questionable. If no one is arrested, this is de facto an encouragement for those people to continually engage in illegal hunting and this is why the problem still exists. The Secretary mentioned earlier the use of unmanned aerial vehicles and hovercrafts by the Bureau, but for those fishermen found to be hunting illegally by photography enthusiasts, reporters and the public, they were using only skateboards or wood panels to slide on the mudflats and that is a very "low-tech" method.*

I have this question for the Secretary. According to the past review of this area of work by the authorities or the review of enforcement actions taken by AFCD, is there room for improvement? The figures provided by the Secretary showed that no cases of illegal fishing have been found, but in fact, is it that people were found engaging in illegal fishing but they managed to escape in the course of actions taken to pursue them? Is this the case in reality? Can the Secretary provide more figures? Or this is not true and that the patrolling officers did not see anyone but only found fishing gear every time they patrolled the area, or put it in other words, is the enforcement approach taken by the authorities as bad as this?

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, on this point, I can talk about two aspects. When colleagues patrolled the area and found people having entered the Restricted Area illegally, these people had already broken the law. Therefore, as I said earlier, over the past three years, actually prosecution was instituted. For example, there were 25 cases of prosecution in 2015, 19 cases in 2016, and 24 cases in 2017, with different levels of penalties imposed. This is one aspect. Of course, when the staff of AFCD found these people, it is another matter as to what exactly they were doing and what laws and regulations were invoked by the enforcement officers to bring prosecution against them. Meanwhile, as I said in the main reply, apart from making arrests, seizure of their hunting appliances or fishing gear can achieve deterrence, for these tools are also their costs. Therefore, we have seized their tools before and this has been effective to a certain extent.

MR GARY FAN (in Cantonese): *But according to the figures in the table provided by the Secretary, the number of arrestees is zero.*

PRESIDENT (in Cantonese): Secretary, do you have anything to add?

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, that number refers to the prosecution of illegal hunting. That is, in order to make arrests, the staff of AFCD must see the presence of these people in the Restricted Area and at the same time, these people are engaged in illegal fishing activities. What I talked about just now is that if, in the Restricted Area, the staff of AFCD

see some people who are not engaged in obvious fishing activities, they will be prosecuted for illegal entry into the Restricted Area. So, according to the past figures, there are about 20 successful cases of prosecution per year.

PRESIDENT (in Cantonese): Third question.

Use of a site reserved for Phase 2 development of the Hong Kong Disneyland

3. **MR ANDREW WAN** (in Cantonese): *President, I am sorry, for my voice is somewhat coarse today. Some members of the public have suggested the development of transitional housing using a 60-hectare site which has been reserved for the second phase development of the Hong Kong Disneyland ("Phase 2 site"), in order to improve the living environment of more than 200 000 residents in sub-divisions of flat units (commonly known as "sub-divided units"). On the other hand, a Hong Kong-based event organizer signed cooperation agreements with a Dutch floriculture expert last month on the development of a flower-themed garden in Hong Kong, and is considering locating the garden at the Phase 2 site. In this connection, will the Government inform this Council:*

(1) of the criteria adopted for vetting and approval of applications for short-term tenancies for the Phase 2 site; whether it has received or approved the application concerning the flower-themed garden;

(2) whether the Government conducted, in the past three years, any study on the construction of transitional housing at the Phase 2 site; if so, of the details and the outcome; if not, the reasons for that; and

(3) given that due to the restrictions imposed by the Deed of Restrictive Covenant signed between the Government and the Hongkong International Theme Parks Limited ("HKITP"), the permitted land uses of the Phase 2 site do not include residential use, whether the Government will discuss with HKITP amending the Deed to the effect that the provision of transitional housing such as modular housing is a permitted land use of the site; if so, of the details and the expected completion time for the discussion; if not, the reasons for that?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): President, in 1999, the Government and the Walt Disney Company ("TWDC") reached an agreement to develop the Phase 1 of Hong Kong Disneyland Resort ("HKDL") at a reclaimed site of about 126 hectares at Penny's Bay, Lantau Island. Since its opening in September 2005, HKDL has been in operation for nearly 13 years. It is a major component of the tourism infrastructure in Hong Kong and one of the most popular tourist attractions for both local and non-local visitors. It also helps consolidate our position as an international premier tourist destination.

In its first 12 years of operation, HKDL received over 70 million guests. Their additional spending in Hong Kong was around $166.2 billion, which generated total value-added of $90.9 billion for Hong Kong's economy, equivalent to 0.35% of Hong Kong's Gross Domestic Product. HKDL also created a total of 232 500 jobs for Hong Kong's economy over the same period, providing considerable job opportunities for frontline workers and Hong Kong's tourism industry.

Over the years, HKDL has been strengthening its appeal to visitors through sustained efforts to enrich its attractions and entertainment offerings. Apart from the new ride Iron Man Experience and the new hotel Disney Explorers Lodge launched last year, HKDL has been actively taking forward its expansion and development plan since the second half of last year and various newly built attractions are being launched progressively from this year to 2023.

When the development of HKDL was finalized in 1999, the Government, considering HKDL's further expansion and development in future, agreed to reserve a reclaimed site of around 60 hectares to the east of HKDL for its possible Phase 2 development ("the Phase 2 site"). The Government understands the concerns of this Council and the general public about better utilization of land, and thus considers from time to time whether the Phase 2 site can be put to compatible use(s). In fact, the Phase 2 site was used for hosting some short-term activities in the past, such as sports activities and group events.

Last month, there was an announcement in the Netherlands about the plan to develop an European design flower-themed garden in Hong Kong, and that the organizers concerned are considering locating the garden at the Phase 2 site. The Government welcomes this proposal which, if materialized, would not only

bring a new attraction for enjoyment by our local community, but would also enrich our tourism offerings, and thereby further enhancing Hong Kong's position as an international premier tourist destination.

My reply to the three parts of the question is as follows:

(1) According to the Option Deed signed in 2000 between the Government and the Hongkong International Theme Parks Limited (i.e. the joint venture with the Government and TWDC as shareholders, "the joint venture"), the joint venture has an Option to purchase the Phase 2 site for taking forward HKDL's further development. Before the joint venture exercises the Option for the Phase 2 site, the site can be put to short-term uses that comply with the permitted uses as listed in the Deed of Restrictive Covenant ("DRC"), including recreational, sports and cultural facilities, etc. When considering these short-term uses, we also need to take into account whether such uses are compatible with the use and atmosphere of HKDL. As at end-June this year, the Government has not yet received any short-term tenancy application from the organizers of the flower-themed garden for developing the garden at the Phase 2 site.

(2) and (3)

As mentioned in my reply to part (1) above, before the joint venture exercises the Option for the Phase 2 site, the short-term uses of the site have to comply with various permitted uses as listed in DRC, including recreational, sports and cultural facilities, etc., but not residential use (e.g. development of transitional housing). Considering the Option Deed signed in 2000, the Government agrees to reserve the Phase 2 site for HKDL's possible Phase 2 development. We have no intention to change the existing land use arrangements.

In the light of the proposed short-term uses of the Phase 2 site recently received, we will continue to follow up with the relevant parties and make an announcement at an appropriate juncture, with a view to further exploiting the recreation, tourism and entertainment

positioning in the vicinity of HKDL. This would be conducive to HKDL's ongoing development, Hong Kong's tourism industry as well as the overall economy.

MR ANDREW WAN (in Cantonese): *President, may I ask the Government why it does not make use of the mechanism of short term waiver, so as to utilize the site for purposes not permitted by the land lease for a short period of time? Is this a feasible way to make optimal use of the land?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I thank Mr WAN for his supplementary question. As I said in the main reply, the short-term uses specified in DRC include recreational, sports and cultural facilities, etc. but residential use is not permitted. As a business-friendly city with a sound legal system, Hong Kong must respect the spirit of contract and honour the clauses of the relevant deed, rather than violating the agreement unilaterally.

In addition, I also wish to …

MR ANDREW WAN (in Cantonese): *President, he did not answer my question. I am asking him about the waiver, the short term waiver.*

PRESIDENT (in Cantonese): Secretary, do you have anything to add?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): This is not one of our considerations.

MR AU NOK-HIN (in Cantonese): *President, if TWDC gives up the development of the Phase 2 site, the Government will resume the land and use it for other types of development. In fact, all along, a proposal has been floated in the community, that is, it is proposed that the Phase 2 site be handed over to the Hong Kong Golf Club at Fanling for development into a golf course. In this*

way, synergy with HKDL can be achieved and the golf course at Fanling can be vacated for housing development. Will the Government consider this proposal? If the answer is in the negative, what plan does the Government have?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I thank Mr AU for his supplementary question. First, concerning the Phase 2 site, before the joint venture exercises the Option, if some short-term uses are compatible with the land use and also in line with the the recreation, tourism and entertainment positioning of the vicinity of HKDL, the Government welcomes these proposals. In addition, the possible Phase 2 development of HKDL entails various considerations, for example, the business performance of Phase 1 of HKDL, the progress in the implementation of the expansion and development plan, the business environment of the tourism industry, etc. At present, the Government does not have any specific proposal for the development of Phase 2 of HKDL.

MR YIU SI-WING (in Cantonese): *President, as far as I know, the Option to purchase the Phase 2 site for HKDL can be exercised within 10 years. The first occasion to do so arises in 2020 and the second, in 2025. We can see TWDC cooperating with the Government in providing additional attractions up to 2023 at a cost of $10.9 billion. That means before 2025, we will not see any likelihood of TWDC using the Phase 2 site. In these circumstances, may I ask the Government if there is any way of advancing the time of resuming the Phase 2 site for HKDL to a time earlier than 2025 and use it for other purposes? Or is it necessary to wait until 2025, after a certain visitor number has been recorded, before the land can be resumed? Is there no such possibility whatsoever in the interim?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I thank Mr YIU for his supplementary question. Insofar as the Phase 2 site is concerned, as Mr YIU perhaps also knows, the joint venture has two opportunities to extend the Option for purchase of the site. The first opportunity allows the joint venture to extend the Option in 2020 by five years to 2025. The second opportunity to extend the Option by five years to 2030 carries a condition, that is, the numbers of visitors to HKDL between 2023 and 2025

have to reach a certain level before this can be done. In view of this, prior to the exercise of the Option by the joint venture, the Government very much welcomes using the Phase 2 site for short-term tourism projects if they are compatible with the land use and the positioning mentioned by me just now. Concerning the proposed flower-themed garden mentioned in the question, it can actually bring the concept of garden tourism to Hong Kong to enhance our tourism experience and this is precisely one of the tourism development strategies in the Development Blueprint for Hong Kong's Tourism Industry published by us last year. It is hoped that various tourism offerings can be attracted to Hong Kong, particularly diversified ones having an international appeal. Moreover, such short-term use is compatible with the surrounding facilities, including HKDL Phase 1, so in terms of the aura or atmosphere, they are complementary and synergy can be achieved. This is also favourable to the development of tourism and the overall economic development in Hong Kong.

PRESIDENT (in Cantonese): Mr YIU Si-wing, which part of your supplementary question has not been answered?

MR YIU SI-WING (in Cantonese): *President, my supplementary question is: According to the existing Deed, is there no way of resuming this piece of land before 2025, so as to use it for other purposes?*

The Secretary did not answer this question.

PRESIDENT (in Cantonese): Mr YIU Si-wing, you have already pointed out which part of your supplementary question not answered. Secretary, do you have anything to add?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): As I said just now, we have to respect the spirit of contract.

MRS REGINA IP (in Cantonese): *President, I have to make a declaration first. I hold the stocks of TWDC.*

In spite of this, Secretary, my supplementary question is: I heard some members of the industry say that the 56 hectares of land to the east of HKDL reserved for it is slated for it to build a second theme park but if we look at the present performance of TWDC in Hong Kong, last year, the number of visitors stood at 6 million only. Moreover, the operators of theme parks in the United States have built theme parks like Six Flags, Universal Studios, etc. on the Mainland one after another, so HKDL is losing its appeal. Can the Secretary answer Members' question, that is, can he tell the senior management of the Government that the land should simply be resumed for the construction of housing, which is badly needed by Hong Kong people, when the period to exercise the Option has lapsed? Can the Secretary give us a forthright reply and refrain from beating about the bush?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I thank the Honourable Member for her question.

We are optimistic about the future performance of HKDL because the Hong Kong-Zhuhai-Macao Bridge will be commissioned in the future, and so will the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link. This will further encourage high-yield overnight visitors to come to Hong Kong to experience our various tourism offerings, including HKDL. If we look at the figures of last year, we can see that there was actually quite a decent increase in the number of visitors from nearby cities in Guangdong. In addition, the numbers of non-Mainland visitors, for example, the number of Southeast Asian visitors, have also recorded decent increases. In the future, the Government hopes to attract more visitors to Hong Kong through various types of promotions.

As regards the Member's question just now on whether or not the relevant terms would be changed, as I said in my reply just now, we have to respect the spirit of contract.

DR FERNANDO CHEUNG (in Cantonese): *President, HKDL has been in operation for 13 years and in 10 of them, it was loss-making. The land derived from the first phase of reclamation has not yet been fully utilized and the 60 hectares of land at the Phase 2 site have been basking in the sun for over a decade. President, 60 hectares of land are equivalent to three Tai Koo Shing's*

in area and can be used to provide housing to tens of thousands of people. Given our wasteful attitude towards such land in the past, may I ask the Secretary which Policy Bureau or which official has to be held accountable for such wastefulness and how responsibility can be pursued?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I thank the Honourable Member for the question.

First of all, the positioning of the Phase 2 site is recreation, tourism and entertainment. On the development of tourism, in fact, apart from drawing more visitors to Hong Kong, the development of such peripheral industries as the hotel industry, the aviation industry and the retail industry will also gain momentum, thus increasing employment opportunities. Therefore, the development of tourism is beneficial to Hong Kong and favourable to the Hong Kong economy and even public livelihood.

Besides, on the performance of HKDL itself, if we review the past eight years, its performance in terms of EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) was also positive. Coupled with the various opportunities that will arise in the future, as mentioned by me just now, for example, the commissioning of the Hong Kong-Zhuhai-Macao Bridge and the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, visitors in nearby areas in Guangdong will continue to be attracted to Hong Kong, so the prospect of tourism development in Hong Kong is actually bright.

DR FERNANDO CHEUNG (in Cantonese): *President, the Secretary did not answer my question. President, I asked which Policy Bureau or official should assume responsibility for the wastefulness of allowing the land to bask in the sun for as long as a decade?*

PRESIDENT (in Cantonese): Dr Fernando CHEUNG, you have pointed out the part of your supplementary question not answered. Please sit down. Secretary, do you have anything to add?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): On the Phase 2 site for HKDL, in the past, it has also been leased out for short-term uses before, so the Government will be happy to see such projects as the flower-themed garden, which has been discussed today, come to fruition.

MR GARY FAN (in Cantonese): *Secretary, the 60-hectare site at the Phase 2 site for HKDL is precisely equivalent to the area that the Government plans to reclaim at Ma Liu Shui and it is by no means small. Moreover, as Dr Fernando CHEUNG put it, it has been basking in the sun for over a decade. The operation of HKDL is not satisfactory either, but since TWDC has the right to exercise the Option, it can renew the Deed twice and in 2020, it can even renew the Deed for a further 10 years. In 2013, together with planning groups and environmental groups, I proposed the development of the Fanling Golf Course. This proposal is now under discussion and the Government is also considering this development plan. If there is strong public opinion in favour of the construction of transitional housing at the Phase 2 site, may I ask the Government if it will consider doing so and whether or not this can be considered?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I thank the Honourable Member for his question.

First of all, on housing, as I said in my main reply and supplementary replies, the relevant term states explicitly that this is not permitted, so we should respect the spirit of contract. As regards other proposals related to recreation or entertainment, including that of developing a golf course, the Government welcomes people interested in this issue to put forward proposals on the short-term use of the Phase 2 site, on the premise that they conform to the relevant land use. The Government's goal is actually to give better play to the recreational, tourism and entertainment positioning of the area surrounding HKDL.

MR AU NOK-HIN (in Cantonese): *President, Mrs Regina IP also said just now that due to the need for housing, the relevant site should be used for housing construction. However, Under Secretary Dr Bernard CHAN said that the Deed*

had to be honoured, so he welcomes proposals like developing it into a golf course. In fact, if the Phase 2 site for HKDL is really turned into a golf course, is this not mutually beneficial as Mickey Mouse can play golf with all parties concerned? However, if the Government takes this proposal on board, it has to fulfil one condition, that is, the Fanling Golf Course has to be released and used for housing development purposes. Can the Government consider the views in this regard seriously?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I thank Mr AU for his supplementary question.

On the development of the Phase 2 site for HKDL, this is actually one of the feasible directions for the overall development of HKDL in the future. The shareholders of the joint venture, including the Government and TWDC, will continue to explore the feasibilities in relation to the Phase 2 development of HKDL. As regards the condition or consideration of housing construction, I have already given my replies in the main reply and supplementary replies, so I am not going to repeat them.

PRESIDENT (in Cantonese): Fourth question.

Harbourfront enhancement

4. **MR YIU SI-WING** (in Cantonese): *President, given that the Victoria Harbour is an important leisure and tourist resource which is unique and beautiful, the Government has been actively promoting harbourfront enhancement in recent years, including the construction of uninterrupted world-class promenades to enable members of the public and tourists to appreciate the beautiful scenery of the two sides of the harbour at a close distance. In this connection, will the Government inform this Council:*

(1) of the respective details of the harbourfront enhancement projects that have been completed, are under construction and are under planning at present;

(2) whether it has formulated short, medium and long term work objectives and timetables for linking up various harbourfront enhancement projects; if so, of the details; if not, the reasons for that; and

(3) whether it will add leisure and consumption facilities to various harbourfront enhancement projects having regard to the latter's environmental characters, and develop promenades with characteristics under a public-private partnership approach; if so, of the details; if not, the reasons for that?

SECRETARY FOR DEVELOPMENT (in Cantonese): President, the Victoria Harbour is a very valuable natural asset for all the people of Hong Kong. As the Chief Executive has pointed out in her Policy Address of October 2017, we encourage the community to make better use of the harbourfront so that it will become more vibrant and more quality public space will be available for public enjoyment. In this connection, the Government will continue to work closely with the Harbourfront Commission ("HC") to further improve the continuity of the waterfront promenade for public enjoyment, and enhance the harbourfront accessibility so as to link up our people with the harbour.

My reply to Mr YIU Si-wing's question is as follows:

(1) and (2)

Of the 73 km long waterfront areas on both sides of the Victoria Harbour, 3 km are natural coastline and about 32 km are land already developed with public facilities, private residential premises, commercial blocks, etc. Of the remaining 38 km, 19.6 km have been opened for public enjoyment, including a number of waterfront promenades that are popular among locals and tourists, such as the promenade at the new Central harbourfront, the open space and pet garden constructed along both sides of Tamar Park, Quarry Bay Promenade, phases 1 and 2 of Kwun Tong Promenade, the promenade connecting Hung Hom to Tsim Sha Tsui, and Hoi Fai Road Promenade at Tai Kok Tsui.

To further strengthen harbourfront enhancement efforts, the Harbour Unit under the Development Bureau was reorganized into the multi-disciplinary Harbour Office ("HO") on 1 July. With the gradual completion of the planning for the harbourfront areas on both sides of the Victoria Harbour, HO will focus its efforts on implementation of various harbourfront enhancement initiatives, and on setting the priorities of specific initiatives according to the finalized harbourfront planning and new proposals put forward by HC.

In the short-to-medium term, our work on harbourfront enhancement will focus on three areas. First, under the steer of HC, HO will use the dedicated funding of $500 million to take forward harbourfront enhancement initiatives. These initiatives include implementing four works projects, namely an advance promenade from Central and Western District Promenade (Central Section) to the Hong Kong Convention and Exhibition Centre, an open space at Eastern Street North in Sai Ying Pun, an urban park in front of Hung Hom Ferry Pier, and enhancement of the Tsuen Wan waterfront, as well as studying the policy and design matters related to harbourfront development. Apart from projects under the aforesaid dedicated $500 million funding, HO will also continue to take forward other projects, including the Boardwalk initiative on Island East, as well as two harbourfront projects in Kennedy Town and Wan Chai Ferry Pier respectively.

Secondly, the Home Affairs Bureau is actively pursuing the Five-Year Plan for Sports and Recreation Facilities. Nine of the projects under the Plan are situated in the Kowloon harbourfront areas in Kwun Tong, Kai Tak, To Kwa Wan, Hung Hom, Tai Kok Tsui and Kwai Tsing. Feasibility studies to enhance the facilities at Tsuen Wan and Aldrich Bay promenades will also be conducted. The aforesaid projects are listed in the table at Annex.

Thirdly, the West Kowloon Cultural District Authority is actively developing the harbourfront facilities inside the West Kowloon Cultural District. The temporary Nursery Park and the first phase of the Art Park (including the adjoining promenade) have been opened for public enjoyment since July 2015 and early 2018

respectively, while the remaining part of the Art Park and the promenade in front of the M+ Museum will be completed and opened for use in phases starting from later this year.

Upon completion of the aforesaid works projects, there will be an addition of almost 50 hectares of open space at the harbourfront. The length of promenades on both sides of the Victoria Harbour will be further increased by approximately 5 km.

In the long run, the Government will strive to take forward the planning for three harbourfront areas, i.e. the Kai Tak Development Area, the Wan Chai North to North Point harbourfront and the new Central harbourfront, thereby further developing promenades on both sides of the Victoria Harbour.

In this regard, almost one third of the Kai Tak Development Area, i.e. around 100 hectares, is zoned open space, including a continuous waterfront promenade generally 20 m to 35 m wide. A number of major open space projects in the Development Area have also been included in the aforementioned Five-Year Plan for Sports and Recreation Facilities. These projects will be completed gradually in future.

As for the Wan Chai North to North Point harbourfront, the Planning Department ("PlanD") had conducted two stages of public engagement exercise for the Urban Design Study for the Wan Chai North and North Point Harbourfront Areas. The Development Bureau and PlanD are now refining the harbourfront development proposals based on the comments received, and exploring arrangements for the implementation, including studying how to better develop and manage the harbourfront sites by capitalizing on the strength of the business sector and the community. Before implementing the long-term proposals, in order to allow the public to enjoy the harbourfront areas as early as possible, we are developing two advance promenades, one connecting the Central and Western District Promenade (Central Section) to the Hong Kong Convention and Exhibition Centre and the other near the new Wan Chai Pier, providing additional open space which is close to 1 km in length and 2 hectares in size.

As regards the new Central harbourfront, we are also gradually taking forward the long-term development of the key sites according to the recommendations of the Urban Design Study for the New Central Harbourfront.

As some of the harbourfront sites in the aforementioned three areas are being used or may be used in future for supporting infrastructure projects such as the Shatin to Central Link ("SCL"), the Central Kowloon Route and the North Hong Kong Island Line under planning, we will take into account the progress of the various projects, and implement the initiatives according to the long-term planning in a timely manner.

(3) We agree that having only the Government to develop public open spaces may not be able to address the diverse needs of the public in enjoying the harbourfront, especially when the Government has to follow the established system in their design, building and management. We should provide more opportunities for parties outside the Government, no matter whether they are business entities or non-governmental organizations ("NGOs"), and regardless of whether they are profit-making or not, to be directly involved in the development and management of the harbourfront areas and bring vibrancy and diversity to such areas. We are also prepared to explore a district-based approach in harbourfront enhancement, so as to integrate local characteristics into the design and day-to-day management of the harbourfront. There is no lack of examples in this regard. For instance, since 2014, we have let out the Central Harbourfront Event Space, which occupies an area of 3.6 hectares, to a private operator for hosting activities of different nature, including international tourism events, international art fairs, the Hong Kong E-Prix, concerts and long distance runs. More than 5 million participants have been attracted to these activities. As for the privately operated Hong Kong Observation Wheel nearby, after its reopening in last December and with a substantial reduction in fares, about 1 million patrons have been recorded within a half-year period.

Besides, we will make use of a harbourfront site in Kennedy Town to respond to the diverse needs of the community, including turning an area of about 5 900 sq m into a promenade and public open space,

and letting out an adjacent area of about 2 000 sq m to an NGO or a social enterprise by way of short-term tenancy for operating a community garden. HO is vetting the proposals submitted, with a view to handing over the site to the operator in October this year.

As regards the proposed urban park in front of Hung Hom Ferry Pier, which is one of the initiatives under the aforementioned $500 million dedicated funding, we are planning to invite external organizations to submit expressions of interest ("EOIs") later this year on the specific facilities, types of activity, conceptual design and operation model. Depending on market response, we will consider the feasibility of inviting external organizations to participate in the development of the urban park.

In the long run, we hope that the valuable experience gained in the aforesaid cases will help us test and explore the implementation details of different development and management models, and provide further guidance for other harbourfront enhancement initiatives, thereby facilitating the development of a harbourfront which can better meet the diverse needs of tourists and the public.

Annex

Harbourfront enhancement initiatives implemented by the Government under the Five-Year Plan for Sports and Recreation Facilities

Serial No.	*Project Name*	*District(s)*
1.	Improvement of Hoi Bun Road Park and Adjacent Area, Kwun Tong	Kwun Tong
2.	Avenue Park at Kai Tak	Kowloon City
3.	Waterfront Promenade adjacent to the Hong Kong Children's Hospital	Kowloon City
4.	Station Square at Kai Tak	Kowloon City
5.	Hoi Sham Park extension, To Kwa Wan	Kowloon City
6.	Open space at Hung Hom Waterfront	Yau Tsim Mong and Kowloon City
7.	Open space at Hoi Fan Road, Tai Kok Tsui	Yau Tsim Mong
8.	Open space at Hoi Fai Road, Tai Kok Tsui	Yau Tsim Mong

Serial No.	*Project Name*	*District(s)*
9.	Kwai Chung Park	Kwai Tsing
10.	Improvement of Tsuen Wan Riviera Park and Tsuen Wan Park (technical feasibility study to be conducted)	Tsuen Wan
11.	Sports Centre and Open Space at Aldrich Bay (technical feasibility study to be conducted)	Eastern District

MR YIU SI-WING (in Cantonese): *President, Hong Kong has a beautiful harbour. I agree with the Secretary's reply in part (3) that having only the Government to develop open spaces may not be able to address the diverse needs of the public in enjoying the harbourfront. Hence, through public-private partnership, the functions of the harbourfront can be brought into further play. Apart from the events and the Ferris wheel cited by the Secretary just now, the Avenue of Stars in Tsim Sha Tsui is also one of the successful examples. However, compared with the harbourfront which is about 73 km long in Hong Kong, the said projects account for a very low proportion and still fail to give full play to the space. May I ask the Secretary whether the Government will draw up a list of harbourfront areas for public-private partnership and short-, medium- and long-term timetables based on the existing conditions of the harbourfront in Hong Kong so that locals and tourists will have more choices and experience different pleasures in the future?*

SECRETARY FOR DEVELOPMENT (in Cantonese): I thank Mr YIU for his supplementary question. In respect of certain principles in the design of harbourfront areas, a set of guidelines has been formulated earlier. I guess many members of the industry or the planning sector regard it as their "Bible". It is the Harbour Planning Guidelines, in which various needs in the planning of land use are set out, including the need to cater for the tourism industry.

Just now the Honourable Member asked about public-private partnership. The Government strongly agrees that there cannot be sole reliance on the Government to do the relevant work because the Government is subject to limitations. It may be bound by more rules and systems. Let me give an example. In the Fly the Flyover Operation in the middle of last year, EKEO (i.e. Energizing Kowloon East Office) leased a site to HKALPS Limited ("HKALPS") at a nominal rent. It was then allowed to lease the site to different arts or creative groups at market rate for holding appropriate activities.

Midway through the period, some Members asked whether it could offer a discount, and it was willing to do so. Recently, with a fairly good revenue, it has further lowered the rent by 20%. Having such experience, what conclusion have we drawn? First, it has greater flexibility. Second, taking the initiative to cooperate with different organizations, it is really good at curation. The Government also manages venues rented to different groups, but we are more passive in this aspect. The experience gained from HKALPS is that it will proactively invite different community groups to organize and even co-organize activities. Over the past period, we found such experience quite successful. As I have mentioned in the main reply, we hope the park in front of Hung Hom Ferry Pier will also adopt this model in future. The site at Wan Chai North will be developed later because now part of the land is still used as the construction site of SCL. It may not be returned to the Government until 2020 or 2021. We also expect that it will be handled with this approach by then. We wish to extend these successful experiences—we hope we will succeed—and the knowledge acquired to other projects in Hong Kong. I believe it may not be limited to the harbourfront development project. It is really too early to draw up a definite timetable now.

MR MA FUNG-KWOK (in Cantonese): *Just now the Secretary mentioned in parts (2) and (3) of the reply that the Government intends to conduct planning for the harbourfront, especially the site at Tai Kok Tsui near West Kowloon. I particularly wish to ask about the harbourfront area on Hoi Fai Road near West Kowloon which is now being used as a typhoon shelter. Many works vessels and other types of vessels berth there. If the Government only relies on the Home Affairs Bureau or the Leisure and Cultural Services Department ("LCSD") in its attempt to zone it as a promenade, it will be incongruous with the environment there. In the long term, to develop the harbourfront for leisure purposes, replanning may be necessary. May I ask whether the Development Bureau intends to transform or rezone the facilities currently in use before conducting the planning on open space at the harbourfront?*

SECRETARY FOR DEVELOPMENT (in Cantonese): I thank Mr MA Fung-kwok for his supplementary question. Why did I mention the Harbour Planning Guidelines when I answered Mr YIU's question just now? Because the Guidelines state at the outset that we need the harbourfront to serve diversified purposes. Just now I particularly mentioned tourism since Mr YIU also touched

on the need of the tourism industry in the main question. But the Guidelines also clearly point out that we need to promote the development of shipping and logistics facilities in the harbour.

Hence, let me respond to Mr MA's supplementary question. For example, earlier on, when the Government made the relevant consideration in respect of the existing cargo working area in West Kowloon, it saw the need for such an area to continue to exist for the moment. The situation of Hoi Fai Road Promenade is basically as follows—I think Mr MA should be quite familiar with that place—to the north of the cargo working area, there is an office of the Marine Department, and Hoi Fai Road Promenade is further north in front of One SilverSea. HC has just held a discussion about this promenade. We wish to conduct a consultancy study because now that place is already an open space, and we would like to see if there is any room to further enhance the promenade. One of the points mentioned is whether a theme can be set. HC has raised valuable views to the Government. We are now consolidating the views, and we wish to discuss with HC again when there is a further proposal.

Looking at it from a macro perspective, I guess Mr MA also wishes to ask about the overall planning of Hong Kong. The Government is working hard in considering the overall planning of the waterfront on both sides of the Victoria Harbour in Hong Kong. As we all know, regarding the Victoria Harbour, there is a most important principle, i.e. it is imperative to protect the Victoria Harbour. For this reason, reclamation in the Victoria Harbour is basically out of the question. Nevertheless, Mr MA may be aware that we are still studying the feasibility of building a boardwalk underneath the Island Eastern Corridor on Island East so that residents of Island East may get closer to the harbour. However, let me put it frankly. We must carefully consider the Protection of the Harbour Ordinance and commence the works legally under this Ordinance. We are studying this matter.

In conducting planning and rezoning of different areas, we will especially consider how to enable the people of Hong Kong to enjoy more use of the Victoria Harbour. However, is there any limitation? There is. As I mentioned in the main reply just now, of the existing 73 km-long waterfront areas on both sides of the Victoria Harbour, about 32 km are land already developed with public facilities or private residential projects. It is because the initial planning might not be satisfactory back then. Some areas have been sold as private residential land. Is there any room for addressing this issue? There is.

For example, in undertaking redevelopment, can we indeed consider setting it back, that means stepping back a little in handling the matter? However, I believe we have to wait for such an opportunity to arise before we can achieve this. We cannot solely rely on the Government to take proactive action or its unilateral will to do so.

MR MARTIN LIAO (in Cantonese): *President, accessibility of the harbourfront is a prerequisite for successful revitalization of the waterfront areas on both sides of the Victoria Harbour. To my knowledge, regarding the research proposal for the harbourfront areas on Hoi Fai Road at Tai Kok Tsui and Tsim Sha Tsui East, the Government has requested the consultant to list five regular routes taken by members of the public to reach the harbourfront, and improve the environment, safety and accessibility of the harbourfront in the light of the circumstances. I wish to ask the Policy Bureau through the President whether there is any other measure to enhance the accessibility of the promenades apart from considering the experience in traffic management during the tendering process. Take water taxis as an example. What will be the location and mode of operation, purpose and fare?*

SECRETARY FOR DEVELOPMENT (in Cantonese): I thank the Honourable Member for his supplementary question. Mr LIAO, accessibility is indeed our great concern because no matter what good work has been done to the harbourfront, it will be pointless if it is inaccessible to the public. For this reason, we will emphasize this point in the following two consultancy studies, but the details of these studies are yet to be finalized.

Just now when I answered Mr MA's supplementary question, I pointed out that after we had submitted a proposal on the broad direction to HC, it offered us some valuable views. Hence, we need to collate these views and then submit a more specific proposal to HC for discussion. Nevertheless, the views and directions put forward by Mr LIAO will certainly be included in our specific proposal.

Besides, regarding the two sides of the Victoria Harbour, actually Members have made proposals on water taxis from time to time. Here I can report that the Transport Department and the Tourism Commission have consulted the industry on the viability of water taxis. I believe they have already commenced

discussions on various possibilities, so we need to wait for some time. If there is further news after their discussion, I believe they will report it to the relevant Panels of the Legislative Council.

MR GARY FAN (in Cantonese): *The Secretary mentioned in the main reply that the dedicated funding of $500 million would be used to develop projects such as the urban park in front of the Hung Hom Ferry Pier. He also repeatedly emphasized that we could not solely rely on the Government, and external organizations would be introduced to participate in the development. What is more, they would be directly involved. Let me first put aside the recent controversy over the harbourfront site in Kennedy Town. Early in 2015, without conducting any invitation of tenders or consultation, LCSD decided to hand over Tsim Sha Tsui East Promenade to a single developer for renovation and management, arousing an uproar in the community at that time. Since transfer of benefits was involved in the incident, the Government eventually gave up and maintained the management by LCSD.*

Since it is now mentioned that the Government will introduce external organizations to directly participate in the development of various promenades, may I ask the Government how it will, during the submission of proposals by such organizations, avoid conflicts of interests or transfer of benefits so that public interest will not be undermined during the course of development of public open space at the harbourfront which should belong to Hongkongers in the first place? Moreover, during the course of development, how can it ensure that the use of public open space in the promenades will be consistent with the wishes of Hongkongers?

SECRETARY FOR DEVELOPMENT (in Cantonese): I thank Mr FAN for his supplementary question. This is a very good reminder that when the Government develops the harbourfront, especially under public-private partnership, public interest must be upheld. I strongly agree with this point.

I wish to sum up the experience obtained from Kwun Tong promenade. At that time we leased the site to HKALPS at only a nominal rent. Then it was allowed to rent the site to organizers or operators of arts, cultural or sports activities at the market rate. Why was it allowed to do so? Does it mean the Government has offered it a lot of money? No, because in the relevant tenancy agreement—if my memory has not failed me, it is a four-year tenancy—there is

an explicit requirement that it cannot take away any money. That is to say, during its operation, if any surplus—not profit—arises or when its revenue is greater than expenditure, every penny must be injected into the relevant activities.

Just now I also mentioned that initially, after it had commenced operation, individual Members asked whether it could help certain non-profit-making organizations by offering a rental discount. I know that recently, after making calculations, it considered it feasible and thus lowered the rent by 20% across the board.

Mr FAN asked about the situation of the other harbourfront sites. The specific details of the other sites have not been finalized, but regarding the urban park in front of Hung Hom Ferry Pier mentioned by me just now, we will also consider adopting this model. Our next step will be to conduct an EOI exercise to invite different interested parties, such as business entities, non-profit-making organizations and social enterprises, to make proposals to the Government, including suggestions on the mode of operation. As regards whether the model of Kwun Tong Promenade mentioned by me just now will be adopted, I will not make any categorical reply at this moment because it may use other models. Nevertheless, no matter which model is adopted, I believe that during the whole course, the Government will definitely explain to the community why its approach can serve public interest and why the process of competition is fair and just. The Government will certainly strive to achieve this.

PRESIDENT (in Cantonese): Fifth question.

Provision of Chinese medicine diagnoses and treatments for persons in custody

5. **MR LEUNG YIU-CHUNG** (in Cantonese): *President, it has been reported that a person in custody ("PIC") lodged a judicial review in 2016 against the decision of the Correctional Services Department ("CSD") to refuse to arrange for him to receive Chinese medicine ("CM") diagnosis and treatment, but he died of illness before the case was tried. Last month, the Coroner's Court held an inquest into the cause of death of that PIC and the jury recommended that the authorities consider providing CM diagnoses and treatments for PIC. In this connection, will the Government inform this Council:*

(1) of the respective numbers of applications from PICs for receiving CM diagnoses and treatments which were received, approved and rejected by the authorities in each of the past 10 years, and the criteria adopted for deciding whether to approve such applications;

(THE PRESIDENT'S DEPUTY, MS STARRY LEE, took the Chair)

(2) given that the Chinese Medicine Ordinance has put in place a regulatory regime for CM and established the professional status and standards of CM practitioners, whether the authorities will allow PICs to choose to receive CM diagnoses and treatments; if so, of the details; if not, the reasons for that; and

(3) given that the aforesaid PIC had requested to receive CM diagnosis and treatment in addition to western medicine diagnosis and treatment, but CSD requested that PIC to prove that a combination of Chinese and western medicine diagnoses and treatments would not create an adverse effect, whether the authorities will offer PIC medical advice and support according to the medical needs of individual PICs, and ensure that they can safely receive CM diagnoses and treatments or a combination of Chinese and western medicine diagnoses and treatments; if so, of the details; if not, the reasons for that?

SECRETARY FOR SECURITY (in Cantonese): Deputy President, the Correctional Services Department ("CSD") is committed to providing a secure, safe, humane, decent and healthy custodial environment for persons in custody ("PICs"). As far as the health of PICs is concerned, CSD ensures that necessary and appropriate medical services are provided to all PICs in accordance with the Prison Rules (Cap. 234A).

According to Rule 143(a) of the Prison Rules, the "Medical Officer shall have the medical charge and shall be responsible for the treatment when sick of all the prisoners in a prison". Rule 144 of the Prison Rules also stipulates the Medical Officer's duty to prisoners, including seeing every day PICs who complain of illness and reporting in writing to the Superintendent of the

correctional institution their fitness or otherwise for labour; making daily visits to the sick in the hospital of a correctional institutional; making examinations of newly admitted PICs, etc. The Medical Officer shall also frequently examine the washing-places, baths and other provision for purposes of cleanliness and sanitation to ensure the efficient working thereof, and report all defects to the Superintendent.

Every correctional institution has a hospital or sick bay where medical services are provided to PICs by Medical Officers seconded from the Department of Health ("DH") and correctional staff with professional nursing qualifications. PICs who require specialist treatment, intensive care or surgery will receive treatment in public hospitals. Moreover, medical specialists from the Hospital Authority ("HA") and DH will visit correctional institutions on a regular basis to provide PICs with specialist consultation and treatment.

Based on the information provided by CSD and the Food and Health Bureau, my consolidated reply to the three specific questions raised by Mr LEUNG Yiu-chung is as follows:

Medical Officers of DH of correctional institutions are responsible for providing medical services to PICs. According to Rule 143 of the Prison Rules, the Medical Officer shall have the medical charge and shall be responsible for the treatment when sick of all the prisoners in a prison. Therefore, the Medical Officer of a correctional institution assumes full responsibility of the treatment of all PICs when sick. He must make professional judgment and assumes responsibility for his judgment, including legal responsibilities. Thus, when considered necessary, he will refer sick PICs to receive medical services under Hong Kong's public health care system, including accident and emergency services, specialist outpatient and inpatient services provided by HA, as well as medical examination and treatment provided by specialist clinics under DH. This is to fulfil the Medical Officer's professional duties and legal responsibilities as stipulated by the Prison Rules. At present, Chinese medicine services are not part of the regular services of HA and DH. Medical Officers of DH of correctional institutions will not refer PICs to receive private medical services, including Chinese medicine services.

All along, appropriate medical services are provided in correctional institutions to take care of the health of PICs. However, if individual PICs prefer to receive treatment other than Western medicine treatment and make such

requests, CSD will consider them on a case-by-case basis, taking into account the professional advice of the Medical Officer of the correctional institution. Since the Medical Officer has a statutory duty for the health and the treatment of PICs when sick in accordance with Rule 143 of the Prison Rules, when handling PICs' applications for receiving Chinese medicine treatment besides Western medicine treatment, he has to consider various factors cautiously and fully, including whether the applied-for treatment is necessary, whether its efficacy and safety is medically-proven, and whether it would conflict with the Western medicine treatment PIC is receiving and thus affect his health, etc. For example, if a PIC has a common cold or flu, as the medical treatment provided by the institution is already safe and effective, the Medical Officer of the institutional will not recommend the PIC to receive Chinese medicine treatment. Take another example. When considering an application for Chinese medicine treatment by a PIC with a certain chronic illness, the Medical Officer of the institution must first understand the conditions of the patient and the efficacy of the treatment received. Then he must also understand whether the applied-for medicine for treatment is safe, whether it would conflict with other medicine, particularly the medicine prescribed under Western medicine treatment, whether the applied-for medicine would produce any side effects and what they are, and the treatment for such side effects, etc. The Medical Officer must also consider whether the Chinese medical practitioner treating the PIC is willing to be on call. The above are only some examples to illustrate the statutory and legal duties of the Medical Officer of the correctional institution. The Medical Officer must carefully and cautiously consider whether to allow a PIC to receive treatment other than Western medicine treatment, as it concerns the health and life of the PIC.

Based on records, CSD has received an application by one PIC to receive Chinese medicine diagnoses and take Chinese medicine in the past 10 years. Based on the professional advice of the Medical Officer and relevant legal advice, CSD approved Chinese medical practitioners to diagnose the PIC in the correctional institution. After diagnoses, the PIC applied to take Chinese medicine. In considering that application, the Medical Officer of the correctional institution considered the abovementioned factors carefully, and requested more detailed information for follow-up. After careful considerations by the Medical Officer and CSD, the application by the PIC to take Chinese medicine was not approved. Nevertheless, the Medical Officer of the correctional institution continued to provide suitable Western medicine treatment to him all along.

In June this year, the Coroner's Court held a death inquest in relation to that PIC. The jury concluded unanimously that the death was a "natural death" and put forward an additional recommendation. They recommended the authorities to consider providing Chinese medicine services as an option for prisoners in prison hospitals. CSD is examining the jury's recommendation and liaising with DH and HA for this purpose. They must also carefully consider the aforementioned laws and responsibilities, as well as other relevant complex issues.

The Government and HA are conducting a study on the positioning of Chinese medicine in the local health care system. The Security Bureau and CSD will monitor the result of this study and whether there are matters requiring follow-up.

MR LEUNG YIU-CHUNG (in Cantonese): *Deputy President, first of all, I would like to tell the Secretary here that one of the reasons for my asking this question today is that I have written to the Commissioner of Correctional Services about this matter but a reply has yet to be received after more than half a year. I hope the Secretary will follow up on this.*

I have been assisting the PIC mentioned in applying for Chinese medicine diagnosis and treatment. I thank the Secretary for having arranged for two Chinese medicine practitioners to provide diagnoses to that PIC in the correctional institution. Dr KO Wing-man also indicated his willingness then to provide assistance in Western medicine. Unfortunately, as the Medical Officer has a statutory duty under Rule 143 of the Prison Rules, the application for Chinese medicine treatment was not approved. Hence, the existing legislation is the major obstacle.

Deputy President, the statutory status of Chinese medicine was established in 2000, but PICs do not have the right to choose. The Coroner's Court handed down its judgment earlier and the jury recommended that CSD provides Chinese medicine diagnoses and treatments for PICs. Unfortunately, today, the Secretary did not provide …

DEPUTY PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung, please raise your supplementary question as soon as possible.

MR LEUNG YIU-CHUNG (in Cantonese): *… an unequivocal reply.*

May I ask the Secretary, if the study shows that legislative amendments are necessary, the authorities will agree to amending the existing legislation so as to facilitate PICs in receiving Chinese medicine diagnoses and treatments?

SECRETARY FOR SECURITY (in Cantonese): Deputy President, I thank Mr LEUNG. Before answering Mr LEUNG's question, I would like to state that the report submitted to CSD, as mentioned by him just now, has been received. The submission covers an extensive scope with abundant information. CSD is studying his submission seriously. Insofar as permitting Chinese medicine treatments in CSD correctional institutions is concerned, as I said just now, we are now studying the jury's recommendation. However, I must first point out that, with due respect to the Chinese medicine profession and its status, the matter under discussion involves legal and liability issues beyond the existing Prison Rules. As Members know, the positioning of Chinese medicine in public health care services is currently under study. At present, the public can access Western medical services under the public health care system. The Food and Health Bureau is conducting a study on the combination of Chinese and Western medicine and the positioning of Chinese medicine in the health care system long term. We will closely monitor the result of the study. But at this stage, we must understand that there must be a responsible person under the law. Who is this person? Under the existing legislation, this person is the Medical Officer. It would not be appropriate of me to comment at this stage the findings of the study because, as I pointed out just now, a number of legal and medical issues are involved. We should understand that when the Medical Officer makes a decision, he must take into consideration how medical incidents of another treatment can be addressed, given that medical incidents can occur even in the proven public health care services practising Western medicine. This is a rather complicated issue. Moreover, be it from the angle of the law, our international obligation or common law, CSD is duty-bound to ensure that PICs will receive appropriate treatment when sick. Our intention is the same and we are prepared to find ways to perform our custodial and rehabilitative roles, as well as to make

our best effort in health care in order to take care of the health of PICs by all means. I shall leave it to CSD to study the recommendation and explore ways to overcome the issues in this regard, perhaps from a legal perspective.

DEPUTY PRESIDENT (in Cantonese): Secretary, as a number of Members are waiting for their turn to ask questions, please give concise replies. Mr CHU Hoi-dick, please ask your question.

(Mr LEUNG Yiu-chung stood up)

DEPUTY PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung, which part of your supplementary question has not been answered?

MR LEUNG YIU-CHUNG (in Cantonese): *The Secretary has not answered whether a review of and amendments to the existing legislation will be considered?*

DEPUTY PRESIDENT (in Cantonese): Secretary, do you have anything to add? Please be concise.

SECRETARY FOR SECURITY (in Cantonese): I have already given Mr LEUNG a reply, actually. We must study the issue before making a decision.

MR CHU HOI-DICK (in Cantonese): *Deputy President, for certain diseases, it is recognized that Western medicine is not necessarily as effective as Chinese medicine. For example, for skin diseases such as eczema, PICs are limited to using steroids only which cannot cure the disease but actually worsen it. It is mentioned in the main reply that only one PIC applied for Chinese medicine diagnoses in the past 10 years. However, have the authorities explained to PICs that they may request Chinese medicine diagnoses? I suspect that PICs are not aware that such requests can be made.*

SECRETARY FOR SECURITY (in Cantonese): Deputy President, first of all, I think both Chinese medicine and Western medicine are professional, with their respective professional treatments for different symptoms or diseases. I cannot comment on Mr CHU's view in this regard as I have no professional knowledge of this. As I have explained just now, under the existing system and law, the Medical Officer is the only person who can take full medical charge. The Medical Officer must make judgments with the utmost professionalism and assume responsibility for his judgments. Therefore, under the existing system, all medical decisions are made by the Medical Officer practising Western medicine. Hence, when PICs made such requests, we will explain to them the existing system.

MR CHU HOI-DICK (in Cantonese): *He has not answered my supplementary question.*

DEPUTY PRESIDENT (in Cantonese): Mr CHU Hoi-dick, which part of your supplementary question has not been answered?

MR CHU HOI-DICK (in Cantonese): *The Secretary has not answered whether the authorities have informed PICs of the possibility of requesting Chinese medicine diagnoses and treatments in the institutions?*

DEPUTY PRESIDENT (in Cantonese): Mr CHU Hoi-dick, you have repeated your question and the Secretary has stated the arrangements under the existing system. Secretary, do you have anything to add?

SECRETARY FOR SECURITY (in Cantonese): Deputy President, I have nothing to add.

MR CHAN HAN-PAN (in Cantonese): *Deputy President, the provision of Chinese medicine treatment for PICs certainly depends on whether Chinese medicine can be incorporated into the public health care system. However, the Government has been conducting studies on Chinese medicine for years. In*

2013, the Chinese Medicine Development Committee indicated that it would explore the role of Chinese medicine in public health; and in the 2014 Policy Address, the Government announced the establishment of a Chinese medicine hospital and commissioned HA to take forward the combination of Chinese and Western medicine as a mode of operation.

The combination of Chinese and Western medicine can be implemented in the hospital, but the prison is a unique place. May I ask the Secretary would he urge the authorities to consider the possibility of providing treatment combining Chinese and Western medicine for PICs, so that they can have access to Chinese medicine services?

SECRETARY FOR SECURITY (in Cantonese): Deputy President, I thank Mr CHAN for his supplementary question. As I have clearly explained just now, under the existing law and system, only one person has a role to play and a responsibility to assume with regard to medical affairs in institutions. I understand that various programmes are in place to promote wider acceptance of Chinese medicine by the public and I am aware that HA is conducting a pilot programme to study Chinese medicine development and the integration of Chinese and Western medicine. However, Chinese medicine is neither an ongoing service of HA nor a public health care service provided by the Government. The issues mentioned by me just now, such as how to combine Chinese and Western medicine in treatments, and probable problems of combining Chinese and Western medicine in treating certain diseases, require further studies. I believe these are not simple issues on which we can draw a conclusion after some 20 minutes of discussion. I will leave the matter to the experts as it concerns two medical professions and the health and life of people.

However, at present, we must ensure the health of PICs in accordance with the existing law and system, under which the responsibility rests with the Medical Officer of the correctional institution. I hope Members will understand that, under the existing system, we will by all means ensure the health of PICs to a certain extent and make our best effort in treating their illnesses.

DEPUTY PRESIDENT (in Cantonese): Mr CHAN Han-pan, which part of your supplementary question has not been answered?

MR CHAN HAN-PAN (in Cantonese): *The Secretary has not answered my supplementary question. We should know that whether Chinese medicine or Western medicine …*

DEPUTY PRESIDENT (in Cantonese): Mr CHAN Han-pan, please point out concisely the part of your supplementary question not answered.

MR CHAN HAN-PAN (in Cantonese): … *is suitable is not up to the Security Bureau to decide. It should be subject to HA's study. My supplementary question is whether the Secretary will refer the issue to relevant departments for study.*

DEPUTY PRESIDENT (in Cantonese): Mr CHAN Han-pan, you have clearly pointed out the part of your supplementary question not answered. Secretary, do you have anything to add?

SECRETARY FOR SECURITY (in Cantonese): Perhaps I should have replied more clearly so that Members can see the point. I have explained the legal responsibilities and things that can be done under the existing system in the main reply. The Security Bureau is absolutely not qualified to discuss medical matters. In my reply just now, I have explained that parties, including the Food and Health Bureau, HA and members of the sector, will study the matter on many fronts, such as ways to combine Chinese and Western medicine. But under the existing system, treatments combining Chinese and Western medicine are not available to PICs in correctional institutions.

DEPUTY PRESIDENT (in Cantonese): Last oral question.

Hong Kong Policy Act Report published by the Department of State of the United States

6. **DR CHENG CHUNG-TAI** (in Cantonese): *Deputy President, the Hong Kong Policy Act Report published by the Department of State of the United States ("US") in May this year pointed out that the Chief Executive had turned down, in*

October last year at the behest of the Central Government, a fugitive surrender request made by the US Government. The Report also alleged that certain actions by the Central Government had been inconsistent with its commitment in the Basic Law to allow Hong Kong to exercise a high degree of autonomy. Some members of the public are worried that the US authorities may no longer recognize Hong Kong's status as a separate customs territory on the grounds that Hong Kong has lost its high degree of autonomy. In this connection, will the Government inform this Council:

(1) whether it will refuse fugitive surrender requests made by other jurisdictions on the grounds that the identity of the fugitive concerned is sensitive or that surrendering the fugitive will arouse political and national defense concerns; and

(2) whether it has assessed the resultant impacts on Hong Kong's economic and trade activities, as well as Hong Kong residents' entry into US and their personal safety, in the event that the US authorities amend or repeal the Hong Kong Policy Act; if so, of the assessment outcome, relevant data and contingency measures?

SECRETARY FOR SECURITY (in Cantonese): Deputy President, in the Hong Kong Policy Act Report submitted by the Department of State of the United States to the United States Congress as referred in the main question, it was mentioned that in respect of a request for surrender of fugitive offenders ("SFO") made by the United States Government, the Chief Executive refused the request in October 2017 "at the behest of the Central Government". The statement in the Report suggests that the Chief Executive's decision in the case concerned was made in a manner other than in accordance with the Fugitive Offenders Ordinance ("FOO") (Cap. 503) and the SFO agreement signed between the governments of the two places. The Hong Kong Special Administrative Region ("HKSAR") Government has already issued a public statement to show its deep regret over that inaccurate statement.

My reply to Dr CHENG's main question is as follows:

(1) Each individual SFO case is processed by the HKSAR Government in strict accordance with FOO and the relevant SFO agreements signed with the respective jurisdictions. Article 96 of the Basic

Law states that with the assistance or authorization of the Central People's Government, the HKSAR Government may make appropriate arrangements with foreign states for reciprocal juridical assistance. Since Hong Kong's return to the Motherland, the HKSAR Government has been actively building the juridical assistance network with other jurisdictions with a view to combating crimes. As far, Hong Kong has signed SFO agreements with 20 jurisdictions[(1)].

Before signing agreements with other places, the HKSAR Government will conduct detailed negotiations and exchanges with the other party on the social background, judicial system, legal basis, interpretation of agreement provisions and implementation details, etc. We will also explain the specific provisions in FOO, including certain circumstances that a fugitive shall or may not be surrendered, such as the offence involved in the surrender does not constitute an offence in both the requesting party and Hong Kong (section 2(2), FOO); that offence is of a political character (section 5(1)(a), FOO); that offence was prosecuted in the absence of the fugitive and a conviction obtained (section 5(1)(b)); the surrender request has been made on account of race, religion, nationality or political opinions of the fugitive; or if the fugitive is surrendered, he may be prejudiced at trial or punished, detained or restricted in his personal liberty by reason of his race, religion, nationality or political opinions (sections 5(1)(c) and (d)); the fugitive has already been tried or acquitted, or convicted and served his sentence, for the offence involved (section 5(1)(e)); the requesting party has not guaranteed that the fugitive would not be tried for a crime other than that for which his surrender was ordered (section 5(2)); the requesting party has not guaranteed that the fugitive would not be surrendered to a third jurisdiction (section 5(5)); and if that offence is punishable with death, but the requesting party has not given an assurance that the punishment will not be imposed or carried out (section 13(5)).

(1) Australia, Canada, Czech, France, Finland, Germany, India, Indonesia, Ireland, Malaysia, the Netherlands, New Zealand, the Philippines, Portugal, the Republic of Korea, Singapore, South Africa, Sri Lanka, the United Kingdom and the United States.

In light of the actual circumstances in different places, the expressions in each agreement may vary, but the substance of the arrangement must be in conformity with the provisions of FOO. The relevant agreements are required to be enacted by the Legislative Council before they can be put into effect in Hong Kong.

SFO arrangements between Hong Kong and the United States are stipulated in the Agreement between the Government of Hong Kong and the Government of the United States of America for the Surrender of Fugitive Offenders ("the Agreement") under the Fugitive Offenders (United States of America) Order (Cap. 503F). On top of mirroring the above provisions under FOO, the Agreement also specifies that fugitives shall or may not be surrendered under certain circumstances under the principle of reciprocity, such as:

(i) The United States Government reserves the right to refuse the surrender of nationals of the United States in cases in which the requested surrender relates to the defence, foreign affairs or essential public interest or policy of the United States [Article 3(2)];

(ii) The Hong Kong Government reserves the right to refuse the surrender of nationals of the State whose government is responsible for the foreign affairs relating to Hong Kong in cases in which:

(a) The requested surrender relates to the defence, foreign affairs or essential public interest or policy of the State whose government is responsible for the foreign affairs relating to Hong Kong, or

(b) The person sought neither has the right of abode in Hong Kong nor has entered Hong Kong for the purpose of settlement, and the State whose government is responsible for the foreign affairs relating to Hong Kong has jurisdiction over the offence relating to the requested surrender and has commenced or completed proceedings for the prosecution of that person [Article 3(3)];

(iii) The surrender is likely to entail exceptionally serious consequences related to age or health [Article 7];

(iv) If the surrender of a fugitive is requested concurrently by different places, the requested party shall make its decision having regard to all the circumstances, including the relevant provisions of such arrangements, the place of commission of the offences, their relative seriousness, the respective dates of the requests, the nationality of the fugitive offender, the nationality of the victim, and the possibility of subsequent surrender to another jurisdiction [Article 11].

The HKSAR Government handles each SFO request in strict accordance with the requirements of FOO. Upon receipt of a request, the Chief Executive must first issue an authority to proceed before the request can be processed further. The decision on whether to issue an authority to proceed rests entirely with the Chief Executive in strict accordance with the laws of Hong Kong, and the Chief Executive would consult the Department of Justice before making such a decision. The Chief Executive would only make a decision after taking into full account the relevant facts and circumstances of each case.

Since Hong Kong's return to the Motherland, the HKSAR has been fully and faithfully implementing "one country, two systems", "Hong Kong people administering Hong Kong" and high degree of autonomy in strict accordance with the Basic Law. The full and successful implementation of "one country, two systems" has been widely recognized by the international community.

(2) The United States-Hong Kong Policy Act ("the Act") was enacted by the United States Congress in 1992. According to the Act, in view of the implementation of "one country, two systems" in Hong Kong and the high degree of autonomy enjoyed by Hong Kong on all matters other than defence and foreign affairs, the United States will establish bilateral relations with Hong Kong in a wide range of areas, and provide Hong Kong with treatments different to those accorded to Mainland China.

Since Hong Kong's return to the Motherland, the US dollar can be freely exchanged in Hong Kong and the United States has recognized passports and travel documents issued by the HKSAR Government; recognized ships and planes registered in Hong Kong and airline licences issued by Hong Kong; maintained and expanded cultural, educational, academic and scientific exchanges with Hong Kong, as well as maintained and expanded trade and economic ties with Hong Kong, including the treatment of Hong Kong as a separate customs territory.

The United States also maintains a strong trade relation with Hong Kong. The United States is Hong Kong's second largest trading partner economy in merchandise trade, while Hong Kong is the United States' 9th largest merchandise export market. According to the United States' statistics, bilateral trade in goods and services between the United States and Hong Kong amounted to about US$69 billion in 2017. The United States has all along been enjoying its largest bilateral trade surplus worldwide with Hong Kong. In 2017, the surplus reached US$34.5 billion, with a surplus in trade in goods at US$32.5 billion. Moreover, Hong Kong and the United States maintain close investment relation. In 2016, the United States was the 6th largest source of direct inward investment in Hong Kong and the 8th largest destination of direct outward investment from Hong Kong. The HKSAR Government will continue to maintain and enhance our trade and economic ties with the United States.

As regards the immigration policy of individual countries, it is related to their internal affairs and I am not in a position to make comments.

DR CHENG CHUNG-TAI (in Cantonese): *Deputy President, as regards some recent discussions on the United States and the Hong Kong Policy Act, particularly in the United States and Hong Kong, there have been calls in the community for retraction of the statements and views of the United States on the Hong Kong Policy Act.*

May I ask the Administration to brief the public on whether it has met with Beijing in view of the developments, included the issue on the agenda during a reporting visit, or discussed or mentioned it at a meeting?

SECRETARY FOR SECURITY (in Cantonese): The HKSAR Government will certainly keep an eye on all affairs involving Hong Kong, which will be discussed internally. Our communication and exchanges with the Central Government in various areas are ongoing. As regards the details of internal discussions, I will not make them public.

DEPUTY PRESIDENT (in Cantonese): Secretary for Commerce and Economic Development, do you have anything to add?

(The Secretary for Commerce and Economic Development did not indicate a wish to add anything)

MR WONG TING-KWONG (in Cantonese): *May I ask whether the Administration made requests to countries or places with which Hong Kong had signed an extradition agreement for extradition of fugitives to Hong Kong, but was refused by the governments of such countries or places in the past five years? If so, whether the governments of the countries or places concerned explained the reasons to the HKSAR Government, and whether the HKSAR Government made requests to the countries or places concerned again for extradition of fugitives to Hong Kong?*

SECRETARY FOR SECURITY (in Cantonese): Deputy President, I thank Mr WONG for his question. In the past 10 years, Hong Kong made various requests to foreign jurisdictions, while they also made similar requests to Hong Kong. As indicated by the figures, Hong Kong received 66 SFO requests, and in such cases, Hong Kong surrendered 23 fugitives and refused five requests from other jurisdictions. Moreover, some cases are being processed, and some cannot be processed due to failure in locating the fugitives or something wrong with the information.

Hong Kong made a total of 24 SFO requests to foreign jurisdictions. Foreign states surrendered a total of 11 fugitives to Hong Kong and refused four requests from Hong Kong. In matters of fugitives not being surrendered, communication between the governments of the two places has been ongoing, which I consider smooth. In respect of each case of a fugitive not being surrendered by Hong Kong to a foreign state or vice versa, we will, pursuant to FOO and the agreement signed with the foreign state, see whether it complies with the requirements of the agreement. We do not discuss individual cases, but I consider the communication between Hong Kong and foreign states remain smooth in this regard.

MR MA FUNG-KWOK (in Cantonese): *Deputy President, the Secretary indicated in his reply earlier that the HKSAR Government had already issued a public statement on the matter to show its regret over that inaccurate statement. I have this supplementary question. After the issue of the statement, has the HKSAR Government taken any other follow-up measure to seek further clarification of the matter? And what is the response of the other party after the Government has issued the statement?*

SECRETARY FOR SECURITY (in Cantonese): Deputy President, I thank Mr MA. The Chief Executive's Office issued the statement referred to in paragraph 1 of my main reply earlier on 31 May, which mentioned the Report on this case submitted by the Government of the United States to the Congress of the United States, and the statement in the Report suggests that the Chief Executive's decision in the case concerned was made in a manner other than in accordance with FOO (Cap. 503) and the Agreement. Consequently, the HKSAR Government showed its deep regret over the inclusion of that inaccurate statement in the aforesaid Report submitted to the Congress of the United States. This public statement was already issued on 31 May. As regards how the foreign government handles such affairs, I will not make comments. My reply here only serves to explain the work of the Government, and the work that should be done or completed.

DEPUTY PRESIDENT (in Cantonese): Mr MA Fung-kwok, which part of your supplementary question has not been answered?

MR MA FUNG-KWOK (in Cantonese): *I wish to ask whether the HKSAR Government has taken any further follow-up measure, and what response the other party has made to our statement. It seems that the Secretary has not answered my question.*

DEPUTY PRESIDENT (in Cantonese): Secretary, do you have anything to add?

SECRETARY FOR SECURITY (in Cantonese): We will not disclose to the public details of individual cases.

DR ELIZABETH QUAT (in Cantonese): *As clearly stated in the main reply given by the Secretary earlier, it has been specified in the Agreement signed between Hong Kong and the United States that a person who neither has the right of abode in Hong Kong nor has entered Hong Kong for the purpose of settlement would not be surrendered. From hearsay, the person requested is not a Hong Kong permanent resident, and I think the Government of the United States should be well aware of the content of the Agreement. May I ask whether the Administration is of the view that this Report submitted by the Department of State of the United States actually seeks to find fault deliberately, using Hong Kong to attack the Central Government?*

SECRETARY FOR SECURITY (in Cantonese): Deputy President, I thank Dr QUAT for her supplementary question in this regard. I wish to repeat the statement issued by the Chief Executive on 31 May that "The statement suggests that the Chief Executive's decision in the case concerned was made in a manner other than in accordance with the Fugitive Offenders Ordinance (Cap. 503) or the Agreement" signed between the governments of the two places. We express deep regret over that inaccurate statement.

DEPUTY PRESIDENT (in Cantonese): If no other Member wishes to ask a supplementary question, oral questions end here.

WRITTEN ANSWERS TO QUESTIONS

Resumption and maintenance of private streets

7. **MR VINCENT CHENG** (in Chinese): *President, in 1986, the Government launched a programme for the resumption and maintenance of private streets ("the Resumption Programme") with a view to improving environmental hygiene. Between 1986 and 1995, 166 private streets were selected and included in the Resumption Programme. As at the end of last year, among such streets, 70 were resumed by the authorities, nine were pending assessment by the Buildings Department and the remaining had been deleted from the Resumption Programme for a number of different reasons (including issues relating to compensation claims). Some members of the public have relayed that a number of private streets (e.g. some private streets in Kowloon West which have never been included in the Resumption Programme) have serious environmental hygiene problems, and some of such streets have become the hotbed for activities such as retail operations occupying street space, vehicle parking and dumping of construction waste and refuse. In this connection, will the Government inform this Council:*

(1) of the number of private streets that have been resumed to date by the authorities under the Resumption Programme, and the assessment results and follow-up work in respect of the aforesaid nine private streets;

(2) of the respective numbers of complaints received by various government departments in the past three years concerning environmental hygiene problems of private streets; the major contents of the complaints received by the Highways Department and the Transport Department and the ways by which such complaints were handled respectively;

(3) as the Food and Environmental Hygiene Department ("FEHD") will, where resources permit, respond to the requests of the District Councils ("DCs") to provide routine street-cleaning service for private streets and related rear lanes with persistently poor hygiene conditions, of the number of private streets for which FEHD provided such cleaning service in each of the past three years (with a breakdown by DC district);

(4) as the authorities will conduct urgent repair works for private streets to ensure public safety, of the number of occasions on which such works were carried out by the authorities in each of the past three years (with a breakdown by DC district); the party who mainly bore the relevant costs;

(5) whether the authorities will review the work on improving the environmental hygiene of private streets; if so, of the details;

(6) whether the authorities will conduct a detailed survey on the environmental hygiene conditions of all private streets in Hong Kong; if not, of the reasons for that; if so, the details including whether targeted follow-up measures will be taken; and

(7) as quite a number of private streets currently have cave-ins or are in a state of dilapidation, etc., whether the authorities will review comprehensively the management of private streets (especially those open for public use) and study the provision of incentives to encourage the owners concerned to surrender the title of the streets to the Government; whether the authorities will strengthen communication with the owners' corporations concerned so as to improve the management of private streets?

SECRETARY FOR HOME AFFAIRS (in Chinese): President, in 1986, the Government launched a Private Street Resumption Programme ("the Programme") to coordinate departmental efforts in resuming private streets which were under multiple ownerships and with serious environmental problems caused by the lack of management and maintenance. The aim of the Programme is to improve the conditions of private streets with environmental hygiene problems.

This Programme has a policy principle, i.e. resumption of private streets should not involve compensation payments by the Government, as compensation claims often involve legal processes that are long and costly and whose outcomes are uncertain. It is therefore more worthwhile to give priority to other areas of work.

Upon the launch of this Programme, a Private Street Resumption Committee ("the Committee"), chaired by representative of Home Affairs Department ("HAD"), was set up to coordinate the efforts of nine government

departments in resuming the private streets. These nine departments are the Transport and Housing Bureau, the Buildings Department ("BD"), the Drainage Services Department ("DSD"), the Fire Services Department ("FSD"), the Food and Environmental Hygiene Department ("FEHD"), the Highways Department ("HyD"), the Housing Department, the Lands Department ("LandsD") and the Transport Department ("TD"). The Government resumed and improved the private streets included in the Programme under the provisions of the Roads (Works, Use and Compensation) Ordinance, Cap. 370.

Based on the information provided by District Offices from 1986 to 1995, the Committee has considered 166 private streets under the Programme. Of the 166 private streets, 70 of them had been resumed and repaired, and 79 of them had been deleted from the Programme. The deletion of the 79 streets was based on various considerations, including the street conditions having improved, or resumption of these streets would involve compensation claims issue which could not meet the policy principle of the Programme. Of the remaining 17 streets, 6 have been assessed and it is confirmed that compensation claims might be involved. Resumption need for another 2 streets no longer exists as the streets have been redeveloped. For the remaining 9 streets, they are pending the assessment results of possible compensation claims and other matters by BD.

After consulting BD, DSD, FEHD, HyD, LandsD, TD and the Hong Kong Police Force ("HKPF"), our reply to the seven parts of the question raised by Mr Vincent CHENG is as follows:

(1) 70 private streets have been resumed to date by the authorities under the Programme. For the remaining nine private streets in the Programme, the assessment of possible compensation claims is still underway.

(2) DB, DSD, FEHD, LandsD and HKPF do not compile statistics on the number of complaints concerning environmental hygiene problems of private streets. TD has also advised if it receives complaints about environmental hygiene of private streets, the complaints will be referred to relevant departments which are responsible for environmental hygiene for follow up.

So far as HyD is concerned, the number of complaints received regarding road maintenance of private streets for the past three years is set out below:

2015	*2016*	*2017*	*2018 (January to May)*
5	8	13	23

If the location in question is confirmed to be related to repairs in private streets, the relevant departments will inform the land owners to do the repair works. If owners of private streets cannot organize themselves to carry out urgent environmental improvement works, the relevant departments will, depending on the situation, conduct urgent remedial works to ensure public safety.

(3) In the past three years, the number of private streets with cleansing services provided by FEHD, breakdown by district, are tabulated below:

District	*Number of private streets with cleansing services provided by FEHD*			
	2015	*2016*	*2017*	*2018 (January to May)*
Central and Western	7	7	7	7
Wan Chai	9	9	9	9
Eastern	13	13	20	20
Yau Tsim Mong	6	6	6	6
Sham Shui Po	1	1	1	1
Kowloon City	12	12	15	15

(4) HyD has not carried out any urgent repair works in private streets for the past three years. BD and DSD, on the other hand, do not compile such statistics.

(5) and (6)

The management, cleansing and repair of common areas of private premises (including private streets and private rear lanes) are the responsibilities of the owners concerned. Given the complex ownership of private streets and rear lanes, and the prerequisite of protecting public health, if the hygiene conditions remain poor and if resources permit, FEHD will address the requests of the District

Councils and consider providing routine street-cleansing service for private streets and private rear lanes with environmental hygiene problems. At present, FEHD provides routine street cleansing service for 58 private streets in the territory to maintain environmental hygiene.

(7) Private streets are private properties. The management and maintenance responsibilities of private streets rest with the land owners. Under normal circumstances, the Government will not be involved in the management of private properties, including private streets. The Government will only provide assistance to property owners under exceptional circumstances and where significant public interest is involved.

Resumption of private streets is not the only way to improve the environmental hygiene of the streets. The owners are in the best position to manage the private streets. In this light, the Government will assist the owners and residents to form owners' corporations or mutual aid committees. The District Offices of HAD will continue with their coordinating role to assist the residents and government departments to follow up the issues and, depending on the situation, make improvement.

Prevention and treatment of cancers

8. **MR KWONG CHUN-YU** (in Chinese): *President, in 2014, more than 29 000 new cancer cases were recorded in Hong Kong, representing an increase of 32% as compared with the figure of a decade earlier. The incidence rate of cancers among elderly persons (i.e. persons aged 65 or above) more than doubled that among non-elderly persons. In addition, one of every three deaths was due to cancers. Regarding the prevention and treatment of cancers, will the Government inform this Council:*

(1) whether it knows the number of colonoscopy examinations conducted in public hospitals, and the average waiting time (and the relevant figures by hospital cluster) for such examinations, in each of the past three years; if such figures are not available, of the reasons for that;

(2) as an overseas medical organization, after analysing the outcome of relevant studies, has recently pointed out that there is a downward trend in the age of people suffering from colorectal cancer, and the organization has recommended that the minimum age of people who should receive colorectal cancer screening be lowered to 45, whether the Government will lower the minimum age of eligible participants of the Colorectal Cancer Screening Pilot Programme from 61 to 45;

(3) whether it has considered launching new subsidy schemes for preventing or diagnosing other types of cancers; if so, of the details;

(4) whether it knows, in respect of the waiting time for patients with cancers listed in the table below in each hospital cluster for receiving the first treatment after diagnosis, (i) the median and (ii) the 90th percentile, as well as (iii) the target set by the Hospital Authority ("HA") (set out in tables of the same format as the table below); and

Cluster: _____

Cancer	*Waiting time for receiving the first treatment after diagnosis*		
	(i)	*(ii)*	*(iii)*
Colorectal cancer			
Lung cancer			
Breast cancer			
Liver cancer			
Prostate cancer			
Corpus uteri cancer			
Nasopharyngeal cancer			
Thyroid cancer			
Stomach cancer			
Non-Hodgkin lymphoma cancer			

(5) given that when cancer patients cannot take, owing to undesirable side effects, the first-line drugs in the Hospital Authority Drug Formulary and the second-line drugs with safety net coverage (by

the Samaritan Fund or Community Care Fund) for cancer treatment, they have to take drugs without safety net coverage at their own expenses, whether the Government will request HA to expeditiously include more second-line drugs (including T-DM1 for treating breast cancer) into the safety net so that cancer patients can receive effective treatment; if so, of the details; if not, the reasons for that?

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, my reply to the various parts of Mr KWONG Chun-yu's question is as follows:

(1) The Hospital Authority ("HA") does not keep statistics on the waiting time for colonoscopy examination in public hospitals in the past three years. The table below sets out the number of colonoscopy examinations conducted in HA clusters in each of the past three years:

Cluster	*2015-2016*	*2016-2017*	*2017-2018*
Hong Kong East	5 621	6 241	5 997
Hong Kong West	5 058	5 306	5 067
Kowloon Central*	5 335	5 369	9 044
Kowloon East	6 492	7 458	7 594
Kowloon West*	9 623	11 870	8 328
New Territories East	10 744	11 727	11 948
New Territories West	6 441	7 176	7 337
Total	49 314	55 147	55 315

Note:

* Kwong Wah Hospital, Our Lady of Maryknoll Hospital, Tung Wah Group of Hospitals Wong Tai Sin Hospital and the service units in the districts concerned have been re-delineated from Kowloon West Cluster to Kowloon Central Cluster since 1 December 2016. Reports on services/manpower statistics and financial information for the whole 2016-2017 financial year (as at 31 March 2017) continued to be based on the previous clustering arrangement (i.e. relevant service units still under Kowloon West Cluster). Reports in accordance with the new clustering arrangement started from 1 April 2017. As such, statistics and financial information could not be directly compared with those for previous years.

(2) The Cancer Expert Working Group on Cancer Prevention and Screening ("CEWG") was set up under the Government's Cancer Coordinating Committee to regularly review and discuss the latest scientific evidence, local and worldwide, with a view to making recommendations on suitable cancer prevention and screening for the local population.

In response to the increasing health care burden arising from colorectal cancer, the Government launched the Colorectal Cancer Screening Pilot Programme ("the Pilot Programme") in September 2016 to subsidize colorectal cancer screening for individuals with "average risk"[(1)] targeted by CEWG. The Government will regularize the Pilot Programme and progressively extend it in phases from the current group of persons born in the years from 1946 to 1955 (i.e. persons aged between 61 and 70 when the Pilot Programme was launched in 2016) to cover individuals aged between 50 and 75. The Department of Health ("DH") is carrying out the related preparatory work and will announce the details in due course. CEWG will continue to review local and worldwide scientific evidence, including the latest data and scientific evidence, and will revise or update the recommendations on cancer prevention and screening when necessary.

(3) In examining whether to introduce a population-based screening programme for a specific disease or cancer, the Government needs to make reference to CEWG's recommendations and carefully consider a number of factors, including the seriousness and prevalence of the disease locally, accuracy and safety of the screening tests for the local population, as well as effectiveness in reducing disease incidence and mortality. The Government also needs to give due consideration to the actual circumstances, such as the feasibility, equity, cost-effectiveness of the screening programme and public acceptance.

(1) Persons with "average risk" refer to individuals aged 50 to 75 who do not have significant family history. CEWG recommends that they should consult their doctors and consider to undergo colorectal cancer screening.

Based on the above principles, apart from the Pilot Programme mentioned in part (2), we are also implementing a screening programme for cervical cancer. DH, in collaboration with the health care sector, launched a territory-wide Cervical Screening Programme in 2004 to encourage women to undergo regular cervical cancer screening. To further help low-income women receive cervical cancer screening, a three-year Community Care Fund Pilot Scheme on Subsidised Cervical Cancer Screening and Preventive Education for Eligible Low-income Women was launched in December 2017, under which three service providers, namely the Centre of Research and Promotion of Women's Health of The Chinese University of Hong Kong, the Family Planning Association of Hong Kong and the United Christian Nethersole Community Health Service, reach out into the community to encourage low-income women to receive free or subsidized cervical cancer screening as well as provide them with health education on prevention of cervical cancer.

In view of the increasing demand on staging imaging for confirmed cancer cases, HA has implemented since May 2012 the "Project on Enhancing Radiological Investigation Services through Collaboration with the Private Sector" to provide computed tomography and magnetic resonance imaging examinations for selected cancer patients fulfilling predefined clinical criteria. The target patient groups of the project have been expanded over the past years to benefit patients of more cancer types. The project currently covers 11 types of cancers, namely colorectal cancer, breast cancer, nasopharyngeal cancer, lymphoma, prostate cancer, stomach cancer, corpus uteri cancer, cervix cancer, head and neck cancer, sarcoma and germ cell tumour.

In fact, risk factors for cancers are closely related to lifestyles. Thus, DH has been actively promoting healthy diet and regular exercise, and making great efforts to control smoking and educate the public about the harms of alcohol as the primary preventive strategies in reducing the burden caused by non-communicable disease such as cancer on the health care system and society. The Government will continue to promote health for all and prevention

of diseases, and provide specific health promotion and disease prevention services having regard to the health needs and risks of various age groups and gender.

(4) HA attaches great importance to the provision of appropriate care for cancer patients, and reviews on a regular basis the waiting time for patients with colorectal cancer, breast cancer and nasopharyngeal cancer to receive their first treatment after diagnosis. The table below sets out the 90th percentile waiting time[Note] for such patients to receive their first treatment after diagnosis in the period from 2014-2015 to 2016-2017:

	2014-2015 (Number of days)	*2015-2016 (Number of days)*	*2016-2017 (Number of days)*
Colorectal cancer	71	70	78
Breast cancer	58	63	66
Nasopharyngeal cancer	50	50	54

Note:

The 90th percentile waiting time refers to the number of days between the date when a patient is diagnosed with cancer after pathological examination and the date when the patient receives his/her first treatment. The waiting time of 90% of such cases is shorter than the value indicated.

As for patients with other types of cancer, HA does not have relevant statistics on the waiting time for their first treatment.

(5) As the major provider of publicly-funded public health care services in Hong Kong, HA attaches great importance to the provision of appropriate care for all patients, while ensuring an equitable access to and effective use of public resources in the public interest. HA has an established mechanism to regularly evaluate new drugs and review its Drug Formulary ("HADF"). In the evaluation process, HA follows such core values as evidence-based medical practice, rational use of public resources, targeted subsidy, opportunity cost and facilitation of patients' choice, and takes into account the safety, efficacy and cost-effectiveness of drugs and other relevant factors, including international recommendations and practices, advance in

technology, disease state, patient compliance, quality of life, actual experience in the use of drugs, and the views of professionals and patient groups.

The Government and HA understand the financial pressure and burden on cancer patients, as well as the latter's strong aspiration for listing certain new drugs on HADF and including self-financed items ("SFIs") in the subsidy scope of the safety net. Since 2018, HA has increased the frequency of the prioritization exercise for including SFIs in the safety net from once to twice a year, so as to shorten the lead time for introducing suitable new drugs to the safety net. HA will keep abreast of the latest development of clinical treatment and scientific evidence, listen to the views and suggestions of patient groups, and continue to include suitable drugs in the safety net under the established mechanism to benefit more patients in need.

Changing the uses of units in housing estates under subsidized home ownership schemes

9. **MR LAU KWOK-FAN** (in Chinese): *President, it has been reported that nine units in Yung Shing Court ("YSC") in Fanling, a Buy-or-Rent Option ("BRO") estate, originally used as a children hostel, have been left vacant since the social welfare organization ("SWO") concerned moved out in 2006. The Housing Department ("HD") intends to change the use of those units as rental housing units. However, the Lands Department has indicated that the owners' corporation of YSC must obtain the consent of all owners before the use of such units may be changed. As it is difficult to get in touch with some of the owners, the matter has been caught in a gridlock, resulting in a waste of housing resources. In this connection, will the Government inform this Council:*

(1) of the current total number of subsidized housing units which have been left vacant for more than one year and the average duration for which they have been left vacant, with a breakdown of such units by the vacant period (i.e. more than one year to three years, more than three years to five years, and more than five years); among such units, the number of those which have been left vacant since the moving out of SWOs;

(2) of the required procedure for changing the use of the aforesaid units;

(3) whether the Government has specific solutions to the problem that some units in YSC and other housing estates (if any) have been left vacant for prolonged periods of time; if so, of the details; if not, the reasons for that and whether it will devise such solutions expeditiously; and

(4) whether HD had, before deciding to put a particular public rental housing estate into a subsidized home ownership scheme (e.g. BRO), taken into account the possibility that there might be a need in future to change the uses of certain units in that estate; if so, of the reasons for the occurrence of the situation that some units have been left vacant for prolonged periods of time; if not, whether it will conduct a review and streamline the arrangements for effecting a change in the uses of units, in order to avoid the occurrence of similar situations?

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, my consolidated reply to various parts of the question raised by Mr LAU Kwok-fan is as follows:

In planning for new public housing projects, the Hong Kong Housing Authority ("HA") will take into account the relevant Government policies and planning requirements in deciding the provision of various facilities including social welfare premises. During this process, HA will also consider the scales of the projects under planning, the vicinity environment as well as the views of the relevant departments and organizations. Under the prevailing practice, HA will lease welfare premises to eligible non-governmental organizations ("NGOs")[(1)] providing direct services to estate residents at concessionary rent on the recommendation of the Social Welfare Department ("SWD").

HA also reviews the usage of non-domestic properties in public housing developments from time to time. Depending on the actual circumstances of individual cases, such as changes in residents' needs, community development,

(1) Including charitable or non-profit making organizations exempted under section 88 of the Inland Revenue Ordinance.

etc., the usage of these facilities may vary. Some organizations may move out due to various reasons. HA will consult SWD as to whether they will reserve the units concerned and nominate NGOs to provide other suitable welfare services. If SWD considers it not necessary to reserve the units for other welfare services, HA will upload information about such units onto HA's website to invite applications from other interested NGOs to provide services. HA will also share the list with SWD on a regular basis. As mentioned above, HA will, upon the recommendation of the relevant government departments, lease the social welfare premises to approved NGOs at concessionary rent.

Some of the above mentioned leasing applications may involve changes of the use of the premises. The required procedures vary for individual cases and depend on the circumstances of the premises concerned. If the premises concerned are held under Government leases, modification of the development conditions in the leases may be required. HA will conduct feasibility studies according to needs of leasing applications.

Regarding the situation in Yung Shing Court, under the relevant conditions in the Government lease, HA is required to provide designated social welfare/educational facilities (including small group home) in the court. Due to constraints of the actual circumstances, e.g. no separate entrance leading to the external area of the building, the premises being scattered on different floors, headroom of the units not fulfilling the prevailing requirements for small group home and the need for sharing lifts and lobby with the domestic portion, other community and social welfare organizations may have certain concerns when applying to lease this premises. HA has previously considered changing the uses of these units, including public rental housing units, and will continue to review all possible options with relevant departments, such as the Lands Department, SWD, etc., in a proactive manner in order to identify other suitable uses for the relevant units with a view to optimizing the use of resources.

As at the end of May 2018, there are six social welfare premises under HA with vacant units. Units in one of these premises has been vacant for less than three years and the signing of tenancy agreement with the relevant organization is being prepared. Other premises, including the welfare services units in Yung Shing Court, have been vacant for more than five years. HA is either preparing to sign tenancy agreements with the relevant organizations or conducting feasibility studies and consultations with residents for these units.

Use of the space on the rooftops of service reservoirs

10. **DR HELENA WONG** (in Chinese): *President, at present, there are more than 220 service reservoirs across the territory, which are used for providing transient storage for fresh water or sea water. The Water Supplies Department ("WSD") allocates the space on the rooftops of some service reservoirs to other government departments and private organizations as venues for recreational and other activities. Regarding service reservoirs with space on their rooftops available for allocation (which stood at 100 across the territory as at the 14th of last month), will the Government inform this Council:*

(1) of the respective (i) names, (ii) capacities, (iii) numbers of air vents, (iv) roof areas, and (v) live loads of the roofs (and whether they are 5 kPa or above) of various service reservoirs, and set out such information one by one by the District Council district to which the service reservoirs belong;

(2) since when the policy of allocating the space on the rooftops of service reservoirs has been implemented; of the reasons for implementing this policy and its specific details;

(3) of the details of the allocation of the space on the rooftops in each of the past five years, including (i) names of government departments/private organizations to which the space was allocated, (ii) allocation periods, (iii) ways of leasing/granting, (iv) annual rents and rates payable (if applicable), and (v) use of the space on the rooftops, and set out such information by name of service reservoir; and

(4) of WSD's specific measures to regulate activities conducted on the space on the rooftops of service reservoirs, in order to prevent contamination of the fresh water stored in the service reservoirs?

SECRETARY FOR DEVELOPMENT (in Chinese): President, to make gainful use of space, the Water Supplies Department ("WSD") has all along been opening up rooftops of service reservoirs for recreational use. WSD currently has 171

fresh water service reservoirs and 54 sea water service reservoirs, of which 101 have rooftops suitable for opening up for recreational use. The remaining service reservoirs are not suitable for such purpose because they are either in the vicinity of water treatment works or located in remote locations; or their rooftops are either of non-structural design or too small. Among the 101 service reservoirs with rooftops suitable for opening up for recreational use, 49 have been allocated to different government departments and private organizations, and their uses mainly include sports grounds, sitting-out areas, parks, playgrounds and training fields.

My response to the four parts of Dr WONG's question is as follows:

(1) WSD currently has 101 fresh water service reservoirs and sea water service reservoirs with rooftops suitable for opening up for recreational use. Details of these service reservoirs are grouped by District Council district and listed in Annex 1.

(2) According to WSD's record, to make gainful use of space, the opening up of rooftops of service reservoirs for recreational use has started since 1960s of the last century. Under the prevailing policy, when designing a new service reservoir, WSD would consult the Leisure and Cultural Services Department ("LCSD") on whether LCSD would like to use the rooftop of the new service reservoir for recreational use. For existing service reservoirs, if their rooftops are suitable for recreational use, LCSD, other government departments or private organizations can approach WSD with their proposal. If WSD considers the proposed use of the rooftop of service reservoir suitable, the concerned government department or private organization can submit an application to the relevant District Lands Office for the allocation of the service reservoir rooftop for the proposed use. For applications from private organizations, support from the relevant Policy Bureau is required. If the allocation is approved, the District Lands Office will grant the land of the concerned service reservoir rooftop to the applicant in the form of a government land allocation, a Short Term Tenancy or a land licence. One of the conditions of the land grant is that the

applicant shall comply with the conditions imposed by WSD, including the proper management of the facility to avoid any damage to the service reservoir and contamination of the water stored therein.

(3) There are currently 49 fresh water and sea water service reservoirs with rooftops allocated to different government departments and private organizations for recreational use. Upon consulting the Lands Department, the Government Property Agency and the Rating and Valuation Department, the requested details on the use of the rooftops of these service reservoirs are listed in Annex 2.

(4) Service reservoirs adopt enclosed design, and they are constructed with reinforced concrete. All structural parts of service reservoirs, including perimeter walls and rooftops, are designed to be water-proof. This design can prevent seepage and contamination of the water stored inside the service reservoirs by external pollutants. The ventilators at service reservoir rooftops are also designed to effectively prevent ingress of foreign substances into the service reservoirs to contaminate the water stored therein.

Moreover, the government departments and private organizations being granted of the use of the rooftops of service reservoirs must comply with the conditions imposed by WSD in properly managing the facilities to prevent contamination of the water stored in the service reservoirs. These conditions include the rooftops of the service reservoirs shall be used for the approved recreational purpose only, no fertilizers and pesticides shall be used, the recreational area shall only be opened when there is attendant on duty and sufficient lighting. WSD will arrange inspections to ensure the users are complying with the conditions. WSD will also take drinking water samples from service reservoirs regularly for water quality tests to ensure that the water quality of the drinking water stored therein is not affected.

Annex 1

Information of Service Reservoirs with Rooftops Suitable for Recreational Use

District	*Name of Service Reservoir*	*Capacity (cu m)*	*Roof Area (sq m)*	*Number of Ventilators*
Central and Western	Albany Fresh Water Service Reservoir	21 248	2 400	16
	Conduit Road Fresh Water Service Reservoir	7 164	2 500	6
	Conduit Road Salt Water Tank	173	1 000	0
	Gardens Fresh Water Service Reservoir	20 991	3 900	11
	Kennedy Town Fresh Water Service Reservoir	29 085	5 900	14
	Magazine Gap Road No. 2 Fresh Water Service Reservoir	2 282	1 400	4
	Mount Davis Fresh Water Primary Service Reservoir	142 843	13 700	60
	Pok Fu Lam No. 2 Fresh Water Service Reservoir	6 923	1 200	6
	Western Fresh Water Service Reservoir	18 741	2 900	28
	Western No. 2 Fresh Water Service Reservoir	7 823	1 600	26
Eastern	Chai Wan North Fresh Water Service Reservoir	21 184	6 100	14
	North Point Fresh Water Service Reservoir	24 467	3 500	16
	North Point High Level Fresh Water Service Reservoir	4 628	1 600	10
	North Point Salt Water Service Reservoir	5 210	2 700	6
	North Point West Fresh Water Service Reservoir	30 926	6 600	20
	Quarry Bay Salt Water Service Reservoir	2 650	1 800	5
	Shau Kei Wan Fresh Water Service Reservoir	51 898	7 700	11
	Shau Kei Wan No. 2 Fresh Water Service Reservoir	18 508	5 000	8
Islands	Cheung Chau Fresh Water Service Reservoir	3 383	700	4
	Cheung Chau No. 2 Fresh Water Service Reservoir	3 401	600	4
	Cheung Chau No. 3 Fresh Water Service Reservoir	3 173	500	4
	Tai Tung Shan Fresh Water Service Reservoir	4 500	1 100	4
	Tung Chung Fresh Water Service Reservoir	41 695	12 930	14

District	*Name of Service Reservoir*	*Capacity (cu m)*	*Roof Area (sq m)*	*Number of Ventilators*
Kowloon City	Ho Man Tin East Fresh Water Service Reservoir	152 411	27 130	25
	Ho Man Tin High Level Fresh Water Service Reservoir	24 153	4 310	8
	Ho Man Tin West Fresh Water Service Reservoir	67 434	11 540	22
	King's Park Fresh Water Service Reservoir	27 508	5 890	24
	Lion Rock High Level No. 2 Fresh Water Primary Service Reservoir	95 490	10 570	23
	Lok Fu Fresh Water Service Reservoir	28 872	5 900	30
	Ma Tau Wai Fresh Water Service Reservoir	24 140	4 750	21
Kwai Tsing	Butterfly Valley Fresh Water Primary Service Reservoir	128 973	16 750	84
	Kau Wa Keng Fresh Water Service Reservoir	49 760	7 350	36
	Kwai Shing High Level Salt Water Service Reservoir	1 461	760	4
	Kwai Shing Low Level Salt Water Service Reservoir	3 450	750	0
	Lai Chi Kok Fresh Water Service Reservoir	93 702	5 720	27
	Tai Wo Tsuen Fresh Water Service Reservoir	4 880	1 160	12
	Tsing Yi East Fresh Water Service Reservoir	27 581	5 720	30
	Tsing Yi East No. 2 Fresh Water Service Reservoir	16 000	3 000	16
	Tsing Yi North High Level Fresh Water Service Reservoir	9 306	780	8
	Tsing Yi North Low Level Fresh Water Service Reservoir	17 072	3 170	10
	Tsing Yi North Low Level Salt Water Service Reservoir	2 333	840	8
Kwun Tong	Kwun Tong High Level Fresh Water Service Reservoir	27 045	5 030	24
	Lam Tin Low Level Fresh Water Service Reservoir	36 750	6 700	14
	Ngau Tau Kok Fresh Water Service Reservoir	26 871	5 420	4
	Yau Tong Fresh Water Service Reservoir	22 799	4 100	19

District	*Name of Service Reservoir*	*Capacity (cu m)*	*Roof Area (sq m)*	*Number of Ventilators*
North	Ping Che Fresh Water Service Reservoir	20 000	3 320	16
	Table Hill Fresh Water Service Reservoir	27 450	4 600	17
Sai Kung	Anderson Road Fresh Water Service Reservoir	8 886	1 810	19
	Anderson Road No. 2 Fresh Water Service Reservoir	15 000	1 850	16
	Pak Kong Au Fresh Water Service Reservoir	15 281	2 800	5
	Tai Po Tsai Fresh Water Service Reservoir	12 091	2 100	4
	Tseung Kwan O East Low Level Fresh Water Service Reservoir	35 600	5 500	6
	Tseung Kwan O Fresh Water Primary Service Reservoir	150 000	17 700	40
	Tui Min Hoi Fresh Water Service Reservoir	1 222	470	3
Sha Tin	A Kung Kok Fresh Water Service Reservoir	17 745	2 500	5
	Ha Wo Che Fresh Water Service Reservoir	10 565	2 600	8
	Kau To High Level Fresh Water Service Reservoir	2 300	490	2
	Ma On Shan Fresh Water Service Reservoir	44 320	6 400	8
	Ma On Shan No. 2 Fresh Water Service Reservoir	24 000	3 800	6
	Ma On Shan No. 2 Salt Water Service Reservoir	1 400	330	2
	Ma On Shan No. 3 Salt Water Service Reservoir	1 200	150	2
	Sha Tin North Fresh Water Service Reservoir	29 252	5 900	6
	Shui Chuen O Fresh Water Service Reservoir	9 366	1 600	4
	Tai Po Road Fresh Water Service Reservoir	23 922	6 920	59
Sham Shui Po	Beacon Hill High Level Fresh Water Service Reservoir	5 026	1 430	9
	Piper's Hill High Level Fresh Water Service Reservoir	15 557	3 990	36
	Shek Kip Mei Fresh Water Service Reservoir	132 137	24 620	14
	Shek Kip Mei No. 2 Fresh Water Service Reservoir	40 000	7 100	19
	Shek Kip Mei No. 3 Fresh Water Service Reservoir	48 188	8 590	18
Southern	Aberdeen Salt Water Service Reservoir	1 591	800	11
	Ap Lei Chau Fresh Water Service Reservoir	19 958	3 800	20
	Ap Lei Chau No. 2 Fresh Water Service Reservoir	7 752	1 000	4
	Kai Lung Wan Fresh Water Service Reservoir	9 388	3 200	6
	Pok Fu Lam No. 3 Fresh Water Service Reservoir	8 130	1 400	6
	Pok Fu Lam Salt Water Service Reservoir	2 204	300	4
	Victoria Road Fresh Water Service Reservoir	5 000	800	4
	Wong Chuk Hang Fresh Water Service Reservoir	15 166	2 800	12

District	*Name of Service Reservoir*	*Capacity (cu m)*	*Roof Area (sq m)*	*Number of Ventilators*
Tai Po	Ha Hang Fresh Water Service Reservoir	18 746	4 200	20
Tsuen Wan	Ma Wan No. 2 Fresh Water Service Reservoir	7 812	1 740	6
	Sunny Bay Fresh Water Service Reservoir	13 774	2 200	10
	Tsuen Wan No. 2 Fresh Water Service Reservoir	34 048	6 120	16
	Tsuen Wan West High Level Fresh Water Service Reservoir	8 010	1 520	0
	Tsuen Wan West Low Level Fresh Water Service Reservoir	62 104	11 050	0
Tuen Mun	Tai Lam Chung Fresh Water Service Reservoir	4 698	3 140	8
	Tuen Mun East Fresh Water Service Reservoir	24 072	2 860	12
	Tuen Mun East No. 2 Fresh Water Service Reservoir	23 237	2 840	5
Wan Chai	Bowen Road Fresh Water Service Reservoir	20 771	4 500	24
	Eastern No. 2 Fresh Water Service Reservoir	45 179	7 500	4
	Tai Hang Fresh Water Service Reservoir	4 742	1 700	6
	Tai Hang No. 2 Fresh Water Service Reservoir	3 600	900	4
Wong Tai Sin	Diamond Hill Fresh Water Service Reservoir	23 524	5 420	32
	Diamond Hill No. 2 Fresh Water Service Reservoir	76 235	9 500	16
	Diamond Hill Salt Water Service Reservoir	21 836	4 880	6
	Fung Wong Fresh Water Service Reservoir	19 794	3 920	14
	Lion Rock High Level Fresh Water Primary Service Reservoir	102 587	8 970	25
	Lion Rock Low Level Fresh Water Primary Service Reservoir	76 911	8 970	24
	Ngau Chi Wan Fresh Water Service Reservoir	54 383	5 420	19
	Tsz Wan Shan Fresh Water Service Reservoir	76 302	12 370	22
Yau Tsim Mong	Yau Ma Tei Salt Water Service Reservoir	7 830	2 610	29
Yuen Long	Au Tau Fresh Water Service Reservoir	9 292	2 430	4
	Au Tau No. 2 Fresh Water Service Reservoir	16 092	4 420	24

Note:

According to WSD design standard, the service reservoir roof shall be designed for a live load of 5 KN/qu m.

Annex 2

Information of Service Reservoirs with Rooftops Allocated for Recreational Use

District	*Name of Service Reservoir*	*Department/ Organization*	*Usage*	*Land Allocation*	*Period*	*Rent (If Applicable)*	*Rates (Financial Year 2018-2019) (If Applicable)*
Central and Western	Albany Fresh Water Service Reservoir	Ladies Recreation Club	Sports Ground	GPA Tenancy Agreement	One Year from 1.8.1966 and yearly thereafter	$250	N/A
	Conduit Road Fresh Water Service Reservoir	LCSD	Sports Ground	Temporary Government Land Allocation	Allocated to Government Department for temporary use	For Government Department use, rent is not applicable	N/A
	Conduit Road Salt Water Tank	Government Property Agency	Sitting-out Area	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Gardens Fresh Water Service Reservoir	LCSD	Park	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Kennedy Town Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Magazine Gap Road No. 2 Fresh Water Service Reservoir	LCSD	Sports Ground	Temporary Government Land Allocation	Allocated to Government Department for temporary use	For Government Department use, rent is not applicable	N/A

District	*Name of Service Reservoir*	*Department/ Organization*	*Usage*	*Land Allocation*	*Period*	*Rent (If Applicable)*	*Rates (Financial Year 2018-2019) (If Applicable)*
	Mount Davis Fresh Water Primary Service Reservoir	LCSD	Sports Ground	Temporary Government Land Allocation	Allocated to Government Department for temporary use	For Government Department use, rent is not applicable	N/A
	Western Fresh Water Service Reservoir	The University of Hong Kong	Park	Short Term Tenancy	Three years from 3.11.2015 and quarterly thereafter	$1 (if demanded)	N/A
	Western No. 2 Fresh Water Service Reservoir	The University of Hong Kong	Park	Short Term Tenancy			
Eastern	Chai Wan North Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	North Point Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	North Point High Level Fresh Water Service Reservoir	Scout Association of Hong Kong—7th Hong Kong Group	Training Field	WSD approved the 7th Hong Kong Group of the Scout Association to use as training field on Saturday afternoon and Sunday morning	N/A	N/A	N/A
	North Point Salt Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A

District	*Name of Service Reservoir*	*Department/ Organization*	*Usage*	*Land Allocation*	*Period*	*Rent (If Applicable)*	*Rates (Financial Year 2018-2019) (If Applicable)*
	North Point West Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Quarry Bay Salt Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Shau Kei Wan Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Shau Kei Wan No. 2 Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
Kowloon City	Ho Man Tin East Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	$3,114 (Applicable to commercial part)
	Ho Man Tin High Level Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Ho Man Tin West Fresh Water Service Reservoir	Hong Kong Little League	Sports Ground	Short Term Tenancy	Up to 31.10.2013 and quarterly thereafter	$1 (if demanded)	$31,200

District	*Name of Service Reservoir*	*Department/ Organization*	*Usage*	*Land Allocation*	*Period*	*Rent (If Applicable)*	*Rates (Financial Year 2018-2019) (If Applicable)*
	King's Park Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Lion Rock High Level No. 2 Fresh Water Primary Service Reservoir	Hong Kong Little League	Sports Ground	Short Term Tenancy	Two years from 26.8.2010 and quarterly thereafter	$1 (if demanded)	$31,200
	Lok Fu Fresh Water Service Reservoir	LCSD	Park	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Ma Tau Wai Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	$462 (Applicable to commercial part)
Kwai Tsing	Lai Chi Kok Fresh Water Service Reservoir	Correctional Service Department	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Tsing Yi East Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
Kwun Tong	Kwun Tong High Level Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A

District	*Name of Service Reservoir*	*Department/ Organization*	*Usage*	*Land Allocation*	*Period*	*Rent (If Applicable)*	*Rates (Financial Year 2018-2019) (If Applicable)*
	Lam Tin Low Level Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Ngau Tau Kok Fresh Water Service Reservoir	Communications Authority	Partly use as Radio Monitoring Station	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Yau Tong Fresh Water Service Reservoir	LCSD	Sports Ground, Park	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
North	Table Hill Fresh Water Service Reservoir	RHKR Sport Shooting Association	Sports Ground	Licences	Half year from 26.1.1996 and quarterly thereafter	$1 (if demanded)	N/A
Sha Tin	Sha Tin North Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Tai Po Road Fresh Water Service Reservoir	Hong Kong Air Cadet Corps	Training Field	Short Term Tenancy	Three years from 28.12.2005 and quarterly thereafter	$1 (if demanded)	$4,800
Sham Shui Po	Piper's Hill High Level Fresh Water Service Reservoir	Education Bureau	Sports Ground	Short Term Tenancy (Managed by Education Bureau)	-	-	N/A
	Shek Kip Mei Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A

District	*Name of Service Reservoir*	*Department/ Organization*	*Usage*	*Land Allocation*	*Period*	*Rent (If Applicable)*	*Rates (Financial Year 2018-2019) (If Applicable)*
Southern	Aberdeen Salt Water Service Reservoir	Agriculture, Fisheries and Conservation Department	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Ap Lei Chau Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Ap Lei Chau No. 2 Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Kai Lung Wan Fresh Water Service Reservoir	Hong Kong Archery Association	Sports Ground	Short Term Tenancy	One year from 14.9.1992 and quarterly thereafter	$1 (if demanded)	$11,850
	Wong Chuk Hang Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
Tuen Mun	Tai Lam Chung Fresh Water Service Reservoir	Correctional Service Department	Recreation Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
Wan Chai	Bowen Road Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	$216 (Applicable to commercial part)
	Eastern No. 2 Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A

District	*Name of Service Reservoir*	*Department/ Organization*	*Usage*	*Land Allocation*	*Period*	*Rent (If Applicable)*	*Rates (Financial Year 2018-2019) (If Applicable)*
Wong Tai Sin	Diamond Hill No. 2 Fresh Water Service Reservoir	Hong Kong Cricket	Sports Ground	Short Term Tenancy	Three years from 14.11.2011 and quarterly thereafter	$1 (if demanded)	$71,400
	Diamond Hill Salt Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Lion Rock High Level Fresh Water Primary Service Reservoir	LCSD	Sports Ground, Park	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Lion Rock Low Level Fresh Water Primary Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
	Tsz Wan Shan Fresh Water Service Reservoir	LCSD	Sports Ground	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A
Yau Tsim Mong	Yau Ma Tei Salt Water Service Reservoir	LCSD	Park	Government Land Allocation	Allocated to Government Department for long term use	For Government Department use, rent is not applicable	N/A

Statistics on employment, wages and gross domestic product

11. **MR KWOK WAI-KEUNG** (in Chinese): *President, will the Government provide the following statistics for each quarter in 2017 and in the first half of 2018 (adopting the first quarter of 2004 as the base period, i.e. first quarter of 2004=100):*

(1) in respect of various industries and occupations, the respective (i) numbers of employed persons, (ii) Nominal Wage Indices and (iii) Real Wage Indices, broken down by gender; and

(2) the Nominal Gross Domestic Product ("GDP") and the Real GDP, as well as the growth rates of such figures?

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Chinese): President, in response to the various parts of the question, statistics for 2017 and the first quarter of 2018 are provided below (statistics for the second quarter of 2018 will be released in August or September 2018):

(1) The numbers of employed persons (excluding foreign domestic helpers) by gender in various industries and occupations in 2017 and the first quarter of 2018 are set out in Table 1 of the Annex, whereas the nominal and real wage indices ("RWI") for selected industries and selected occupational groups during the same period are set out in Table 2 of the Annex. The Government has not compiled wage indices broken down by gender.

(2) Hong Kong's Gross Domestic Product"("GDP") at current market prices (i.e. in nominal terms) was HK$2,661 billion in 2017 and HK$688 billion in the first quarter of 2018.

In chained (2016) dollars (i.e. in real terms) Hong Kong's GDP was HK$2,585.2 billion in 2017 and HK$652.1 billion in the first quarter of 2018.

When compared with 2004, the growth rates of GDP in nominal terms and in real terms were 102.1% and 59.6% respectively in 2017.

Annex

Table 1: Number of employed persons[1] (excluding foreign domestic helpers) by gender in various industries and occupations

(i) By industry and gender

Industry	*Fourth Quarter 2017*			*First Quarter 2018*		
	Male	*Female*	*Both genders*	*Male*	*Female*	*Both genders*
Manufacturing	69 000	38 700	107 600	69 300	35 700	105 000
Construction	317 400	32 400	349 800	319 500	33 400	352 800
Import/export trade and wholesale	228 800	223 900	452 700	229 700	219 900	449 600
Retail	131 500	206 600	338 100	128 300	214 900	343 200
Accommodation[2] and food services[3]	138 200	157 100	295 300	141 300	155 100	296 400
Transportation, storage, postal and courier activities	252 100	69 700	321 800	246 200	74 600	320 900
Information and communications	88 300	46 100	134 500	90 300	44 100	134 300
Financing and insurance	126 000	136 100	262 100	125 200	139 700	264 900
Real estate	103 000	55 900	158 900	95 000	63 500	158 500
Professional and business services	174 700	184 800	359 500	178 100	186 800	364 900
Public administration, social and personal services	292 400	437 100	729 500	299 900	442 000	742 000
Other industries	15 900	3 800	19 700	17 500	5 600	23 100
Overall	1 937 400	1 592 100	3 529 500	1 940 400	I 615 200	3 555 600

(ii) By occupation and gender

Occupation	*Fourth Quarter 2017*			*First Quarter 2018*		
	Male	*Female*	*Both genders*	*Female*	*Male*	*Both genders*
Managers and administrators	301 200	157 900	459 100	302 700	154 500	457 200
Professionals	166 600	109 700	276 300	176 800	106 600	283 400
Associate professionals	417 000	372 600	789 600	421 300	383 800	805 100
Clerical support workers	135 500	360 700	496 300	126 500	365 200	491 700
Service and sales workers	254 800	367 900	622 700	254 800	365 800	620 600
Craft and related workers	238 700	10 800	249 500	229 900	12 700	242 600
Plant and machine operators and assemblers	172 100	3 200	175 200	172 300	5 100	177 300
Elementary occupations	249 500	208 400	457 900	253 900	220 000	474 000
Other occupations	2 100	800	2 900	2 200	1 500	3 600
Overall	1 937 400	1 592 100	3 529 500	1 940 400	1 615 200	3 555 600

Notes:

(1) The number of employed persons includes persons aged 15 and over who have been at work for pay or profit during the seven days before enumeration or who have had formal job attachment. Unpaid family workers and persons who were on leave/holiday during the seven days before enumeration are also included.

(2) Accommodation services cover hotels guesthouses boarding houses and other establishments providing short-term accommodation.

(3) Retail, accommodation and food services industries as a whole is generally referred to as the consumption- and tourism-related segment.

Figures may not add up to the totals due to rounding.

Source: General Household Survey, Census and Statistics Department

Table 2: Nominal wage indices ("NWI") and RWI[(1) and (2)] for selected industries and selected occupational groups

(i) By selected industry

(March 2004=100)

Selected industry		*December 2017*	*March 2018*
Manufacturing	NWI	149.3	149.4
	RWI	100.6	99.3
Import/export, wholesale and retail trades	NWI	144.1	144.6
	RWI	97.1	96.1
Accommodation[(3)] and food service activities	NWI	160.9	162.8
	RWI	108.4	108.3
Transportation	NWI	139.4	140.5
	RWI	93.9	93.4
Financial and insurance activities	NWI	152.7	153.5
	RWI	102.9	102.1
Real estate leasing and maintenance management	NWI	164.2	166.3
	RWI	110.6	110.6
Professional and business services	NWI	188.3	187.8
	RWI	126.9	124.9
Personal services	NWI	195.8	196.9
	RWI	131.9	131.0
All selected industries[(4)(5)]	NWI	156.7	157.6
	RWI	105.6	104.8

(ii) By selected occupational group

(March 2004 = 100)

Selected occupational group		*December 2017*	*March 2018*
Supervisory and technical workers	NWI	153.6	153.8
	RWI	103.5	102.3
Clerical and secretarial workers	NWI	144.5	144.8
	RWI	97.4	96.3
Craftsmen and operatives	NWI	144.8	147.2
	RWI	97.6	97.9

Selected occupational group		*December 2017*	*March 2018*
Service workers	NWI	170.6	171.9
	RWI	114.9	114.3
Miscellaneous non-production workers	NWI	172.3	174.3
	RWI	116.1	115.9
All selected occupations(5)	NWI	156.7	157.6
	RWI	105.6	104.8

Notes:

(1) Wage includes basic wage and other regular and guaranteed allowances and bonuses.

(2) RWI are obtained by deflating NWI by the Consumer Price Index (A).

(3) Accommodation services cover hotels, guesthouses, boarding houses and other establishments providing short-term accommodation.

(4) Refers to all industries covered by the wage enquiry of the Labour Earnings Survey, including the electricity and gas supply industry, sewerage and waste management activities industry and publishing activities industry, the statistics of which are not separately shown.

(5) The survey covers employees employed in the selected occupations up to supervisory level for the selected industries only. Employees at managerial and professional levels are not covered.

Source: Labour Earnings Survey, Census and Statistics Department

Aircraft noise

12. **MR CHAN CHI-CHUEN** (in Chinese): *President, the Government has indicated that in order to reduce the impact of aircraft noise on areas in the vicinity of flight paths, the Civil Aviation Department has implemented a number of aircraft noise abating measures in accordance with the balanced objectives, promulgated by the International Civil Aviation Organization ("ICAO"), of managing aircraft noise. Such measures include requiring aircraft in the small hours to avoid, as far as possible, overflying populated areas, and adopting ICAO's noise abatement departure procedure during take-off and the continuous descent approach for landing. However, in recent months, I have received complaints from quite a number of residents in Ma Wan who pointed out that quite a number of aircraft overfly Ma Wan at an altitude below 5 000 feet after taking off in late hours (i.e. between 11:00 pm and 7:00 am the following day),*

thus generating tremendous noise and making it difficult for them to fall asleep. In addition, a number of residents in Clear Water Bay and Tseung Kwan O have relayed that aircraft have been overflying the two districts at an extremely high frequency in late hours since May this year, causing serious noise nuisance to the residents. In this connection, will the Government inform this Council:

(1) of the respective numbers of aircraft departing Hong Kong which overflew Ma Wan at an altitude (i) below 5 000 feet, (ii) between 5 000 and 7 000 feet, and (iii) above 7 000 feet, from May last year to May this year (set out in a table);

(2) of the respective numbers of times, as recorded by the various aircraft noise monitoring terminals in late hours in each month from May last year to May this year, for which aircraft noise levels reached (i) 70 to 74 decibels ("dB"), (ii) 75 to 79 dB and (iii) 80 dB or above (set out in a table);

(3) among the aircraft departing Hong Kong from May last year to May this year, of the types of those with noise levels reaching 80 dB or above, and the airlines to which such aircraft belonged;

(4) of (i) the number of flights overflying Sai Kung District in late hours, and (ii) the number of complaints about aircraft noise received by the authorities from the residents there, in each month from January to June this year;

(5) of the measures to be put in place to further abate aircraft noise; and

(6) whether it will set up an aircraft noise monitoring terminal in Sai Kung District; if so, of the details; if not, the reasons for that?

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, in accordance with international standards and recommendations, the design of flight paths takes into account factors including terrain environment and required obstacle clearances. To ensure aviation safety, departing aircraft are required to comply with the minimum climb gradient requirements specified in the departure procedures published in the Hong Kong Aeronautical Information Publication ("HKAIP"). The departure procedures published in HKAIP are designed in

accordance with the safety requirements of the International Civil Aviation Organization ("ICAO"). According to the relevant requirements, departing aircraft are required to fly at an altitude of not less than 1 800 ft in the vicinity of Ma Wan. The actual climb gradient of departing aircraft is dependent on various factors such as the payload and performance characteristics of individual aircraft and weather conditions, etc. Generally speaking, as far as minimum climb gradient is concerned, the Civil Aviation Department ("CAD") would not specify additional requirement for departing aircraft apart from the requirements set out in HKAIP.

Our reply to various parts of Mr CHAN Chi-chuen's question is as follows:

(1) The number and altitude of aircraft flying over Ma Wan between 11:00 pm and 7:00 am the following day when departing to the northeast of the Hong Kong International Airport ("HKIA") between May 2017 and April 2018[(1)] are set out at Annex 1.

(2) CAD has 16 noise monitoring terminals ("NMTs"). The aircraft noise events recorded between 11:00 pm and 7:00 am the following day by these terminals from May 2017 to April 2018[(1)] by month are set out at Annex 2.

According to the noise data recorded at the Ma Wan NMT between 2012 and 2017, the number of noise events of 70 decibels or above and of 80 decibels or above has decreased by 33% and 80% respectively. This shows the effectiveness of the aircraft noise mitigating measures adopted by CAD, the details of which are elaborated in Part (5) below.

(3) Between May 2017 and April 2018[(1)], the operating airlines and aircraft types of departing aircraft with noise events of 80 decibels or above recorded between 11:00 pm and 7:00 am the following day are set out at Annex 3.

(4) HKIA has two parallel runways which run northeast to southwest. The direction from which aircraft land at and depart from HKIA mainly depends upon the wind direction and other operational

(1) The data for May 2018 are pending verification and thus not available yet.

considerations. Sai Kung area is primarily affected by aircraft approaching the airport from northeast direction, i.e. using Runway 25. When westerly wind prevails at HKIA, aircraft will approach the airport from the northeast overflying Tseung Kwan O, Sai Kung, Ma On Shan, Sha Tin and Tsuen Wan for safety and operational reasons. As such, under acceptable wind direction, wind speed and safety conditions, arriving aircraft between midnight and 7:00 am will be arranged to land from the southwest direction over the sea, i.e. using Runway 07, in order to alleviate the aircraft noise impact on the aforesaid areas. Furthermore, all aircraft approaching HKIA from the northeast direction between 11:00 pm and 7:00 am on the following day are encouraged to adopt the continuous descent approach ("CDA") subject to operational considerations. As aircraft on CDA descent from a higher altitude, noise experienced in areas such as Sai Kung and Ma On Shan will be lower. The number of aircraft flying over Sai Kung area between 11:00 pm and 7:00 am the following day when approaching from the northeast of HKIA between January and April 2018[(2)] is set out at Annex 4. The number of complaints against aircraft noise from residents of Sai Kung area received by the Transport and Housing Bureau and CAD between January and June 2018 is set out at Annex 5.

(5) CAD has implemented a series of aircraft noise mitigating measures in accordance with the balanced approach to aircraft noise management promulgated by ICAO. These measures include requiring aircraft to avoid overflying populated areas, to adopt the noise abatement departure procedures prescribed by ICAO during take-off and the quieter CDA for landing, etc. in the small hours as far as possible. CAD has also implemented the Radius-to-Fix turn flight procedures since 2012 to allow aircraft equipped with satellite-based navigation technology to adhere closely to the nominal centre line of the flight track when departing to the northeast of HKIA and making south turn to the West Lamma Channel. This keeps the aircraft at a distance away from the areas in the vicinity of the flight paths (particularly Ma Wan), and reduces the impact of aircraft noise on these areas.

(2) The data for May and June 2018 are pending verification and thus not available yet.

Apart from implementing the aircraft noise abatement operational procedures mentioned above, CAD has prohibited aircraft not meeting the relevant aircraft noise standards from landing and taking off in Hong Kong. Since 2002, aircraft not complying with the noise standards in Chapter 3 of Volume I, Part II of Annex 16 to the Convention on International Civil Aviation (Chapter 3 noise standards) are not allowed to operate in Hong Kong. To strengthen this aircraft noise mitigating measure, starting from 2014, CAD has imposed further restrictions on aircraft which are marginally compliant with the Chapter 3 noise standards to land and take off in Hong Kong. To further strengthen this measure, CAD is also planning to impose more stringent requirements with additional operating restrictions on aircraft which do not comply with the noise standards in Chapter 4 of Volume I, Part II of Annex 16 to the Convention on International Civil Aviation (Chapter 4 noise standards)[(3)], or equivalent, to operate at HKIA from 10:00 pm to 7:00 am on the following day starting from the Summer Season of 2019. The airlines have been consulted on the plan, and they showed understanding and support. This measure, when implemented, will further alleviate the aircraft noise impact on the local communities.

With the advancement of aviation technology, aircraft engines are quieter than before, and the improved design of airframe has also helped reduce noise significantly. To reduce the impact of aircraft noise on the areas near the flight paths, many airlines are replacing their aircraft with quieter models progressively. CAD will continue to monitor the progress made by airlines in aircraft fleet replacement and deployment of quieter aircraft for night time operations, as well as the effectiveness of such measures.

(3) Volume I, Part II of Annex 16 to the Convention on International Civil Aviation sets out the aircraft noise standards formulated by ICAO at different times. The aircraft noise standards of Chapter 3, which were formulated at a later stage than those of Chapter 2, are more stringent. Aircraft marginally complying with Chapter 3 noise standards refers to an aircraft which is in compliance with Chapter 3 noise standards, but its noise level is relatively close to the upper limit prescribed in Chapter 3. The aircraft noise standards of Chapter 4, which are applicable to aircraft for which the application for a Type Certificate was submitted between 2006 and 2017, are more stringent than those of Chapter 3. Generally speaking, the noise levels of Chapter 4-compliant or equivalent aircraft are lower than those of Chapter 3-compliant aircraft.

(6) CAD monitors the implementation of various aircraft noise mitigating measures and the noise caused by aircraft operating into and out of HKIA through a computerized Aircraft Noise and Flight Track Monitoring System. At present, there are a total of 16 NMTs installed in Hong Kong covering locations along or close to the flight paths, which are respectively at Sha Lo Wan, Tung Chung, Sunny Bay, Ma Wan, Tsing Yi (two terminals), Tai Lam Chung, Tsing Lung Tau, Ting Kau, Tsuen Wan, Kwai Chung, Tai Wai, Mid-Levels, North Point, Jardine's Lookout and Shau Kei Wan. Sai Kung is at a distance from the airport where overflying aircraft are at relatively higher altitudes and the aircraft noise impact is relatively low. Nevertheless, CAD will where necessary deploy mobile noise monitoring equipment for short-term aircraft noise monitoring and data collection at other locations for analysis in order to have a better understanding of the impact of aircraft noise on those locations.

Annex 1

Number of aircraft flying over Ma Wan when departing
to the northeast of HKIA
between May 2017 and April 2018
(between 11:00 pm and 7:00 am the following day)

Altitude when flying over Ma Wan	*Number of departing aircraft*
5 000 ft or below	723
5 001 ft to 7 000 ft	858
7 001 ft or above	32
Total	1 613

Note:

The data for May 2018 are pending verification and thus not available yet.

Annex 2

Noise events recorded by the noise monitoring terminals from May 2017 to April 2018 (between 11:00 pm and 7:00 am the following day)

Noise Monitoring Terminal	*Noise Level (dB)*	*2017*								*2018*			
		May	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*Jan*	*Feb*	*Mar*	*Apr*
1. Mei Lam Estate, Tai Wai	70-74	0	0	1	2	2	0	0	0	0	0	0	0
	75-79	0	0	0	0	0	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
2. On Yam Estate, Kwai Chung	70-74	8	39	27	45	25	0	0	0	0	0	0	4
	75-79	0	0	0	0	0	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
3. Yiu Tung Estate, Shau Kei Wan	70-74	1	0	3	4	1	2	0	3	0	0	0	0
	75-79	0	0	0	0	0	0	2	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
4. Beverley Heights, Cloud View Road, North Point	70-74	0	0	5	9	1	3	0	8	2	0	0	1
	75-79	0	0	0	0	0	0	3	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
5. Fairmont Gardens, Conduit Road, Mid-Levels	70-74	1	1	2	0	0	2	2	3	0	0	0	0
	75-79	0	0	0	0	0	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
6. Hong Kong Garden, Tsing Lung Tau	70-74	214	895	367	802	253	148	182	206	147	189	154	88
	75-79	19	124	27	59	19	6	12	13	7	8	4	2
	≥80	0	0	0	0	1	0	0	0	0	0	0	0
7. Sha Lo Wan, Lantau	70-74	669	420	731	625	502	612	682	549	630	424	493	567
	75-79	219	65	254	195	160	289	240	309	305	75	127	271
	≥80	13	12	14	16	7	28	25	29	36	4	4	32
8. Caribbean Coast, Tung Chung	70-74	51	13	49	41	49	78	89	138	115	89	57	52
	75-79	0	1	1	2	2	3	0	7	0	5	3	1
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
9. Ma Wan Marine Traffic Control Station, Ting Kau	70-74	36	415	98	349	74	4	2	0	6	20	36	8
	75-79	0	15	1	7	1	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0

Noise Monitoring Terminal	*Noise Level (dB)*	*2017*								*2018*			
		May	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*Jan*	*Feb*	*Mar*	*Apr*
10. Park Island, Ma Wan	70-74	305	498	385	459	354	360	368	532	404	364	384	332
	75-79	58	97	58	71	63	51	80	89	53	72	31	30
	≥80	3	4	4	2	1	2	1	1	4	2	2	2
11. Tai Lam Chung Tsuen	70-74	7	27	5	3	5	10	15	18	16	8	9	0
	75-79	0	3	0	0	0	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
12. Yau Kom Tau, Tsuen Wan	70-74	37	426	109	348	76	0	0	0	0	7	23	4
	75-79	0	18	1	9	1	0	0	0	0	0	2	1
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
13. Cheung Hang Estate, Tsing Yi	70-74	24	214	80	194	63	0	0	0	0	1	0	9
	75-79	3	12	7	9	4	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
14. MTR Siu Ho Wan Depot, Sunny Bay	70-74	231	78	193	133	153	273	298	441	270	222	307	236
	75-79	13	7	8	8	6	9	5	12	5	1	4	1
	≥80	0	0	0	0	1	0	0	0	0	0	0	0
15. Mount Butler Road, Jardine's Lookout	70-74	0	0	3	1	0	0	3	0	1	0	1	0
	75-79	0	0	0	0	0	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0
16. Mount Haven, Liu To Road, Tsing Yi	70-74	7	40	20	41	12	0	1	0	1	0	0	4
	75-79	0	0	0	0	1	0	0	0	0	0	0	0
	≥80	0	0	0	0	0	0	0	0	0	0	0	0

Note:

The data for May 2018 are pending verification and thus not available yet.

Annex 3

Departure flights with noise events of 80 dB or above recorded between May 2017 and April 2018
Operating airlines and Aircraft types
(between 11:00 pm and 7:00 am the following day)

Airlines	*Aircraft Type*
Air Cargo Global	Boeing B747-400
Air France	Boeing B777-300ER
Air Hong Kong	Airbus A300-600
Airbridge Cargo Airline	Boeing B747-400

Airlines	*Aircraft Type*
All Nippon Airways	Boeing B767-300
British Airways	Boeing B777-300ER
Cargolux Airlines International	Boeing B747-400
	Boeing B747-8
Cargolux Italia	Boeing B747-400
Cathay Pacific Airways	Airbus A330-300
	Boeing B747-400
	Boeing B747-8
	Boeing B777-300ER
Emirates	Boeing B777-200LR
Hong Kong Airlines	Airbus A330-200
	Airbus A330-300
Jeju Air	Boeing B737-800
Kalitta Air	Boeing B747-400
Lufthansa Cargo	McDonnell Douglas MD-11
Nippon Cargo Airlines	Boeing B747-8
Polar Air Cargo	Boeing B747-400
Qantas Airways	Airbus A330-300
Qatar Airways	Boeing B777-200LR
Saudi Arabian Airlines	Boeing B747-400
Singapore Airlines	Boeing B747-400
	Boeing B777-300ER
Singapore Airlines Cargo	Boeing B747-400
Southern Air	Boeing B777-200LR
Swiss International Air Lines	Boeing B777-300ER
Turkish Airlines	Boeing B747-400
UPS Parcel Delivery Services	Boeing B747-400
	McDonnell Douglas MD-11

Note:

The data for May 2018 are pending verification and thus not available yet.

Annex 4

Number of aircraft flying over Sai Kung when approaching
from the northeast of HKIA
between January and April 2018
(between 11:00 pm and 7:00 am the following day)

2018	*Number of approaching aircraft flying over Sai Kung*
January	0
February	29
March	107
April	59

Note:

The data for May and June 2018 are pending verification and thus not available yet.

Annex 5

Number of Complaints against Aircraft Noise from Residents of
Sai Kung received by the Transport and Housing Bureau and
CAD between January and June 2018

2018	*Number of Complaints received by the Transport and Housing Bureau*	*Number of Complaints received by CAD*
January	0	0
February	0	0
March	0	5
April	0	0
May	0	3
June (up to 24th)	0	4

Driving improvement courses

13. **MR FRANKIE YICK** (in Chinese): *President, the Transport Department ("TD") introduced the Driver Improvement Scheme ("DIS") in 2002 with an aim to improve the driving attitude of the participants, thereby reducing traffic accidents. From February 2009 onwards, persons falling within the following categories are required under the law to attend driving improvement courses offered by designated driving improvement schools: (a) persons who have been convicted of serious traffic offences, and (b) persons who have accumulated 10 or more Driving-offence Points ("DOPs") within two years. In this connection, will the Government inform this Council:*

(1) in each of the past three years, of (i) the respective numbers of persons of the aforesaid two categories who attended driving improvement courses, (ii) the number of persons who, upon completion of such courses, had three DOPs deducted from their total number of DOPs incurred, and (iii) the respective numbers of persons who, within six months, one year and two years after having three DOPs deducted upon completion of the courses, incurred DOPs again or were disqualified from obtaining or holding a driving licence for having incurred 15 or more DOPs, with a breakdown by the type of vehicle they drove;

(2) as some members of the public have pointed out that DIS has been implemented for 16 years, and the contents of the driving improvement courses have remained the same and are outdated, whether the authorities will review and improve the course arrangements (e.g. adding new modes of training like road tests, developing different improvement courses for participants driving various types of vehicles, as well as offering courses with enhanced contents or increased training hours for participants who have repeatedly committed the same type of traffic offences) in order to enhance the effectiveness of DIS; if so, of the details; if not, the reasons for that; and

(3) given that according to TD's information, the major factors involving drivers which contributed to the traffic accidents in recent year are (i) driving inattentively, (ii) driving too close to the vehicle in front and (iii) careless lane changing, whether the authorities will examine implementing measures to encourage drivers to attend on

their own initiative driving improvement courses on a regular basis, so as to improve their driving attitude; if so, of the details; if not, the reasons for that?

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, the Transport Department ("TD") launched the Driving Improvement Course ("DIC") in September 2002 with a view to enhancing motorists' awareness of road safety and cultivating good driving behaviour. Motorists may attend the course voluntarily. Under the Road Traffic Ordinance (Cap. 374), the court may also, at its discretion, order motorists who have committed specified traffic offences to attend a DIC so as to improve their driving behaviour. To further enhance road safety, TD introduced the scheme of obligatory attendance of DIC with effect from February 2009. Under the Road Traffic Ordinance, save for special reasons, the court shall order motorists convicted of serious traffic offences (e.g. dangerous driving and drink driving) to attend a DIC. Furthermore, under the Road Traffic (Driving-offence Points) Ordinance (Cap. 375), motorists who have accumulated 10 Driving-offence Points ("DOPs") incurred for traffic offences committed during a period of two years shall also attend a DIC.

My reply to the various parts of Mr Frankie YICK's question is as follows:

(1) In the past three years, the number of participants who completed a DIC either upon accumulating 10 DOPs incurred over a period of two years or upon a court order, as well as those among which had three DOPs deducted upon completion of the course, with a breakdown by vehicle class they are entitled to drive, are set out in Annex 1 and Annex 2 respectively.

Moreover, in 2015 and 2016, among the participants who had three DOPs deducted after completion of a DIC, the number of those who incurred DOPs again within six months, one year and two years, as well as those who were disqualified from driving for having incurred 15 or more DOPs, with a breakdown by vehicle class they are entitled to drive, are set out in Annex 3. As regards the information of 2017, since the periods of six months, one year and two years following completion of the course have not yet ended, TD is unable to provide the relevant data.

(2) The main cause for many traffic accidents are often related to driving attitude. DIC aims to address such situation and seeks to effectively instill in motorists a stronger sense of road safety and good driving behaviour through classroom teaching. DIC covers the topics of Driving-offence Points System, safe driving concepts and prevention of traffic accidents, legislation and regulations on drink driving and drug driving, good driving attitude, etc. Course participants learn the subjects through, among others, classroom teaching, video demonstration and discussions. The course also covers cases of traffic accidents involving different classes of vehicles. The instructors will analyse the causes and consequences of accidents through discussion with participants. The content is designed to meet the main objectives of the course and the needs of participants.

TD will review and revise the course content from time to time in the light of the trends of traffic accidents and relevant legislative amendments. For example, TD enhanced the content relating to cycling in November 2017, including how the motorists should stay alert for cyclists on a road and the road safety matters that cyclists should take note of. TD will also review the overall course coverage with a view to adding suitable content targeting different classes of vehicles (such as large commercial vehicles reversing and travelling down slopes) to cater for the needs of different categories of motorists. At present, driving tests for applicants of driving licences are stringent and included road tests (except for taxis). These tests are effective in ensuring that successful applicants of driving licences have the competence and driving skills for driving the respective classes of vehicles. As such, we do not consider it necessary to include road tests in DIC.

For motorists who have committed traffic offences repeatedly, they will be required to attend a DIC for every 10 DOPs accumulated within a period of two years; if they are convicted of traffic offence, they may also be ordered by the court to attend DIC. Repeated offenders are thus required to attend the course again without any exemption, incurring additional time and money for the course in the process, so as to correct their improper driving attitude.

(3) To encourage motorists to enrol on DIC voluntarily, participants who complete the course and satisfy certain conditions[(1)] may have three points deducted from their total number of DOPs incurred. Moreover, the Government has been promoting through publicity and education the safety awareness of motorists when using the roads. TD will continue to collaborate with the Road Safety Council and the Police to launch various publicity and education campaigns by means of announcements in the public interest, promotional flyers, carnivals, etc. to promote road safety and proper driving attitude among motorists.

Annex 1

Annual Number of Participants Who Completed a DIC Either Upon Accumulating 10 DOPs in a Period of Two Years or Upon a Court Order from 2015 to 2017[Note]

Driving Entitlement (Breakdown by Vehicle Class)	*2015*		*2016*		*2017*	
	10 DOPs accumulated	*Court Order*	*10 DOPs accumulated*	*Court Order*	*10 DOPs accumulated*	*Court Order*
Private Car	18 397	2 723	17 707	2 639	20 309	2 539
Light Goods Vehicle	14 809	2 245	14 306	2 205	16 331	2 106
Motor Cycle	2 750	437	2 612	431	2 927	440
Private Light Bus	3 003	371	2 913	409	3 327	368
Public Light Bus	2 919	365	2 824	400	3 187	354
Taxi	4 952	368	4 996	421	5 835	430
Private Bus	2 172	278	2 103	315	2 433	275
Public Bus	2 176	277	2 105	315	2 427	276
Government Vehicle	173	10	170	14	197	15
Franchised Bus	287	44	323	41	371	40
Medium Goods Vehicle	3 172	437	3 083	468	3 514	427

(1) The conditions include the participant's satisfactory performance in the course (including fulfilling the required attendance, paying attention during the course, participating actively during in-class and group discussions, as well as passing written and practical assignments of the course). Moreover, the participant must neither have no DOPs or accumulated 15 or more DOPs on the date of completion of the course, nor have been deducted DOPs within the past two years.

Driving Entitlement (Breakdown by Vehicle Class)	*2015*		*2016*		*2017*	
	10 DOPs accumulated	*Court Order*	*10 DOPs accumulated*	*Court Order*	*10 DOPs accumulated*	*Court Order*
Heavy Goods Vehicle	1 587	189	1 553	218	1 721	191
Articulated Vehicle	616	78	604	98	700	85
Special Purpose Vehicle	191	33	182	33	199	30
Motor Tricycle	2 750	438	2 611	431	2 928	440

Note:

The number of participants is calculated on the basis of "driving entitlement". If a participant is entitled to drive more than one vehicle class, the case will be repeatedly counted in each vehicle class the participant is entitled to drive.

Annex 2

Number of Participants who had three DOPs Deducted Upon Completion of the DIC from 2015 to 2017[Note]

Driving Entitlement (Breakdown by Vehicle Class)	*2015*		*2016*		*2017*	
	10 DOPs accumulated	*Court Order*	*10 DOPs accumulated*	*Court Order*	*10 DOPs accumulated*	*Court Order*
Private Car	16 513	801	16 046	692	18 509	929
Light Goods Vehicle	13 203	677	12 891	605	14 800	800
Motor Cycle	2 479	111	2 378	108	2 685	153
Private Light Bus	2 655	151	2 566	161	2 974	178
Public Light Bus	2 579	146	2 484	160	2 845	172
Taxi	4 187	155	4 303	168	5 028	185
Private Bus	1 936	113	1 861	128	2 175	136
Public Bus	1 939	113	1 863	128	2 169	136
Government Vehicle	164	0	169	8	192	5
Franchised Bus	250	20	282	26	323	21
Medium Goods Vehicle	2 795	159	2 750	184	3 176	197
Heavy Goods Vehicle	1 412	73	1 378	83	1 552	80

Driving Entitlement (Breakdown by Vehicle Class)	*2015*		*2016*		*2017*	
	10 DOPs accumulated	*Court Order*	*10 DOPs accumulated*	*Court Order*	*10 DOPs accumulated*	*Court Order*
Articulated Vehicle	553	22	536	35	629	33
Special Purpose Vehicle	175	12	165	10	179	11
Motor Tricycle	2 479	111	2 377	108	2 686	153

Note:

The number of participants is calculated on the basis of "driving entitlement". If a participant is entitled to drive more than one vehicle class, the case will be repeatedly counted in each vehicle class the participant is entitled to drive.

Annex 3

Number of Participants Who Incurred DOPs Again Within Six Months, One Year and Two Years after Completion of a DIC, as well as Those Who were Disqualified from Driving for Having Incurred 15 or More DOPs[Note]

2015

Driving Entitlement (Breakdown by Vehicle Class)	*Number of participants who incurred DOPs within six months (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*	*Number of participants who incurred DOPs within one year (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*	*Number of participants who incurred DOPs within two years (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*
Private Car	2 740 (183)	4 896 (444)	8 086 (893)
Light Goods Vehicle	2 292 (151)	4 095 (372)	6 704 (752)
Motor Cycle	443 (27)	791 (68)	1 279 (126)
Private Light Bus	505 (34)	904 (87)	1 433 (187)

Driving Entitlement (Breakdown by Vehicle Class)	*Number of participants who incurred DOPs within six months (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*	*Number of participants who incurred DOPs within one year (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*	*Number of participants who incurred DOPs within two years (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*
Public Light Bus	491 (33)	881 (85)	1 392 (183)
Taxi	1 015 (93)	1 758 (210)	2 694 (422)
Private Bus	360 (19)	650 (60)	1 024 (131)
Public Bus	362 (19)	652 (60)	1 025 (131)
Government Vehicle	14 (1)	31 (1)	50 (1)
Franchised Bus	50 (3)	85 (11)	133 (21)
Medium Goods Vehicle	532 (40)	939 (85)	1 470 (180)
Heavy Goods Vehicle	241 (15)	451 (34)	725 (84)
Articulated Vehicle	84 (6)	171 (15)	273 (33)
Special Purpose Vehicle	28 (1)	59 (1)	87 (5)
Motor Tricycle	443 (27)	791 (68)	1 279 (126)

Note:

The number of participants is calculated on the basis of "driving entitlement". If a participant is entitled to drive more than one vehicle class, the case will be repeatedly counted in each vehicle class the participant is entitled to drive.

Number of Participants Who Incurred DOPs Again Within Six Months, One Year and Two Years after Completion of a DIC, as well as Those Who were Disqualified from Driving for Having Incurred 15 or More DOPs[Note]

2016

Driving Entitlement (Breakdown by Vehicle Class)	*Number of participants who incurred DOPs within six months (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*	*Number of participants who incurred DOPs within one year (Number of participants who were disqualified from driving after incurring 15 or more DOPs)*
Private Car	2 769 (207)	4 911 (524)
Light Goods Vehicle	2 314 (176)	4 084 (447)
Motor Cycle	431 (34)	749 (87)
Private Light Bus	459 (35)	809 (92)
Public Light Bus	448 (35)	788 (90)
Taxi	1 092 (110)	1 850 (259)
Private Bus	334 (31)	581 (64)
Public Bus	334 (31)	581 (65)
Government Vehicle	12 (0)	31 (1)
Franchised Bus	45 (9)	80 (10)
Medium Goods Vehicle	508 (35)	881 (104)
Heavy Goods Vehicle	252 (18)	430 (51)
Articulated Vehicle	92 (4)	161 (18)
Special Purpose Vehicle	28 (4)	48 (9)
Motor Tricycle	431 (34)	749 (87)

Note:

The number of participants is calculated on the basis of "driving entitlement". If a participant is entitled to drive more than one vehicle class, the case will be repeatedly counted in each vehicle class the participant is entitled to drive. Since the two-year period following completion of the course has not yet ended, TD is unable to provide the number of participants who incurred DOPs within two years after completing DIC.

Office areas of government departments

14. **MR TONY TSE** (in Chinese): *President, the Government anticipates that the civil service establishment will increase by 6 700 posts to about 190 000 posts by the end of 2018-2019, representing a rate of increase of about 3.7%. However, quite a number of civil servants have relayed to me that as the offices of many government departments are already very crowded, it is difficult to make room for the offices of newly recruited civil servants. In this connection, will the Government inform this Council:*

(1) whether the authorities had, when deciding to increase civil service posts, formulated measures to ensure that the required additional office accommodation could be provided according to the approved schedules of accommodation as laid down in the Accommodation Regulations ("the Regulations");

(2) in respect of those government departments which need to handle and store a large amount of documents, such as the works departments handling a large amount of large-sized building plans, whether the authorities will, having regard to the actual needs of such government departments, plan larger office areas for them;

(3) in respect of those government departments which need to have direct contact with members of the public and members of the industries concerned, whether the authorities have set standards for the sizes and numbers of the relevant (i) conference rooms, (ii) service counters, (iii) office desks and (iv) seats;

(4) of the policy bureaux and government departments (including district offices) whose actual office areas at present are below the relevant standards in the Regulations; and

(5) given that, according to my observation, most of the offices of the Buildings Department ("BD") are very crowded, thereby affecting BD officers' everyday work and health as well as causing inconvenience to members of the relevant industries who need to visit BD frequently to deal with various kinds of business, whether the authorities will address such problems squarely and make improvements; if so, of the implementation timetable for the improvement measures?

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Chinese): President, my reply to the different parts of the question raised by Mr Tony TSE is as follows:

(1) to (3)

To effectively meet the operational needs of departments and to ensure the optimal use of government resources, the Government Property Agency ("GPA") formulates the government office space standards (including working space for individual staff and ancillary facilities such as meeting rooms, service counters, etc.) in accordance with the principles set out in the Accommodation Regulations to facilitate departments' estimation of office space requirements.

Departments will review the existing usable office space and apply for additional office accommodation where necessary after the creation of new civil service posts is confirmed. If there is a genuine operational need for more office space, such as handling and storing large-sized layout plans, GPA or the Property Vetting Committee will duly consider the information and request from the department and approve the additional space required according to the prevailing standards.

Upon confirming the additional office space require, GPA will identify suitable premises having regard to the department's requirements on location and timing, etc. If the requirements cannot be met by government-owned premises, GPA may consider leasing premises for the purpose.

(4) GPA has no information on the actual office areas of individual departments below the relevant government office space standards. In allocating premises to departments, GPA has ensured that the provision is made according to the standard. After allocation of premises, departments will manage their own office accommodations and they can make minor adjustments to the office layout in light of the operational needs to optimize the use of office space. If needed, they may apply for additional office space according to the aforementioned mechanism.

(5) Based on the staff establishment of the Buildings Department ("BD") in 2015, the whole block of the North Tower of the West Kowloon Government Offices ("WKGO") under construction has been reserved for the use of BD. The total office space of BD will increase from the existing provision of about 25 000 sq m to about 29 600 sq m upon the department's relocation to WKGO in 2019, representing an increase of about 4 600 sq m. It is anticipated that there will be a significant improvement in the overall office accommodation of BD. As regards BD's request for additional office requirement to cope with the increased manpower after 2015, GPA has approved office space requirement of about 2 500 sq m and identified suitable premises to meet most of the requirements. GPA will continue to identify suitable premises to meet BD's accommodation needs.

Median monthly salary of young people

15. **MR LUK CHUNG-HUNG** (in Chinese): *President, according to the consultation document on population policy released by the Steering Committee on Population Policy in 2013, the median monthly salary of young people aged between 20 and 29 in full-time employment basically hovered around $10,000 in the past decade. As the cumulative inflation rate during the same period was more than 10%, the monthly salaries of young people in the past decade dropped in real terms. Some young people have become discouraged by the lack of opportunities for upward mobility. In this connection, will the Government inform this Council:*

(1) of the respective annual averages of the (a) nominal and (b) real median monthly salaries of persons in full-time employment in various age groups (i.e. below 20, 20 to 29, 30 to 39, 40 to 49, 50 to 59, 60 to 69, and 70 or above) in each year from 2013 to 2017; and

(2) of the measures taken by the authorities in the past five years to improve the overall employment environment so as to enable young people to earn higher income, thereby increasing upward mobility opportunities for them?

CHIEF SECRETARY FOR ADMINISTRATION (in Chinese): President, young people are Hong Kong's future. The current-term Government strives to do our best in youth development work by addressing their concerns about education, career pursuit and home ownership, and encouraging their participation in politics as well as public policy discussion and debate. In doing so, the Government aims at creating opportunities for upward mobility for young people and support them in fully realizing their potential, thereby allowing the younger generation to see hope in future.

Our reply to Mr LUK Chung-hung's question is as follows:

(1) Based on the data from the General Household Survey conducted by the Census and Statistics Department, the median monthly employment earnings of full-time employees by age (excluding foreign domestic helpers) in 2013-2017 in (a) nominal term; and (b) real term (i.e. at the 2017 price level) are shown in Annex. The figures show that the median monthly employment earnings of full-time employees across all age groups had risen notably over the period.

(2) The Government attaches great importance to the career development of young people as well as creating ample opportunities for their upward mobility and greater room for their development. To achieve this objective, the Government has to maintain the competitiveness of the Hong Kong economy. In addition to consolidating pillar industries, the Government also explores new economic opportunities to enrich the local industry structure with a

view to creating more high-quality employment opportunities and opening up more career choices for young people. In this connection, the Government is committed to developing a high value-added and diversified economy as well as facilitating the development of emerging industries. In particular, the Government has made significant efforts to promote the development of three major high value-added industries, namely innovation and technology, creative industries and finance, with a view to creating new impetus and growth areas for our economy.

In fact, following Hong Kong's sustained economic development, the wages of young graduates have substantially increased in recent years. As shown from the results of the 2015 Study on Earnings Mobility carried out by the former Economic Analysis and Business Facilitation Unit (now renamed as Office of the Government Economist) in collaboration with the Census and Statistics Department published in May 2016, notable upward earnings mobility was enjoyed by first degree graduates from the 2001-2002 and 2006-2007 cohorts. Specifically, for the 2001-2002 cohort, based on the median figures, first degree graduates could rise by eight income categories within 10 years (where each income category covers 1/20 of the overall income distribution). Also, graduates' upward earning mobility was closely related to the manpower demand brought by economic development. There was higher upward mobility amongst science and engineering graduates between 2003-2004 and 2013-2014, reflecting the growth of the related industries. The Government is currently preparing the results of the 2018 Study, so as to continue the monitoring of earnings mobility on an ongoing basis and explore measures conducive to youth upward mobility.

To help the younger generation seize development opportunities, the Government has continuously enhanced their access to high-quality education and training. In doing so, young people will be equipped with skills demanded by the market in order to unleash their potential in their future career. In this connection, the Government has introduced a series of measures, including:

(i) In terms of primary and secondary education, the Education Bureau continuously renews the school curriculum to keep abreast of the latest development as well as focus on current and emerging development priorities. With a view to preparing students to succeed in a knowledge-based, technologically advanced, and increasing globalized world, the school curriculum focuses on promoting STEM (science, technology, engineering, and mathematics) education as well as fostering students' entrepreneurial spirit. At the same time, the Government is committed to providing students with diversified life-wide learning experiences, including those for vocational and professional education and training ("VPET"). In this regard, the Vocational Training Council ("VTC") has established the STEM Education Centre and arranged STEM-related outreach for primary and secondary schools.

(ii) With regard to higher education, the Government has also implemented a series of measures to further increase subsidized post-secondary education opportunities, and is committed to promoting VPET, in a bid to provide school leavers with broader and more diversified articulation pathways and help young people grasp the opportunities for promotion in the workplace. The Government has been progressively increasing the number of University Grants Committee-funded senior year undergraduate intake places, so that 5 000 meritorious sub-degree graduates will be able to articulate to subsidized degree programmes each year by the 2018-2019 academic year. In addition, the Government also implemented the Non-means-tested Subsidy Scheme for Self-financing Undergraduate Studies in Hong Kong ("NMTSS") from the 2017-2018 academic year. NMTSS provides an annual subsidy of about $30,000 to eligible students pursuing about 300 eligible self-financing undergraduate (including top-up degree) programmes. In the 2017-2018 academic year, about 20 000 students benefited under NMTSS.

(iii) To encourage the self-financing post-secondary education sector to offer programmes in disciplines that meet Hong Kong's economic and social needs and nurture young people

to join related disciplines, the Education Bureau has implemented the Study Subsidy Scheme for Designated Professions/Sectors ("SSSDP") from the 2015-2016 academic year to subsidize about 1 000 students per cohort to pursue designated self-financing undergraduate programmes. SSSDP will be regularized from the 2018-2019 academic year with an increase in the number of subsidized places to about 3 000 per cohort. The designated disciplines for the 2018-2019 academic year include testing and certification, creative industries, computer science and financial technology, etc.

(iv) To promote the development of VPET and better equip young people to join trades and industries with great manpower demand, VTC has launched the Earn & Learn Scheme which integrates structured classroom learning with on-the-job training as well as provides a guaranteed level of salary and incentive allowance. The Scheme enables students to develop along a clear career progression pathway. Since the 2016-2017 academic year, some 3 500 students have benefited from the Scheme.

(v) The Government injected $1.2 billion into the Qualifications Framework ("QF") Fund in March 2018 so as to further strengthen and drive the development of QF, enhance recognition of qualifications for different industries and provide youngsters with quality assured pathways for further studies and career development.

(vi) The Government also injected $10 billion into the Continuing Education Fund ("CEF") in May 2018 and will implement a series of enhancement measures, including raising the subsidy ceiling and expanding the scope of CEF courses to all courses registered under the Qualifications Register. Employees may make good use of CEF to pursue continuing education and skills upgrading, thereby moving upwards along the career ladder.

(vii) To enhance the employability of young people, the Labour Department ("LD") implements the Youth Employment and Training Programme in collaboration with training bodies and employers to provide a full range of pre-employment and on-the-job training as well as career guidance and employment support services to young school leavers aged 15 to 24 with educational attainment at sub-degree level or below. Furthermore, LD operates two Youth Employment Resource Centres named Youth Employment Start to provide personalized advisory and support services on employment and self-employment to young people aged 15 to 29, so as to encourage them to make early career planning and assist those who aspire to self-employment in mapping out their career path.

(viii) Providing young people with more diverse internship opportunities can broaden their horizon and enhance their employability. The Education Bureau provides 9 000 industrial attachment opportunities each year for students studying Higher Diploma and selected Diploma of Vocational Education. The Home Affairs Bureau also implement various youth internship schemes with an aim to enable young people to understand the work culture and career prospects in different places, establish interpersonal networks, broaden their horizon and facilitate their planning for future career. Relevant schemes include the Funding Scheme for Youth Internship in the Mainland as well as the Pilot Scheme on Corporate Summer Internship on the Mainland and Overseas launched in March this year. In 2018-2019, the Funding Scheme for Youth Internship in the Mainland subsidizes a total of 135 youth internship programmes on the Mainland, expecting to benefit some 3 600 young people, whereas the Pilot Scheme on Corporate Summer Internship on the Mainland and Overseas provides around 250 high quality internship places for young people on the Mainland and overseas.

Annex

Median monthly employment earnings of full-time employees[#] by age (excluding foreign domestic helpers) in 2013-2017

(a) Nominal figures

Age	*2013*	*2014*	*2015*	*2016*	*2017*
	(HK$)	*(HK$)*	*(HK$)*	*(HK$)*	*(HK$)*
Below 20	8,200	8,500	9,000	9,500	10,200
20 to 29	12,000	12,500	13,100	14,000	15,000
30 to 39	16,500	17,600	19,900	20,000	20,000
40 to 49	17,000	18,000	19,000	20,000	20,000
50 to 59	13,900	15,000	15,000	17,000	18,000
60 to 69	10,000	11,000	11,500	12,000	13,000
70 and above	9,000	10,050	9,900	10,800	10,000
Overall	14,500	15,000	16,000	17,000	18,000

(b) Real figures (at the 2017 price level)

Age	*2013*	*2014*	*2015*	*2016*	*2017*
	(HK$)	*(HK$)*	*(HK$)*	*(HK$)*	*(HK$)*
Below 20	9,200	9,100	9,300	9,600	10,200
20 to 29	13,400	13,400	13,600	14,200	15,000
30 to 39	18,400	18,800	20,700	20,300	20,000
40 to 49	19,000	19,300	19,700	20,300	20,000
50 to 59	15,500	16,000	15,600	17,200	18,000
60 to 69	11,200	11,800	11,900	12,200	13,000
70 and above	10,100	10,700	10,300	11,000	10,000
Overall	16,200	16,000	16,600	17,200	18,000

Note:

Full-time employees refer to those employees who worked 35 hours or longer during the seven days before enumeration and those who worked less than 35 hours owing to vacation over that period.

Source: General Household Survey, Census and Statistics Department

Provision of support and services for the ethnic minorities

16. **MS CLAUDIA MO** (in Chinese): *President, the Government announced in this year's Budget that it would set up a steering committee to take charge of the co-ordination, review and monitoring of the work of supporting ethnic minorities ("EMs"). Also, the Government would earmark $500 million to strengthen the support for EMs. Regarding the provision of support and services for EMs, will the Government inform this Council:*

(1) as it is learnt that the authorities held a sharing session earlier to collect views on the work of the aforesaid steering committee, of the details of the views collected and the list of organizations and individuals who attended the sharing session; whether interpretation services are among the items for which support will be strengthened; if so, of the details; if not, the reasons for that;

(2) given that the authorities promulgated the Administrative Guidelines on Promotion of Racial Equality ("the Guidelines") in as early as 2010, but it is learnt that only 23 government departments have currently formulated relevant measures in accordance with the requirements of the Guidelines, whether the authorities will encourage more government departments to adopt the Guidelines; if so, of the details and timetables of the work; if not, the reasons for that;

(3) of the number of occasions in each of the past three years on which the relevant policy bureaux/government departments ("B/Ds") arranged interpretation services for EMs in accordance with the requirements of the Guidelines, and the names of the organizations which provided the interpretation services, with a breakdown of the relevant information by B/D;

(4) of the number of occasions in each of the past three years on which each B/D engaged the interpretation services provided by the Centre for Harmony and Enhancement of Ethnic Minority Residents operated by the Hong Kong Christian Service, with a breakdown by (i) category of services (i.e. telephone interpretation service, on-sight interpretation service, on-site (escort) interpretation service, simultaneous interpretation service, translation service and proofreading service) and (ii) EM language;

(5) given that from the 2014-2015 school year onwards, the Education Bureau ("EDB") has introduced the Chinese Language Curriculum Second Language Learning Framework ("Learning Framework") to further address the need for learning Chinese by non-Chinese speaking students, and has undertaken to review the Learning Framework at a three-year interval, of the progress of the relevant review; whether there is any review that has yet to be conducted; the expected time for EDB to report the review results to this Council;

(6) given that some civic organizations have advocated the formulation of an Independent Curriculum on Learning Chinese as a Second Language by EDB to replace the Learning Framework, whether EDB will consider launching that curriculum in primary schools in the form of a pilot project; if EDB will, of the details; if not, the reasons for that; and

(7) whether the Labour and Welfare Bureau ("LWB") will consider implementing the following proposals: (i) to extend in phases the "Employment Services Ambassador Programme for Ethnic Minorities" to cover more job centres, (ii) to study the launching of a trial scheme on EM job centres for the provision of one-stop employment support services, and (iii) to consolidate the resources of LWB and the Labour Department for the establishment of an EM employment division to take charge of the formulation of strategies that are effective in assisting EMs in seeking employment; if LWB will, of the details; if not, the reasons for that?

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Chinese): President, the HKSAR Government attaches great importance to efforts for supporting the ethnic minorities ("EMs"). We have all along been taking measures to provide them with equal opportunities and facilitate their integration into our community. Some of EMs have encountered difficulties in adaptation and social integration due to language barriers and cultural differences. The Government has earmarked $500 million in the 2018-2019 Budget to strengthen the relevant support services.

After consulting the relevant responsible departments, the consolidated reply to the question raised by Ms Claudia MO is as follows:

(1) To enhance collaboration within the Government on support for EMs, the CS chairs a cross-bureau steering committee to coordinate, review and monitor the work in this area.

Two focus group meetings were held on 26 May and 4 June 2018 to gather views on the enhancement of services for EMs from EM representatives and service providers. The CS personally chaired the meetings. The organizations which attended the meetings and made written submissions are set out in Annex A.

The views gathered at the focus group meetings cover various areas and the major views are set out at Annex B.

(2) In 2010, the HKSAR Government issued the Administrative Guidelines on Promotion of Racial Equality ("the Guidelines") to provide general guidance to relevant government bureaux and departments and public authorities (hereafter referred to as "relevant authorities") to promote racial equality and ensure equal access by EMs to public services in key areas concerned, and to take this into account in their formulation, implementation and review of relevant policies and measures. The Guidelines cover the key public service areas which are particularly relevant to meeting the needs of EMs and facilitating their integration into the community, namely, medical, education, vocational training, employment and major community services, etc. The Constitutional and Mainland Affairs Bureau has all along been actively coordinating with various government bureaux and departments to adopt and implement the Guidelines. The number of departments that have adopted the Guidelines has extended from 14 to 23.[(1)] The Government will continue to review the public service areas and departments covered by the Guidelines.

(1) The 23 B/Ds and public authorities are the Education Bureau, Social Welfare Department, Labour Department, Home Affairs Department, Employees Retraining Board, Vocational Training Council, Food and Health Bureau, Department of Health, Hospital Authority, Construction Industry Council, Office of the Government Chief Information Officer, Innovation and Technology Commission, Office of the Communications Authority, Housing Department, Hong Kong Observatory, Post Office, Legal Aid Department, Hong Kong Police Force, Correctional Services Department, Customs and Excise Department, Immigration Department, Fire Services Department and Registration and Electoral Office.

(3) Relevant authorities have been providing services to meet the needs of EMs under their respective policy areas, with a view to facilitating EMs integrate into the society. Relevant authorities will provide suitable assistance to the EM service users according to these users' practical needs, including interpretation services, thereby ensuring their equal access to public services. Since the interpretation needs of EMs vary depending on what public services they are accessing to, relevant authorities will consider the actual situation and adopt appropriate procedures to provide interpretation services to EMs in need. The number of interpretation services arranged by the relevant authorities for EMs over the past three years and the related service providers are set out in Annex C.

(4) The CHEER Support Service Centre for Ethnic Minorities ("CHEER Centre") is operated by the Hong Kong Christian Service commissioned by the Home Affairs Department. In addition to its basic services,[(2)] the CHEER Centre also provides interpretation and translation services between English and seven other EM languages[(3)] in non-specialized areas, which may be used by bureaux/departments and EMs. Interpretation services include mainly telephone interpretation and enquiry services. Depending on the availability of resources, other interpretation and translation services can also be arranged.

The breakdown of the use of the CHEER Centre's interpretation and translation services by bureaux/departments and EMs as well as by EM languages in the past three years are set out in Annex D and Annex E respectively.

(5) The Education Bureau has, starting from the 2014-2015 school year, allocated about $200 million per year to step up the education support for non-Chinese speaking ("NCS") students in learning the Chinese language through, among others, the implementation of the "Chinese Language Curriculum Second Language Learning Framework" ("Learning Framework") in primary and secondary

(2) The CHEER Centre's basic services include Cantonese and English classes, dedicated learning classes, counselling service and other integration programmes.

(3) The seven EM languages are Bahasa Indonesia, Hindi, Nepali, Punjabi, Tagalog, Thai and Urdu.

schools. The Education Bureau has been reviewing the implementation of the "Learning Framework" and further enhancing the related teaching strategies, assessment tools and supporting resources for schools as appropriate in a timely manner in the light of the views of various stakeholders and school practices on learning and teaching. With respect to the curriculum, we will review the entire "Learning Framework" and fine-tune the learning objectives and details of each Key Stage (i.e. Primary One to Three, Primary Four to Six and Secondary One to Three) having due regard to the overall performance of students where appropriate at an interval of three years. We are now in the active process of analysing data regarding learning, teaching and assessment since the implementation of the "Learning Framework" to inform the enhancement of the "Learning Framework", the "Chinese Language Assessment Tools for NCS Students" and the supporting resources accordingly. The findings will be reported to the Legislative Council upon completion of the related work.

(6) In view of the diversified linguistic backgrounds and years of learning Chinese among NCS students (notably EM students), distinct differences exist in the starting points of learning Chinese and their learning progress. If a uniformed standard of second language curriculum with structured learning objectives by stages is required of all NCS students in Hong Kong, it will not only fail to address the realistic learning circumstances of NCS students, but will also be ineffective in catering for their learning diversity. The flexibility of the "Learning Framework" allows teachers to set specific learning targets, learning progress and expected learning outcomes, as well as adapt and develop teaching materials for their NCS students with different starting points in learning Chinese and varying abilities to help NCS students with diversified learning needs learn Chinese progressively.

It involves a complex professional decision for embarking on which curriculum mode in facilitating NCS students' effective learning of Chinese. The "Learning Framework" has been implemented for only three years and the first cohort of NCS students that started learning Chinese Language under the "Learning Framework" in Primary One are now studying Primary Four. The support measures need time to take root and create a sustainable impact on

the NCS students. The Education Bureau will collect more data for in-depth analysis according to NCS students' learning pace and refine the "Learning Framework" as necessary. We have no plan to introduce other policies or projects in addition to the current policy.

(7) The Employment Services Division ("ESD") of the Labour Department ("LD") has all along been providing comprehensive and dedicated employment services for EM job seekers at each of its 13 job centres across the territory to facilitate the use of free employment services by EMs living in various districts. EM job seekers may receive job referral service and employment information through special counters and resource corners at any job centre and attend tailor-made employment briefings to better understand the latest labour market situation and improve their job search skills. EM job seekers may also meet employment officers to obtain personalized employment advisory service. Experienced employment officers who are familiar with the local employment market and proficient in English will provide EM job seekers with job search advice and employment information in accordance with their individual needs and preferences, and match them to suitable jobs. ESD has also made arrangements with non-governmental organizations to provide interpretation services for EM job seekers who speak neither Chinese nor English. Moreover, since May 2017, ESD has engaged two employment assistants proficient in EM languages at the Kowloon West Job Centre in Sham Shui Po and the Employment in One-stop in Tin Shui Wai on a pilot basis to strengthen employment support for EM job seekers (especially those of South Asian origins).

Since September 2014, LD has implemented the Employment Services Ambassador ("ESA") Programme for Ethnic Minorities, under which trainees of the Youth Employment and Training Programme who can communicate in EM languages are employed as ESAs at job centres, recruitment centres and job fairs to help EM job seekers make use of various job search facilities and services. There is no pre-set quota on the number of ESAs for EMs, and LD will continue to engage them to work at job centres, recruitment centres and job fairs subject to the recruitment situation and service demand.

ESD will continue to provide employment services suited to the needs of EM job seekers and keep its strategies in view from time to time for enhancing the relevant services. We consider strengthening the dedicated employment support to EM job seekers provided through the existing job centres in different districts under the coordination of ESD will be more efficient and convenient to users than setting up a designated division or job centre(s) for them.

Annex A

Focus Group Meetings Organizations Present

26 May 2018

1. A.I.M. Group
2. Caring for Ethnic Minorities Organization
3. Catholic Workers Centre/Equal Access Group
4. Ethnic Minorities Employment Concern Group in Kwai Chung
5. Health Connection
6. HEY Group
7. Hong Kong Christian Service—Support to Ethnic Elderly (SEE) Project*
8. Hong Kong Council of Social Service*
9. Hong Kong Federation of Trade Unions*
10. Hong Kong Integrated Nepalese Society Limited
11. Hong Kong Nepalese Federation
12. India Association, Hong Kong*
13. Indian Businessmen's Association
14. Nepalese Parents & Children's Club*
15. Nepali Social Service Hong Kong
16. PathFinders
17. Society for Cultural Integration
18. Ms Puja Kapai Paryani, Faculty of Law, The University of Hong Kong
19. WEDO Global
20. Zubin Foundation

4 June 2018

1. Baptist Oi Kwan Social Service
2. Boys' & Girls' Club Association of Hong Kong
3. Catholic Diocese of Hong Kong Diocesan Pastoral Centre for Workers—Kowloon*
4. Christian Action SHINE Centre
5. Health in Action*
6. Hong Kong Christian Service CHEER Centre*
7. Hong Kong Community Network LINK Centre
8. Hong Kong Council of Social Service*
9. HKSKH Lady MacLehose Centre
10. Hong Kong Society for the Protection of Children*
11. Hong Kong Unison
12. International Social Service Hong Kong Branch HOPE Centre
13. KELY Support Group
14. Lok Sin Tong Benevolent Society, Kowloon
15. New Home Association HOME Centre
16. Oxfam Hong Kong
17. Salvation Army
18. Dr Elizabeth Loh, Faculty of Education, The University of Hong Kong*
19. Mr Poon Wing Lok, Social Work and Social Administration Department, The University of Hong Kong
20. Yan Oi Tong Community Centre
21. Yang Memorial Methodist Social Service

Note:

* Organizations which have made written submissions

Annex B

Focus Group Meetings Major Views

Overall Views

- Ethnic minorities ("EMs") should be invited to join government advisory bodies such that their views could be heard.

- Multi-cultural policy should be formulated and a Commissioner for Multi-Cultural Affairs should be appointed to coordinate inter-departmental initiatives.

- The Steering Committee should adopt a bottom-up approach when collecting views from the public. Focus groups on various areas of interest should be formed and EMs should be invited to join the focus groups so that they could express their views on an ongoing basis.

- The Steering Committee should coordinate the commissioning of regular studies on, and monitoring of, the support services for EMs to ensure that EMs enjoy equal access to public facilities and services.

- General surveys on the demographic characteristics, geographic distribution, family and health status etc. of EMs should be conducted and regularly updated to better identify the needs of EMs on education and public services for long-term planning.

- Coordination of government departments which provide services to EMs should be enhanced, with mandatory adoption of the "Administrative Guidelines on Promotion of Racial Equality" ("the Guidelines") by such departments.

- Government departments which have adopted the Guidelines should be required to engage with EM stakeholders on an ongoing basis and collect relevant statistics to better understand the service needs of EMs and review the effectiveness of such services.

- Mandatory training courses should be provided to civil servants to enhance their cultural sensitivity.

- New services to EMs could be introduced in selective districts on a pilot basis before they could be regularized or implemented on a larger scale after assessing the demand and reviewing the services.

- The needs of different districts should be taken into account in resource allocation, having regard to the EM population in different districts.

Education

- The "Chinese Language Curriculum Second Language Learning Framework" implemented in primary and secondary schools should be extended to kindergartens ("KGs") to provide teachers with appropriate teaching and assessment tools for systematic Chinese language teaching to non-Chinese speaking ("NCS") students.

- KGs which have admitted less than eight NCS students should be provided with a basic subsidy, and the subsidy to KGs admitting eight or more NCS students should be reviewed so that such subsidy should be increased in proportion to the number of NCS students admitted.

- Training on cultural sensitivity should be made mandatory for all teachers.

- Pre-employment and on-the-job training and teaching support should be provided to teachers teaching Chinese as a second language to NCS students.

- Resources should be provided for the development of an appropriate curriculum, teaching methods, tools and evaluation systems for the teaching of Chinese language to NCS students.

- Chinese language should be taught in Cantonese (and not in Putonghua) to NCS students.

- Learning support to NCS students, in particular on the learning of the Chinese language and Chinese history subjects, should be enhanced.

- Mental health education for youths should be incorporated into the school curriculum.

- Assessment tools should be developed for NCS students with special education needs ("SEN").

- Research should be conducted or commissioned on the service model for SEN NCS students from KG to tertiary education levels.

- Parental workshops should be organized for parents of SEN NCS students to enhance their knowledge in taking care of SEN children.

- Additional funding should be allocated for child development and parental education for EM parents, and to deepen their understanding of the local education system.

- It should be made a mandatory requirement for schools to provide information in both Chinese and English on their website.

Employment

- The Government should be more pro-active in employing EMs, including hiring them as EM ambassadors to engage EMs, to increase the awareness of EMs about the public services available and to strengthen multi-cultural understanding amongst relevant bureaux and departments.

- The Chinese language proficiency requirements set for all grades of the civil service should be regularly reviewed to ensure that they are no more than necessary for performance of the job, so that EMs, like other applicants, have equal access to government job opportunities.

- Funding should be allocated to commission non-governmental organizations ("NGOs") to operate designated teams for providing employment assistance services to EMs, including encouraging employers to review the actual Chinese language proficiency requirements for their jobs, providing longer-term case management for EMs after job placements to help manage the expectations of employers and EM employees, and strengthen the education of EMs on issues such as labour rights and occupational safety.

- An "Ethnic Minorities Work Placement Scheme" should be drawn up to provide allowance/wage subsidies as incentives for employers to recruit EMs, and to provide pre-employment induction, job skills training, work placements and post-placement follow-up services for EMs, etc.

- Collaboration with the business sector should be strengthened to provide EMs with a more diversified range of job opportunities.

- Subsidies should be provided to small and medium enterprises to provide a multi-cultural working environment (e.g. all communications in writing in the office could be bilingual), and to encourage employers to allow their EM employees to attend Chinese language courses during working hours.

- More resources should be allocated to provide a more comprehensive range of Chinese language courses for EMs. In particular, Chinese language courses of a greater variety and more advanced levels should be available for working EMs.

- More flexibility should be introduced in respect of the admission criteria and the tuition hours of the courses for working EMs.

- Training for teaching NCS students and teaching Chinese as a second language should be enhanced for teachers of EM adult courses.

- More English courses should be provided under the "Youth Employment and Training Programme" and other vocational training programmes; and examination papers for vocational examinations should also be available in English.

Social welfare and medical services

- Relevant statistics should be collected to facilitate early identification of the needs of EMs (in particular elderly EMs) in medical and social welfare services and for better planning.

- Assessment tools should be developed for NCS elderly people.

- Mental health education should be provided to EMs.

- Domestic and sexual violence education should be provided to EM women.

- Subsidies should be provided to social welfare organizations for the recruitment of EMs as interpreters or staff.

- Outreaching efforts should be strengthened with the setting up of designated teams to reach out to communities with a higher concentration of EM population, to promote services to those in need (in particular newly arrived EMs) and to assist EMs in their application for social welfare services and social security.

- More information on social welfare and medical services as well as instructions on the use of medication should be made available in EM languages. Graphic presentation should be encouraged to facilitate understanding.

- Child care training should be provided to EM women so that they could help to provide child care support within their own EM community.

- More concern should be accorded to EM rehabilitated offenders with more follow-up services to prevent them from relapse into crime.

- Training for frontline staff should be strengthened to enhance their sensitivity and awareness of providing services to EMs and refine their techniques in handling cultural differences.

- Performance indicators and monitoring mechanism should be introduced to ensure that public services to EMs meet the service standards.

Interpretation and translation services

- Interpretation and translation for more EM languages should be made available, having regard to the needs of different ethnic groups.

- More resources should be allocated to enhance the quality and quantity of interpretation and translation service, and service indicators should be introduced to ensure service standards.

- The awareness of interpretation services amongst frontline staff of public services should be strengthened, so that they could encourage more EMs to use interpretation services.

- Information and statistics on the use of interpretation services should be collected by government departments to better understand the service needs of EMs and the effectiveness of interpretation services.

- Accreditation of interpretation and translation services in EM languages should be introduced to upgrade the quality of the services and expedite service development.

Community education and integration

- Step up publicity on the Racial Discrimination Ordinance.

- A "Fair Customers Service Charter" should be formulated to encourage the provision of equal services in the private sector.

- Integration of the Chinese and NCS population in the community and schools should be promoted through community and sports activities regularly.

- Appropriate venues and facilities should be made available for popular sports activities amongst EMs (e.g. cricket).

- The subject of racial harmony should be incorporated into the school curriculum.

- A more comprehensive range of Chinese language courses should be provided to newly arrived EMs and parents of NCS students to facilitate their integration into the community and to support them in the schooling of their children.

Promotion of public services

- Enhance collaboration with NGOs, provide them with resources and make better use of their district and service network with a view to promoting public services to EMs in a more focused and effective manner; NGOs may help to refer EMs in need to receive appropriate public services.

- Make better use of technology (e.g. online platforms and smartphone apps) to promote public services and disseminate information.

Annex C

The Number of Interpretation Services Arranged by Bureaux, Departments and Public Authorities for Ethnic Minorities in the Past Three Years

Bureaux, Departments and public authorities	*Interpretation service provider(s)*	*Total number of interpretation services[(1)] arranged*		
		2015-2016	*2016-2017*	*2017-2018*
Education Bureau	CHEER Centre; and service contractor	132[(2)]	78[(2)]	96[(2)]
Labour Department	CHEER Centre; Part-time court interpreters; and Service contractors on P-card list	354	364	451
Department of Health[(3)]	CHEER Centre; Part-time court interpreters; and Hong Kong Sheng Kung Hui ("HKSKH") Lady MacLehose Centre	616	731	916
Hospital Authority[(3)]	HKSKH Lady MacLehose Centre; Part-time court interpreters; Consulate Offices; and Non-governmental Organizations	10 449	12 393	15 257
Housing Department	CHEER Centre	46	15	39
Social Welfare Department	CHEER Centre; Part-time court interpreters; and other service contractors.[(4)]	247	247	178
Hong Kong Police Force[(5)]	CHEER Centre; and Part-time court interpreters	76	77	50

Bureaux, Departments and public authorities	*Interpretation service provider(s)*	*Total number of interpretation services[1] arranged*		
		2015-2016	*2016-2017*	*2017-2018*
Correctional Services Department	Part-time court interpreters	1 238	1 213	1 278
Customs and Excise Department	Part-time court interpreters; and service contractors	336	384	431
Immigration Department[6]	Part-time non-government interpreters; and service contractors	13 094	12 326	11 776
Fire Services Department	Part-time court interpreters	1	1	0
Employment Retraining Board	Teaching Assistants of training bodies	5 classes	6 classes	21 classes
Construction Industry Council	In-house ethnic minority staffs	348 candidates of trade testing	654 candidates of trade testing	1 508 candidates of trade testing
Vocational Training Council	CHEER Centre	0	0	0
Home Affairs Department	CHEER Centre	2	0	0
Legal Aid Department	Part-time court interpreters	625	632	691
Registration and Electoral Office	CHEER Centre	2	3	0
Office of the Government Chief Information Officer	CHEER Centre	0	0	0
Hong Kong Observatory	CHEER Centre	0	0	0
Post Office	CHEER Centre	0	0	0
Office of the Communications Authority	CHEER Centre	0	0	0
Innovation and Technology Commission	Not applicable[7]	0	0	0

Notes:

(1) Interpretation services include telephone interpretation and enquiry service, and on-site interpretation service.

(2) Every year, Education Bureau arranges dedicated briefing sessions with simultaneous interpretation services for parents of non-Chinese speaking ("NCS") students on various topics such as admission to kindergartens ("KG") (including KG education policy and financial assistance for pre-primary students), allocation systems of Primary One and Secondary One school places, and workshops for parents of NCS students organized by the Chinese Language Learning Support Centres. Besides, telephone interpretation and enquiry services are provided on a need basis through the CHEER Centre. The figures shown in the table only covered the number of participants who used the interpretation services in a total of 21 briefing sessions on Primary One Admission and Secondary School Places Allocation System for parents of NCS students in the past three years and those provided by the CHEER Centre according to their records, but not all of such briefing sessions and other events, as Education Bureau did not collect such statistics in the past.

(3) The Department of Health provides different types of public health services for the public (including ethnic minorities ("EMs")) through its clinics and health centres. The Hospital Authority provides the public (including EMs) with medical services through its hospitals, specialist clinics, general outpatient clinics and outreach services.

(4) Social Welfare Department does not have information on the number of usage of interpretation services provided by Part-time Interpreters Unit of the Judiciary and other service providers. The number of usage of interpretation shown here is the number of usage of the service provided by CHEER.

(5) At present, apart from providing instant telephone interpretation service at police report rooms and reporting centres in collaboration with CHEER, the Police will also, with regard to the needs of the situation (e.g. taking statements from EMs), arrange for part-time court interpreters to provide interpretation service. However, the Police do not keep statistics on the usage of interpretation service provided by part-time court interpreters.

(6) The Immigration Department has currently employed a total of 19 in-house interpreters on non-civil service contract terms mainly for provision of relevant services to non-refoulement claimants.

(7) The major service targets of the Innovation and Technology Commission are companies and institutions. No request for interpretation service was received from the EMs in the past three years.

Annex D

Use of CHEER Centre's interpretation and translation services
Breakdown by service requesters

Service requesters	*Telephone interpretation and enquiry service*			*On-site (escort) interpretation service*			*On-sight interpretation service**			*Written translation service (including proof-reading service)*			*Simultaneous interpretation service*		
	2015-2016	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*
Social welfare															
Social Welfare Department	238	225	162	9	22	16	N.A.	N.A.	N.A.	1	4	2	0	0	0
EMs and others	143	174	157	0	0	0	4	1	2	0	0	0	0	0	1
Housing															
Housing Department	39	10	24	7	5	15	N.A.	N.A.	N.A.	3	2	4	0	0	0
EMs and others	351	384	338	0	0	0	0	5	23	0	0	0	0	0	0
Medical and Health															
Department of Health	75	56	53	507	595	727	N.A.	N.A.	N.A.	2	0	11	0	0	0
Hospital Authority	1	6	17	0	0	0	N.A.	N.A.	N.A.	0	1	1	0	0	0
EMs and others	46	55	50	0	0	3	198	221	241	0	0	4	0	0	1
Employment and Training															
Labour Department	141	222	142	12	13	54	N.A.	N.A.	N.A.	12	16	18	0	1	10
Employees Retraining Board	1	0	0	0	0	0	N.A.	N.A.	N.A.	0	0	0	0	0	0
EMs and others	85	89	88	0	0	0	13	0	0	0	0	0	0	0	0

Service requesters	*Telephone interpretation and enquiry service*			*On-site (escort) interpretation service*			*On-sight interpretation service**			*Written translation service (including proof-reading service)*			*Simultaneous interpretation service*		
	2015-2016	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*
Education															
Education Bureau	4	1	5	0	0	0	N.A.	N.A.	N.A.	2	1	1	0	2	0
EMs and others	82	83	66	4	14	20	3	1	0	1	1	14	0	0	3
Legal/Law and Order															
Legal Aid Department	6	0	1	0	0	0	N.A.	N.A.	N.A.	0	0	0	0	0	0
Hong Kong Police Force	76	77	50	0	0	0	N.A.	N.A.	N.A.	0	2	0	0	0	0
EMs and others	21	52	18	0	0	0	0	0	0	0	0	0	0	0	0
Immigration and Visa															
Immigration Department	1	3	1	0	0	0	N.A.	N.A.	N.A.	0	0	0	0	0	0
EMs and others	36	40	35	0	0	0	1	0	0	0	0	0	0	0	0
Other areas															
Other bureaux and departments	36	77	47	129	80	107	N.A.	N.A.	N.A.	16	13	6	3	4	6
EMs and others	1 824	2 439	1 925	33	47	111	14	13	5	29	15	13	23	30	10
Total	3 206	3 993	3 179	701	776	1 053	233	241	271	66	55	74	26	37	31

Note:

* EMs can bring along documents in English to CHEER Centre for oral translation service provided by interpreters. This service is applicable to individual EM users only.

Annex E

Use of CHEER Centre's interpretation and translation services
Breakdown by EM languages

Languages	*Telephone interpretation and enquiry service*			*On-site (escort) interpretation service*			*On-sight interpretation service**			*Written translation service (including proof-reading service)***			*Simultaneous interpretation service***		
	2015-2016	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*	*2015-2016*	*2016-2017*	*2017-2018*
Bahasa Indonesia	375	370	179	18	33	46	4	1	2	26	21	29	21	22	4
Hindi	237	217	226	18	23	41	6	1	9	39	22	40	1	4	1
Nepali	409	952	850	78	74	149	23	4	21	43	28	48	3	9	13
Punjabi	370	343	338	72	82	100	0	1	1	20	20	18	0	0	0
Tagalog	124	98	81	11	16	125	0	0	2	22	17	20	0	0	0
Thai	176	139	98	69	27	18	2	8	5	23	19	27	1	0	10
Urdu	887	1 079	708	435	521	574	198	226	231	53	43	53	2	9	7
Others	628	795	699	0	0	0	0	0	0	0	0	0	0	0	0
Total	3 206	3 993	3 179	701	776	1 053	233	241	271	226	170	235	28	44	35

Notes:

* EMs can bring along documents in English to CHEER Centre for oral translation service provided by interpreters. This service is applicable to individual EM users only.

** More than one EM languages may be involved in a request of written translation service and simultaneous interpretation service.

Elderly Services Programme Plan

17. **MR CHAN KIN-POR** (in Chinese): *President, in June last year, the Government released the Elderly Services Programme Plan ("ESPP") formulated by the Elderly Commission. In this connection, will the Government inform this Council:*

(1) as ESPP has made it a primary strategy to achieve "ageing in place" and reduce institutionalization rate through significantly strengthening community care services ("CCS"), and put forward a number of recommendations in this respect (e.g. enhancing Integrated Home Care Service ("IHCS") and reviewing the funding modes of IHCS and Enhanced Home and Community Care Service), of the follow-up actions taken by the Government on such recommendations (including the specific measures to be implemented);

(2) as ESPP has pointed out that in order to actualize the principles and strategic directions set out in ESPP, it is necessary to forge the partnership among the pivotal players in the interface between welfare, healthcare and housing, whether the Government will consider setting up an inter-departmental task force to coordinate the relevant work;

(3) as ESPP has put forward a number of recommendations to strengthen the financial sustainability of elderly services, how the Government follow up such recommendations; whether it has assessed the annual recurrent expenditure involved in implementing the recommendations set out in ESPP;

(4) as ESPP has come up with indicative planning ratios for the year 2026 of 21.4 subsidized residential care services places and 14.8 subsidized CCS places for every 1 000 elderly persons aged 65 or above, whether the Government will adopt such indicative planning ratios; if not, of the reasons for that; and

(5) of the progress of the work of the Government on the other recommendations set out in ESPP; whether the Government has drawn up an implementation timetable for the various recommendations?

SECRETARY FOR LABOUR AND WELFARE (in Chinese): President, my reply to the Member's question is as follows:

(1) The Government's elderly care policy is "Ageing in place as the core, institutional care as back-up". The Government has all along been supporting elderly persons to age in place through various community care and support services. With reference to the strategic direction proposed by the Elderly Services Programme Plan ("ESPP") of achieving "ageing in place" and reducing institutionalization rate through a significant strengthening of community care services, the "2017 Policy Agenda" announced a series of new initiatives to enhance community care and support services. These initiatives include providing an additional 1 000 vouchers (bringing the total to 6 000) under the Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly in 2018-2019 to support ageing in place for elderly persons with moderate or severe impairment; enhancing dementia care and support at the community level; and enhancing outreaching services for supporting those needy carers living in the community who are looking after frail elderly persons.

In addition, the Government has secured funding from the Community Care Fund to implement pilot schemes to take forward two ESPP recommendations on strengthening support for elderly persons with mild impairment and strengthening support for elderly persons discharged from hospitals. The Government launched the Pilot Scheme on Home Care and Support for Elderly Persons with Mild Impairment in December 2017 to provide them with appropriate home care and support services. The pilot scheme is expected to provide around 4 000 service places within three years. The Government also launched the Pilot Scheme on Support for Elderly Persons Discharged from Public Hospitals After Treatment in February 2018 to provide elderly persons in need of transitional care and support with suitable services, including transitional residential care and/or community care and support services. It is expected that the pilot scheme will provide support for at least 3 200 elderly persons within three years.

On the other hand, with reference to the relevant recommendation of ESPP, the Social Welfare Department ("SWD") is reviewing the catchment areas and funding modes of the Integrated Home Care Services (Frail Cases) and Enhanced Home and Community Care

Services, and will make recommendations on the future direction of these two services and initiate discussions with social welfare organizations.

(2) As set out in ESPP, since population ageing touches on a wide array of complex and multifaceted issues, it is necessary to promote and facilitate effective interfacing and collaboration amongst diverse sectors, organizations and stakeholders to achieve the principles and strategic directions of ESPP. The Government is committed to forging more effective partnership among welfare, health care and housing sectors through various channels and platforms.

The Government launched the Dementia Community Support Scheme in February 2017 to provide cross-sectoral and multidisciplinary support services for patients with mild or moderate dementia and their carers at the community level through a medical-social collaboration model. Separately, SWD has all along been communicating and coordinating with the relevant government departments (including Planning Department ("PlanD"), Lands Department, Housing Department, etc.) to reserve sites for the provision of more elderly services facilities. For instance, SWD has reserved sites in 30 development projects for the construction of new contract homes and day care centres/units for the elderly.

The Elderly Commission will continue to serve as a platform facilitating coordination among bureaux, departments and organizations concerned, and regularly review the progress of the relevant policies.

(3) ESPP proposed that a more forward looking approach should be adopted in public expenditure on elderly services in response to the changing socio-economic profile of the elderly population and in promoting a more equitable sharing of financing long-term care ("LTC") in the current population and across generations. ESPP suggested the Government to consider co-payment for services commensurate with affordability, exploring measures to facilitate non-governmental organizations to provide self-financing services and exploring alternative LTC financing options.

On the other hand, in the 2017-2018 Budget, the Financial Secretary has earmarked $30 billion to strengthen elderly services and rehabilitation services for persons with disabilities. The Government has allocated around $2.9 billion out of the earmarked provision for implementing initiatives to strengthen elderly services and rehabilitation services. These initiatives include taking forward a series of measures to strengthen the monitoring of residential care homes for the elderly and enhance their service quality; organizing territory-wide public education activities to enhance public understanding of dementia; setting up the $1 billion Innovation and Technology Fund for Application in Elderly and Rehabilitation Care to subsidize elderly and rehabilitation service units to try out and procure/rent technology products; and providing speech therapy services for elderly service units. The Government will, having regard to the practical circumstances and needs, further strengthen elderly services with the earmarked funding of $30 billion.

(4) ESPP recommended the reinstatement of population-based planning ratios for elderly services facilities in the Hong Kong Planning Standards and Guidelines ("HKPSG") to allow better forward planning of the relevant department(s) in reserving sites and premises.

According to the projections in ESPP, the indicative planning ratios for subsidized LTC services in 2026 are 21.4 subsidized residential care places and 14.8 subsidized community care places per 1 000 elderly persons aged 65 or above. In addition, ESPP recommended that there should be one District Elderly Community Centre in each new residential area with a population reaching 170 000. Where appropriate, there should be one Neighbourhood Elderly Centre in each new and redeveloped public rental housing estate and one in private housing areas with a population of 15 000 to 20 000 in new residential areas. To follow up on the recommendations concerned, the "2017 Policy Agenda" sets out that the Government plans to reinstate the population-based planning ratios for elderly services in HKPSG. The Labour and Welfare Bureau and SWD have commenced discussions with the Development Bureau and PlanD in this regard, including the drawing up of specific amendments to

HKPSG. After HKPSG has been amended, we will review and update the relevant planning ratios at suitable junctures, to ensure that the planning of facilities could meet the service demand.

(5) Four strategic directions and 20 short-, medium to long-term recommendations on the future development of elderly services were made in ESPP. Among them, the follow-up of the short-term recommendations will commence within two years after the completion of ESPP, while that of the medium to long-term recommendations will generally commence within three to five years following the completion. The Government has accepted in principle the strategic directions and recommendations in ESPP, and has commenced the follow-up actions, to make arrangements for the implementation of the recommendations.

New arrivals receiving long-term medical treatments at public hospitals

18. **DR PIERRE CHAN** (in Chinese): *President, some members of the public have relayed to me that recently, quite a number of people from the Mainland who have resided in Hong Kong for less than seven years ("new arrivals") receive various types of long-term medical treatments such as dialysis treatment at public hospitals, thus further straining public healthcare resources. In order to make more accurate projections on the resources needed for meeting the medical services demand of new arrivals in future, will the Government inform this Council:*

(1) of the number of new arrivals coming to Hong Kong in each of the past five years and their percentage in the population of Hong Kong;

(2) whether it knows the number of new arrivals receiving long-term medical treatments at public hospitals in each of the past five years and the amount of public money involved;

(3) whether it knows (i) the respective numbers of new and old cases of patients receiving dialysis treatment at public hospitals, (ii) the unit cost of dialysis treatment, and (iii) the median and the 90th percentile of waiting time for new cases, in each of the past five years;

(4) whether it knows the number of new arrivals receiving dialysis treatment at public hospitals in each of the past five years; among them, the number of those who were recipients of comprehensive social security assistance payments, and the number of those who had resided in Hong Kong for less than one year (with a tabulated breakdown by hospital cluster);

(5) whether it knows the number of people, who had received kidney transplants outside Hong Kong, being prescribed anti-rejection drugs at public hospitals or clinics in each of the past five years and the unit cost per consultation, with a breakdown by the countries/places where the kidney transplant surgeries were performed, and the number of new arrivals among them; and

(6) whether it knows (i) the strength, (ii) the number of new recruits, (iii) the number of departures, and (iv) the wastage rate, of full-time urologists and nephrologists at various public hospitals in each of the past five years, with a tabular breakdown by rank?

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, my reply to the various parts of the question raised by Dr Pierre CHAN is as follows:

(1) According to the results of the 2016 Population By-census, among the Hong Kong Resident Population, there were 165 956 persons from the mainland of China having resided in Hong Kong for less than seven years, accounting for 2.4% of the whole population (excluding foreign domestic helpers).

"Persons from the mainland of China having resided in Hong Kong for less than seven years" refer to persons who reported in the 2016 Population By-census that they:

(i) were born in the mainland of China;

(ii) were of Chinese nationality with place of domicile in Hong Kong; and

(iii) had stayed in Hong Kong for less than seven years.

The Census and Statistics Department does not have the relevant statistics for 2013 to 2015 and 2017.

(2) The Hospital Authority ("HA") does not keep statistics on the number of new arrivals receiving long-term medical treatments in public hospitals and the amount of public money involved.

(3) The respective numbers of new and old cases of patients receiving renal replacement therapy (including peritoneal dialysis and haemodialysis) in HA hospitals in the past five years are tabulated below:

Renal replacement therapy (Case)	*2013*	*2014*	*2015*	*2016*	*2017*
New cases of peritoneal dialysis	958	954	923	999	1 045
New cases of haemodialysis	112	92	96	128	115
Total	1 070	1 046	1 019	1 127	1 160
Old cases of peritoneal dialysis	3 829	3 995	4 070	4 236	4 399
Old cases of haemodialysis	1 203	1 251	1 322	1 382	1 456
Total	5 032	5 246	5 392	5 618	5 855

Renal replacement therapy is life-sustaining treatment. The renal team provides timely and appropriate treatment for patients according to their clinical needs and conditions. Therefore, HA does not keep statistics on the waiting time for patients to receive dialysis treatment.

HA does not have statistical breakdown of the unit cost of dialysis treatment.

(4) According to information of the Social Welfare Department, to be eligible for assistance under the Comprehensive Social Security Assistance ("CSSA") Scheme, an applicant must have held the Hong

Kong resident status for not less than one year. HA does not keep statistical data on the number of new arrivals and CSSA recipients receiving dialysis treatment in public hospitals.

(5) Patients who have undergone kidney transplant, regardless of whether the transplant was conducted in Hong Kong, need to receive follow-up treatment such as taking anti-rejection drugs on a continuous basis. HA provides the necessary follow-up services and continuum of care for these patients.

The table below sets out the number of patients who had kidney transplant in countries/places outside Hong Kong and received follow-up care in public hospitals in each of the past five years:

Year (as at 31 December of that year)	*Number of patients*
2013	2 529
2014	2 565
2015	2 583
2016	2 596
2017	2 642

HA does not have statistical breakdown of the unit cost per consultation for patients who had kidney transplant in countries/places outside Hong Kong and received follow-up care in public hospitals, and the number of new arrivals among these patients.

(6) Urologists and nephrologists work in surgery and medicine specialties respectively, providing various surgery or medicine services for patients. HA does not keep statistics on the strength, number of new recruits, attrition number and attrition rate of urologists and nephrologists.

Tables 1 to 4 provide statistics on the strength, intake number, attrition number and attrition rate of all ranks of full-time doctors in the medicine and surgery specialties by clusters in HA.

Table 1

The table below sets out the numbers of all ranks of doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018:

Numbers of all ranks of doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018[(1)(2)]

Specialty	*Cluster*	*2013-2014 (as at 31 March 2014)*				*2014-2015 (as at 31 March 2015)*				*2015-2016 (as at 31 March 2016)*				*2016-2017 (as at 31 March 2017)*				*2017-2018 (as at 31 March 2018)*			
		Cons	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*
Medicine	HKEC	18	59	71	148	18	61	73	152	18	61	80	159	19	58	81	157	19	56	83	157
	HKWC	21	36	78	134	23	36	75	134	25	39	73	137	26	39	75	140	23	41	78	143
	KCC[(3)]	16	46	77	139	20	48	79	147	21	50	81	152	23	56	79	158	33	111	132	276
	KEC	15	57	71	143	19	53	80	153	22	54	75	151	23	56	78	157	22	57	79	158
	KWC[(3)]	36	113	145	293	38	113	144	295	39	116	156	311	42	119	156	317	30	73	105	208
	NTEC	22	53	108	183	25	52	109	187	27	62	104	193	29	61	115	204	29	63	115	207
	NTWC	18	40	72	130	18	40	78	136	19	45	87	151	21	49	86	155	22	48	82	152
	Total	146	403	622	1 171	161	404	637	1 202	172	427	655	1 253	182	437	669	1 288	177	448	674	1 299
Surgery	HKEC	10	16	30	56	10	15	35	60	10	15	35	60	10	18	33	61	10	17	36	63
	HKWC	16	29	52	98	20	26	54	101	19	27	53	100	20	28	51	99	18	25	57	100
	KCC[(3)]	16	30	44	90	17	29	44	90	17	31	50	98	17	32	49	98	27	49	79	156
	KEC	9	18	29	56	10	19	29	58	12	22	31	65	12	25	28	65	12	25	29	66
	KWC[(3)]	20	50	76	146	20	51	71	142	24	50	74	148	28	48	81	157	18	30	54	102
	NTEC	20	23	55	98	19	25	56	99	23	21	60	104	25	23	59	107	24	25	65	114
	NTWC	16	17	39	72	16	19	47	82	20	19	44	83	19	21	45	85	18	21	54	94
	Total	108	182	325	616	114	182	336	632	126	185	348	659	129	195	346	670	128	192	374	694

Notes:

(1) The figures are calculated on a full-time equivalent basis including permanent, contract and temporary staff in HA. Individual figures may not add up to the total due to rounding.

(2) The figures do not include Interns and Dental Officers.

(3) Kwong Wah Hospital, Our Lady of Maryknoll Hospital and Tung Wah Group of Hospitals Wong Tai Sin Hospital, together with the service units in the concerned communities, were re-delineated from KWC to KCC with effect from 1 December 2016. Reports on services/manpower statistics and financial information were continued to be based on the previous clustering arrangement (i.e. concerned service units under KWC) for the entire 2016-2017 financial year (i.e. up to 31 March 2017), while reporting based on the new clustering arrangement started from 1 April 2017.

Abbreviations
Cons—Consultant
SMO/AC—Senior Medical Officer/Associate Consultant
MO/R—Medical Officer/Resident
HKEC—Hong Kong East Cluster
HKWC—Hong Kong West Cluster
KCC—Kowloon Central Cluster
KEC—Kowloon East Cluster
KWC—Kowloon West Cluster
NTEC—New Territories East Cluster
NTWC—New Territories West Cluster

Table 2

The table below sets out the intake numbers of all ranks of doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018:

Numbers of intake of all ranks of doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018(1)(2)(3)

Specialty	*Cluster*	*2013-2014 (as at 31 March 2014)*				*2014-2015 (as at 31 March 2015)*				*2015-2016 (as at 31 March 2016)*				*2016-2017 (as at 31 March 2017)*				*2017-2018 (as at 31 March 2018)*			
		Cons	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*
Medicine	HKEC	2	0	9	11	2	0	10	12	1	0	13	14	1	0	7	8	0	1	9	10
	HKWC	0	0	6	6	2	0	5	7	1	0	10	11	1	0	14	15	0	0	11	11
	KCC(4)	0	0	6	6	1	0	13	14	0	0	9	9	2	0	10	12	2	2	11	15
	KEC	0	0	15	15	1	0	13	14	2	1	9	12	3	0	12	15	1	0	10	11
	KWC(4)	3	0	10	13	0	1	16	17	3	4	28	35	2	1	17	20	0	1	15	16
	NTEC	1	1	9	11	0	1	19	20	1	2	21	24	2	0	22	24	3	0	14	17
	NTWC	1	1	11	13	3	1	10	14	0	0	13	13	1	2	14	17	2	0	9	11
	Total	7	2	66	75	9	3	86	98	8	7	103	118	12	3	96	111	8	4	79	91
Surgery	HKEC	0	0	3	3	0	0	6	6	0	0	5	5	1	0	3	4	0	0	7	7
	HKWC	0	0	7	7	0	1	9	10	0	0	7	7	1	0	8	9	0	0	10	10
	KCC(4)	1	0	5	6	1	0	6	7	0	0	12	12	1	0	6	7	0	0	9	9
	KEC	0	0	3	3	1	2	4	7	1	0	8	9	0	0	4	4	2	0	4	6
	KWC(4)	0	0	18	18	1	0	5	6	1	1	11	13	2	0	17	19	0	0	9	9
	NTEC	2	2	5	9	0	1	5	6	0	0	9	9	1	0	10	11	1	0	13	14
	NTWC	2	0	6	8	1	0	12	13	1	0	5	6	1	0	9	10	3	0	11	14
	Total	5	2	47	54	4	4	47	55	3	1	57	61	7	0	57	64	6	0	63	69

Notes:

(1) Intake refers to total number of permanent and contract staff joining HA on headcount basis during the period. Transfer, promotion and staff movement within HA will not be regarded as intake.

(2) Intake number of doctors includes number of Interns appointed as Residents.

(3) The figures do not include Interns and Dental Officers.

(4) Kwong Wah Hospital, Our Lady of Maryknoll Hospital and Tung Wah Group of Hospitals Wong Tai Sin Hospital, together with the service units in the concerned communities, were re-delineated from KWC to KCC with effect from 1 December 2016. Reports on services/manpower statistics and financial information were continued to be based on the previous clustering arrangement (i.e. concerned service units under KWC) for the entire 2016-2017 financial year (i.e. up to 31 March 2017), while reporting based on the new clustering arrangement started from 1 April 2017.

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KEC—Kowloon East Cluster
KWC—Kowloon West Cluster
NTEC—New Territories East Cluster
NTWC—New Territories West Cluster

Table 3

The table below sets out the attrition number of all ranks of full-time doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018:

Attrition figures of all ranks of full-time doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018(1)(2)(4)(5)

Specialty	*Cluster*	*2013-2014*				*2014-2015*				*2015-2016*				*2016-2017*				*2017-2018*			
		Cons	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*	*Cons*	*SMO/AC*	*MO/R*	*Total*
Medicine	HKEC	1	1	2	4	3	1	2	6	0	1	1	2	2	4	2	8	1	7	2	10
	HKWC	1	2	2	5	2	3	3	8	2	3	4	9	1	0	7	8	4	1	0	5
	KCC(3)	2	3	0	5	1	1	3	5	0	0	1	1	2	2	0	4	3	5	3	11
	KEC	0	0	2	2	1	1	1	3	2	1	3	6	3	3	2	8	2	2	4	8
	KWC(3)	3	4	3	10	1	3	1	5	3	4	10	17	2	5	7	14	1	4	3	8
	NTEC	0	1	4	5	0	7	4	11	0	2	3	5	2	3	5	10	3	3	7	13
	NTWC	1	3	1	5	1	2	2	5	1	1	0	2	1	1	3	5	1	3	5	9
	Total	8	14	14	36	9	18	16	43	8	12	22	42	13	18	26	57	15	25	24	64
Surgery	HKEC	0	5	0	5	1	1	0	2	1	0	1	2	3	2	1	6	0	1	1	2
	HKWC	2	4	0	6	1	4	1	6	3	1	1	5	1	2	1	4	3	4	0	7
	KCC(3)	2	2	0	4	2	1	1	4	0	2	0	2	2	1	0	3	1	4	0	5
	KEC	0	3	0	3	2	1	0	3	1	0	1	2	0	2	0	2	2	0	1	3
	KWC(3)	0	0	2	2	4	3	2	9	2	0	2	4	2	3	1	6	0	4	1	5
	NTEC	0	2	2	4	0	1	1	2	0	2	1	3	1	2	2	5	1	1	1	3
	NTWC	1	3	0	4	1	1	0	2	0	1	4	5	0	0	0	0	2	1	0	3
	Total	5	19	4	28	11	12	5	28	7	6	10	23	9	12	5	26	9	15	4	28

Notes:

(1) The figures do not include Interns and Dental Officers.

(2) Attrition (Wastage) includes all types of cessation of service from HA for permanent and contract staff on a headcount basis.

(3) Kwong Wah Hospital, Our Lady of Maryknoll Hospital and Tung Wah Group of Hospitals Wong Tai Sin Hospital, together with the service units in the concerned communities, were re-delineated from KWC to KCC with effect from 1 December 2016. Reports on services/manpower statistics and financial information were continued to be based on the previous clustering arrangement (i.e. concerned service units under KWC) for the entire 2016-2017 financial year (i.e. up to 31 March 2017), while reporting based on the new clustering arrangement started from 1 April 2017.

(4) Rolling Attrition (Wastage) Rate = (Total number of staff left HA in the past 12 months/Average strength in the past 12 months) x 100%.

(5) Since April 2013, attrition (wastage) for the HA full-time and part-time workforce has been separately monitored and presented i.e. Full-time Attrition (Wastage) Rate and Part-time Attrition (Wastage) Rate respectively.

Abbreviations
Cons—Consultant
SMO/AC—Senior Medical Officer/Associate Consultant
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KEC—Kowloon East Cluster

KWC—Kowloon West Cluster
NTEC—New Territories East Cluster
NTWC—New Territories West Cluster

Table 4

The table below sets out the attrition rates of all ranks of full-time doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018:

Attrition rates of all ranks of full-time doctors in the medicine and surgery specialties by clusters in HA from 2013-2014 to 2017-2018(1)(2)(4)(5)

Specialty	*Cluster*	*2013-2014*				*2014-2015*				*2015-2016*				*2016-2017*				*2017-2018*			
		Cons (%)	*SMO/AC* (%)	*MO/R* (%)	*Total* (%)	*Cons* (%)	*SMO/AC* (%)	*MO/R* (%)	*Total* (%)	*Cons* (%)	*SMO/AC* (%)	*MO/R* (%)	*Total* (%)	*Cons* (%)	*SMO/AC* (%)	*MO/R* (%)	*Total* (%)	*Cons* (%)	*SMO/AC* (%)	*MO/R* (%)	*Total* (%)
Medicine	HKEC	5.6	1.7	2.8	2.7	17.6	1.7	2.7	4.0	0.0	1.6	1.3	1.3	12.4	6.8	2.5	5.1	5.9	13.1	2.4	6.5
	HKWC	5.5	5.7	2.5	3.8	9.6	8.7	3.9	6.0	8.8	8.5	5.2	6.6	4.1	0.0	9.3	5.8	16.8	2.5	0.0	3.5
	KCC(3)	13.3	6.6	0.0	3.5	5.9	2.2	3.7	3.5	0.0	0.0	1.2	0.7	9.6	3.9	0.0	2.6	9.7	4.8	2.2	4.0
	KEC	0.0	0.0	2.8	1.5	5.9	1.9	1.3	2.1	10.4	2.0	3.8	4.0	14.0	5.8	2.5	5.2	9.3	3.8	4.9	5.1
	KWC(3)	9.6	3.7	2.0	3.5	3.0	2.7	0.7	1.7	8.5	3.5	6.6	5.7	5.5	4.4	4.5	4.5	3.7	5.7	2.9	4.0
	NTEC	0.0	2.0	3.6	2.7	0.0	12.8	3.7	5.9	0.0	3.5	2.8	2.6	7.3	5.0	4.5	5.0	10.7	5.0	6.0	6.4
	NTWC	6.3	7.7	1.4	4.0	6.3	5.1	2.7	3.8	6.1	2.4	0.0	1.4	5.4	2.2	3.4	3.3	5.0	6.5	5.8	5.9
	Total	6.0	3.6	2.2	3.1	6.3	4.5	2.5	3.6	5.1	2.9	3.3	3.4	7.8	4.3	3.9	4.5	8.9	5.9	3.5	5.0
Surgery	HKEC	0.0	32.1	0.0	8.8	10.0	6.2	0.0	3.3	10.0	0.0	2.9	3.3	31.6	11.9	3.1	10.2	0.0	5.5	2.9	3.2
	HKWC	14.1	14.6	0.0	6.0	5.7	15.0	1.8	6.0	15.3	3.9	1.8	4.9	5.2	7.5	1.8	4.0	17.6	14.8	0.0	7.0
	KCC(3)	12.8	7.1	0.0	4.4	12.4	3.5	2.2	4.4	0.0	6.9	0.0	2.1	11.8	3.3	0.0	3.0	3.9	8.7	0.0	3.2
	KEC	0.0	20.0	0.0	5.4	23.8	5.5	0.0	5.4	10.3	0.0	3.3	3.3	0.0	8.1	0.0	3.2	18.2	0.0	3.5	4.7
	KWC(3)	0.0	0.0	2.7	1.4	22.6	6.1	2.6	6.3	9.7	0.0	2.6	2.8	8.3	6.3	1.3	4.0	0.0	13.3	1.9	5.0
	NTEC	0.0	9.3	3.7	4.2	0.0	4.6	1.8	2.1	0.0	9.2	1.7	2.9	4.8	9.2	3.2	4.8	4.4	4.3	1.6	2.7
	NTWC	8.3	16.1	0.0	5.6	8.3	5.4	0.0	2.7	0.0	5.1	8.5	6.1	0.0	0.0	0.0	0.0	12.3	4.8	0.0	3.4
	Total	5.2	10.9	1.2	4.6	11.0	6.7	1.5	4.5	6.3	3.3	2.8	3.6	7.6	6.4	1.4	3.9	7.6	7.9	1.1	4.1

Notes:

(1) The figures do not include Interns and Dental Officers.

(2) Attrition (Wastage) includes all types of cessation of service from HA for permanent and contract staff on a headcount basis.

(3) Kwong Wah Hospital, Our Lady of Maryknoll Hospital and Tung Wah Group of Hospitals Wong Tai Sin Hospital, together with the service units in the concerned communities, were re-delineated from KWC to KCC with effect from 1 December 2016. Reports on services/manpower statistics and financial information were continued to be based on the previous clustering arrangement (i.e. concerned service units under KWC) for the entire 2016-2017 financial year (i.e. up to 31 March 2017), while reporting based on the new clustering arrangement started from 1 April 2017.

(4) Rolling Attrition (Wastage) Rate = (Total number of staff left HA in the past 12 months/Average strength in the past 12 months) x 100%.

(5) Since April 2013, attrition (wastage) for the HA full-time and part-time workforce has been separately monitored and presented i.e. Full-time Attrition (Wastage) Rate and Part-time Attrition (Wastage) Rate respectively.

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Complaints about the trial operations of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link

19. **MR LEUNG CHE-CHEUNG** (in Chinese): *President, some residents near the alignment of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") in Yuen Long District have relayed that since the commencement of XRL trial operations by the MTR Corporation Limited ("MTRCL"), they feel vibrations and noise whenever XRL trains pass by. They also suspect that the cracks which have appeared on the floor and walls inside and outside their residential units recently might have been caused by such vibrations. In this connection, will the Government inform this Council:*

(1) whether it knows if MTRCL had, before carrying out the XRL trial operations, made projections of the vibrations and noise which would be generated as well as the damages which would be caused to nearby buildings by XRL trains in motion, and devised solutions accordingly; if MTRCL had, of the details; if not, the reasons for that;

(2) of the number of complaints about the XRL trial operations received by the Government and MTRCL so far, with a breakdown by type of complaints and district involved; the means and timetable for handling such complaints; whether they will offer compensation to the affected residents;

(3) whether a mechanism is currently in place for tackling immediately the problems relating to such complaints; if so, of the details; and

(4) how it ensures that such complaints will be satisfactorily resolved before the commissioning of XRL?

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, my consolidated reply to Mr LEUNG Che-cheung's question is as follows:

To complement the commissioning target of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") in September 2018, the MTR Corporation Limited ("MTRCL") commenced trial operations from 1 April 2018 so as to ensure safety and reliability of various systems, as well as to train staff to familiarize themselves with the various operation systems and operating environment through the simulation of actual operating environment that further tests train operations and relevant station systems.

Before the commencement of the Hong Kong Section of XRL project, MTRCL conducted an "Environmental Impact Assessment Study" for the works in accordance with the Environmental Impact Assessment Ordinance (Cap. 499). The assessment results indicate that the impact of the vibrations and noise created by movement of the high speed trains on the environment and structures in the vicinity are minimal. During trial operations, MTRCL also monitored and collected data of the vibrations and noise at locations along the alignment as approved by the Environmental Protection Department. Monitoring data from 1 April to the present indicates that the standards under the Environmental Impact Assessment Report are conformed with.

MTRCL has all along been maintaining close liaison with the community, and has, through multiple communication channels, exchanged views with District Councils, Rural Committees, owners' committees, Village Representatives and residents. Upon receipt of suggestions from individual residents on the operation of high speed trains, MTRCL further exchanged views with residents to understand the situation at three Yuen Long San Tin district resident forums on 2 May, 26 May and 29 June 2018. The number of complaints received by MTRCL from Yuen Long district residents regarding the trial operations of high speed trains are at the Annex. For the nine cases under which residents allege that structures are damaged by vibrations caused by

movement of high speed trains, MTRCL has, in accordance with established procedures, referred the cases to loss adjusters for independent investigation after seeking consent from the owners concerned.

Further, in response to requests from residents, MTRCL has arranged to monitor and collect data of vibrations and noise at various locations in Yuen Long San Tin district since mid-May. The monitoring work is still underway and will continue after commissioning of the Hong Kong Section of XRL. Once sufficient data is gathered, MTRCL will conduct assessment and explore appropriate related measures.

The Highways Department together with its Monitoring and Verification Consultant will continue to monitor MTRCL's work to ensure that the Hong Kong Section of XRL project conforms with relevant specifications and standards.

Annex

Information on the complaints from
Yuen Long district residents received during trial operations of
the Hong Kong Section of XRL from 1 April 2018
(As at 22 June 2018)

District	*Category*	*Number of complaints*
Wai Tsai	Felt vibrations	32
	Cracks on structure	4
Maple Gardens	Felt vibrations	21
	Cracks on structure	4
Ngau Tam Mei	Felt vibrations	2
	Cracks on structure	1

Statistical information on residential care homes for the elderly

20. **DR FERNANDO CHEUNG** (in Chinese): *President, some members of the public have pointed out that when formulating service quality standards (e.g. the area of floor space per resident and manpower ratios) for places for the elderly, the Government often give a lot of weight to the views of the operators of non-subsidized residential care homes for the elderly ("RCHEs"). As the operators have claimed that the implementation of the reform proposals put*

forward by community groups will lead to waves of closures of RCHEs, the Government has brushed aside such proposals. In this connection, will the Government inform this Council of the following information on the provision of places for the elderly (to set out in tables):

(1) the following information on non-subsidized places for the elderly in each of the past 10 financial years: (i) number of homes (and among which the number of those participated in the Enhanced Bought Place Scheme ("EBPS")), (ii) number of places (and among which the number of those provided by homes participated in EBPS), (iii) number of residents (and among which the number of recipients of Comprehensive Social Security Assistance), (iv) vacancy rate of places, and (v) the area of floor space per resident;

(2) the respective numbers of non-subsidized RCHEs opened and closed down in each of the past 10 financial years, and the number of places involved (and among which the number of those provided by homes participated in EBPS);

(3) the following information on subsidized places in each of the past 10 financial years: (i) the number of persons waiting, (ii) average waiting time, (iii) the number of elderly persons who passed away while waiting for those places and (iv) the number of applications withdrawn;

(4) the respective numbers of elderly persons in each of the past 10 financial years who expressed willingness and unwillingness to choose EA1 and EA2 places under EBPS when being assessed under the Standardised Care Need Assessment Mechanism for Elderly Services, and their reasons; and

(5) the following information respectively on (i) the scheme to encourage developers to provide RCHE premises in new private developments, (ii) the Pilot Residential Care Services Scheme in Guangdong and (iii) the Special Scheme on Privately Owned Sites for Welfare Uses, in each financial year since their implementation: number of places provided, vacancy rate and average waiting time of these places, as well as the area of floor space per resident and manpower ratios of the homes concerned?

SECRETARY FOR LABOUR AND WELFARE (in Chinese): President, my reply to the Member's question is as follows:

(1) Information on the number of homes providing non-subsidized residential care services for the elderly and the number of non-subsidized places from 2008-2009 to 2017-2018 is at Annex 1.

The number of recipients of Comprehensive Social Security Assistance ("CSSA") who are aged 60 or above and reside at non-subsidized homes from 2008-2009 to 2017-2018 is as follows:

Year	*Number of CSSA recipients aged 60 or above residing at non-subsidized homes*[Note]
2008-2009	24 330
2009-2010	24 920
2010-2011	25 179
2011-2012	24 902
2012-2013	24 688
2013-2014	25 705
2014-2015	25 004
2015-2016	24 340
2016-2017	24 434
2017-2018	24 607

Note:

These are the numbers of recipients as at end March in the year concerned. The Social Welfare Department ("SWD") does not have figures on the number of CSSA recipients residing at different types of non-subsidized homes. The above figures include the number of recipients residing at non-subsidized residential care homes for the elderly ("RCHEs") and residents residing at non-subsidized residential care homes for persons with disabilities.

SWD has not systematically compiled information on the number of residents receiving non-subsidized residential care services for the elderly, vacancy rate of places and the area of floor space per resident. As at end March 2018, the average occupancy rate of private RCHEs participating in the Enhanced Bought Place Scheme ("EBPS") and those not participating in that scheme was 91% and 83% respectively. At present, different types of RCHEs are

providing non-subsidized places, including subvented, contract, self-financing and private RCHEs. The area of floor space per resident of these RCHEs generally ranges from a minimum of 6.5 sq m to a maximum of 24.8 sq m.

(2) Regarding RCHEs providing non-subsidized places, information on the number of homes opened and closed down from 2008-2009 to 2017-2018 and the number of places involved is at Annex 2.

(3) The average waiting time for various types of subsidized residential care places for the elderly from 2008-2009 to 2017-2018 is as follows:

Year	*Average waiting time (in months) (Average of the previous three months)*[Note]			
	Care-and-attention ("C&A") places			*Nursing home places*
	Subvented/ Contract RCHEs	*Private RCHEs participating in EBPS*	*Overall*	
2008-2009	32	9	22	41
2009-2010	31	10	23	42
2010-2011	32	8	22	39
2011-2012	34	8	22	36
2012-2013	35	8	23	34
2013-2014	36	7	20	33
2014-2015	37	8	21	32
2015-2016	36	9	22	27
2016-2017	36	11	24	25
2017-2018	36	11	24	24

Note:

This is the average number of months taken (from the date of registration on the Central Waiting List to the admission date) for normal cases admitted to subsidized residential care places for the elderly in the past three months. Cases accorded priority in the allocation of places, cases with inactive history admitted in the past three months, and cases transferred from home for the aged places to converted C&A places providing continuum of care in the same RCHE have been excluded because their waiting time may be extraordinarily long or short in comparison with that of normal cases.

The number of persons waiting for subsidized residential care places for the elderly and the number of persons who passed away or withdrew applications while waiting for these places from 2008-2009 to 2017-2018 is as follows:

Year	*Number of persons waiting for subsidized residential care places for the elderly*	*Number of persons who passed away while waiting for service*	*Number of persons who withdrew applications while waiting for service*
2008-2009	24 168	4 372	2 256
2009-2010	25 815	4 573	2 419
2010-2011	26 751	4 844	2 540
2011-2012	27 888	4 797	2 473
2012-2013	28 818	5 146	2 778
2013-2014	29 435	5 262	2 182
2014-2015	31 349	5 675	2 199
2015-2016	33 368	5 774	2 243
2016-2017	35 931	6 027	2 172
2017-2018	37 911	6 611	2 191

(4) The number of persons who were waiting for subsidized C&A places and, amongst them, the number of persons who expressed willingness to accept subsidized places under EBPS from 2008-2009 to 2017-2018 is as follows:

Year	*Number of persons waiting for subsidized C&A places (1)*	*Amongst (1), number of persons who expressed willingness to accept subsidized places under EBPS (2)*
2008-2009	17 948	1 264
2009-2010	19 556	1 313
2010-2011	20 342	1 119
2011-2012	21 432	1 205
2012-2013	22 546	1 313
2013-2014	23 216	1 196
2014-2015	25 304	1 490
2015-2016	27 365	1 611
2016-2017	29 672	1 745
2017-2018	31 358	1 753

SWD does not have information on elderly persons' reasons for expressing willingness to accept subsidized places under EBPS, or the number of persons who expressed unwillingness to accept such places and their reasons.

(5) The Government launched the Scheme to Encourage Provision of Residential Care Home for the Elderly Premises in New Private Developments in July 2003. Under the scheme, eligible RCHE premises proposed will be exempted from payment of premium under different types of land transactions including lease modifications, land exchange and private treaty grants, on the condition that the developers are willing to accept incorporation of certain lease conditions. Since the launch of the scheme, the Lands Department ("LandsD") has approved one application. The developer concerned signed a land exchange agreement with LandsD in December 2012 for the development of a 290-place RCHE. The developer is carrying out construction and fitting works of RCHE.

SWD has since June 2014 implemented the Pilot Residential Care Services Scheme in Guangdong ("the pilot scheme"), whereby the Government purchases places from two RCHEs respectively located in Yantian, Shenzhen and Zhaoqing and operated by Hong Kong non-governmental organizations ("NGOs"), to enable elderly persons waiting for subsidized C&A places in Hong Kong to choose to reside therein. While the pilot scheme can provide 400 places, the actual number of places to be purchased each year depends on the number of participants under the pilot scheme. As at end March 2018, a total of 180 elderly persons participated in the pilot scheme. On the premise of ensuring the service quality as well as meeting the requirements and performance standards as stipulated in the service agreements signed with SWD, the two RCHEs participating in the pilot scheme have the flexibility to arrange suitable staffing. While SWD does not have information on the staffing ratio and area of floor space per resident of the two RCHEs, the two RCHEs have acquired accreditation under the Residential Aged Care Accreditation Scheme managed by the Hong Kong Association of Gerontology, and the accreditation scheme has been accredited by the Hong Kong Accreditation Service.

The Government launched the Special Scheme on Privately Owned Sites for Welfare Uses in September 2013 to encourage NGOs to better utilize their own sites and provide or increase, through expansion, redevelopment or new development, those welfare facilities considered by the Government as being in acute demand, in particular to increase elderly and rehabilitation service places. As at end May 2018, a project involving residential care services for the elderly was completed and commenced services in 2017-2018. The project offers 120 C&A places providing continuum of care (including subsidized and non-subsidized places). On the premise of ensuring the service quality as well as meeting the service output requirements and performance standards as stipulated in the Funding and Service Agreements, NGO concerned has the flexibility to deploy the subventions and arrange suitable staffing in operating RCHE.

Annex 1

Number of RCHEs Providing Non-subsidized Residential Care Services for the Elderly and Number of Non-subsidized Places

Year	*Number of RCHEs providing non-subsidized residential care services for the elderly*			*Number of non-subsidized places*		
	Private RCHEs participating in EBPS	*Other types of RCHEs*[(1)]	*Total*	*Private RCHEs participating in EBPS (not including the number of subsidized places in these RCHEs)*	*Other types of RCHEs*[(2)]	*Total*
2008-2009	129	508	637	8 263	41 482	49 745
2009-2010	131	513	644	8 425	41 627	50 052
2010-2011	140	513	653	8 603	42 352	50 955
2011-2012	137	513	650	8 211	42 270	50 481
2012-2013	137	500	637	7 995	41 249	49 244
2013-2014	135	497	632	7 553	41 672	49 225
2014-2015	141	480	621	7 963	38 947	46 910
2015-2016	142	480	622	8 143	38 409	46 552
2016-2017	142	480	622	8 144	38 720	46 864
2017-2018	139	489	628	7 640	39 497	47 137

Notes:

(1) Apart from private RCHEs not participating in EBPS, the figures also include subvented, self-financing and contract RCHEs providing non-subsidized places, as well as self-financing nursing homes solely registered under the Department of Health.

(2) Regarding private RCHEs not participating in EBPS, the numbers of non-subsidized places provided in the table above refer to the maximum numbers of places that can be provided according to the licensing requirements, whereas for subvented, self-financing and contract RCHEs, the figures refer to the numbers of non-subsidized places provided.

Annex 2

Information on RCHEs Providing Non-subsidized Places Opened and Closed Down

Year	*Opened*		*Closed Down*	
	Number of RCHEs providing non-subsidized places(1) (figures in bracket refer to the number of private RCHEs participating in EBPS)	*Number of Places(2) (figures in bracket refer to the number places of private RCHEs participating in EBPS)*	*Number of RCHEs providing non-subsidized places(1) (figures in bracket refer to the number of private RCHEs which had participated in EBPS)*	*Number of places(2) (figures in bracket refer to the number of places of private RCHEs which had participated in EBPS)*
2008-2009	17 (0)	1 251 (0)	15 (0)	620 (0)
2009-2010	17 (0)	1 485 (0)	12 (0)	493 (0)
2010-2011	20 (0)	2 000 (0)	10 (1)	705 (334)
2011-2012	12 (0)	727 (0)	19 (1)	1 076 (74)
2012-2013	10 (0)	1 252 (0)	23 (6)	1 959 (895)
2013-2014	8 (0)	723 (0)	16 (3)	1 334 (396)
2014-2015	2 (0)	200 (0)	13 (1)	1 214 (44)
2015-2016	11 (2)	965 (235)	12 (3)	890 (292)
2016-2017	9 (0)	882 (0)	10 (0)	550 (0)
2017-2018	9 (0)	715 (0)	6 (3)	490 (266)

Notes:

(1) Including self-financing RCHEs and private RCHEs.

(2) Including subsidized and non-subsidized places.

Construction of hillside escalator links and elevator systems

21. **MR LAM CHEUK-TING** (in Chinese): *President, the Government formulated in 2009 criteria for assessing proposals for construction of hillside escalator links and elevator systems. Upon completion of assessment, the Government decided in 2010 to take forward 18 proposals. So far, the progress for implementing those proposals has been slow as only three of them have been completed and four are under construction. In this connection, will the Government inform this Council:*

(1) given that among the aforesaid 18 proposals, the Escalator Link System between Hong Sing Garden and Po Hong Road which is ranked the 14th in priority, the Lift and Pedestrian Walkway System between Saddle Ridge Garden and Sai Sha Road which is ranked the 16th, as well as the Escalator Link System between Sui Wo Court and MTR Fo Tan Station which is ranked the 18th, are still stuck at the stages of feasibility studies or internal discussion within the Government, of the original and latest timetables for the various work stages of these three proposals (including completion of design work, submission of funding applications to this Council, invitation of tenders, commencement and completion of works), the reasons for their slow progress and their latest cost estimates; the respective timetables for the various work stages and the actual costs/cost estimates of the remaining 15 proposals; and

(2) of the measures to be put in place to expedite the progress of the three proposals mentioned in (1)?

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, my reply to the various parts of Mr LAM Cheuk-ting's question is as follows:

To enhance the accessibility of hillside area and facilitate people to commute, the Government established in 2009 a set of objective and transparent scoring criteria for assessing proposals for hillside escalator links and elevator systems ("HEL") to determine the priority for conducting preliminary technical feasibility studies for the 20 proposals received at that time. Upon completion

of the assessment, the assessment results were reported to the Legislative Council Panel on Transport in February 2010. Two proposals were screened out initially, and 18 others were ranked. The Government indicated at the time that preliminary technical feasibility studies for the proposals ranked top 10 in the assessment would be conducted first by batches, and that the remaining proposals would be followed up after the smooth implementation of the top 10 proposals. Among the remaining proposals are the Escalator Link System between Hong Sing Garden and Po Hong Road which is ranked 14th, the Lift and Pedestrian Walkway System between Saddle Ridge Garden and Sai Sha Road which is ranked 16th, as well as the Escalator Link System between Sha Tin Sui Wo Court and MTR Fo Tan Station which is ranked 18th.

Subsequently, the Highways Department ("HyD") also completed the preliminary technical feasibility studies for the proposals ranked 11th and 12th. As for the proposals ranked 14th,(1) 16th and 17th, the Transport Department ("TD") determined the scope of works in April this year, while HyD is currently carrying out the preliminary technical feasibility studies, which are planned for completion in the third quarter of 2018. If the studies show that the proposals are technically feasible upon preliminary assessment, HyD will progressively conduct ground investigation, carry out preliminary design and consult District Councils as well as relevant stakeholders. For the proposal ranked 18th, the project involves works of relatively large scale and is rather complex as a substantial part of the proposed alignment runs through lots held by the Hong Kong Housing Authority and private owners. TD is actively following up on the proposal to expedite the determination of its scope. As these lower-ranking proposals are still at a very early stage of development, their implementation schedules have yet to be finalized.

Overall, three out of the 18 proposals have been completed and opened for public use; four are under construction; one proposal has just obtained funding approval for the construction works; five are in various phases of planning, investigation and design; and another four are at the stage of preliminary technical feasibility studies. The current progress and cost estimates of the 18 proposals are set out at Annex 1 and Annex 2 respectively.

(1) Two proposals share the rank of 14, the other one being the Lift and Pedestrian Walkway System between Lai King Hill Road and Princess Margaret Hospital.

The taking forward of the HEL projects involves various considerations such as the alignment of HEL, the pedestrian flow, the layout of structures, the impact of the projects on the surrounding environment and on residents, the diversion of underground utilities, etc. Moreover, in line with the established procedures for public works, HyD has to arrange for the gazettal of the proposals and handle objections (if any) under the Roads (Works, Use and Compensation) Ordinance, and, where necessary, carry out land acquisition for the HEL projects. The projects can therefore be considerably complex. Some of them may also be controversial, with the affected residents having divergent views on the alignment of the project. As such, HyD has to discuss with various stakeholders and undertake relevant studies to resolve the problems. HyD would seek to balance the demands of relevant stakeholders in the process, which inevitably takes considerable time.

We understand the concerns of Members on the HEL projects. HyD has also increased its manpower for taking forward the projects and engage engineering consultants as necessary to assist in taking the projects forward. When the projects have progressed to a mature stage, we will seek funding approval from the Legislative Council as soon as possible for commencing the construction works for the HEL projects.

Annex 1

Current progress of the proposals of HEL
(Position as at 3 July 2018)

Rank	*Proposal*	*Progress of Project*
1	Pedestrian Link at Tsz Wan Shan	The pedestrian link is implemented under the Shatin to Central Link project and involves 15 facilities. The construction works commenced in July 2012. The pedestrian link has been opened for public use since October 2017.
2	Braemar Hill Pedestrian Link	HyD consulted and obtained the support from the Planning, Works and Housing Committee ("PWHC") of the Eastern District Council ("EDC") on the design scheme in September 2016. Prior to gazettal of the works, HyD further consulted the residents on the design scheme and attended residents' meetings

Rank	*Proposal*	*Progress of Project*
		in November and December 2017. In view of the comments raised by various parties, HyD reviewed the scheme with a view to obtaining a majority consensus for the project scheme. HyD attended the PWHC meeting in February 2018, arranged site visits with the EDC members, the Legislative Council members and residents in March 2018, held a public meeting in April 2018 and conducted focus group meetings with schools and residents in May and June 2018 to discuss and introduce the revised design scheme. In view of the comments from various stakeholders, HyD consulted PWHC again on 19 June 2018, presented various studied design revisions and the recommended revised design scheme, and obtained the support from most PWHC members. HyD is now carrying out the detailed design and preparing for the gazettal of the project scheme.
3	Lift and Pedestrian Walkway System at Cheung Hang Estate, Tsing Yi	The construction works commenced in February 2017 for anticipated completion in mid 2019.
4	Escalator Link and Pedestrian Walkway System at Pound Lane	HyD consulted the Central and Western District Council ("C&WDC") and held a public forum on the refined proposal in 2015. The comments received have been collated and analysed. In view of the diverse views received and the many issues involved, HyD plans to consult C&WDC further on the project.
5	Lift and Pedestrian Walkway System between Kwai Shing Circuit and Hing Shing Road	The construction works commenced in June 2017 for anticipated completion in 2020.

Rank	*Proposal*	*Progress of Project*
6	Lift and Pedestrian Walkway System between Castle Peak Road and Kung Yip Street	The Government obtained funding approval from the Finance Committee of the Legislative Council on 30 June 2018. The construction works are scheduled to commence in the first quarter of 2019 for anticipated completion in the second quarter of 2023.
7	Lift and Pedestrian Walkway System between Lai Cho Road and Wah Yiu Road	The preliminary technical feasibility study has been completed. HyD has engaged consultants to carry out the investigation and preliminary design.
8	Pedestrian Link near Chuk Yuen North Estate	HyD consulted and obtained the support from the Traffic and Transport Committee ("T&TC") of the Wong Tai Sin District Council on the preliminary design in July 2016 and March 2017, and the latest revised design in January 2018. HyD is now carrying out the detailed design and preparing for the gazettal of the project scheme. HyD will continue to liaise with the objecting parties with a view to addressing their concerns.
9	Lift and Pedestrian Walkway System at Waterloo Hill	The construction works commenced in December 2016 for anticipated completion in mid 2019.
10	Lift and Pedestrian Walkway System between Lai King Hill Road and Lai Cho Road	It was revealed in the preliminary technical feasibility study that the project involved two dangerous private slopes. The owners of the slopes have completed the repair works for the slopes in February 2018. HyD will carry out the preliminary technical feasibility study for the project.
11	Lift and Pedestrian Walkway System between Tai Wo Hau Road and Wo Tong Tsui Street	The advance works for diversion of utilities commenced in January 2018. The main works are anticipated to commence in the fourth quarter of 2018 for completion in the fourth quarter of 2021.

Rank	*Proposal*	*Progress of Project*
12	Lift and Pedestrian Walkway System at Luen On Street	HyD consulted and obtained support from the Traffic and Transport Committee of the Kwun Tong District Council ("KTDC") on the preliminary design scheme in February 2018. As the proposal needs to span across private lots and is in close proximity to existing buildings, HyD will consult the relevant residents as suggested by KTDC.
13	Yuet Wah Street Pedestrian Linkage	To complement the Kwun Tong Town Centre Redevelopment, the Civil Engineering and Development Department commenced construction for this project in April 2013. The Linkage has been completed and opened for public use since October 2015.
14 (same ranking)	Escalator Link System between Hong Sing Garden and Po Hong Road	The scope of the project has been determined. HyD is carrying out the preliminary technical feasibility study.
14 (same ranking)	Lift and Pedestrian Walkway System between Lai King Hill Road and Princess Margaret Hospital	HA commenced works in November 2015. The works have been completed and the facility has been opened for public use since January 2017.
16	Lift and Pedestrian Walkway System between Saddle Ridge Garden and Sai Sha Road	The scope of the project has been determined. HyD is carrying out the preliminary technical feasibility study.
17	Lift and Pedestrian Walkway System between Hing Shing Road and Tai Wo Hau Road	The scope of the project has been determined. HyD is carrying out the preliminary technical feasibility study.
18	Escalator Link System between Sha Tin Sui Wo Court and MTR Fo Tan Station	Since the proposal involves complicated land issues, TD will liaise with relevant departments on the land matters.

Annex 2

Cost estimates for the HEL proposals

Rank	*Proposal*	*Cost Estimate (in money-of-the-day prices) ($ million)*
1	Pedestrian Link at Tsz Wan Shan	608.0
3	Lift and Pedestrian Walkway System at Cheung Hang Estate, Tsing Yi	222.7
5	Lift and Pedestrian Walkway System between Kwai Shing Circuit and Hing Shing Road	239.4
6	Lift and Pedestrian Walkway System between Castle Peak Road and Kung Yip Street	584.4
9	Lift and Pedestrian Walkway System at Waterloo Hill	116.7
11	Lift and Pedestrian Walkway System between Tai Wo Hau Road and Wo Tong Tsui Street	249.4
13	Yuet Wah Street Pedestrian Linkage	78.0
14	Lift and Pedestrian Walkway System between Lai King Hill Road and Princess Margaret Hospital	13.5

Note:

Other proposals are still at the early stages (including preliminary technical feasibility study, planning, investigation and design). The cost estimates for these proposals are yet to be assessed.

Admission of local students holding overseas academic qualifications by universities funded by the University Grants Committee

22. **MR IP KIN-YUEN** (in Chinese): *President, the Joint University Programmes Admission System ("JUPAS") is the main platform for students holding Hong Kong Diploma of Secondary Education Examination results to apply for admission to undergraduate programmes funded by the University Grants Committee ("UGC"). Students holding other academic qualifications may only apply to individual UGC-funded universities ("funded universities") directly for admission ("non-JUPAS"). However, some members of the public*

have relayed to me that the various funded universities have not made public details of the two methods of admitting students via the JUPAS and non-JUPAS routes (e.g. the ratios of places, the admission criteria), raising doubts as to whether funded universities treat those two types of students fairly in student admission. Regarding information on admission of local students holding overseas academic qualifications by funded universities, will the Government inform this Council if it knows:

(1) in respect of the publicly-funded first-year-first-degree programmes offered by each funded university in each of the past five academic years, (i) the total number of students and, among such students, (ii) the number of those admitted via the non-JUPAS route; among the students in (ii), the respective numbers and percentages of local students and non-local students (set out in a table); among those local students admitted via the non-JUPAS route, the respective numbers and percentages of those holding various types of overseas academic qualifications (e.g. International Baccalaureate Diploma Programme, the General Certificate of Education Advanced Level Programme), together with the respective names of the relevant academic qualifications (set out in a table);

(2) in respect of the 20 programmes with the largest numbers of local students admitted by each funded university via the non-JUPAS route in each of the past five academic years, the respective median and minimum academic qualifications of the local students who were admitted to each programme (set out in a table);

(3) the method currently adopted by various funded universities for ensuring that the admission thresholds for applicants holding different types of academic qualifications are consistent; and

(4) whether the local students admitted by funded universities via the non-JUPAS route will take up the places reserved for (i) international students or (ii) JUPAS students; whether UGC and funded universities have formulated guidelines to ensure fair treatment for students applying for admission via the JUPAS and non-JUPAS routes; if so, of the details?

SECRETARY FOR EDUCATION (in Chinese): President, the Joint University Programmes Admissions System ("JUPAS") is the main platform for students sitting for the Hong Kong Diploma of Secondary Education ("HKDSE") Examination to apply for admission to undergraduate programmes funded by the University Grants Committee ("UGC"). It aims at handling centrally applications for admission to university programmes by students holding specific public examination results (currently HKDSE). For local students holding other academic qualifications, including sub-degree students of local post-secondary institutions and Hong Kong permanent residents who study in or outside Hong Kong and sit for international public examinations, they have to apply to individual UGC-funded universities direct for admission (commonly known as "non-JUPAS").

The UGC Notes on Procedures clearly state that UGC-funded universities enjoy autonomy in the development of curricula and academic standards, selection of staff and students, initiation and conduct of research, internal allocation of resources, etc., and they are accountable for their decisions in these matters. On the principles of fairness and merit-based selection, each university will work out its admission policy and criteria for different programmes to assess students' applications submitted through the JUPAS and non-JUPAS routes. All the universities shall endeavour to ensure that only the most deserving applicants are offered admission regardless of the types of academic qualifications they are holding. As a matter of fact, all candidates who are Hong Kong permanent residents deserve equal opportunities to be considered for admission to UGC-funded programmes on the basis of fair competition, irrespective of their admission routes and academic qualifications.

Our reply to the question raised by Mr IP is as follows:

(1) The total number of students, the number of local students admitted via the non-JUPAS route and the respective information of various types of non-local academic qualifications held by local students via the non-JUPAS route of each UGC-funded university in the past five academic years (i.e. 2013-2014 to 2017-2018 academic year) are set out at Annex 1.

(2) The respective median and minimum academic qualifications of the local students who were admitted via the non-JUPAS route to the 20 programmes with the largest numbers of local students of each UGC-funded university in the past five academic years (i.e. 2013-2014 to 2017-2018 academic year) are set out at Annex 2.

(3) and (4)

Recognizing institutional autonomy in student admission, neither the Government nor UGC would require universities to specify a particular proportion of local students admitted through the JUPAS and non-JUPAS routes. Besides, in accordance with the prevailing policy, UGC-funded universities could only admit non-local students to UGC-funded programmes by way of over-enrolment, irrespective of the academic qualifications or results of any given examination used by non-local students for their applications. Such intake places should all be outside the UGC-funded places. In other words, the 15 000 UGC-funded first-year first-degree intake places each year must be used for admitting local students including non-JUPAS local students. As such, non-JUPAS local students would not take up the places used for admission of non-local students, and vice versa.

According to UGC-funded universities, student admission is based on a rigorous and holistic assessment of applicants in a variety of aspects, including their academic qualifications and results, interview performance, personal attributes, non-academic achievements, interests and experiences, programme preferences, etc. Hence, we should not compare the applications via the JUPAS and non-JUPAS routes by simply comparing their academic results. All universities have accumulated a wealth of experience in assessing applicants with different academic qualifications and will continue to monitor the relative academic results and performance of students admitted with different academic qualifications to ensure that the admission thresholds are consistently applied to applicants holding different types of academic qualifications. We understand that universities do not apply any formula to convert and compare different academic and non-academic qualifications.

Annex 1

Total Number of Students Admitted to UGC-funded First-Year-First-Degree Programmes, 2013-2014 to 2017-2018 Academic Years

University	*Academic year*	*Students admitted to First-Year-First-Degree programmes*					
		Total Number of students admitted	*Students admitted via non-JUPAS route*				
			Local students		*Non-local students*		*Total*
			Number	*Percentage*	*Number*	*Percentage*	
City University of Hong Kong	2013-2014	2 472	460	56.5%	354	43.5%	814
	2014-2015	2 466	473	57.2%	354	42.8%	827
	2015-2016	2 429	411	58.0%	297	42.0%	708
	2016-2017	2 520	406	52.5%	367	47.5%	773
	2017-2018	2 507	423	51.7%	395	48.3%	818
Hong Kong Baptist University	2013-2014	1 398	150	44.0%	191	56.0%	341
	2014-2015	1 402	138	40.5%	203	59.5%	341
	2015-2016	1 432	147	42.7%	197	57.3%	344
	2016-2017	1 362	181	50.1%	180	49.9%	361
	2017-2018	1 393	248	54.5%	207	45.5%	455
Lingnan University	2013-2014	574	22	33.8%	43	66.2%	65
	2014-2015	585	18	30.5%	41	69.5%	59
	2015-2016	582	16	24.2%	50	75.8%	66
	2016-2017	533	13	52.0%	12	48.0%	25
	2017-2018	583	7	10.1%	62	89.9%	69
The Chinese University of Hong Kong	2013-2014	3 553	506	51.4%	479	48.6%	985
	2014-2015	3 526	464	49.5%	474	50.5%	938
	2015-2016	3 559	436	46.0%	511	54.0%	947
	2016-2017	3 803	499	46.8%	567	53.2%	1 066
	2017-2018	3 941	506	45.8%	599	54.2%	1 105
The Education University of Hong Kong	2013-2014	735	142	63.1%	83	36.9%	225
	2014-2015	751	121	59.3%	83	40.7%	204
	2015-2016	710	167	68.1%	78	31.9%	245
	2016-2017	712	184	66.4%	93	33.6%	277
	2017-2018	733	221	68.2%	103	31.8%	324
The Hong Kong Polytechnic University	2013-2014	2 725	335	46.6%	384	53.4%	719
	2014-2015	2 763	373	47.0%	420	53.0%	793
	2015-2016	2 777	386	47.0%	436	53.0%	822
	2016-2017	2 844	333	40.3%	494	59.7%	827
	2017-2018	2 731	323	45.6%	386	54.4%	709
The Hong Kong University of Science and Technology	2013-2014	2 223	208	35.5%	378	64.5%	586
	2014-2015	2 179	206	35.6%	372	64.4%	578
	2015-2016	2 307	314	44.1%	398	55.9%	712
	2016-2017	2 336	327	46.2%	380	53.8%	707
	2017-2018	2 452	305	40.0%	458	60.0%	763

University	*Academic year*	*Students admitted to First-Year-First-Degree programmes*					
		Total Number of students admitted	*Students admitted via non-JUPAS route*				
			Local students		*Non-local students*		*Total*
			Number	*Percentage*	*Number*	*Percentage*	
The University of Hong Kong	2013-2014	3 409	652	55.0%	533	45.0%	1 185
	2014-2015	3 637	654	51.6%	613	48.4%	1 267
	2015-2016	3 614	642	52.0%	592	48.0%	1 234
	2016-2017	3 716	630	47.8%	687	52.2%	1 317
	2017-2018	3 756	631	46.4%	728	53.6%	1 359
All universities	2013-2014	17 089	2 475	50.3%	2 445	49.7%	4 920
	2014-2015	17 309	2 447	48.9%	2 560	51.1%	5 007
	2015-2016	17 410	2 519	49.6%	2 560	50.4%	5 079
	2016-2017	17 826	2 573	48.1%	2 780	51.9%	5 353
	2017-2018	18 096	2 664	47.6%	2 938	52.4%	5 603

Total Number of Local Students Admitted to UGC-funded First-Year-First-Degree Programmes via non-JUPAS Route, 2013-2014 to 2017-2018 Academic Years

University	*Academic year*	*Local students admitted to First-Year-First-Degree Programmes via non-JUPAS route*								
		Total number of students admitted	*Major qualifications*[1]							
			GCE A-Level		*International Baccalaureate ("IB")*		*Sub-degree qualifications*[2]		*Others*[3]	
			Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
City University of Hong Kong	2013-2014	460	24	5.2%	19	4.1%	192	41.7%	225	48.9%
	2014-2015	473	15	3.2%	20	4.2%	385	81.4%	53	11.2%
	2015-2016	411	33	8.0%	14	3.4%	300	73.0%	64	15.6%
	2016-2017	406	18	4.4%	15	3.7%	306	75.4%	67	16.5%
	2017-2018	423	20	4.7%	20	4.7%	300	70.9%	83	19.6%
Hong Kong Baptist University	2013-2014	150	3	2.0%	2	1.3%	48	32.0%	97	64.7%
	2014-2015	138	7	5.1%	6	4.3%	61	44.2%	64	46.4%
	2015-2016	147	3	2.0%	3	2.0%	49	33.3%	92	62.6%
	2016-2017	181	5	2.8%	9	5.0%	50	27.6%	117	64.6%
	2017-2018	248	7	2.8%	16	6.5%	62	25.0%	163	65.7%
Lingnan University	2013-2014	22	3	13.6%	-	-	12	54.5%	7	31.8%
	2014-2015	18	-	-	1	5.6%	10	55.6%	7	38.9%
	2015-2016	16	2	12.5%	-	-	9	56.3%	5	31.3%
	2016-2017	13	-	-	-	-	10	76.9%	3	23.1%
	2017-2018	7	-	-	-	-	6	85.7%	1	14.3%

University	*Academic year*	*Local students admitted to First-Year-First-Degree Programmes via non-JUPAS route*								
		Total number of students admitted	*Major qualifications(1)*							
			GCE A-Level		*International Baccalaureate ("IB")*		*Sub-degree qualifications(2)*		*Others(3)*	
			Number	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*	*Number*	*Percentage*
The Chinese University of Hong Kong	2013-2014	506	118	23.3%	116	22.9%	108	21.3%	164	32.4%
	2014-2015	464	109	23.5%	109	23.5%	128	27.6%	118	25.4%
	2015-2016	436	119	27.3%	131	30.0%	83	19.0%	103	23.6%
	2016-2017	499	101	20.2%	139	27.9%	113	22.6%	146	29.3%
	2017-2018	506	83	16.4%	163	32.2%	133	26.3%	127	25.1%
The Education University of Hong Kong	2013-2014	142	1	0.7%	1	0.7%	127	89.4%	13	9.2%
	2014-2015	121	-	-	-	-	107	88.4%	14	11.6%
	2015-2016	167	2	1.2%	-	-	147	88.0%	18	10.8%
	2016-2017	184	7	3.8%	1	0.5%	157	85.3%	19	10.3%
	2017-2018	221	5	2.3%	4	1.8%	183	82.8%	29	13.1%
The Hong Kong Polytechnic University	2013-2014	335	17	5.1%	13	3.9%	272	81.2%	33	9.9%
	2014-2015	373	36	9.7%	19	5.1%	259	69.4%	59	15.8%
	2015-2016	386	32	8.3%	29	7.5%	249	64.5%	76	19.7%
	2016-2017	333	23	6.9%	35	10.5%	254	76.3%	21	6.3%
	2017-2018	323	19	5.9%	29	9.0%	248	76.8%	27	8.4%
The Hong Kong University of Science and Technology	2013-2014	208	8	3.8%	77	37.0%	61	29.3%	62	29.8%
	2014-2015	206	31	15.0%	82	39.8%	57	27.7%	36	17.5%
	2015-2016	314	25	8.0%	93	29.6%	146	46.5%	50	15.9%
	2016-2017	327	34	10.4%	102	31.2%	154	47.1%	37	11.3%
	2017-2018	305	33	10.8%	91	29.8%	121	39.7%	60	19.7%
The University of Hong Kong	2013-2014	652	150	23.0%	173	26.5%	271	41.6%	58	8.9%
	2014-2015	654	135	20.6%	182	27.8%	279	42.7%	58	8.9%
	2015-2016	642	112	17.4%	216	33.6%	252	39.3%	62	9.7%
	2016-2017	630	102	16.2%	196	31.1%	241	38.3%	91	14.4%
	2017-2018	631	87	13.8%	214	33.9%	273	43.3%	57	9.0%
All universities	2013-2014	2 475	324	13.1%	401	16.2%	1 091	44.1%	659	26.6%
	2014-2015	2 447	333	13.6%	419	17.1%	1 286	52.6%	409	16.7%
	2015-2016	2 519	328	13.0%	486	19.3%	1 235	49.0%	470	18.7%
	2016-2017	2 573	290	11.3%	497	19.3%	1 285	49.9%	501	19.5%
	2017-2018	2 664	254	9.5%	537	20.2%	1 326	49.8%	547	20.5%

Notes:

(1) Refers to the highest relevant academic qualification possessed by a student on the basis of which a student's admission is decided.

(2) Include sub-degree qualifications, such as Associate degree, Higher diploma, etc.

(3) "Others" include SAT, National Joint College Entrance Examination of Mainland China and those qualifications not elsewhere classified, e.g. students who have either completed a full or a part of a bachelor's degree programme in local or overseas institutions, or situations where students are admitted with multiple qualifications being major consideration.

(4) "-" denotes nil.

(5) Figures may not add up due to rounding.

Annex 2

General Remarks

(1) The student intakes in Annex 1 cover all UGC-funded programmes with local students admitted through the non-JUPAS route, and are drawn from the UGC's Common Data Collection Format (CDCF) database with a common census date of 30 October of each year. The student intakes in Annex 2 are confined to the top 20 UGC-funded programmes with local students admitted through the non-JUPAS route, and such data are specifically compiled by the respective universities possibly using different census dates as compared with Annex 1. The numbers in Annex 1 and Annex 2 are hence not directly comparable.

(2) The information in the Annex covers primarily major qualifications in which standardized grading schemes are adopted. Admission qualification refers to the highest relevant academic qualification possessed by a student on the basis of which a student's admission is decided.

(3) "Others" include SAT, National Joint College Entrance Examination of Mainland China and those qualifications not elsewhere classified, e.g. students who have either completed a full or a part of a bachelor's degree programme in local or overseas institutions, or situations where students are admitted with multiple qualifications being major consideration.

(4) Making reference to the Universities and Colleges Admission Service (UCAS) of the United Kingdom, GCE score is the sum of the scores for 1 A-Level subject plus 1 A-Level subject (or 2 AS-Level subjects with the

best results). The subjects for calculation do not necessarily include those specified in the departmental entrance requirement. The score for each subject is allocated as follows:
A-Level : A* = 140; A = 120; B = 100; C = 80; D = 60; E = 40
AS-Level : A = 60; B = 50; C = 40; D = 30; E = 20

(5) The highest total score available for the IB Diploma Programme is 45.

(6) In respect of the numbers showing the Median and Lowest scores of qualifications held, "-" denotes that no student held the respective qualification; and "*" denotes that the number of students holding the respective qualification is so small (below 3) that the scores are not disclosed so as to protect the privacy of the students concerned.

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—City University of Hong Kong ("CityU")

2013-2014 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	College of Business (Bachelor of Business Administration)	163	5	4	136	18	220	29.5	200	29
2	College of Liberal Arts and Social Sciences (Bachelor of Arts/Bachelor of Social Sciences)	90	2	4	66	18	*	33	*	30
3	College of Science and Engineering (Engineering)	121	2	1	117	1	*	*	*	*
4	College of Science and Engineering (Science)	41	2	1	36	2	*	*	*	*
5	School of Creative Media (Bachelor of Arts/Bachelor of Science/Bachelor of Arts and Science)	26	1	3	18	4	*	36	*	31
6	School of Law (Bachelor of Laws)	18	11	6	0	1	240	37	220	36

2014-2015 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	College of Business (Bachelor of Business Administration)	166	2	3	130	31	*	33	*	31
2	College of Liberal Arts and Social Sciences (Bachelor of Arts/Bachelor of Social Sciences)	98	3	5	82	8	230	30	200	29
3	College of Science and Engineering (Engineering)	130	3	3	122	2	240	34	200	30
4	College of Science and Engineering (Science)	37	2	1	31	3	*	*	*	*
5	School of Creative Media (Bachelor of Arts/Bachelor of Science/Bachelor of Arts and Science)	28	1	1	18	8	*	*	*	*
6	School of Energy and Environment (Bachelor of Engineering—Energy Science and Engineering)	2	0	0	2	0	-	-	-	-
7	School of Law (Bachelor of Laws)	14	4	7	0	3	240	39	240	37

2015-2016 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	College of Business (Bachelor of Business Administration)	138	3	1	87	47	240	*	240	*
2	College of Liberal Arts and Social Sciences (Bachelor of Arts/Bachelor of Social Sciences)	88	6	5	68	9	180	31	160	28
3	Department of Architecture and Civil Engineering (Bachelor of Engineering/Bachelor of Science)	4	2	0	1	1	*	-	*	-
4	Department of Biology and Chemistry (Bachelor of Science)	13	1	1	10	1	*	*	*	*
5	Department of Computer Science (Bachelor of Science—Computer Science)	17	0	0	17	0	-	-	-	-
6	Department of Electronic Engineering (Bachelor of Engineering)	42	0	0	39	3	-	-	-	-
7	Department of Mathematics (Bachelor of Science—Computing Mathematics)	7	0	0	6	1	-	-	-	-

2015-2016 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
8	Department of Mechanical and Biomedical Engineering (Bachelor of Engineering)	17	1	0	15	1	*	-	*	-
9	Department of Physics and Materials Science (Bachelor of Engineering/Bachelor of Science)	14	2	1	11	0	*	*	*	*
10	Department of Systems Engineering and Engineering Management (Bachelor of Engineering)	21	0	0	21	0	-	-	-	-
11	School of Creative Media (Bachelor of Arts/Bachelor of Science/Bachelor of Arts and Science)	27	4	1	19	3	220	*	200	*
12	School of Energy and Environment (Bachelor of Engineering—Energy Science and Engineering)	2	0	0	2	0	-	-	-	-
13	School of Law (Bachelor of Laws)	24	14	5	4	1	230	37	200	35

2016-2017 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Department of Accountancy (Bachelor of Business Administration—Accountancy)	23	0	0	16	7	-	-	-	-
2	Department of Applied Social Sciences (Bachelor of Social Sciences)	32	3	1	28	0	220	*	200	*
3	Department of Asian and International Studies (Bachelor of Social Sciences—Asian and International Studies)	14	0	0	13	1	-	-	-	-
4	Department of Biology and Chemistry (Bachelor of Science)	19	0	0	19	0	-	-	-	-
5	Department of Chinese and History (Bachelor of Arts—Chinese and History)	18	0	0	15	3	-	-	-	-
6	Department of Computer Science (Bachelor of Science—Computer Science)	21	0	0	21	0	-	-	-	-

2016-2017 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
7	Department of Economics and Finance (Bachelor of Business Administration)	26	1	0	11	14	*	-	*	-
8	Department of Electronic Engineering (Bachelor of Engineering)	35	0	0	35	0	-	-	-	-
9	Department of Information Systems (Bachelor of Business Administration)	19	0	1	16	2	-	*	-	*
10	Department of Linguistics and Translation (Bachelor of Arts)	10	1	1	7	1	*	*	*	*
11	Department of Management (Bachelor of Business Administration—Management)	16	1	0	8	7	*	-	*	-
12	Department of Management Sciences (Bachelor of Business Administration)	16	0	1	11	4	-	*	-	*
13	Department of Marketing (Bachelor of Business Administration—Marketing)	18	1	0	12	5	*	-	*	-

2016-2017 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
14	Department of Mechanical and Biomedical Engineering (Bachelor of Engineering)	17	0	0	17	0	-	-	-	-
15	Department of Media and Communication (Bachelor of Arts)	10	0	5	3	2	-	31	-	29
16	Department of Physics and Materials Science (Bachelor of Engineering/Bachelor of Science)	9	2	0	6	1	*	-	*	-
17	Department of Public Policy (Bachelor of Social Sciences—Public Policy and Politics)	16	0	0	14	2	-	-	-	-
18	Department of Systems Engineering and Engineering Management (Bachelor of Engineering—Systems Engineering and Management)	13	0	1	11	1	-	*	-	*
19	School of Creative Media (Bachelor of Arts/Bachelor of Science/Bachelor of Arts and Science)	23	1	0	19	3	*	-	*	-
20	School of Law (Bachelor of Laws)	17	5	3	5	4	220	36	200	34

2017-2018 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	BA Chinese and History	12	0	0	11	1	-	-	-	-
2	BBA Accountancy	29	0	0	14	15	-	-	-	-
3	BBA Management	18	0	0	12	6	-	-	-	-
4	BBA Marketing	17	0	0	11	6	-	-	-	-
5	BEng Systems Engineering and Management	9	0	0	6	3	-	-	-	-
6	BSc Chemistry	10	1	1	6	2	*	*	*	*
7	BSc Computer Science	21	0	0	21	0	-	-	-	-
8	BSocSc Asian and International Studies	8	0	0	6	2	-	-	-	-
9	BSocSc Public Policy and Politics	20	2	1	14	3	*	*	*	*
10	Department of Applied Social Sciences (options: BSocSc Criminology and Sociology, BSocSc Psychology, BSocSc Social Work)	23	3	4	15	1	200	31	180	30
11	Department of Economics and Finance (options: BBA Business Economics, BBA Finance)	41	0	0	18	23	-	-	-	-
12	Department of Electronic Engineering (options: BEng Computer and Data Engineering, BEng Electronic and Communication Engineering, BEng Information Engineering)	39	0	2	34	3	-	*	-	*

2017-2018 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
13	Department of Information Systems (options: BBA Global Business Systems Management, BBA Information Management)	22	0	0	22	0	-	-	-	-
14	Department of Management Sciences (options: BBA Business Analysis, BBA Business Operations Management)	16	0	0	13	3	-	-	-	-
15	Department of Mechanical and Biomedical Engineering (options: BEng Biomedical Engineering, BEng Mechanical Engineering)	26	0	0	24	2	-	-	-	-
16	Department of Media and Communication (options: BA Digital Television and Broadcasting, BA Media and Communication)	13	2	2	6	3	*	*	*	*
17	Department of Physics (options: BSc Applied Physics, BEng Materials Engineering)	16	1	1	13	1	*	*	*	*

2017-2018 Academic Year Programme Name (CityU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held@*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
18	School of Creative Media (options: BA Creative Media, BSc Creative Media, BAS New Media)	25	0	3	18	4	-	34	-	32
19	School of Energy and Environment (options: BEng Energy Science and Engineering, BEng Environmental Science and Engineering)	12	0	0	12	0	-	-	-	-
20	School of Law (Bachelor of Laws)	17	7	5	3	2	240	37	220	35

Note:

@ Does not include students admitted through Student Athletes Admission Scheme.

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—Hong Kong Baptist University ("HKBU")

2013-2014 Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Arts	22	1	-	21	-	*	-	*	-
2	Bachelor of Arts in Music	23	1	-	14	8	*	-	*	-

2013-2014 Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
3	Bachelor of Arts in Physical Education and Recreation Management	17	-	-	2	15	-	-	-	-
4	Bachelor of Arts in Visual Arts	6	-	-	1	5	-	-	-	-
5	Bachelor of Arts/ Bachelor of Social Sciences (Geography/ Government & International Studies/ History/Sociology)	4	-	-	1	3	-	-	-	-
6	Bachelor of Business Administration—Accounting Concentration	15	-	-	-	15	-	-	-	-
7	Bachelor of Business Administration (Broad-based)	37	-	1	-	36	-	*	-	*
8	Bachelor of Chinese Medicine and Bachelor of Science in Biomedical Science	6	-	-	-	6	-	-	-	-
9	Bachelor of Science	5	-	-	-	5	-	-	-	-
10	Bachelor of Social Sciences (Honours) in Communication	2	1	-	-	1	*	-	*	-
11	Bachelor of Social Sciences in European Studies	4	-	1	1	2	-	*	-	*
12	Bachelor of Social Work	9	-	-	8	1	-	-	-	-

2014-2015 Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Arts	13	3	1	8	1	220	*	200	*
2	English Language & Literature and English Language Teaching (Double Degree)	3	-	-	-	3	-	-	-	-
3	Bachelor of Arts in Music	23	-	2	13	8	-	*	-	*
4	Bachelor of Arts in Physical Education and Recreation Management	10	1	-	6	3	*	-	*	-
5	Bachelor of Arts in Visual Arts	3	1	-	-	2	*	-	*	-
6	Bachelor of Arts/ Bachelor of Social Sciences (Geography/ Government & International Studies/ History/Sociology)	20	2	-	1	17	*	-	*	-
7	Geography/History/ Sociology and Liberal Studies Teaching (Double Degree)	1	-	-	-	1	-	-	-	-
8	Bachelor of Business Administration— Accounting Concentration	4	-	-	4	-	-	-	-	-
9	Bachelor of Business Administration (Broad-based)	29	-	3	6	20	-	30	-	27
10	Bachelor of Chinese Medicine and Bachelor of Science in Biomedical Science	3	-	-	2	1	-	-	-	-
11	Bachelor of Science	4	-	-	1	3	-	-	-	-

2014-2015 Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
12	Bachelor of Social Sciences in China Studies (Economics/ Geography/History/ Sociology)	6	-	-	5	1	-	-	-	-
13	Bachelor of Social Sciences (Honours) in Communication	4	-	-	-	4	-	-	-	-
14	Bachelor of Social Sciences in European Studies	6	-	-	6	-	-	-	-	-
15	Bachelor of Social Work	9	-	-	9	-	-	-	-	-

2015-2016 Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Arts	9	-	-	5	4	-	-	-	-
2	Bachelor of Arts in Music	28	-	1	10	17	-	*	-	*
3	Bachelor of Arts in Physical Education and Recreation Management	12	-	1	2	9	-	*	-	*
4	Bachelor of Arts in Visual Arts	8	-	-	4	4	-	-	-	-
5	Bachelor of Arts/Bachelor of Social Sciences (Geography/ Government & International Studies/ History/Sociology)	19	-	-	5	14	-	-	-	-

2015-2016 Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
6	Geography/History/ Sociology and Liberal Studies Teaching (Double Degree)	0	-	-	-	-	-	-	-	-
7	Bachelor of Business Administration—Accounting Concentration	6	-	-	3	3	-	-	-	-
8	Bachelor of Business Administration (Broad-based)	38	1	-	4	33	*	-	*	-
9	Bachelor of Chinese Medicine and Bachelor of Science in Biomedical Science	4	-	-	1	3	-	-	-	-
10	Bachelor of Pharmacy in Chinese Medicine	0	-	-	-	-	-	-	-	-
11	Bachelor of Science	3	-	1	-	2	-	*	-	*
12	Bachelor of Social Sciences in China Studies (Economics/ Geography/History/ Sociology)	2	-	-	2	-	-	-	-	-
13	Bachelor of Social Sciences (Honours) in Communication	3	2	-	-	1	*	-	*	-
14	Bachelor of Social Sciences in European Studies	7	-	-	5	2	-	-	-	-
15	Bachelor of Social Work	8	-	-	8	-	-	-	-	-

2016-2017Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Arts	6	1	-	4	1	*	-	*	-
2	English Language & Literature and English Language Teaching (Double Degree)	3	-	-	-	3	-	-	-	-
3	Bachelor of Arts in Music	35	2	1	11	21	*	*	*	*
4	Bachelor of Arts in Physical Education and Recreation Management	21	-	3	1	17	-	28	-	26
5	Bachelor of Arts in Visual Arts	5	-	-	-	5	-	-	-	-
6	Bachelor of Arts/ Bachelor of Social Sciences (Geography/ Government & International Studies/ History/ Sociology)	17	1	-	5	11	*	-	*	-
7	Geography/History/ Sociology and Liberal Studies Teaching (Double Degree)	2	-	-	-	2	-	-	-	-
8	Bachelor of Business Administration— Accounting Concentration	15	-	-	2	13	-	-	-	-
9	Bachelor of Business Administration (Broad-based)	38	-	2	2	34	-	*	-	*
10	Bachelor of Chinese Medicine and Bachelor of Science in Biomedical Science	1	-	-	-	1	-	-	-	-
11	Bachelor of Communication	5	1	2	-	2	*	*	*	*

2016-2017Academic Year Programme Name (HKBU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
12	Bachelor of Pharmacy in Chinese Medicine	3	-	-	3	-	-	-	-	-
13	Bachelor of Science	16	-	-	10	6	-	-	-	-
14	Bachelor of Social Sciences in European Studies	6	-	1	4	1	-	*	-	*
15	Bachelor of Social Work	8	-	-	8	-	-	-	-	-

2017-2018 Academic Year Programme Name (HKBU)#		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Arts	22	1	3	8	10	*	29	*	26
2	English Language & Literature and English Language Teaching (Double Degree)	2	-	-	-	2	-	-	-	-
3	Bachelor of Arts in Music	24	1	-	9	14	*	-	*	-
4	Bachelor of Arts in Physical Education and Recreation Management	21	-	1	7	13	-	*	-	*
5	Bachelor of Arts in Visual Arts	7	-	3	1	3	-	36	-	30
6	Bachelor of Arts/Bachelor of Social Sciences (Geography/ Government & International Studies/History /Sociology)	18	-	-	-	18	-	-	-	-

2017-2018 Academic Year Programme Name (HKBU)#		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
7	Geography/History/ Sociology and Liberal Studies Teaching (Double Degree)	2	-	-	-	2	-	-	-	-
8	Bachelor of Business Administration—Accounting Concentration	13	-	-	3	10	-	-	-	-
9	Bachelor of Business Administration—Applied Economics Concentration	4	-	2	-	2	-	*	-	*
10	Bachelor of Business Administration (Broad-based)	14	2	3	-	9	*	29	*	28
11	Bachelor of Business Administration—Entrepreneurship Concentration	3	-	-	1	2	-	-	-	-
12	Bachelor of Business Administration—Finance Concentration	3	-	-	-	3	-	-	-	-
13	Bachelor of Business Administration—Human Resources Management Concentration	4	-	-	-	4	-	-	-	-
14	Bachelor of Business Administration—Information Systems and e-Business Management Concentration	4	-	-	1	3	-	-	-	-

2017-2018 Academic Year Programme Name (HKBU)#		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
15	Bachelor of Business Administration—Marketing Concentration	7	-	1	-	6	-	*	-	*
16	Bachelor of Chinese Medicine and Bachelor of Science in Biomedical Science	2	-	-	2	-	-	-	-	-
17	Bachelor of Communication	23	1	1	-	21	*	*	*	*
18	Bachelor of Communication—Film Major—Animation and Media Arts Concentration	6	-	1	2	3	-	*	-	*
19	Bachelor of Pharmacy in Chinese Medicine	2	-	-	2	-	-	-	-	-
20	Bachelor of Science	41	2	1	15	23	*	*	*	*
21	Bachelor of Social Sciences in China Studies (Economics/Geography/History/Sociology)	7	-	-	3	4	-	-	-	-
22	Bachelor of Social Sciences in European Studies	7	-	-	3	4	-	-	-	-
23	Bachelor of Social Work	12	-	-	5	7	-	-	-	-

Note:

The list for 2017-2018 includes 23 programmes because four of them had the same number of student intake (i.e. 2).

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—Lingnan University ("LU")

2013-2014 Academic Year Programme Name (LU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Business Administration (Honours)	10	3	-	4	3	240	-	220	-
2	Bachelor of Social Sciences (Honours)	7	-	-	4	3	-	-	-	-
3	Bachelor of Arts (Honours)	5	-	-	4	1	-	-	-	-

2014-2015 Academic Year Programme Name (LU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Business Administration (Honours)	8	-	-	5	3	-	-	-	-
2	Bachelor of Arts (Honours)	5	-	-	3	2	-	-	-	-
3	Bachelor of Social Sciences (Honours)	5	-	1	2	2	-	*	-	*

2015-2016 Academic Year Programme Name (LU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Business Administration (Honours)	7	1	-	3	3	*	-	-	-
2	Bachelor of Social Sciences (Honours)	6	1	-	4	1	*	-	-	-
3	Bachelor of Arts (Honours)	3	-	-	2	1	-	-	-	-

2016-2017 Academic Year Programme Name (LU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Social Sciences (Honours)	9	-	-	7	2	-	-	-	-
2	Bachelor of Arts (Honours) in Cultural Studies	2	-	-	1	1	-	-	-	-
3	Bachelor of Arts (Honours)	1	-	-	1	-	-	-	-	-
4	Bachelor of Business Administration (Honours)	1	-	-	1	-	-	-	-	-

2017-2018 Academic Year Programme Name (LU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Social Sciences (Honours)	3	-	-	3	-	-	-	-	-
2	Bachelor of Arts (Honours)	3	-	-	3	-	-	-	-	-
3	Bachelor of Arts (Honours) in Visual Studies	1	-	-	-	1	-	-	-	-

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—The Chinese University of Hong Kong ("CUHK")

2013-2014 Academic Year Programme Name (CUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Engineering (broad-based)	107	13	6	73	15	240	34	220	31

2013-2014 Academic Year Programme Name (CUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
2	M.B.,Ch.B. Medicine	90	8	42	0	40	280	42	280	41
3	Science (broad-based)	43	16	5	7	15	240	39.5	220	35
4	B.B.A. Integrated BBA	35	12	13	3	7	240	35	220	34
5	LL.B. Laws	30	18	7	0	5	260	39.5	240	39
6	B.Nurs. Nursing	19	12	6	0	1	240	37	220	34
7	B.Pharm. Pharmacy	18	6	4	0	8	280	42	260	40
8	B.B.A. Professional Accountancy	16	2	2	1	11	*	*	*	*
9	B.S.Sc. Architectural Studies	15	4	4	1	6	240	33	220	32
10	B.Sc. Public Health	14	2	1	2	9	*	*	*	*
11	Social Science (broad-based)	11	2	2	0	7	*	*	*	*
12	B.B.A. in International Business and Chinese Enterprise	9	4	5	0	0	280	39	260	38
13	B.Chi.Med. Chinese Medicine	8	0	0	7	1	-	-	-	-
14	B.S.Sc. Economics	7	3	0	1	3	250	-	220	-
15	B.A. History	6	0	0	0	6	-	-	-	-
16	B.S.Sc. Social Work	6	0	1	2	3	-	*	-	*
17	B.Sc.Quantitative Finance & Risk Management Science	6	4	1	0	1	280	*	260	*
18	B.A. Cultural Management	5	0	1	0	4	-	*	-	*
19	B.S.Sc. Geography and Resource Management	5	0	1	2	2	-	*	-	*
20	B.S.Sc. Journalism & Communication	5	1	2	0	2	*	*	*	*

2014-2015 Academic Year Programme Name (CUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Engineering (broad-based)	103	8	4	80	11	250	35.5	220	34
2	M.B.,Ch.B. Medicine	90	11	44	0	35	280	43	280	42
3	B.B.A. Integrated BBA	37	10	10	2	15	250	36	240	35
4	Science (broad-based)	26	12	4	3	7	260	39	220	37
5	B.B.A. Professional Accountancy	18	10	4	4	0	270	36.5	240	36
6	B.Pharm. Pharmacy	18	7	7	0	4	280	39	260	36
7	LL.B. Laws	18	4	11	0	3	270	40	240	40
8	B.Nurs. Nursing	17	7	0	10	0	240	-	180	-
9	B.Sc. Public Health	11	1	3	5	2	*	37	*	37
10	Social Science (broad-based)	11	2	1	2	6	*	*	*	*
11	B.S.Sc. Architectural Studies	10	5	2	0	3	260	*	240	*
12	B.S.Sc. Psychology	9	7	1	0	1	260	*	200	*
13	B.B.A. Hospitality and Real Estate	8	1	1	0	6	*	*	*	*
14	B.B.A. in International Business and Chinese Enterprise	7	3	4	0	0	280	40	280	38
15	B.S.Sc. Sociology	6	0	0	6	0	-	-	-	-
16	B.Sc. Quantitative Finance & Risk Management Science	6	3	2	0	1	280	*	260	*
17	B.Chi.Med. Chinese Medicine	5	2	0	3	0	*	-	*	-
18	B.S.Sc. Social Work	5	1	0	3	1	*	-	*	-
19	B.Sc. Interdisciplinary Major Programme in Global Economics & Finance	5	3	1	0	1	260	*	260	*
20	B.A. Anthropology	4	1	2	0	1	*	*	*	*

2015-2016 Academic Year Programme Name (CUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Engineering (broad-based)	82	11	1	40	30	240	*	220	*
2	M.B.,Ch.B. Medicine	81	10	46	0	25	280	43	280	42
3	B.B.A. Integrated BBA	36	17	11	0	8	240	36	240	34
4	B.Nurs. Nursing	32	10	6	15	1	240	36	220	31
5	Science (broad-based)	30	13	10	4	3	260	37	240	35
6	LL.B. Laws	25	14	7	0	4	250	41	220	40
7	B.Pharm. Pharmacy	12	2	6	0	4	*	40	*	40
8	B.S.Sc. Architectural Studies	11	5	3	1	2	240	40	220	37
9	B.Sc. Public Health	10	4	0	4	2	270	-	240	-
10	Social Science (broad-based)	10	0	9	0	1	-	36	-	34
11	B.B.A. Professional Accountancy	8	6	0	1	1	260	-	240	-
12	B.A. English	7	3	2	0	2	220	*	200	*
13	B.S.Sc. Journalism & Communication	7	3	2	0	2	280	*	260	*
14	B.B.A. Hospitality and Real Estate	6	2	1	0	3	*	*	*	*
15	B.B.A. in International Business and Chinese Enterprise	6	4	2	0	0	270	*	260	*
16	B.S.Sc. Social Work	6	1	1	4	0	*	*	*	*
17	B.S.Sc. Sociology	6	0	2	4	0	-	*	-	*
18	Insurance, Financial and Actuarial Analysis/Quantitative Finance (broad-based)	6	5	1	0	0	280	*	280	*
19	B.S.Sc. Psychology	5	1	3	0	1	*	40	*	39
20	B.A. Philosophy	4	1	0	1	2	*	-	*	-

2016-2017 Academic Year Programme Name (CUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	M.B.,Ch.B. Medicine	94	16	47	0	31	280	43	280	42
2	Engineering (broad-based)	80	1	3	54	22	*	35	*	34
3	LL.B. Laws	45	16	19	0	10	260	40	240	38
4	Science (broad-based)	36	6	6	0	24	260	36.5	240	35
5	B.B.A. Integrated BBA	33	11	8	8	6	240	35.5	240	34
6	B.Nurs. Nursing	22	6	3	13	0	240	37	200	32
7	B.Sc. Public Health	19	1	2	15	1	*	*	*	*
8	B.B.A. Hospitality and Real Estate	16	0	4	3	9	-	37	-	33
9	B.S.Sc. Architectural Studies	16	12	4	0	0	240	38	220	35
10	B.Pharm. Pharmacy	13	2	7	0	4	*	39	*	38
11	B.S.Sc. Psychology	10	3	7	0	0	260	37	240	35
12	B.S.Sc. Social Work	9	0	1	5	3	-	*	-	*
13	B.S.Sc. Sociology	9	1	3	5	0	*	35	*	34
14	Social Science (broad-based)	9	0	6	0	3	-	35	-	34
15	B.B.A. Professional Accountancy	6	4	0	0	2	250	-	240	-
16	Insurance, Financial and Actuarial Analysis/Quantitative Finance (broad-based)	6	5	0	0	1	280	-	280	-
17	B.A. English	5	2	1	0	2	*	*	*	*
18	B.B.A. in International Business and Chinese Enterprise	5	2	3	0	0	*	39	*	39
19	B.B.A. Integrated BBA (Global Business Studies)	5	2	3	0	0	*	43	*	43
20	B.Chi.Med. Chinese Medicine	5	0	1	4	0	-	*	-	*

2017-2018 Academic Year Programme Name (CUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	M.B.,Ch.B. Medicine	102	7	60	0	35	280	43	280	42
2	Engineering (broad-based)	80	4	0	70	6	260	-	240	-
3	B.B.A. Integrated BBA	38	11	17	0	10	260	34	220	33
4	B.Nurs. Nursing	33	8	7	17	1	240	34	220	32
5	Science (broad-based)	27	9	2	3	13	260	*	240	*
6	LL.B. Laws	24	8	14	0	2	270	39	240	38
7	B.B.A. Hospitality and Real Estate	15	1	2	6	6	*	*	*	*
8	B.Sc. Public Health	15	2	2	7	4	*	*	*	*
9	B.S.Sc. Architectural Studies	14	5	6	0	3	240	37.5	220	34
10	Social Science (broad-based)	11	5	2	0	4	240	*	240	*
11	B.B.A. Integrated BBA (Global Business Studies)	9	4	5	0	0	280	42	280	41
12	B.Pharm. Pharmacy	9	1	5	0	3	*	40	*	39
13	B.Sc. Biomedical Sciences	9	2	7	0	0	*	40	*	38
14	B.S.Sc. Social Work	8	0	0	7	1	-	-	-	-
15	B.S.Sc. Sociology	8	0	0	6	2	-	-	-	-
16	B.Chi.Med. Chinese Medicine	7	1	2	4	0	*	*	*	*
17	B.S.Sc. Economics	7	1	3	0	3	*	36	*	35
18	B.S.Sc. Government & Public Administration	7	0	1	5	1	-	*	-	*
19	B.S.Sc. Psychology	7	2	4	0	1	*	41.5	*	40
20	B.A. Music	6	0	0	1	5	-	-	-	-

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—The Education University of Hong Kong ("EdUHK")

2013-2014 Academic Year Programme Name (EdUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Education (Honours) (English Language) (Five-year Full-time)	13	1	-	9	3	*	-	*	-
2	Bachelor of Social Sciences (Honours) in Psychology (Four-year Full-time)	5	-	1	3	1	-	*	-	*

2015-2016 Academic Year Programme Name (EdUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Arts (Honours) in Creative Arts and Culture (Four-year Full-time)	15	1	-	13	1	*	-	*	-
2	Bachelor of Social Sciences (Honours) in Global and Environmental Studies (Four-year Full-time)	3	1	-	2	-	*	-	*	-

2016-2017 Academic Year	*Programme Name (EdUHK)*	*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Education (Honours) (Science) (Five-year Full-time)	14	3	-	10	1	170	-	160	-
2	Bachelor of Arts (Honours) in Creative Arts and Culture and Bachelor of Education (Honours) (Visual Arts) (Five-year Full-time) (Co-terminal Double Degree)	12	-	1	10	1	-	*	-	*
3	Bachelor of Education (Honours) (Secondary)— Information and Communication Technology (Five-year Full-time)	9	1	-	8	-	*	-	*	-
4	Bachelor of Education (Honours) (English Language) (Five-year Full-time)	6	2	-	3	1	*	-	*	-
5	Bachelor of Arts (Honours) in Language Studies (Four-year Full-time)	4	1	-	3	-	*	-	*	-

2017-2018 Academic Year Programme Name (EdUHK)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Education (Honours) (Science) (Five-year Full-time)	19	1	-	14	4	*	-	*	-
2	Bachelor of Education (Honours) (Secondary) in Mathematics (Five-year Full-time)	17	2	1	10	4	*	*	*	*
3	Bachelor of Arts (Honours) in Creative Arts and Culture (Four-year Full-time)	14	-	1	7	6	-	*	-	*
4	Bachelor of Education (Honours) (English Language) (Five-year Full-time)	13	2	-	8	3	*	-	*	-
5	Bachelor of Education (Honours) (History) (Five-year Full-time)	8	-	1	6	1	-	*	-	*
6	Bachelor of Arts (Honours) in Special Education (Four-year Full-time)	7	-	1	6	-	-	*	-	*

Notes:

- The above list only includes programmes with local students admitted through the non-JUPAS route primarily based on non-local qualifications. In other words, if a particular programme had only, via the non-JUPAS route, admitted local students on the basis of their local sub-degree qualifications, and without admitting any local students based on non-local qualifications, such programmes are not included in the above list.

- In the academic year of 2014-2015, no student was admitted primarily based on the admission qualification of GCE A-Level and IB.

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—The Hong Kong Polytechnic University ("PolyU")

2013-2014 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Broad Discipline of Language, Culture & Communication	21	1	1	18	1	*	*	*	*
2	BA (Hons) Scheme in Design	19	1	2	14	2	*	*	*	*
3	BSc (Hons) Nursing	17	1	-	14	2	*	-	*	-
4	BBA (Hons) Management	14	-	2	11	1	-	*	-	*
5	BBA (Hons) Accountancy	13	3	1	8	1	240	*	230	*
6	BBA (Hons) Marketing	11	-	2	8	1	-	*	-	*
7	BEng (Hons) Civil Engineering	10	2	-	8	-	*	-	*	-
8	Broad Discipline of Business	9	2	1	2	4	*	*	*	*
9	BSc (Hons) Radiography	9	2	-	6	1	*	-	*	-
10	BSc (Hons) Scheme in Hospitality & Tourism	8	-	2	1	5	-	*	-	*
11	BSc (Hons) Enterprise Engineering with Management	6	1	-	3	2	*	-	*	-
12	BEng (Hons) Building Services Engineering	5	1	1	3	-	*	*	*	*
13	BSc (Hons) Medical Laboratory Science	4	1	-	-	3	*	-	*	-
14	BA (Hons) Social Policy & Administration	3	1	-	2	-	*	-	*	-
15	BSc (Hons) Scheme in Building & Real Estate	2	-	1	1	-	-	*	-	*
16	BSc (Hons) Biomedical Engineering	1	1	-	-	-	*	-	*	-

2014-2015 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	BA (Hons) Scheme in Design	30	1	3	22	4	*	34.0	*	30.0
2	Broad Discipline of Language, Culture & Communication	22	1	1	13	7	*	*	*	*
3	BBA (Hons) Marketing	19	-	2	16	1	-	*	-	*
4	BSC (Hons) Physiotherapy	18	4	1	1	12	270	*	240	*
5	BEng (Hons) Civil Engineering	14	3	-	11	-	260	-	220	-
6	BSc (Hons) Occupational Therapy	14	2	-	4	8	*	-	*	-
7	BA (Hons) Scheme Fashion & Textiles	11	-	1	8	2	-	*	-	*
8	BSc (Hons) Scheme in Hospitality & Tourism	10	5	3	1	1	240	34.0	220	31.0
9	BEng (Hons) Mechanical Engineering	9	4	-	5	-	240	-	230	-
10	BSc (Hons) Mental Health Nursing	10	1	-	8	1	*	-	*	-
11	BSc (Hons) Radiography	7	-	2	2	3	-	*	-	*
12	BSc (Hons) Scheme in Building & Real Estate	7	2	4	1	-	*	33.0	*	29.0
13	BBA (Hons) Accounting and Finance	7	2	-	3	2	*	-	*	-
14	BEng (Hons) Electrical Engineering	7	1	-	6	-	*	-	*	-

2014-2015 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
15	BSc (Hons) Optometry	5	2	-	-	3	*	-	*	-
16	BSc (Hons) Medical Laboratory Science	4	2	-	1	1	*	-	*	-
17	BSc (Hons) Geomatics	4	1	1	2	-	*	*	*	*
18	BEng (Hons) Industrial & Systems Engineering	4	1	-	3	-	*	-	*	-
19	BEng (Hons) Building Services Engineering	2	1	-	1	-	*	-	*	-
20	BSc (Hons) Engineering Physics	1	1	-	-	-	*	-	*	-

2015-2016 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	BA (Hons) Scheme in Design	30	-	5	19	6	-	30.0	-	24.0
2	BSc (Hons) Nursing	28	2	2	23	1	*	*	*	*
3	Broad Discipline of Language, Culture & Communication	19	1	1	11	6	*	*	*	*
4	BSc (Hons) Physiotherapy	18	2	1	-	15	*	*	*	*
5	BA (Hons) Scheme Fashion & Textiles	16	4	-	9	3	250	-	220	-
6	BBA (Hons) Accountancy	15	4	-	11	-	210	-	200	-

2015-2016 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
7	BSc (Hons) Occupational Therapy	14	1	3	-	10	*	36.0	*	34.0
8	BSc (Hons) Radiography	10	4	1	2	3	260	*	240	*
9	BSc (Hons) Scheme in Building & Real Estate	10	2	3	2	3	*	33.0	*	32.0
10	BEng (Hons) Scheme in Integrated Product Development	10	1	-	7	2	*	-	*	-
11	BBA (Hons) Management	9	-	2	6	1	-	*	-	*
12	Broad Discipline of Business	9	3	4	-	2	260	32.0	240	31.0
13	BEng (Hons) Mechanical Engineering	8	-	3	4	1	-	32.0	-	30.0
14	BSc (Hons) App Biology with Biotechnology	6	1	-	5	-	*	-	*	-
15	BSc (Hons) Optometry	5	-	1	1	3	-	*	-	*
16	BBA (Hons) Global Supply Chain Management	4	-	1	1	2	-	*	-	*
17	Broad Discipline of Social Sciences	4	1	-	3	-	*	-	*	-
18	BSc (Hons) Medical Laboratory Science	5	1	-	1	3	*	-	*	-
19	BBA (Hons) International Shipping and Transport Logistics	4	1	-	2	1	*	-	*	-
20	Broad Discipline of Applied Sciences	3	2	-	1	-	*	-	*	-

2016-2017 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	BA (Hons) Scheme in Design	26	3	3	18	2	220	40.0	160	27.0
2	BSc (Hons) Nursing	20	1	3	16	-	*	32.0	*	30.0
3	Broad Discipline of Language, Culture & Communication	17	1	-	13	3	*	-	*	-
4	BBA (Hons) Management	15	-	2	13	-	-	*	-	*
5	BBA (Hons) Accountancy	15	1	1	13	-	*	*	*	*
6	BBA (Hons) Marketing	12	-	2	8	2	-	*	-	*
7	BEng (Hons) Aviation Engineering	12	2	3	6	1	*	32.0	*	31.0
8	BA (Hons) Scheme Fashion & Textiles	12	2	1	9	-	*	*	*	*
9	BSc (Hons) Occupational Therapy	9	1	2	6	-	*	*	*	*
10	BEng (Hons) Civil Engineering	8	3	-	5	-	220	-	220	-
11	BSc (Hons) Scheme in Hospitality & Tourism	8	1	3	-	4	*	32.0	*	32.0
12	BSc (Hons) Physiotherapy	7	-	6	-	1	-	38.0	-	37.0
13	BSc (Hons) Scheme in Building & Real Estate	7	3	2	2	-	240	*	240	*
14	BSc (Hons) Radiography	7	3	2	2	-	240	*	240	*
15	BEng (Hons) Product Engineering with Marketing	6	-	1	5	-	-	*	-	*
16	Broad Discipline of Applied Sciences	5	-	1	4	-	-	*	-	*

2016-2017 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
17	BEng (Hons) Mechanical Engineering	5	1	-	4	-	*	-	*	-
18	BSc (Hons) Geomatics	3	-	2	1	-	-	*	-	*
19	BSc (Hons) Chemical Technology	3	-	1	2	-	-	*	-	*
20	BSc (Hons) Engineering Physics	3	1	-	2	-	*	-	*	-

2017-2018 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	BA (Hons) Scheme in Design	29	2	5	15	7	*	35.0	*	31.0
2	BSc (Hons) Nursing	24	1	2	21	-	*	*	*	*
3	Broad Discipline of Language, Culture & Communication	18	1	-	12	5	*	-	*	-
4	BSc (Hons) Mental Health Nursing	12	1	1	10	-	*	*	*	*
5	BEng (Hons) Scheme in Mechanical Engineering	12	1	1	10	-	*	*	*	*
6	BBA (Hons) Accounting and Finance	11	-	1	8	2	-	*	-	*
7	BEng (Hons) Aviation Engineering	12	-	1	10	1	-	*	-	*
8	BSc (Hons) Occupational Therapy	10	2	2	6	-	*	*	*	*

2017-2018 Academic Year Programme Name (PolyU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
9	BSc (Hons) Radiography	8	2	1	5	-	*	*	*	*
10	BBA (Hons) Marketing	8	-	1	5	2	-	*	-	*
11	BSc (Hons) Physiotherapy	7	2	4	-	1	*	38.0	*	37.0
12	BBA (Hons) Financial Services	6	1	-	5	-	*	-	*	-
13	BEng (Hons) Civil Engineering	5	1	-	4	-	*	-	*	-
14	BSc (Hons) App Biology with Biotechnology	4	-	1	3	-	-	*	-	*
15	BA (Hons) Social Policy & Administration	3	-	3	-	-	-	30.0	-	30.0
16	BSc (Hons) Optometry	3	2	1	-	-	*	*	*	*
17	BEng (Hons) Environmental Engineering & Sustainable Development	2	-	1	1	-	-	*	-	*
18	BSc (Hons) Engineering Physics	1	-	1	-	-	-	*	-	*
19	Broad Discipline of Construction & Environment	2	1	-	-	1	*	-	*	-
20	BA (Hons) Social Work	1	1	-	-	-	*	-	*	-

Note:

- The above list only includes programmes with local students admitted through the non-JUPAS route primarily based on non-local qualifications. In other words, if a particular programme had only, via the non-JUPAS route, admitted local students on the basis of their local sub-degree qualifications, and without admitting any local students based on non-local qualifications, such programmes are not included in the above list.

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—Hong Kong University of Science and Technology ("HKUST")

2013-2014 Academic Year Programme Name (HKUST)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Business and Management	86	5	54	0	27	260	37	240	34
2	Engineering	37	2	19	0	16	*	38	*	34
3	Science	21	1	2	0	18	*	*	*	*
4	BEng Electronic Engineering	20	0	0	20	0	-	-	-	-
5	BSc Chemistry	8	0	0	8	0	-	-	-	-
6	BEng Computer Engineering	7	0	0	7	0	-	-	-	-
7	BEng Industrial Engineering and Engineering Management	7	0	0	7	0	-	-	-	-
8	BEng Mechanical Engineering	7	0	0	7	0	-	-	-	-
9	BSc Global China Studies: Humanities and Social Science	3	0	2	0	1	-	*	-	*
10	BSc Mathematics	3	0	0	3	0	-	-	-	-
11	BSc Physics	3	0	0	3	0	-	-	-	-
12	BEng Civil Engineering	2	0	0	2	0	-	-	-	-
13	BEng Computer Science	2	0	0	2	0	-	-	-	-
14	BSc Environmental Management and Technology	1	0	0	1	0	-	-	-	-
15	BSc Environmental Science	1	0	0	1	0	-	-	-	-

2014-2015 Academic Year Programme Name (HKUST)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Business and Management	85	15	58	0	12	280	37	240	34
2	Science	31	6	8	0	17	280	39	260	35
3	Engineering	31	10	14	0	7	270	37	260	34
4	BEng Electronic Engineering	27	0	0	27	0	-	-	-	-
5	BEng Computer Engineering	7	0	0	7	0	-	-	-	-
6	BEng Civil Engineering	4	0	0	4	0	-	-	-	-
7	BEng Industrial Engineering and Engineering Management	4	0	0	4	0	-	-	-	-
8	BEng Industrial Engineering and Logistics Management	3	0	0	3	0	-	-	-	-
9	BEng Mechanical Engineering	3	0	0	3	0	-	-	-	-
10	BSc Physics	3	0	0	3	0	-	-	-	-
11	BSc Global China Studies: Humanities and Social Science	2	0	2	0	0	-	*	-	*
12	BEng Chemical and Environmental Engineering	1	0	0	1	0	-	-	-	-
13	BEng Computer Science	1	0	0	1	0	-	-	-	-
14	BSc Biological Science	1	0	0	1	0	-	-	-	-
15	BSc Environmental Management and Technology	1	0	0	1	0	-	-	-	-
16	BSc Environmental Science	1	0	0	1	0	-	-	-	-
17	BSc Mathematics	1	0	0	1	0	-	-	-	-

2015-2016 Academic Year Programme Name (HKUST)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Business and Management	91	10	58	5	18	260	38	240	34
2	Engineering	49	9	23	0	17	280	39	260	34
3	BEng Electronic Engineering	35	0	0	35	0	-	-	-	-
4	Science	30	5	11	0	14	280	38	280	35
5	BEng Computer Engineering	29	0	0	29	0	-	-	-	-
6	BEng Computer Science	26	0	0	26	0	-	-	-	-
7	BEng Industrial Engineering and Engineering Management	13	0	0	13	0	-	-	-	-
8	BEng Mechanical Engineering	10	0	0	10	0	-	-	-	-
9	BEng Civil Engineering	6	0	0	6	0	-	-	-	-
10	BEng Industrial Engineering and Logistics Management	6	0	0	6	0	-	-	-	-
11	BSc Physics	5	0	0	5	0	-	-	-	-
12	BSc Global China Studies: Humanities and Social Science	3	1	1	0	1	*	*	*	*
13	BSc Mathematics	3	0	0	3	0	-	-	-	-
14	BSc Environmental Management and Technology	2	0	0	2	0	-	-	-	-
15	BEng Chemical and Biomolecular Engineering	1	0	0	1	0	-	-	-	-
16	BEng Chemical Engineering	1	0	0	1	0	-	-	-	-
17	BSc Biochemistry and Cell Biology	1	0	0	1	0	-	-	-	-
18	BSc Biological Science	1	0	0	1	0	-	-	-	-
19	BSc Biotechnology	1	0	0	1	0	-	-	-	-
20	BSc Chemistry	1	0	0	1	0	-	-	-	-

2016-2017 Academic Year Programme Name (HKUST)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Business and Management	74	9	42	11	12	260	35.5	240	34
2	Engineering	54	11	33	1	9	280	38	260	34
3	Science	27	4	11	3	9	260	40	260	35
4	BBA Management	6	3	2	0	1	280	*	260	*
5	BEng/BSc & BBA Dual Degree Program in Technology and Management	5	1	3	0	1	*	41	*	38
6	BSc Risk Management and Business Intelligence	4	2	0	0	2	*	-	*	-
7	BBA Global Business	3	2	1	0	0	*	*	*	*
8	BSc Biotechnology and Business	3	0	3	0	0	-	39	-	38
9	BSc Environmental Management and Technology	3	0	2	1	0	-	*	-	*
10	BBA Professional Accounting	3	1	2	0	0	*	*	*	*
11	BEng Aerospace Engineering	3	0	0	3	0	-	-	-	-
12	BBA Finance	2	0	1	0	1	-	*	-	*
13	BSc Global China Studies: Humanities and Social Science	2	1	0	0	1	*	-	*	-
14	BEng Chemical and Biomolecular Engineering	2	0	0	2	0	-	-	-	-
15	BEng Chemical and Environmental Engineering	2	0	0	2	0	-	-	-	-
16	BBA Marketing	1	0	1	0	0	-	*	-	*
17	BBA Information Systems	1	0	0	0	1	-	-	-	-
18	BSc Quantitative Finance	1	0	1	0	0	-	*	-	*

2017-2018 Academic Year Programme Name (HKUST)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Business and Management	68	4	36	4	24	260	37	240	34
2	Engineering	66	26	24	0	16	240	36.5	220	34
3	Science	24	2	10	0	12	*	38	*	34
4	BBA Global Business	7	1	4	0	2	*	41.5	*	41
5	BBA Marketing	4	0	4	0	0	-	41	-	39
6	BBA Professional Accounting	4	0	3	0	1	-	38	-	36
7	BEng Chemical and Biomolecular Engineering	4	0	0	4	0	-	-	-	-
8	BEng Chemical Engineering	4	0	0	4	0	-	-	-	-
9	BBA Information Systems	3	0	2	0	1	-	*	-	*
10	BBA Management	3	0	3	0	0	-	37	-	36
11	BSc Mathematics and Economics	3	0	1	0	2	-	*	-	*
12	BEng Aerospace Engineering	2	0	0	2	0	-	-	-	-
13	BBA Economics	1	0	1	0	0	-	*	-	*
14	BSc Biotechnology and Business	1	0	1	0	0	-	*	-	*
15	BSc Economics and Finance	1	0	1	0	0	-	*	-	*
16	BSc Quantitative Social Analysis	1	0	0	0	1	-	-	-	-
17	BBA Finance	1	0	1	0	0	-	*	-	*
18	BSc Global China Studies: Humanities and Social Science	1	0	0	0	1	-	-	-	-
19	BEng Chemical and Environmental Engineering	1	0	0	1	0	-	-	-	-

Notes:

- For Academic Years 2013-2014, 2014-2015 and 2015-2016, HKUST admitted First-Year students mainly to the School-based programmes, namely Science, Engineering, Business and Management, and International Research Enrichment, whereas others, such as sub-degree graduates, were admitted to the major programmes. Depending on the qualifications held and the advanced standing received, students of the major programmes were admitted to First-Year or Senior-Year of the respective programmes. For this reason, less than 20 HKUST programmes had First-Year intakes in the 2013-2014 and 2014-2015 Academic Years.

- Since the 2016-2017 Academic Year, more of the major programmes have directly admitted students to First-Year, e.g. business programmes such as BBA Management, and inter-disciplinary programmes such as BSc Environmental Management and Technology. In the 2016-2017 Academic Year, HKUST made available 20 programme choices to First-Year applicants; 21 programmes were offered in the 2017-2018 Academic Year; there were only four to six School-based programmes from the 2013-2014 to 2015-2016 Academic Year.

Top 20 First-Year-First-Degree Programmes with the Most Number of Local Students admitted through the Non-JUPAS Route—The University of Hong Kong ("HKU")

2013-2014 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Engineering	115	8	3	94	10	Admission statistics are not readily available as it had not been digitalized until after 2013-2014.			
2	Bachelor of Arts	88	14	23	42	9				
3	Bachelor of Nursing	88	2	-	86	-				
4	Bachelor of Business Administration/ Bachelor of Economics and Finance	83	43	28	8	4				
5	Bachelor of Medicine and Bachelor of Surgery	48	24	15	-	9				
6	Bachelor of Science	43	3	18	19	3				
7	Bachelor of Social Sciences	42	14	23	-	5				
8	Bachelor of Laws	18	5	11	-	2				

2013-2014 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
9	Bachelor of Science in Exercise and Health	14	4	8	-	2				
10	Bachelor of Arts in Architectural Studies	13	5	8	-	-				
11	Bachelor of Dental Surgery	13	6	4	-	*3*				
12	Bachelor of Arts and Bachelor of Education in Language Education (English)	12	-	5	7	-				
13	Bachelor of Education & Bachelor of Science	9	-	2	6	1				
14	Bachelor of Science in Surveying	7	6	-	-	1				
15	Bachelor of Science in Actuarial Science	6	2	4	-	-				
16	Bachelor of Business Administration in International Business and Global Management	6	1	4	-	1				
17	Bachelor of Arts and Bachelor of Education in Language Education (Chinese)	6	-	-	6	-				
18	Bachelor of Social Work	5	1	1	3	-				
19	Bachelor of Business Administration (Law)	5	3	2	-	-				
20	Bachelor of Arts in Landscape Studies	5	-	5	-	-				

2014-2015 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Engineering	125	14	4	103	4	260	40.0	240	39.0
2	Bachelor of Nursing	81	-	-	81	-	-	-	-	-
3	Bachelor of Business Administration/ Bachelor of Economics and Finance	72	29	34	1	8	280	37.5	240	35.0
4	Bachelor of Arts	60	4	19	36	1	240	37.0	240	32.0
5	Bachelor of Social Sciences	52	16	20	6	10	260	37.0	240	35.0
6	Bachelor of Science	49	16	8	24	1	260	37.5	260	36.0
7	Bachelor of Medicine and Bachelor of Surgery	49	20	25	-	4	280	43.0	240	42.0
8	Bachelor of Laws	22	3	15	-	4	280	42.0	280	40.0
9	Bachelor of Arts in Architectural Studies	18	9	6	-	3	260	36.0	240	34.0
10	Bachelor of Science in Exercise and Health	14	-	6	3	5	-	35.5	-	33.0
11	Bachelor of Journalism	11	1	9	-	1	*	36.0	*	33.0
12	Bachelor of Arts and Bachelor of Education in Language Education (English)	11	-	3	7	1	-	34.0	-	33.0
13	Bachelor of Science in Actuarial Science	10	6	1	-	3	280	*	280	*
14	Bachelor of Dental Surgery	8	4	3	-	1	280	41.0	280	41.0
15	Bachelor of Business Administration (Information Systems)	8	1	6	1	-	*	37.5	*	34.0

2014-2015 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
16	Bachelor of Arts and Bachelor of Education in Language Education (Chinese)	8	-	1	7	-	-	*	-	*
17	Bachelor of Chinese Medicine	6	1	1	1	3	*	*	*	*
18	Bachelor of Education & Bachelor of Science	5	-	2	3	-	-	*	-	*
19	Bachelor of Social Work	5	-	-	4	1	-	-	-	-
20	Bachelor of Science in Surveying	5	4	-	-	1	250	-	240	-

2015-2016 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Engineering	110	10	10	84	6	280	38.0	240	36.0
2	Bachelor of Business Administration/ Bachelor of Economics and Finance	80	19	46	12	3	280	37.0	240	34.0
3	Bachelor of Nursing	79	-	-	67	12	-	-	-	-
4	Bachelor of Arts	64	5	24	31	4	260	36.0	240	32.0
5	Bachelor of Science	59	6	16	35	2	280	39.0	260	35.0
6	Bachelor of Medicine and Bachelor of Surgery	47	26	14	-	7	280	44.0	280	43.0

2015-2016 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
7	Bachelor of Social Sciences	39	6	29	-	4	260	37.0	260	35.0
8	Bachelor of Laws	20	2	17	-	1	*	42.0	*	40.0
9	Bachelor of Arts in Architectural Studies	17	9	5	-	3	280	41.0	260	32.0
10	Bachelor of Science in Exercise and Health	14	1	8	2	3	*	35.5	*	32.0
11	Bachelor of Dental Surgery	9	4	1	-	4	280	*	280	*
12	Bachelor of Science in Speech and Hearing Sciences	9	5	4	-	-	280	40.0	240	40.0
13	Bachelor of Arts in Landscape Studies	9	-	8	-	1	-	36.0	-	32.0
14	Bachelor of Social Sciences (Government and Laws)	9	1	7	-	1	*	42.0	*	39.0
15	Bachelor of Arts and Bachelor of Education in Language Education (English)	8	-	2	6	-	-	*	-	*
16	Bachelor of Social Work	7	2	-	5	-	*	-	*	-
17	Bachelor of Science in Actuarial Science	7	3	1	-	3	280	*	280	*
18	Bachelor of Pharmacy	7	2	3	-	2	*	41.0	*	40.0
19	Bachelor of Arts and Bachelor of Education in Language Education (Chinese)	7	-	-	7	-	-	-	-	-
20	Bachelor of Business Administration (Information Systems)	5	2	3	-	-	*	39.0	*	39.0

2016-2017 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Engineering	110	16	2	82	10	260	*	240	*
2	Bachelor of Nursing	81	1	-	71	9	*	-	*	-
3	Bachelor of Medicine and Bachelor of Surgery	72	21	25	-	26	280	44.0	280	43.0
4	Bachelor of Business Administration/ Bachelor of Economics and Finance	65	20	30	9	6	260	38.0	240	35.0
5	Bachelor of Arts	54	1	19	28	6	*	36.0	*	32.0
6	Bachelor of Science	50	3	15	27	5	260	37.0	240	35.0
7	Bachelor of Social Sciences	36	7	17	6	6	260	37.0	240	36.0
8	Bachelor of Laws	18	5	13	-	-	280	42.0	260	40.0
9	Bachelor of Dental Surgery	15	3	2	-	10	280	*	260	*
10	Bachelor of Arts in Architectural Studies	14	2	11	-	1	*	37.0	*	34.0
11	Bachelor of Business Administration in International Business and Global Management	11	1	10	-	-	*	42.0	*	40.0
12	Bachelor of Science in Exercise and Health	10	1	4	4	1	*	35.5	*	34.0
13	Bachelor of Science in Speech and Hearing Sciences	10	6	3	-	1	250	38.0	240	38.0
14	Bachelor of Biomedical Sciences	10	4	6	-	-	270	40.0	260	35.0

2016-2017 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
15	Bachelor of Business Administration (Law)	9	-	9	-	-	-	43.0	-	42.0
16	Bachelor of Chinese Medicine	8	1	2	-	5	*	*	*	*
17	Bachelor of Science in Surveying	8	3	5	-	-	280	38.0	240	35.0
18	Bachelor of Pharmacy	8	2	3	-	3	*	43.0	*	38.0
19	Bachelor of Arts and Bachelor of Education in Language Education (Chinese)	6	-	-	6	-	-	-	-	-
20	Bachelor of Science in Actuarial Science	5	1	3	-	1	*	41.0	*	39.0

2017-2018 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
1	Bachelor of Engineering	107	9	-	94	4	280	-	260	-
2	Bachelor of Nursing	86	-	-	71	15	-	-	-	-
3	Bachelor of Arts	64	-	26	38	-	-	35.0	-	32.0
4	Bachelor of Business Administration/ Bachelor of Economics and Finance	63	8	34	18	3	270	37.0	240	33.0
5	Bachelor of Medicine and Bachelor of Surgery	60	28	15	-	17	280	44.0	280	43.0
6	Bachelor of Science	53	5	24	22	2	280	37.5	240	34.0

2017-2018 Academic Year Programme Name (HKU)		*Local Students admitted through Non-JUPAS*					*Scores of Main Qualifications held*			
							Median		*Lowest*	
		Total Intake	*Main Qualifications held*				*GCE A-Level*	*IB*	*GCE A-Level*	*IB*
			GCE A-Level	*IB*	*Sub-Degree*	*Others*				
7	Bachelor of Social Sciences	36	3	19	13	1	260	37.0	240	36.0
8	Bachelor of Laws	27	4	21	-	2	280	42.0	112	40.0
9	Bachelor of Dental Surgery	16	8	5	-	3	280	43.0	280	42.0
10	Bachelor of Arts in Architectural Studies	15	2	13	-	-	*	36.0	*	32.0
11	Bachelor of Biomedical Sciences	14	-	14	-	-	-	39.5	-	35.0
12	Bachelor of Social Work	11	-	-	10	1	-	-	-	-
13	Bachelor of Business Administration in International Business and Global Management	10	1	9	-	-	*	42.0	*	39.0
14	Bachelor of Science in Speech and Hearing Sciences	9	3	4	-	2	240	41.0	240	38.0
15	Bachelor of Business Administration (Law)	8	3	3	-	2	280	43.0	280	42.0
16	Bachelor of Social Sciences (Government and Laws)	8	2	6	-	-	*	42.0	*	41.0
17	Bachelor of Pharmacy	8	2	4	-	2	*	39.5	*	38.0
18	Bachelor of Business Administration (Information Systems)	6	1	1	3	1	*	*	*	*
19	Bachelor of Arts and Bachelor of Education in Language Education (English)	4	-	3	1	-	-	38.0	-	33.0
20	Bachelor of Education & Bachelor of Science	3	1	2	-	-	*	*	*	*

GOVERNMENT BILLS

First Reading and Second Reading of Government Bills

First Reading of Government Bills

DEPUTY PRESIDENT (in Cantonese): Government Bills: First Reading.

EVIDENCE (AMENDMENT) BILL 2018

CONSERVATION OF ANTARCTIC MARINE LIVING RESOURCES BILL

CLERK (in Cantonese): Evidence (Amendment) Bill 2018
Conservation of Antarctic Marine Living Resources Bill.

Bills read the First time and ordered to be set down for Second Reading pursuant to Rule 53(3) of the Rules of Procedure.

Second Reading of Government Bills

DEPUTY PRESIDENT (in Cantonese): Government Bills: Second Reading.

EVIDENCE (AMENDMENT) BILL 2018

SECRETARY FOR JUSTICE (in Cantonese): Deputy President, I move the Second Reading of the Evidence (Amendment) Bill 2018 ("the Bill"). The Bill seeks to reform the common law rule against hearsay evidence in criminal proceedings.

The Bill was formulated on basis of the recommendations presented in the report on "Hearsay in Criminal Proceedings" published by the Law Reform Commission ("LRC") of Hong Kong in November 2009.

The common law rule against hearsay renders hearsay evidence generally inadmissible in criminal proceedings unless that evidence falls within the common law or statutory exceptions to the rule. The hearsay rule seeks to

ensure that the witness's credibility and accuracy can be tested in cross-examination. Despite this rationale, the hearsay rule has been the subject of criticism over the years from academics, practitioners and the bench for its lack of flexibility, complexity and ambiguity in exceptions. We note that proposals for reform have been put forward in every common law jurisdiction, such as England and New Zealand, where the subject has been studied for the purpose of reform.

After consulting various stakeholders, including the Judiciary, legal professional bodies, relevant government Policy Bureaux/departments, faculties of law and other concern groups, as well as the Panel on Administration of Justice and Legal Services of the Legislative Council, we propose to introduce the Bill to implement the recommendations of LRC in full with certain necessary modifications.

The Bill proposes to add a new part to the Evidence Ordinance (Cap. 8), which seeks to provide a statutory procedure for the admission of hearsay evidence. Under the Bill, hearsay evidence is admissible through various ways. Firstly, by agreement of the inter-partes, hearsay evidence is admissible. Moreover, hearsay evidence is admissible where a party intends to adduce such evidence and no party raises opposition to it. In neither of the aforementioned two cases, the party intending to adduce hearsay evidence shall apply to the Court for permission.

The Bill provides for conditions that must be satisfied before the Court may grant permission, including the name of the declarant must be stated; the condition of necessity and the condition of threshold reliability are satisfied in respect of the evidence; and the probative value of the evidence is greater than any prejudicial effect it may have on any party to the proceedings. The Bill also lists the matters the Court must take into account in deciding whether the condition of necessity and the condition of threshold reliability are satisfied. Only under the circumstance that the declarant genuinely fails to provide hearsay evidence by way of giving oral evidence, such as the declarant is dead, that the condition of necessity will be satisfied. The burden of proving that the condition of necessity is satisfied is on the applicant and the standard of proof required is beyond reasonable doubt if the applicant is the prosecution, and on the balance of probabilities if the applicant is the accused. The condition of threshold reliability is satisfied only if there is a reasonable assurance that the evidence is reliable, for example, hearsay evidence is supported by other admissible evidence.

The Bill has a built-in safeguard which provides that the Court must direct the acquittal of the accused if the case against an accused is based wholly or partly on the hearsay evidence admitted with the permission of the Court and if the Court considers that it would be unsafe to convict the accused. The factors the Court must consider include the nature of the proceedings and any prejudice to the accused which may be caused by the admission of the hearsay evidence. The aforementioned built-in safeguard can prevent the occurrence of miscarriage of justice and unsafe conviction. The Bill has struck a balance between the accused's right to a fair trial and other lawful interests.

The Bill preserves eight common law rules relating to hearsay evidence, such as the rule relating to confessions made by the accused and the rule relating to personal reputation. Hearsay evidence may continue to be admitted under those rules.

Should hearsay evidence be admissible by virtue of the Bill, the hearsay evidence relating to the credibility of the declarant and that for the purpose of showing that the declarant has contradicted himself or herself, pursuant to the Bill, are also admissible. Moreover, a previous statement made by a witness in criminal proceedings is admissible for proving the truth of its content if it fulfils the statutory requirements. Multiple hearsay is admissible only if each level of hearsay itself is admissible.

Deputy President, as stated at the beginning of my speech, hearsay evidence has come under numerous criticisms, rendering a reform necessary. The legislative proposal will strike a balance between the accused's right to a fair trial and other lawful interests. Such a reform will also align the development of the hearsay rule in Hong Kong with those in other major common law jurisdictions.

I so submit and implore all Members to support the Bill.

Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Evidence (Amendment) Bill 2018 be read the Second time.

In accordance with the Rules of Procedure, the Second Reading debate is adjourned and the Bill referred to the House Committee.

CONSERVATION OF ANTARCTIC MARINE LIVING RESOURCES BILL

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Deputy President, I move the Second Reading of the Conservation of Antarctic Marine Living Resources Bill ("the Bill"). The Bill seeks to implement the Convention on the Conservation of Antarctic Marine Living Resources ("CCAMLR") in the Hong Kong Special Administrative Region ("HKSAR").

CCAMLR is an international convention for the conservation of Antarctic marine living resources. To protect and utilize marine resources sustainably in joint efforts with the international community, the Central People's Government agreed in principle to extend the application of CCAMLR to HKSAR so that HKSAR can impose regulation on the trading of toothfish and implement measures for the conservation of Antarctic marine living resources.

At the beginning of this year, the Government consulted the trade on the implementation of CCAMLR in Hong Kong and reported the results to the relevant Panel of the Legislative Council. The trade in general supported the implementation of CCAMLR in Hong Kong, considering that the proposal would not cause any burden on their operations. In fact, given the low trading volume of toothfish, we expect that the new regulation will not have any actual implications for the trading of Hong Kong. Environmental groups also welcomed the proposal which will enable HKSAR to make an effort for the protection of Antarctic marine resources.

To implement the requirements of CCAMLR, it is necessary for us to formulate the Bill to provide a legal framework and set out general provisions, including empowering the Secretary for Food and Health to make regulations for implementing the requirements of CCAMLR, as well as determining the functions of the Director of Agriculture, Fisheries and Conservation and the general law enforcement powers of authorized officers.

Subject to the Bill being passed by the Legislative Council, two regulations will be enacted within its scope for the implementation of the Toothfish Catch Documentation Scheme to regulate relevant import and export, as well as

execution of port inspection and control, etc. After the two regulations are passed by the Legislative Council, we will officially request the Central People's Government to carry out the procedure for extending the application of CCAMLR to HKSAR.

Deputy President, I hope Members will support the passage of the Bill. Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Conservation of Antarctic Marine Living Resources Bill be read the Second time.

In accordance with the Rules of Procedure, the Second Reading debate is adjourned and the Bill referred to the House Committee.

Resumption of Second Reading Debate on Government Bill

DEPUTY PRESIDENT (in Cantonese): This Council resumes the Second Reading debate on the Inland Revenue (Amendment) (No. 6) Bill 2017.

INLAND REVENUE (AMENDMENT) (NO. 6) BILL 2017

Resumption of debate on Second Reading which was moved on 10 January 2018

DEPUTY PRESIDENT (in Cantonese): Mr Kenneth LEUNG, Chairman of the Bills Committee on the Bill will first address the Council of the Committee's Report.

MR KENNETH LEUNG: Deputy President, in my capacity as Chairman of the Bills Committee on Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bill"), I wish to report on the work of the Bills Committee. I shall focus on the major issues considered by the Bills Committee.

The main purposes of the Bill are to codify the transfer pricing rules into the Inland Revenue Ordinance (Cap. 112) ("IRO") for the implementation of the international requirements to counter Base Erosion and Profit Shifting ("BEPS"), and to enhance the current provisions for double taxation relief. Under the fundamental transfer pricing rules, intra-group transactions should be taxed on arm's length basis. The profits or losses of an enterprise will be adjusted where the actual provision made or imposed between associated persons departs from the provision which would have been made between independent persons and the actual provision has created a potential advantage in relation to Hong Kong tax.

Members of the Bills Committee and the deputations received by the Bills Committee are in general supportive of Hong Kong's commitment to honouring its international obligations by implementing BEPS package. Some members however have expressed concern about the potential adverse impact arising from implementation of BEPS package on the simple tax system and the business environment of Hong Kong. As Hong Kong adopts a territorial-based tax regime, these members consider that implementation of BEPS package will not help bring about significant and direct economic benefits apart from fulfilling international obligations.

The Administration has advised that at present, the Inland Revenue Department ("IRD") deals with transfer pricing issues based on the general provisions in IRO and its Departmental Interpretation and Practice Notes, and IRD has all along been applying the arm's length principle to transactions between associated persons in accordance with the guidelines of the Organisation for Economic Co-operation and Development ("OECD"). Thus, the proposed codification of the transfer pricing rules into IRO does not involve introduction of any new policy. Besides, it is incumbent upon Hong Kong to put in place a legislative framework for implementing OECD's requirements as soon as practicable. Otherwise, Hong Kong will risk being labelled as a non-cooperative tax jurisdiction by OECD and the European Union, and can be subject to defensive measures in tax or non-tax areas.

The transfer pricing regulatory regime mandates the relevant enterprises in Hong Kong to prepare transfer pricing documentation, namely master file, local file and country-by-country report. Some members and deputations have expressed concerns over the compliance burden arising from the application of the transfer pricing rules to domestic transactions and related documentation requirements. Having considered these views, the Administration will move

amendments to the Bill to waive the requirement to prepare master and local files for domestic transactions between associated persons, and to relax the exemption based on the size of business by raising the thresholds on total revenue and total assets from $200 million each to $400 million and $300 million respectively for the purpose of transfer pricing documentation requirements.

The Bills Committee has noted that the fees payable for application of an advance pricing arrangement includes a service charge of IRD's officers and other expenses related to the application. The Bills Committee has suggested prescribing a fixed fee so as to facilitate taxpayers in deciding whether to apply for the arrangement or not.

The Administration has advised that in line with the current arrangement for advance rulings of tax assessment, the fees chargeable for advance pricing arrangement applications will be calculated according to the established "user pays" and "cost recovery" principles of the Government. Having regard to the Bills Committee's suggestion and to provide taxpayers with greater certainty over the fees to be charged, the Administration will move amendments to the Bill to impose a cap of $500,000 on the amount of IRD's service charge for each advance pricing arrangement application. Other costs and expenses related to the applications, such as the fees payable by the Commissioner of Inland Revenue for independent experts and travelling expenses, will remain to be fully reimbursed by the applicants.

The Bills Committee has sought explanation of the need to introduce specific provisions under the proposed section 15F of IRO to deal with transfer pricing issues relating to intellectual property.

The Administration has explained that the proposed section 15F, which seeks to align taxation of income from intellectual property with value creation and economic ownership, is in line with OECD's latest transfer pricing standards. IRD will make sure that a person will not be subject to double taxation in respect of the same income from an intellectual property. To allow more lead time for taxpayers' preparation, and to facilitate IRD in issuing more guidelines, the Administration will move amendments to the transitional provisions to defer the commencement of the proposed section 15F by 12 months, such that the provision will apply in relation to a year of assessment beginning on or after 1 April 2019.

The Bills Committee has also discussed in detail the application of the proposed section 15BA which seeks to codify the market value principle. The Bills Committee has noted that with this proposed provision, when trading stock is appropriated as capital asset and vice versa, it is necessary to account for the market value upon appropriation so that any change (including diminution or increment) in valuation of trading stock can be recognized. This principle is in line with Hong Kong's jurisprudence and the long-standing tax treatments for trading of assets. The Administration has also confirmed that the proposed section 15BA will not affect the application of the existing provisions in relation to valuation of trading stock on cessation of business.

The Administration has proposed 57 amendments to the Bill, including various textual or technical amendments suggested by the Bills Committee or the deputations to enhance the clarity of the provisions. The Bills Committee has examined and agreed to the Administration's proposed amendments.

The Bills Committee supports the resumption of the Second Reading debate on the Bill, and will not proposed any amendment to the Bill.

The following part of the speech carries my personal comments on the Bill.

MR KENNETH LEUNG (in Cantonese): Deputy President, the Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bill") has set a few records indeed. In the past two days, I have been reading a blog posted by the Secretary for Financial Services and the Treasury commemorating the current Administration's first year in office. In the post which covered different policy areas of financial services, he described the Bill as arcane, a sentiment, I believe, shared by many members of the Bills Committee—including Mr CHAN Chun-ying and Mr CHUNG Kwok-pan.

The Bill, which seeks to codify the rules of the Organisation for Economic Co-operation and Development ("OECD") in respect of Base Erosion and Profit Shifting ("BEPS"), is actually very simple in its purpose. In fact, before the formulation of the Bill, the Inland Revenue Department ("IRD") has already been dealing with transfer pricing issues based on the relevant basic principles set out in the general provisions in the Inland Revenue Ordinance ("IRO") and its Departmental Interpretation and Practice Notes. The question was how to incorporate the principles of OECD into IRO, which resulted in this Blue Bill of some 320 pages. On top of that, the Government has proposed a total of 57

Committee stage amendments ("CSAs") after listening to views from members and deputations. The Bill tops the chart in both length and depth since the enactment of IRO with the most number of amendments among relevant Bills in IRO's history.

The Bills Committee has held nine meetings, receiving views from deputations of the industry and the professional sectors. Apart from those nine meetings, many members have met multiple times with many other stakeholders—including deputations of the business community and the professional sectors—on other occasions. I have also met with government officials several times to discuss their proposed CSAs. I am extremely grateful to members of the Bills Committee for committing so much time and energy to the scrutiny of the Bill.

The basic principles of the Bill are indeed very simple. It seeks to codify, through legislative amendments, the BEPS package into the laws of Hong Kong to prevent multinational enterprises from exploiting the differences in tax rates or taxation rules of different jurisdictions by shifting certain transactions or business activities from a high-tax jurisdiction to a low-tax one. The Bill covers several aspects: first, establishing a transfer pricing regulatory regime; second, providing for an advance pricing arrangement which allows enterprises to make arrangements approved by IRD in advance so that an intra-group transaction could be made at a stable price. The Bill also introduces administrative penalties relating to transfer pricing, requiring transfer pricing documentation, providing for the exchange of information relating to transfer pricing arrangement between Hong Kong and other tax jurisdictions and prescribing a dispute resolution mechanism.

In the course of the Bill's scrutiny, practitioners of many different sectors, including those of business and professional organizations, expressed concerns about the preparation of different transfer pricing documentation under the Bill in the future that would increase their compliance cost. Certainly, the Bill provides exemption from such documentation which, Deputy President, I will detailed in the committee of the whole Council later on. Generally speaking, however, all enterprises will probably be affected by the Bill, albeit in varying degrees.

The so-called compliance cost includes the preparation of transfer pricing documentation such as country-by-country ("CbC") reporting, which affects mostly larger multinational enterprises. Apart from CbC reporting, some

enterprises are required to prepare master files and local files for IRD's inspection. These different types of documentation will add to the compliance cost of enterprises.

Also, some members were worried that the Bill, with its total length exceeding that of the principal IRO, would complicate the tax regime and legislation of Hong Kong. That being the case, why then, Deputy President, are we still seeking the Bill's passage? Because, as Members all know, we do not have much of a choice. While 15 actions plans were outlined by OECD in a document on BEPS released in October 2015, the Special Administrative Region of Hong Kong has chosen to implement only a handful of them deemed as most essential—a point I believe the Secretary will explain later on. And Hong Kong indicated to OECD in June 2016 its commitment to honouring its obligations by codifying the relevant principles into the laws of Hong Kong.

In the world of developed economies, rarely is there an international financial centre or international trade centre like Hong Kong, which does not have full-fledged regulations on transfer pricing. Hence, despite the complexity of the Bill and its potential ramifications big or small to the compliance cost of most enterprises, Deputy President, we must honour this international commitment by passing the Bill so that Hong Kong can fulfil its international obligations and maintain its status as a financial centre in the international business community.

I hope Members present will support the Bill. I so submit, Deputy President.

DEPUTY PRESIDENT (in Cantonese): Does any other Member wish to speak?

MR CHAN CHUN-YING (in Cantonese): Deputy President, in 2016 Hong Kong made an undertaking to the Organisation for Economic Co-operation and Development ("OECD") to counter base erosion and profit sharing activities, so after extensive consultation, the Government hopes to implement through the Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bill") the four minimum standards, namely countering harmful tax practices, preventing treaty abuse, imposing country-by-country reporting requirements and improving the cross-border dispute resolution mechanism.

The Bill is exceptionally complex, containing three parts, nine divisions and 36 clauses. The Chinese version or the English version of it each contains 162 pages, involving many new requirements. Therefore, the Bills Committee, of which I was a member, convened nine meetings in total to discuss them one by one in detail. First of all, I wish to thank the Chairman of the Bills Committee, Mr Kenneth LEUNG, for guiding us in conducting thorough discussions on the relevant clauses. I would also like to take this opportunity to sing praises of the Administration, including the Financial Services and the Treasury Bureau and the Inland Revenue Department ("IRD"). As regards the views of Members, they immediately conducted careful studies and consideration and then proposed a number of enhancement measures. Therefore, I will support the Bill and all of the amendments proposed by the Government.

Deputy President, in fact, despite a lengthy exercise of the so-called preliminary consultation, in the public hearing held by the Bills Committee, 24 deputations presented various views on the Bill. The views of these deputations merit high regard and consideration by the Government. Among them, I am most concerned about whether it is possible to allow a longer time for tax residents of Hong Kong in respect of the submission of country-by-country reports and other instruments to IRD. Moreover, some stakeholders, particularly those from the financial services sectors, are concerned about the corresponding changes to their business operations and financial reporting systems following the implementation of the Authorized OECD Approach. For this reason, they would like to have a longer lead time to prepare for the changes and more guidance from IRD to facilitate their formal compliance with the so-called Authorized OECD Approach.

The Administration eventually agreed to move a series of amendments to the transitional provisions, having considered the views of the Bills Committee and the deputations to further relieve the compliance burden on the business sector, to extend the preparation period for master and local files from six months to nine months after the end of the accounting period of the enterprises concerned so as to tally with the tax return filing deadline. The Administration was also willing to listen to the views of the trade and Members to raise the thresholds on total revenue and total assets for enterprises not required to prepare a master file and a local file, expressly provide for the fee of the advance pricing arrangement, etc.

As regards the exemption based on size of business, I am aware that the Government has proposed many amendments. The final amendment proposed by the Government relaxes the exemption so that enterprises which satisfy any two of the following three conditions will not be required to prepare a master file and a local file. These three conditions are: the total amount of revenue is not more than HK$400 million; the total value of assets is not more than HK$300 million; and the average number of employees is not more than 100. I consider that such conditions, after repeated discussions and revisions are relatively reasonable and can meet the requirements of the international organization while granting appropriate exemption to smaller enterprises in keeping with the policy intent.

Deputy President, the Government has proposed fairly numerous amendments to the Bill. In a positive light, it shows that the Government readily heeds good advice and is willing to accept views and make reasonable adjustments. Yet on the contrary, it can be seen as an inadequacy in preliminary consideration or consultation. Nevertheless, I completely understand that there is no simple answer to striking a balance among the interests of all parties and I can only say that, in dealing with complex Bills which introduce brand new concepts as such in the future, the Government should conduct more in-depth and extensive studies and allow reasonable and lenient deadlines. If the deadlines are reasonable and lenient, on the one hand, the Legislative Council will have ample time for discussion and, on the other, relevant stakeholders will also have enough time to familiarize themselves and comply with the requirements. These are all necessary. I hope all Policy Bureaux can draw on the experience of the scrutiny of the Bill. I tender this remark for mutual encouragement.

I so submit. Thank you, Deputy President.

MR CHUNG KWOK-PAN (in Cantonese): Deputy President, the Chairman of the Bills Committee on Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bill"), Mr Kenneth LEUNG, pointed out just now that the Bill had become very complicated due to the technicalities and not many people were capable of handling it. I believe many people who were listening to the proceedings of this Council might be unable to understand his views and the issues mentioned by him either. Initially, the Government thought that the Bill could be dealt with by holding three meetings but eventually nine meetings in total were held.

I will now try to use a simple method to explain what the Bill is all about. Basically, since Hong Kong has joined some international tax organizations, namely the Organisation for Economic Co-operation and Development ("OECD") and the European Union, its tax legislation on transfer pricing must be revised to meet their requirements.

During the discussions, I thought that the financial industry aside, manufacturing companies were the hardest hit. Why? Because many manufacturing industries, such as the clothing industry, in which I am engaged, set up their headquarters in Hong Kong and production lines in China while operating their import business in the United States or Europe, but these three places have three different tax systems. The tax rate in Hong Kong is certainly the lowest. Hence, under normal circumstances, expenditure in all areas will be incurred in Hong Kong. This explains why Hong Kong enterprises will be likely to be hit the hardest in the end thanks to transfer pricing or tax requirements.

During the discussions, we mentioned that these tax organizations had made numerous requests. The Government would even submit the Bill to the staff of OECD responsible for tax matters for perusal, and the latter would make suggestions, too. If we are to follow their suggestions or allow Hong Kong's tax system to meet the requirements of OECD, then Hong Kong's long-standing stance of maintaining a simple tax system might ultimately be affected because, in order to meet the requirements of others, our legislation must meet the requirements of the international tax laws. Such being the case, I think that Hong Kong's simple tax system will become even more complicated.

Secondly, as pointed out earlier, after joining these tax organizations, Hong Kong has to be responsible. But what benefits will be brought to Hong Kong? According to the reply given by an official from the Inland Revenue Department ("IRD"), Hong Kong will not gain any benefit. On the contrary, why does Hong Kong have to comply with the laws of these international tax organizations? On the one hand, Hong Kong has to be responsible but on the other, it gains no benefit. As such, I think that the Government should conduct a review in future as every country and region should fight for its greatest benefit or good. Does Hong Kong really have to join certain organizations if it has to bear responsibility without gaining any benefit or interest? Is Hong Kong as an international metropolis obliged to join whatever international organization and then tell others that Hong Kong is an international metropolis but actually it has to pay an enormous price?

We have also initially discussed whether Hong Kong should participate in all international affairs. Although it now appears that the Bill pinpoints multinational enterprises, we initially noted that it would also have a significant impact on the small and medium enterprises ("SMEs") in Hong Kong. Why? It was because the threshold was exceptionally low. OECD has actually not requested Hong Kong or other members to set any threshold. Moreover, the threshold set by OECD itself is very high. Deputy President, if my memory has not failed me, according to the threshold set by OECD, only multinational enterprises with a turnover of not less than €700 million are required to file country-by-country ("CbC") reports. According to the requirement of the Special Administrative Region ("SAR") Government, however, companies with a HK$100 million turnover, HK$100 million assets and not more than 100 employees are required to do so.

Insofar as Hong Kong is concerned, the requirement of a HK$100 million turnover is indeed too low. Why can the threshold of our country be set at as high as RMB1 billion? Given that OECD has no basic requirement, we can actually deal with the matter in the light of our own circumstances. Nevertheless, the Hong Kong SAR Government has set the threshold at HK$100 million. I consider the requirement of HK$100 million indeed too low, and the number of enterprises affected is indeed too many. For the vast majority of SMEs, a HK$100 million turnover is an enormous sum; but for people carrying on a trading business, a HK$100 million turnover is not huge business. However, they are required to prepare a different set of documents, CbC reports and local files. How will SMEs in general have such enormous manpower and resources, capacity or knowledge to complete these additional accounting reports? Many accounting and tax organizations consider it inadvisable to do so. Certainly, companies will be punished for failing to do so. Moreover, SMEs normally have no knowledge of the penalties and they will not realize that they have failed the requirement until they are punished. For these reasons, we fight for raising the threshold of turnover from $100 million to $200 million, from $200 million to $300 million, and finally to $400 million. In other words, only enterprises with $300 million in assets and not more than 100 employees will be required to prepare these additional accounting documents.

How many enterprises in Hong Kong will be affected if the turnover is raised to $400 million? According to the information provided by IRD, the number of enterprises expected to be affected is around 1 390. These ill-fated enterprises will be required to prepare additional accounting information for submission upon the request of IRD. In this respect, I really have to praise the

Government for its willingness to heed the views of the Bills Committee by gradually raising the threshold from $100 million to $200 million, from $200 million to $300 million, and eventually from $300 million to $400 million to obviate the need for more enterprises to undertake these cumbersome tasks, not to mention that we do not understand why we should do so and comply with the tax laws as requested by OECD.

I have made enquiries with IRD and the Permanent Secretary for Financial Services and the Treasury about the possible risks or circumstances that would arise should we fail to meet the international requirements or the standards promulgated by OECD. The reply given by them was possibly a mild censure from OECD. When I followed up by asking them what consequences would follow, they indicated that they had no idea. If we have to make so much effort in order to satisfy the demand of OECD but there will be no consequences even if we are censured, then why should we make so much effort? According to a news report published last Monday, the United States Government said that the problem of human trafficking in Hong Kong was so serious that it had reached an unacceptable level. We have lived in Hong Kong for such a long time. Where can we find human trafficking? I am really baffled. These international requirements and regulations of these international organizations might simply be unreasonable. Moreover, they do not understand Hong Kong's actual circumstances. So, when Hong Kong is about to join these international organizations, it must see clearly if this is what Hong Kong needs and whether Hong Kong as an international metropolis is obliged to join.

Lastly, according to the figures provided by IRD, 1 390 enterprises will be affected or required to prepare these accounting documents. We also wish to find out if IRD has adequate manpower with knowledge of such laws to deal with the documents required. After the passage of the Bill, IRD will still be required to tackle a series of internal guidelines. Upon the completion of such work, we request IRD to submit the guidelines to the Legislative Council for scrutiny. Honestly, I do not wish to see IRD working behind closed doors. To ensure the internal work of IRD is reasonable, feasible and acceptable to enterprises in the community, the relevant guidelines must be submitted to this Council for scrutiny.

I so submit. Thank you, Deputy President.

MR ABRAHAM SHEK: Deputy President, I would like to put on record my appreciation and thanks to the Chairman and members of the Committee for accepting my late application for membership of the Bills Committee. I did not realize that the Bill was so difficult and complicated. We have seen many Bills, but this particular Bill is quite interesting. So, I thank you for your toleration.

Deputy President, to eliminate base erosion and profit shifting ("BEPS"), the SAR Government introduced the Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bill") to implement the package of action plans to counter BEPS released by the Organisation for Economic Co-operation and Development ("OECD"). I would like to give my full support to the Bill and all the Committee stage amendments proposed by the Administration since they are all intrinsic and critical in upholding Hong Kong's position as an international financial and trading centre. Not much that one can see that we will be benefited by enacting this particular Bill but as a member of the international organization, this is the least we can do with the least effect on our companies.

In view of the urgent need for the passage of the Bill to meet OECD requirement, I would keep my speech brief today instead of going into details for all we had deliberated during the meetings of the Bills Committee since our Chairman, Mr Kenneth LEUNG, had been most diligent and dedicated. The Chairman of the Bills Committee was attentive and managed to strike the perfect balance—or the ideal balance that we hope to achieve—in meeting the legislative timetable and providing sufficient time and floor space for thorough discussion. Kenneth, this is really a good opportunity proving that the legislature and the executive can work together in production of a Bill which is good for Hong Kong, and if such constructive, productive and cooperative atmosphere could prevail within this Chamber and in other conference rooms, this would benefit Hong Kong.

I would also like to express my gratitude to the Administration and their team members for their patience, responsiveness and, most of all, for their endeavour to implement the OECD requirement and protect the rights of local enterprises.

Nevertheless, I wish to reiterate that the Administration should seek to comply with only the minimum international tax standards, so as to minimize the compliance burden of the business sector and safeguard the free and flexible business environment for the honest and law-abiding private sector in Hong

Kong. I would also like to further acknowledge the attitude and approach of the SAR Government for the legislation of the Bill, particularly in the transfer pricing documentation (including the country-by-country reporting). After receiving the views of local trades and our fellow members, the Administration reasonably relaxes the threshold for the exemption based on the size of businesses. While the average number of employees, as highlighted by my other colleagues, being not more than 100 remains unchanged, the threshold for the total amount of revenue is relaxed to HK$400 million and the threshold for the total value of assets is lifted to HK$300 million. I strongly believe these amendments will relieve the compliance burden on the business sector, particularly for our small and medium enterprises. They will be able to focus their time and human resources on developing their own businesses rather than burying themselves in the preparation of master and local files.

Furthermore, the Administration also extends the preparation period for master and local files from six months to nine months—it should have been a year, but anyway, nine months is good enough—after the end of the accounting period of the enterprises concerned and waives the requirement to prepare master and local files for those domestic transactions between associated persons while the latter has immediately alleviated some of the concerns of my industry—the real estate industry. I truly appreciate that, and it is the best demonstration of sincerity and pragmatism, showing that this amendment is not only helping to restore public confidence in tax systems and level the playing field for businesses through international tax cooperation but also restore the confidence of our private sector that the SAR Government is not just a regulator but also a facilitator and protector for Hong Kong's vibrant and healthy business environment. I hope what you have been doing is a lesson for Carrie LAM, so that when she introduces policies like the vacant property tax, she should really be more mindful of what impact the policy would have on Hong Kong.

Deputy President, as for section 15F which seeks to align taxation of intellectual property income with value creation, as explained by the Administration, it is necessary to introduce section 15F into the Inland Revenue Ordinance as a specific provision to maintain consistency with OECD's transfer pricing guidance relating to intellectual property and no genuine commercial transactions will be affected since Hong Kong's Comprehensive Avoidance of Double Taxation Agreements partners have also adopted a similar approach in their transfer pricing work. Nonetheless, to address the concern of some stakeholders, including my industry—the real estate industry, that the possibility

of double taxation which may arise, the Administration will also introduce Committee stage amendments to defer the commencement of section 15F by 12 months, that is, the provision will apply in relation to a year of assessment beginning on or after 1 April 2019, so as to provide more time for taxpayers' preparation for this area. The Administration has also committed that further clarification will be provided in the Departmental Interpretation and Practice Notes ("DIPNs") of the Inland Revenue Department ("IRD").

Deputy President, I just want to stress one point. IRD repeatedly commits that it will provide not only clarifications for transfer pricing related to intellectual property which I have mentioned just then, but also clarifications for transfer pricing rules and territorial source principle of taxation. Though the Administration has agreed that the draft of updated DIPNs relating to the transfer pricing regulatory regime will be provided to the Panel on Financial Affairs for reference when available, as expected, the updates for DIPNs would be extensive and comprehensive. Since the updated DIPNs would act as a guidance to enhance understanding by the relevant sectors of the transfer pricing regulatory regime, therefore, I urge the Government to continue to consult the stakeholders and the business sectors of Hong Kong during their updating process in order to ensure that the honest businessmen of Hong Kong—who are in the majority—would not contravene the law inadvertently since I am sure no one would want to be caught by the long arm of the law if he or she is less alert and is taken to task for their negligence.

Last but not least, the genuine cooperative and pragmatic approach of this Administration for the legislation of this Bill is definitely an excellent example for others to follow. Besides legislative effectiveness and efficiency, the responsive, constructive and non-bureaucratic approach under the guidance of your secretary for the Bill should be promoted and adopted for future legislation, most particularly the vacancy property tax as I just said earlier, for they never consulted and they just decided arbitrarily, and this, they will have to pay, whereas for this particular Bill, it is setting a good example.

Thank you.

MR HOLDEN CHOW (in Cantonese): Deputy President, an Honourable colleague commented the Bill as incomprehensible, and in fact, this is true. However, I am also grateful for the fact that, on account of taking part in the

scrutiny carried out by the Bills Committee—I admit that I am no taxation expert—I gained quite a lot of knowledge about taxation arrangements. I also wish to make it clear in these opening remarks that in recent years, due to Hong Kong's participation in international taxation organizationss, in order to meet international standards and requirements and to revise our laws in response to their requirements, a series of actions and tasks are being carried out.

In fact, I often make fun of the Financial Services and Treasury Bureau—perhaps Mr Kenneth LEUNG also shares the same feeling—the Amendment Bills No. 1, No. 2, No. 3, No. 4, No. 5 and No. 6 to the Inland Revenue Ordinance were introduced one close on the heels of another, so we can all see that obviously, Hong Kong has undertaken a lot of of work in response to the requirements of international organizations and I also believe that the Financial Services and the Treasury Bureau has made a considerable effort in this regard.

However, I also wish to state it clearly from the outset that I agree with the viewpoints expressed by many Honourable colleagues just now. Of course, we should follow international practice or standards because our city is an international one and we also hope that we can follow international standards but sometimes, it is also necessary to look at our own circumstances. If a heavier burden is imposed on Hong Kong due to the adoption of certain standards and in this case, on small and medium enterprises ("SMEs")—if too much compliance cost is incurred, thus resulting in difficulties in the operation of SMEs—Deputy President, I believe this aspect must be dealt with carefully. I hope the authorities can hear the voices in this regard.

In this Bill, there are several points worthy of mention again. First, on the submission of master files and local files by enterprises, in fact, I remember that in a public hearing, many stakeholders expressed a lot of views within the time span of an afternoon and told the Government in clear terms that the period of six months was most inadequate. At that time, we and the stakeholders attending the public hearing all said that the period should be extended to 12 months because we all understand that the reports prepared by SMEs are not just related to the local situation, rather, it is possible that communication has to be made with the branch offices in other countries and the master file and local file can eventually be completed only after all the information has been collected. In

fact, such a process also takes time and a period of six months is really insufficient. Deputy President, it can be said that the Government is partially amenable to good advice because, as Mr Abraham SHEK said just now, one year's time should have been given. The views that I gathered from stakeholders also hold that one year's time is needed but in the end, the authorities took the middle course and set the period at nine months. This has at least taken on board the views of some people but I personally think that if the views of stakeholders had fully been taken into account, the period should have been extended to 12 months. The time would be more abundant if one year is given.

Another matter is related to transfer pricing. In fact, I have stronger views on this matter. The arrangements of transfer pricing follows the current practice of international organizations. In order to ensure fair transactions, situations making tax evasion possible must by no means be created. There must not be any transactions among associated enterprises that amount to "passing something from the left hand to the right", with a view to ultimately achieving tax evasion. This is what it is about if we put it in simple terms, so as to facilitate understanding by television viewers. The arrangements related to transfer pricing ensure that associated enterprises must not make any tax evasion arrangements that amount to "passing something from the left hand to the right" and it is as simple as that. Usually, at the international level, in such countries as the United States, this kind of transfer pricing can be some related transactions carried out between states, that is, transaction arrangements made among associated enterprises. It is indeed justified to apply such an arrangement to them because there are many states in the United States and the tax regime and laws of each state are different, so there is a greater likelihood of incidents of "passing something from the left hand to the right" occuring, which ultimately results in an arrangement aimed at reducing and evading tax. I agree with this aspect; however, if this is applied to Hong Kong, I really have some reservation.

As regards local assoicated enterprises, in fact, there is only one tax regime without any subcategories in Hong Kong. Just now, it was said that because of the different states, regions and tax rates, it is necessary to ensure that no incidents in respect of transfer pricing will occur and that no incidents of "passing something from the left hand to the right" will occur but with regard to the associated enterprises in Hong Kong, local transactions are purely those between

local SMEs and their associated enterprises, so is it necessary to adopt an arrangement in respect of transfer pricing to monitor them purposely? I think this is somewhat unnecessary. Of course, the Government also heard this view and in the end, the Policy Bureau concerned was amenable to good advice and confirmed and clarified repeatedly in its replies that the arrangements in respect of transfer pricing will not be applied to the associated enterprises of local SMEs, so as to prevent SMEs in Hong Kong from incurring a great deal of compliance cost due to the need to cope with the arrangements related to transfer pricing. Often, it is already no easy task to do business and if one also has to spend so much time on dealing and coping with the monitoring or arrangements related to transfer pricing, I think this would really create a lot of hassle.

No matter what, I am grateful to Honourable colleagues for making a great deal of effort to complete the overall scrutiny by the Bills Committee but I can see that in view of the local situation, the Government has also made some concessions and taken some actions. I wish to stress again that in future, more changes in taxation will have to be made in response to the reqiurements or standards of international taxation organizations. I hope that the Government, while following the principles, can appreciate the difficulties in operation of local SMEs. Introducing too many laws and regulations will increase compliance cost and I think this is not consistent with the overall interests of Hong Kong. I wish to take the opportunity on this occasion to express these views.

Deputy President, I so submit.

DEPUTY PRESIDENT (in Cantonese): Does any other Member wish to speak?

(No Member indicated a wish to speak)

DEPUTY PRESIDENT (in Cantonese): If not, I now call upon the Secretary for Financial Services and the Treasury to reply. Then, the debate will come to a close.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Deputy President, I thank Mr Kenneth LEUNG, Chairman of the Bills Committee on Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bills Committee"), its members and the Legislative Council Secretariat for their industry in convening nine meetings since January this year to facilitate the smooth completion of the scrutiny of the Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bill") and the timely resumption of its Second Reading debate before the end of this legislative session. I also thank the various stakeholders and Members for their valuable views given respectively in the course of the Bill's scrutiny and during the debate just now.

As I mentioned in moving the Second Reading of the Bill, the main purposes of the Bill are to implement the minimum standards of the package against Base Erosion and Profit Shifting ("BEPS") proposed by the Organisation for Economic Co-operation and Development ("OECD") and to codify the rules on transfer pricing into the Inland Revenue Ordinance ("IRO").

In an effort to counter the exploitation of the gaps and mismatches in tax rules of different jurisdictions by multinational enterprises to artificially shift profits to low- or no-tax locations where there is little or no economic activity, OECD released a BEPS package in October 2015, requiring all tax jurisdictions to implement the minimum standards and drawing up a timetable for the relevant review. As those countries or jurisdictions which fail to meet the minimum standards of the BEPS package will risk being labelled as a non-cooperative tax jurisdiction by the European Union or OECD, countries around the world have successively implemented the BEPS package. Following its commitment to OECD in June 2016 to implement the BEPS package made, Hong Kong has pressed ahead with the preparatory work in the last two years.

Hong Kong practises a simple, territorial-based and low tax regime. This is widely recognized as a cornerstone of our long-term success and competitiveness. In implementing the BEPS package, we strive to meet international standards while maintaining our simple low tax regime and minimizing the compliance burden on businesses (particularly on small and medium enterprises). We conducted a consultation exercise in late 2016, which revealed broad support for the proposed implementation strategy.

The Bill will implement two minimum standards set out in the BEPS package, namely, country-by-country ("CbC") reporting requirements and the dispute resolution mechanism. The Bills Committee and stakeholders in general

are supportive of Hong Kong honouring its international tax obligations by implementing such measures. On CbC reporting, we propose that the primary obligation of filing CbC reports be imposed on the ultimate parent entities of multinational enterprise groups that are resident in Hong Kong. Multinational enterprise groups with consolidated group revenue not less than HK$6.8 billion (or £750 million as mandated by OECD) will be required to file CbC reports. The relevant filing arrangement will apply to an accounting period commencing on or after 1 January 2018. We will introduce a voluntary filing arrangement whereby the relevant enterprises would be allowed to voluntarily submit their CbC reports in respect of an accounting period commencing between 1 January 2016 and 31 December 2017 to the Inland Revenue Department ("IRD") for exchange with other jurisdictions. Meanwhile, we propose to put in place a statutory dispute resolution mechanism to replace the current mechanism which relies on administrative rules in the Departmental Interpretation and Practice Notes ("DIPN") of IRD, thereby facilitating the timely and efficient resolution of treaty-related disputes via the mutual agreement procedure or arbitration.

Apart from implementing the minimum standards of the BEPS package, we will codify via the Bill IRD's current principles and guidelines in dealing with transfer pricing issues into IRO. We also take this opportunity to amend IRO so as to align the relevant provisions with the latest international standards promulgated by OECD. I must stress that while it is incumbent upon the Government to ensure the alignment of Hong Kong's regulatory regime with international standards, the exercise does not involve introduction of any new policy. And we have put in place exemption arrangements, both in the Bill and in the amendments to be proposed shortly, to minimize the compliance burden on taxpayers.

(THE PRESIDENT resumed the Chair)

The Bills Committee conducted in-depth and detailed discussions on the Bill. I wish to take this opportunity to respond to several major issues that concern members and stakeholders.

The first issue concerns the application of the transfer pricing rules. Some members and stakeholders call for an outright exclusion of domestic transactions from the scope of the transfer pricing rules in order to reduce the compliance

burden on the business sector. As mentioned before, the Bill seeks to codify IRD's existing practice in dealing with transfer pricing issues into IRO. IRD has all along required taxpayers to apply the arm's length principle to transactions between associated persons, regardless of the size of company, type of transactions and taxes. In practice, IRD will consider the overall Hong Kong tax position of the transactions involved in the application of the transfer pricing rules. Generally speaking, the transfer pricing rules will not be applied to domestic transactions between associated persons which do not give rise to actual tax difference. Having considered the views of Members, I will propose amendments at the Committee stage to clearly reflect this policy intent. After the Bill's passage, IRD will expeditiously update DIPN in relation to the transfer pricing rules for taxpayers' reference.

Moreover, some members and stakeholders are concerned about the implementation of section 50AAK of the Bill in relation to the Authorized OECD Approach ("AOA"). Under AOA, income or loss will be attributed to a permanent establishment of a non-resident enterprise in Hong Kong as if the permanent establishment is a distinct and separate entity. It is an international standard incorporated as part of the Model Tax Convention on Income and on Capital as approved by OECD. We understand that some stakeholders, particularly those from the financial sector whom Mr CHAN Chun-ying mentioned just now, are concerned about the corresponding changes to their business operations and financial reporting systems following the implementation of AOA. They would like to have a longer lead time to prepare for the changes and more guidance from IRD on AOA compliance. In this connection, I will shortly move amendments to defer the implementation of AOA by 12 months, i.e. effective from 1 April 2019 instead. IRD will also promulgate further guidance on the application of AOA.

The Bills Committee also gave valuable views regarding the new rules on transfer pricing documentation. Some members and stakeholders consider the introduction of such a requirement unnecessary as the preparation of master and local files is not part of the minimum standards of the BEPS package. We have stated clearly that the requirement for preparing master and local files is complementary to the transfer pricing regulatory regime and in line with international practice. For enterprises, master files and local files can help explain their transfer pricing policy to IRD and substantiate the arm's length basis of their related party transactions.

We understand that the transfer pricing documentation will result in additional compliance work for some enterprises. We have proposed in the Bill to provide two exemption arrangements—based on size of business as well as nature and value of related transactions—in respect of the requirement for preparing master and local files. The proposed exemption in the Bill is in general similar to those of other tax jurisdictions in the region (e.g. the Mainland and Singapore). Having considered the concerns of the Bills Committee and stakeholders, I will, as Mr CHUNG Kwok-pan and Mr Holden CHOW mentioned just now, propose amendments at the Committee stage later on to further relax some of the thresholds for exemption and waive the requirement for taxpayers to prepare master and local files for those domestic transactions between associated persons.

In addition, the Bills Committee discussed the introduction of transfer pricing provisions in relation to intellectual property income in section 15F of the Bill. We have explained in detail the relevant grounds for doing so to the Bills Committee. This section seeks to reflect OECD's latest transfer pricing guidelines that align taxation of intellectual property income with value creation. IRD will make sure that a person will not be subject to double taxation in respect of the same income from an intellectual property. After passage of the Bill, IRD will provide further clarifications in DIPN. As Mr Abraham SHEK pointed out just now, to allow more lead time for taxpayers' preparation, I will propose amendments at the Committee stage later on to defer the commencement of the section 15F by 12 months, i.e. effective from 1 April 2019 instead.

The Bills Committee also discussed the requirements regarding changes in trading stock as set out in section 15BA of the Bill. Section 15BA seeks to codify into IRO the market value principle as reflected in Hong Kong's jurisprudence and the long-standing tax treatments for trading of assets. I must point out that it does not involve the introduction of new policies by the Government. We understand that some stakeholders, particularly those from the real estate sector, are deeply concerned about the relationship between the proposed section 15BA and the existing section 15C. To allay those concerns, I will later on move amendments to clarify the scope of application of section 15BA and that of the existing provisions of IRO.

Furthermore, a Member mentioned just now the consequences of failing to meet the standards of the BEPS package. Failure to meet the minimum standards of the BEPS package could result in the countries or jurisdictions concerned being identified by OECD and the European Union as non-cooperative

tax jurisdictions and running the risk of being subject to defensive measures in both tax and non-tax areas. The measures include imposition of withholding tax and non-deductibility of cost.

President, the implementation of the minimum standards of OECD's BEPS package and the codification of the transfer pricing rules into IRO is an important development of the tax regime of Hong Kong. We appreciate the concern of the business community and stakeholders about the Bill and thank them for valuable views expressed. We have positively responded to and taken on board the suggestions made by the Bills Committee and stakeholders as we seek to minimize the compliance burden on the business sector and clarify some of the requirements. Of the 57 amendments to be moved shortly by the Government, nearly 60% (i.e. 32 amendments) are proposed in accordance with the suggestions made by the Bills Committee and stakeholders. The rest of the amendments are proposed mainly at the suggestion of OECD and for improvement of the drafting and texts of the relevant provisions, helping to clarify the policy intent of the Bill.

All in all, the implementation of the BEPS package will demonstrate Hong Kong's active participation in international taxation cooperation and its commitment to combating cross-border tax evasion. This is particularly crucial to Hong Kong in preserving our status as an international financial centre. The Bill and its amendments to be proposed shortly have gained the backing of the Bills Committee. I implore Members to support and pass them so that we can implement the BEPS package in a timely manner and fulfil our international tax obligations.

I so submit. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the Inland Revenue (Amendment) (No. 6) Bill 2017 be read the Second time. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Inland Revenue (Amendment) (No. 6) Bill 2017.

Council became committee of the whole Council.

Consideration by Committee of the Whole Council

CHAIRMAN (in Cantonese): Council now becomes committee of the whole Council to consider the Inland Revenue (Amendment) (No. 6) Bill 2017.

INLAND REVENUE (AMENDMENT) (NO. 6) BILL 2017

CHAIRMAN (in Cantonese): Members may refer to the Appendix to the Script for the debate and voting arrangements for the Bill.

I will first deal with the clauses with no amendment.

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the Bill.

CLERK (in Cantonese): Clauses 1, 2, 7, 11, 12, 15, 18 to 31, 35 and 36.

CHAIRMAN (in Cantonese): Does any Member wish to speak?

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the clauses read out by the Clerk stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

CHAIRMAN (in Cantonese): Those against please raise their hands.

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): I now deal with the clauses with amendments and the new clause.

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the Bill.

CLERK (in Cantonese): Clauses 3 to 6, 8, 9, 10, 13, 14, 16, 17, 32, 33 and 34.

CHAIRMAN (in Cantonese): The Secretary for Financial Services and the Treasury will move his amendments to amend the clauses just read out by the Clerk and add new clause 14A to the Bill.

Members may now proceed to a joint debate on the original clauses and the amendments (including the new clause).

I will first call upon the Secretary to speak and move his amendments to the clauses.

Upon the conclusion of the debate, committee of the whole Council will first vote on the Secretary's amendments to the clauses before dealing with the addition of the new clause.

Secretary for Financial Services and the Treasury, you may move your amendments.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Chairman, I move my amendments to amend clauses 3 to 6, 8, 9, 10, 13, 14, 16, 17, 32, 33 and 34, and to add new clause 14A as set out in the Appendix to the Script.

During the scrutiny of the Inland Revenue (Amendment) (No. 6) Bill ("the Bill"), the Bills Committee and relevant stakeholders have made many valuable suggestions. As I mentioned during the resumed Second Reading debate, of the 57 Committee stage amendments ("CSAs") proposed by the Administration, nearly 60%, or 32 of them were proposed in response to the suggestions made by the Bills Committee and stakeholders. I now briefly outline some of the key amendments.

First, in regard to the scope of application of the transfer pricing rules, as stakeholders were concerned about the compliance burden on businesses arising from the application of transfer pricing rules and in light of the current practice of the Inland Revenue Department ("IRD") of considering the overall Hong Kong tax position of the transactions involved in the application of transfer pricing rules, we proposed to amend section 50AAJ of the Bill.

Specifically, this CSA seeks to reflect the policy intent that, insofar as domestic transactions between associated persons do not give rise to actual tax difference and do not have a tax avoidance purpose, the relevant persons will not be obliged to compute the income or loss arising from these transactions on the basis of the arm's length provision in their tax returns and no corresponding assessment on that basis will be made by IRD. In addition, domestic transactions that involve money lending, such as interest-free loans which are not granted in the ordinary course of money lending or intra-group financing business, will not be required to have their tax declared and assessed on the basis of the arm's length provision.

Secondly, we will relax the exemption thresholds in relation to the preparation of master and local files and extend the preparation period. For the purposes of exemption from the preparation of master and local files, we propose to further relax the exemption thresholds on the business size of company by raising the threshold on total revenue from $200 million to $400 million; and the threshold on total value of assets from $200 million to $300 million. We also propose to waive the requirement to prepare local files for domestic transactions between associated persons. In establishing whether an enterprise meets the exemption thresholds based on the nature and value of related party transactions, the domestic transactions concerned will not be taken into account.

After the incorporation of the exemptions and our proposed CSAs into the Bill, we estimate that only about 1 000 enterprises, i.e. less than 2% of the enterprises paying profits tax, will be required to prepare master and local files. We believe the amended exemption thresholds have struck an appropriate balance between the overall effectiveness of transfer pricing documentation requirements and relieving the compliance burden on the business sector.

In addition, having considered that enterprises may need more time for the preparation of master and local files, we also propose to extend the preparation period from six months to nine months after the end of the accounting period of the enterprises concerned so as to tally with the tax return filing deadline.

Thirdly, in regard to the effective date of proposed section 15F and section 50AAK, section 15F of the Bill seeks to align taxation of intellectual property income with value creation; while section 50AAK seeks to apply the Authorised Approach of the Organisation for Economic Co-operation and Development which attributes income or loss to a permanent establishment of a non-resident enterprise in Hong Kong as if the permanent establishment is a distinct and separate entity.

In response to the concerns of stakeholders, we propose to defer the implementation of section 15F and section 50AAK by 12 months, i.e. the sections will apply in relation to a year of assessment beginning on or after 1 April 2019. This will give relevant taxpayers more time to make necessary preparation.

Fourthly, there is a need to clarify the application of section 15BA which seeks to codify under the Inland Revenue Ordinance the market value principle as reflected in Hong Kong's jurisprudence and the long-standing tax treatments for trading of assets. If there is a change of intention of an asset, for instance when a capital asset is converted into a trading stock, in accordance with section 15BA, IRD will require the application of the market value principle when the change occurs. This principle also applies where a trading stock is acquired/disposed of other than in the course of trade. Section 15BA does not apply where there is neither change of intention nor non-trade acquisition or disposal. On the interface between proposed section 15BA and the existing section 15C, we propose a CSA to clarify the scope of application of the two sections. IRD will also provide further elaborations in its Departmental Interpretation and Practice Note after the Bill is passed.

Fifthly, in regard to imposing a cap on the amount of fees in respect of advance pricing arrangement ("APA") applications, the Bill seeks to establish a statutory APA system so that enterprises can reach a mutual agreement with IRD in advance on the application of the arm's length principle to transactions between associated enterprises.

We understand that taxpayers would like to have greater certainty over the fees to be charged by IRD in respect of APA applications. Having regard to stakeholders' suggestion, we propose to impose a cap of $500,000 on the amount of fee to be charged by IRD in respect of APA applications, excluding the costs of engaging external advisers and travelling expenses as such direct costs will be fully reimbursed by APA applicants.

Apart from actively responding to the views of the Bills Committee and stakeholders, we have proposed 25 other CSAs of technical or textual nature. Since these CSAs will not change the substance of the Bill, I will not elaborate on them here.

Chairman, the Bills Committee has examined and supported the CSAs proposed by the Government. I implore Members to support these CSAs. Thank you, Chairman.

Proposed amendments

Clause 3 (See Annex I)

Clause 4 (See Annex I)

Clause 5 (See Annex I)

Clause 6 (See Annex I)

Clause 8 (See Annex I)

Clause 9 (See Annex I)

Clause 10 (See Annex I)

Clause 13 (See Annex I)

Clause 14 (See Annex I)

Clause 16 (See Annex I)

Clause 17 (See Annex I)

Clause 32 (See Annex I)

Clause 33 (See Annex I)

Clause 34 (See Annex I)

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the amendments moved by the Secretary for Financial Services and the Treasury be passed.

CHAIRMAN (in Cantonese): Does any Member wish to speak?

MR KENNETH LEUNG (in Cantonese): As the Chairman of the Bills Committee on Inland Revenue (Amendment) (No. 6) Bill 2017, I support all the Committee stage amendments ("CSAs") proposed by the Administration. If the original Blue Bill of the Inland Revenue (Amendment) (No. 6) Bill 2017 ("the Bill") was tabled to the Legislative Council for Second and Third Readings, I would not support them. As the Secretary has said, 32 out of the 52 CSAs were proposed in response to the views of members of the Bills Committee and stakeholders of the industry and the business sector. These 57 CSAs include technical amendments and amendments recommended by the Organisation for Economic Co-operation and Development ("OECD"). The scope of exemption is also extended in order to facilitate taxpayers and enterprises through simplifying compliance procedures and reducing compliance costs. These CSAs will, of course, not render the Ordinance non-compliant the base erosion and profit shifting ("BEPS") principle of OECD.

Out of the 57 CSAs, I have selected three to four for discussion as I hope the public will not have the impression that these CSAs and the Bill are none of their business. In fact, the Bill will have far-reaching impacts on small and medium enterprises and the business sector.

First, I would like to talk about proposed section 50AAJ. As the Secretary has stated, the scope of the provision, which originally covered transactions of any two associated enterprises, be they overseas or domestic, has been narrowed. The amended section 50AAJ specifies that, insofar as domestic transactions do not give rise to actual tax difference, and provided that such transactions do not have a tax avoidance purpose, then the relevant persons will not be obliged to prove to the Inland Revenue Department ("IRD") that these transactions were computed on basis of the arm's length provision and the applicability of the arm's length provision, so that transactions between domestic companies, especially intra-group money lending, will not be affected by the arm's length principle and become more complicated.

The second CSA that I am going to talk about is not actually an amendment to the Ordinance. It is the addition of the definition of the arm's length provision in the note of Part 8AA. Many professional bodies have relayed to me that the arm's length price actually does not refer to a single price but a series of prices set after weighing all transaction elements or situations of both parties of the transaction. If associated enterprises make transactions at such a series of prices, they are in compliance with the arm's length principle.

The third CSA that I would like to talk about is the relaxation of the documentation requirements mentioned by a number of Members, in particular compliance in respect of master and local files preparation. There are three factors in measuring the size of a business: the total amount of revenue, the total value of assets and the number of employees. In the original Blue Bill, an enterprise which satisfies any two of these conditions will not be required to prepare a master file and a local file: the total amount of revenue being not more than HK$200 million; the total value of assets being not more than HK$200 million; and the number of employees being not more than 100. Members of the Bills Committee have pointed out that these thresholds will affect many micro, small and medium enterprises. After continuous lobbying and negotiations, the Administration agreed to amend Schedule 17I to raise the exemption thresholds on the total amount of revenue to HK$400 million and on the total value of assets to HK$300 million. The preparation period for the files is also extended from six months to nine months after the end of the accounting period in response to a major concern of the business sector.

Another CSA that was questioned is the addition of section 15F regarding intellectual property. If an intellectual property owned by a Hong Kong company was sold to an overseas institution and the Hong Kong company

continues to carry out the functions of development, enhancement, maintenance, protection or exploitation for the intellectual property, it will be taxed on the basis of the contribution in carrying out such functions.

Professional bodies and the business sector have expressed misgivings about the relation between this new requirement and the BEPS principle. After detailed and thorough discussions, it was understood that OECD has called on all countries and jurisdictions to include a provision on intellectual property, such as section 15F, in their legislation on transfer pricing. Of course, many enterprises found this new requirement confusing. IRD has repeatedly assured the Bills Committee that Hong Kong enterprises will not be subject to double taxation because of new section 15F on intellectual property. It has also undertaken to issue Departmental Interpretation and Practice Notes on section 15F. To allow more time for Hong Kong enterprises to prepare for new section 15F, the Administration agreed to defer its commencement by 12 months to 1 April 2019.

Chairman, lastly, I would like to talk about changes made in Part 8AA Division 4 and Schedule 17H. As a matter of fact, the most important part of the Bill concerns advance pricing arrangement ("APA") which allows transactions between associated enterprises to be carried out under the pricing arrangement pre-approved by IRD, so that both parties will not be subject to too many compliance requirements in respect of the pricing arrangement, and thereby, have greater certainty on their tax liability. Of course, a fee based on the cost recovery principle is chargeable by IRD in respect of APA applications. However, the service charges listed in Schedule 17H spent by a Deputy Commissioner, a Chief Assessor and other people are extremely high. A charge of $2,650 per hour spent by a Deputy Commissioner and $1,730 per hour spent by other persons is payable, which imposes a rather uncertain and heavy burden on enterprises.

Having listened to the suggestions of the industry, the Administration agreed to impose a cap of $500,000 on the fees payable in respect of APA. I would like to explain to Members that APA is a voluntary arrangement and enterprises may choose whether or not to apply for APA. Associated enterprises engaging in a transaction may submit documentation to IRD for taxation afterwards. I very much welcome the Administration's proposal to impose this cap which does not include external experts and travelling expenses, etc. I will not elaborate on all 57 CSAs here. All of them are important to making the Bill acceptable to all parties. I hope Members will support these 57 CSAs.

Chairman, I so submit.

CHAIRMAN (in Cantonese): Does any other Member wish to speak?

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): If not, I now call upon the Secretary for Financial Services and the Treasury to speak again.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Chairman, I would like to thank Mr Kenneth LEUNG again for leading the Bills Committee in his capacity as Chairman of the Bills Committee to scrutinize the Inland Revenue (Amendment) (No. 6) Bill 2017 and the various amendments. The relevant amendments have already incorporated the views put forward in the Bills Committee by the majority of stakeholders and Honourable Members so as to minimize the compliance burden on the business sector. While implementing the requirements of international taxation requirements, the Government will continue to maintain a simple low tax regime and to strike a balance in compliance demands.

I so submit. Thank you, Chairman.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendments moved by the Secretary for Financial Services and the Treasury be passed. Will those in favour please raise their hands?

(Members raised their hands)

CHAIRMAN (in Cantonese): Those against please raise their hands.

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the amendments passed.

CLERK (in Cantonese): Clauses 3 to 6, 8, 9, 10, 13, 14, 16, 17, 32, 33 and 34 as amended.

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the clauses as amended just read out by the Clerk stand part of the Bill. Will those in favour please raise their hands?

(Members raised their hands)

CHAIRMAN (in Cantonese): Those against please raise their hands.

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): I now deal with the addition of the new clause.

CLERK (in Cantonese): New clause 14A Section 20 repealed (liability of certain non-resident persons).

CHAIRMAN (in Cantonese): Secretary for Financial Services and the Treasury, you may move the Second Reading of the new clause.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Chairman, I move the Second Reading of new clause 14A.

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That new clause 14A be read the Second time.

CHAIRMAN (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

CHAIRMAN (in Cantonese): Those against please raise their hands.

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): New clause 14A.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Chairman, I move that new clause 14A be added to the Bill.

Proposed addition

New clause 14A (See Annex I)

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That new clause 14A be added to the Bill.

CHAIRMAN (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

CHAIRMAN (in Cantonese): Those against please raise their hands.

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): All the proceedings on the Inland Revenue (Amendment) (No. 6) Bill 2017 have been concluded in committee of the whole Council. Council now resumes.

Council then resumed.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I now report to the Council: That the

Inland Revenue (Amendment) (No. 6) Bill 2017

has been passed by committee of the whole Council with amendments. I move the motion that "This Council adopts the report".

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by the Secretary for Financial Services and the Treasury be passed.

In accordance with the Rules of Procedure, this motion shall be voted on without amendment or debate.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

Third Reading of Government Bill

PRESIDENT (in Cantonese): Government Bill: Third Reading.

INLAND REVENUE (AMENDMENT) (NO. 6) BILL 2017

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I move that the

Inland Revenue (Amendment) (No. 6) Bill 2017

be read the Third time and do pass.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Inland Revenue (Amendment) (No. 6) Bill 2017 be read the Third time and do pass.

Does any Member wish to speak?

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Inland Revenue (Amendment) (No. 6) Bill 2017.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions. Proposed resolution under the Interpretation and General Clauses Ordinance to extend the period for amending the Food Adulteration (Metallic Contamination) (Amendment) Regulation 2018, which was laid on the Table of this Council on 13 June 2018.

I call upon Dr Helena WONG to speak and move the motion.

PROPOSED RESOLUTION UNDER SECTION 34(4) OF THE INTERPRETATION AND GENERAL CLAUSES ORDINANCE

DR HELENA WONG (in Cantonese): President, in my capacity as Deputy Chairman of the Subcommittee on Food Adulteration (Metallic Contamination) (Amendment) Regulation 2018, I move that the motion under my name, as printed on the Agenda, be passed.

At the House Committee meeting on 15 June 2018, Members formed a subcommittee to study the Food Adulteration (Metallic Contamination) (Amendment) Regulation 2018 which was laid on the table of the Legislative Council on 13 June 2018. To allow adequate time to complete its scrutiny work on the subsidiary legislation, the Subcommittee decided that the scrutiny period of the subsidiary legislation be extended. I now move a motion to extend the scrutiny period to the first sitting of the next session of the Legislative Council.

President, I implore Members to support this motion.

Dr Helena WONG moved the following motion:

"RESOLVED that in relation to the Food Adulteration (Metallic Contamination) (Amendment) Regulation 2018, published in the Gazette as Legal Notice No. 113 of 2018, and laid on the table of the Legislative Council on 13 June 2018, the period for amending

subsidiary legislation referred to in section 34(2) of the Interpretation and General Clauses Ordinance (Cap. 1) be extended under section 34(4) of that Ordinance to the first sitting (within the meaning of section 34(6) of that Ordinance) of the next session of the Legislative Council."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Dr Helena WONG be passed.

Does any Member wish to speak?

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Dr Helena WONG be passed. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority respectively of each of the two groups of Members, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections, who are present. I declare the motion passed.

PRESIDENT (in Cantonese): Motion under the Legislative Council (Powers and Privileges) Ordinance.

Members who wish to speak on the motion will please press the "Request to speak" button.

I call upon Ms Claudia MO to speak and move the motion.

MOTION UNDER THE LEGISLATIVE COUNCIL (POWERS AND PRIVILEGES) ORDINANCE

MS CLAUDIA MO (in Cantonese): Regarding the issue of the Shatin to Central Link, may I start to speak now?

PRESIDENT (in Cantonese): Please move your amendment before you start speaking.

MS CLAUDIA MO (in Cantonese): I move that the motion, as printed on the Agenda, be passed

The problems with the Shatin to Central Link ("SCL") are extremely frustrating. At first, when problems at Hung Hom Station were discovered, we remained sceptical, or we gave it the benefit of doubt. Yet, later, more and more problems were discovered. In addition to Hung Hom Station, problems were also found in To Kwa Wan station of SCL, the first station about which I heard there were problems. At the outbreak of the incident, I only had the photo I am now holding. Members may easily recognize from the photo that it is a platform in an MTR station and the two markings on the wall are two places suspected to be problematic. Nonetheless, these are mere words without evidence, and there is neither witness nor real evidence. Besides, the photo can only indicate the locations of the problem and it is not real evidence.

I had been hesitant for over a week, and I could not but resort to the press. Fortunately, the MTR Corporation Limited ("MTRCL") subsequently pointed out clearly that the contractor had admitted the case. Moreover, MTRCL has also admitted that they have no knowledge of the case beforehand and have never heard about this. They merely made enquiries with the contractor after the incident was exposed by the media and the contractor had admitted removing steel bars. Yet, I insist that this is not the end of the To Kwa Wan Station incident. Since the explanation of MTRCL has only provided the photo in my hand, which I think is definitely the explanation given by the contractor to MTRCL, stating that the removal of steel bars only occurred at the three locations marked and involved an area of around 50 sq m.

Regarding this explanation, I have asked the frontline engineering personnel who first made the complaint about the problem at To Kwa Wan Station of SCL. Of course, the complaint is anonymous, yet I know his name. He pointed out that MTRCL was 100% lying. He queried whether the removal of steel bars was restricted to the three locations involving the area each as large as a window, for a layer of steel bars of the entire wall has been removed and certain places have become translucent. Despite that, there is no witness or real evidence proving that. Hence, MTRCL must make painstaking efforts to do whatever it can to raise the confidence of the people of Hong Kong in MTRCL.

Before the aforesaid incident came to an end, I received another complaint. It is a handwritten letter with three photos. Since there is handwriting on the letter, I do not want to present it often. In the letter, the names of the persons involved and the companies involved were listed. I have doubts about those names and I have thus deleted them. I had been hesitant for four days about what to do. I try to be fair and do not want to expose a second case in the midst of criticisms against MTRCL launched by others as if I am taking advantage of the situation.

For this reason, I have asked a number of experts well-versed in engineering projects. The first expert pointed out that a conclusion could hardly be drawn based on the photos alone. Another said that if the walls were really built that way, it is absolutely problematic and not up to standard, and it is unacceptable. Yet, the most significant view comes from the third expert. Why would the view of this expert so important? It is because he is the frontline engineering personnel who revealed the problems at To Kwa Wan Station of SCL in the first place. I showed him the photos provided by the anonymous complainant. In the photos are scenes showing heaps of construction waste and the pouring of concrete into such heaps. It is terrible. Walls built in such a manner will collapse. Different locations are shown in these photos. We can also see that construction waste is being piled up orderly towards the walls. If the waste is used for the construction of walls, it is really scaring. Yet, when I asked the third expert in engineering—I must repeat that he is the one who revealed the case earlier—he did not find the photos shocking, for he had been around To Kwa Wan Station of SCL for some time. When he saw the photos, he considered the scenes in the photos were definitely possible.

I have reasonable doubts about this. Hence, I am obliged to require MTRCL to explain the case upon receiving the complaint. Now, MTRCL has given a brief account of the case, stating that the situation is real, and it has not

said that the photos are forged. Second, MTRCL has admitted that the materials are construction waste, that they were piled in those locations not pending for disposal but will be used as filling for construction works. Third, concrete has been poured over the construction waste. The only discrepancy is that it is not for the construction of walls but for works with small, or no, relationship with the structure. As for the reasons for using construction waste, the one and only reason is that it is environmentally-friendly.

If the account of MTRCL is 100% correct, it means that there is misunderstanding among frontline personnel. In that case, we are worried about MTRCL, for its reputation has been so poor that even its engineering personnel do not trust their own company. They may have noticed some minor problems, yet when they are told that the waste is for wall construction, they believe that is the case. Besides, they consider the case a great problem rather than a small one. If so, it is a big problem. Hence, the Legislative Council should invoke the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") for the Legislative Council to inquire into the problems at To Kwa Wan station.

I insist that the Legislative Council should invoke P&P Ordinance to investigate the To Kwa Wan Station incident, for Carrie LAM has made it crystal clear that the independent commission of inquiry she set up will only investigate the problems with Hung Hom Station of SCL. This morning, she still insisted that the commission would only investigate the Hung Hom station, yet it would as well review the reporting culture of MTRCL. Certain journalists asked whether there is a culture of covering up in MTRCL. Yet, at the press conference, the highest echelon of MTRCL just beat about the bush and pretended that they did not hear the questions. The public all along consider that the problems are covered up in MTRCL from the bottom up. Yet, those senior government officials do not have to take accountability and can simply say that they only learnt of the incidents from newspapers. They are shirking their responsibility from top down.

It is definitely good to review the supervisory system of MTRCL. Yet, should the problems at To Kwa Wan Station be put aside? Regarding the complaints about the works at To Kwa Wan Station, it was initially disclosed by frontline engineering personnel and later proved to be true. The complainant has also pointed out that the problems at To Kwa Wan Station are as serious as, if not more serious than, those discovered at Hung Hom Station. Certainly, some people may say that as the Subcommittee on Matters Relating to Railways will

held a meeting this Friday, which will be attended by Frank CHAN and MTRCL personnel, Members may discuss the issue again at the meeting. Yet, the meeting will only last two hours and each Member will have only three minutes for questions and answers. Worse still, they will likely give repetitive answers and beat about the bush, so the answers will be so vague as to mean no answers at all. Hence, I implore Members to think carefully about this, particularly Members from the pro-establishment camp.

Some may point out that, as I have also mentioned, the second complaint may be a misunderstanding, yet I think this must be clarified. Those photos prove that there are a lot of bags of construction waste. Yet, what is inside the bag? Can they prove that merely reusable concrete waste or crushed rocks are inside the bags? Would thinner have been mixed inadvertently? Would there be rusted iron bars or iron nails? What is inside those bags actually? If frontline personnel of the company consider there is something wrong with the practice and expose the case, there may really be some problems.

I do not know if I will receive information next week claiming that there are problems at Hin Keng Station or Kai Ching Station. No one can tell. Hence, I agree that it is unrealistic for the investigation to cover the entire SCL. As the present investigation which merely covers Hung Hom Station takes six months to complete, if we are to investigate all the stations, I believe the investigation would not be able to complete in 2020 when the current term of the Legislative Council expires and when we retire from office. If the investigation is to cover the entire SCL, and if we want do know the problems at Hin Keng Station, we have no way to know that before any complaint is made. Hence, this approach is unrealistic.

However, for problems we already know, we really need to investigate them. These incidents are not merely about the management culture of MTRCL, it also involves the projects supervision system of the Hong Kong Government as a whole, be it "white elephant" projects, large or small, or even "Dumbo" projects. The Buildings Department, the Highways Department and the Transport and Housing Bureau, what are they doing? In fact, the Government must give a full account of the safety issues involving To Kwa Wan Station. This is particularly necessary, for SCL locates within Hong Kong and it is a railway which the people of Hong Kong will use frequently. The authorities cannot simply say that there are no safety concerns and that it is insignificant, so they will not investigate the case. The wall in question will not collapse today,

nor will it fall next year. Yet, I do not know how things will develop after two to three years or five to seven years. When the engineering personnel insists that the layers of steel bars have been removed to the extent of making the wall translucent, I am really anxious. Hence, I implore Members to support the motion on invoking P&P Ordinance to investigate To Kwa Wan Station of SCL.

Thank you.

Ms Claudia MO moved the following motion:

"That this Council appoints a select committee to inquire into the incident of one of the layers of steel reinforcement bars in a structural wall in To Kwa Wan station of the Shatin to Central Link being shaved thin, and whether the incident involved ineffective monitoring by the Hong Kong Special Administrative Region Government and the MTR Corporation Limited and their deliberate concealment of the construction scandal, and other related matters; and that in the performance of its duties the committee be authorized under section 9(2) of the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) to exercise the powers conferred by section 9(1) of that Ordinance."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Ms Claudia MO be passed.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, railways are the backbone of Hong Kong's public transport system, and about 43% of all daily commuters taking public transport travel by railways. The Shatin to Central Link ("SCL") is a territorial strategic railway project with a total length of 17 km. SCL has 10 stations and consists of two sections which include "Tai Wai to Hung Hom Section" and "Hung Hom to Admiralty Section". The "Tai Wai to Hung Hom Section", after commissioning, will link up with the existing Ma On Shan Line and West Rail Line, providing convenient railway services to passengers who travel between New Territories East and New Territories West. Besides, the "Tai Wai to Hung Hom Section" will provide railway services to a number of districts currently not provided with railway network connection, such as Hin Keng, Kai Tak, Sung Wong Toi and To Kwa Wan. After the commissioning of the "Tai Wai to Hung Hom Section", it is

expected that over 20% of southbound East Rail passengers in the New Territories will switch to the "Tai Wai to Hung Hom Section" when travelling to Kowloon. This will alleviate the burden of the Tai Wai to Kowloon Tong section of East Rail Line and reduce the reliance on road-based public transport which will, in turn, mitigate the problem of traffic congestion on roads.

The SCL project is wholly owned by the Government under the "concession approach". The MTR Corporation Limited ("MTRCL") was entrusted by the Government with the design, construction and commissioning of the SCL project as the project manager, and in line with the recommendations made by Lloyd's Register Rail (Asia) Limited as a consultant in 2008, the Government adopted the "check the checker" role to monitor and verify MTRCL's implementation of the SCL project. The Highways Department ("HyD") has all along worked under a three-tiered monitoring mechanism whereby a monitoring and verification consultant ("M&V consultant") has been commissioned to assist HyD in closely monitoring the work of MTRCL.

The SCL project is still in progress. Upon completion of the works, MTRCL shall submit the required documents and the completion report, including the test report and inspection records, to the Government for examination and confirmation. In addition, HyD, the M&V consultant and the relevant government departments will take part in the inspection for completion of works conducted by MTRCL before the relevant works are handed over to the Government.

Like other railway projects, the Government has been open and transparent in handling the SCL project. Since June 2014, the Government and MTRCL have submitted quarterly Reports on the works progress to the Subcommittee on Matters Relating to Railways of the Legislative Council and attended meetings of the Subcommittee to answer questions from Members. Regarding the problems encountered in the construction of SCL in the past, such as the discovery of archaeological features at Sung Wong Toi Station, delays in the handover of work sites at Wan Chai, failure to remove a pipe pile at the works sites in Wan Chai North, and problems with the tunnelling works to the north of Hung Hom Station, details were presented in our quarterly reports to enable Members and the public to understand the progress of the SCL project and the various challenges faced. Since the commencement of the SCL project, the Government has all along been open and transparent, making public all the facts honestly and impartially. There is absolutely no question of we concealing anything.

The construction of To Kwa Wan Station under the SCL project was carried out under contract 1109 signed between MTRCL and Samsung-Hsin Chong Joint Venture. According to the Entrustment Agreements of the SCL project signed between MTRCL and the Government, MTRCL is required to ensure that the contractors and sub-contractors employed are of a level of qualification which is consistent with those required by MTRCL for implementing ordinary railway projects. In fact, Samsung and Hsin Chong are both Group C contractors on the list of approved contractors for public works of the Development Bureau. They are qualified to tender for the highest works category, that is, contracts of a value exceeding HK$300 million. They may tender for public works contracts in the works categories and groups for which they are approved (for instance, Samsung is in the Roads and Drainage category whereas Hsin Chong is in the Buildings category).

As the project manager, MTRCL shall ensure that the quality of works complies with the requirements of the Entrustment Agreement and the works carried out by the contractors and sub-contractors are in compliance with the standards during construction. Generally, MTRCL is required to report to HyD issues with an impact on the progress of works, the cost of works and safety. Besides, MTRCL is required to report to HyD various incidents, such as those resulting in injuries and arousing concern from the public or the media, in accordance with the seriousness of the incidents. HyD and the M&V consultant visit the sites of SCL regularly. In general, about six to eight works contracts are visited in a month and the works contract of To Kwa Wan Station is visited about once in every three months.

The Government is greatly concerned about the incident concerning the removal of some steel reinforcement bars in the internal wall at a section of the platform of To Kwa Wan Station under the SCL project. Having learnt of the incident on 5 June 2018, HyD requested MTRCL on 5 and 7 June to provide the relevant information of the incident. The Transport and Housing Bureau also required MTRCL to provide details of the incident as soon as possible. HyD wrote to MTRCL on 11 June again expressing dissatisfaction that the incident was not reported to HyD timely. HyD considered it unacceptable that MTRCL could not rectify the relevant problem during its supervision of the works and required MTRCL to submit a report on the incident within a week (i.e. on or before 18 June) with a detailed explanation of the cause of the incident and rectification plan.

MTRCL submitted a report to HyD on 19 June. In the report it is pointed out that the internal wall at the upper platform of To Kwa Wan Station was found to have the problem of bulging due to the concreting process, causing the thickness of the wall to deviate from the standard required by the project. To remedy the bulging, the contractor had to open up the concrete, and the remedial plan did not include the removal of steel reinforcement bars. However, in the course of the remedial works, the contractor failed to strictly comply with the remedial plan and removed steel reinforcement bars in an area totalling about 60 sq m at three locations without approval; nor did the contractor take the initiative to report to MTRCL on it. MTRCL has required the contractor to open up the entire concrete trimmed area of the wall for examination. MTRCL has also provided in the report the preliminary remedial proposal of the contractor and will submit to the Government the final proposal on the rectification works. The remedial process is expected to complete in October.

As regards the structure mentioned by Ms MO earlier, it is not a wall but an arrangement to provide weight to counteract the buoyancy from underground water. Based on the information submitted by MTRCL, we confirm that this handling approach is reasonable, and as Ms MO has said earlier, this set-up to provide weight is filled with inert materials produced in the course of construction, which is an environmentally-friendly arrangement for putting these materials to good use. In general, this design and arrangement are acceptable but we are dissatisfied that MTRCL did not report to HyD in a timely manner.

We understand that the public are gravely concerned about the safety of To Kwa Wan Station. According to MTRCL, the structure of the concrete wall is not affected by the removal of some steel reinforcement bars, and the overall structure of To Kwa Wan Station will not be affected by this incident. The set-up to provide weight mentioned earlier does not involve structural safety. Therefore, the incident does not affect the programme of the entire project. HyD has also agreed to the analyses on structural safety and the progress of the works.

MTRCL has commenced an investigation into whether any of its staff had knowledge of the non-compliant works. During interviews with its staff, MTRCL found that an on-site inspector had noticed some horizontal reinforcement bars being removed in an area adjacent to one staircase but did not report it. MTRCL is very concerned about this omission to report by the inspector and will commence disciplinary processes. We are deeply concerned

about the supervision problems revealed in the report and in particular, the site supervision staff did not take any action against the contractor after noticing the non-compliance and did not report the non-compliance to his supervisor on the site. This has pointed to problems in MTRCL's internal reporting system and as a result, the non-compliance was not rectified immediately and MTRCL was also prevented from making reports to the Government promptly. In fact, MTRCL has failed to make timely reports to the Government on problems of construction works that occurred successively at Hung Hom Station, To Kwa Wan Station and Exhibition Centre Station and this is grossly unacceptable to the Government.

In its report on To Kwa Wan Station submitted to HyD on 19 June, MTRCL has broadly explained the developments of this incident, the circumstances pertaining to the contractor's deviation from the approved drawings in carrying out the works, the affected areas, the supervision problems, the remedial plan, the impact of the incident on the entire project, and so on. The report is also open for public information. The incident is made very clear. MTRCL admitted its inadequacies in the supervision of works. Besides, it is pointed out in the report that the contractor will take responsibilities and carry out rectification works after the areas requiring rectification are confirmed. The incident has no impact on the programme of the SCL project, and the situation is completely different from the incident of Hung Hom Station.

To address a number of recent cases involving faulty construction works and delays in reporting under the SCL project, the Board of MTRCL, at the special meeting on 21 June, requested its Capital Works Committee to conduct a review of the management procedures for all the construction works under SCL. A consultant will be engaged to assist with the review which is expected to complete in three months. MTRCL has also stressed that the Board is greatly concerned about the incidents relating to the construction of SCL and that safety and quality of works have all along been given top priority in all railway projects.

On the part of the Government, HyD set up on 19 June a working group led by the Director of Highways to conduct a review of the monitoring mechanism for SCL and put forward short-term and long-term improvement proposals. The short-term proposals will be completed in phases in about three months and in the meantime, consideration will be given to the long-term measures proposed by the investigation committee upon completion of the investigation.

On the other hand, the Subcommittee on Matters Relating to Railways of the Legislative Council has decided to hold a special meeting on 6 July to discuss issues relating to the construction works of To Kwa Wan Station and Exhibition Centre Station under the SCL project. The Chairman of MTRCL and I will attend the meeting to respond to questions raised by Members on the SCL project. Through this special meeting of the Subcommittee, I believe Members and the public will gain a further understanding of the incident.

President, the Government does not support Ms Claudia MO's motion. The Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") was enacted in 1985. For more than three decades since its enactment, P&P Ordinance has been invoked to set up a select committee for less than 10 times. On each of these occasions, an incident of a very serious nature was involved, such as when there were casualties, major financial losses or conflicts of interests on the part of public servants, and the then Legislative Council considered that P&P Ordinance must be invoked to monitor the Government, summon witnesses effectively and obtain the required information from the relevant persons or organizations, in order to find out all the circumstances surrounding the incident.

We consider that any incident involving safety, such as this incident concerning the removal of steel reinforcement bars in a structural wall at To Kwa Wan Station, must be accorded great importance. Having said that, we do not agree to invoking P&P Ordinance to set up a select committee to inquire into this incident for the following reasons:

First, unlike the reported case of Hung Hom Station where steel reinforcement bars at the platform had been cut, we have quite a thorough understanding of what happened in the incident concerning To Kwa Wan Station. MTRCL, the contractor and the sub-contractors have no dispute over the facts, and the contractor and the sub-contractors have agreed to bear responsibilities and the rectification costs to be incurred. After confirmation of the affected areas by MTRCL, remedial works will be carried out and completed in a short time. The incident has no impact on the programme of the construction works under the SCL project.

Second, the performance of MTRCL in the management and supervision of the works is disappointing. While MTRCL has submitted a report on the incident, HyD, after examining the report, has raised questions on some technical parts in it and requested MTRCL to provide additional information in order to clarify the cause of the incident and identify inadequacies to prevent the

recurrence of similar incidents. The Government will continuously follow up on the areas requiring improvement, so as to improve the quality of our railway projects and restore public confidence. Given the technicalities involved, we strongly believe it is more suitable for HyD to follow up the improvement measures and report the results of its investigation to the Subcommittee on Matters Relating to Railways of the Legislative Council.

Third, regarding the systems, in response to the reported incident of the cutting of steel reinforcement bars at the platform of Hung Hom Station under the SCL project, the Chief Executive announced on 12 June the establishment of a Commission of Inquiry chaired by Judge Michael John HARTMANN under the Commissions of Inquiry Ordinance (Cap. 86). Apart from conducting an independent and comprehensive investigation into the incident, the Commission will also make recommendations for the improvement of supervision and enhancement of the reporting mechanism. I believe these recommendations will cover not only the construction works of Hung Hom Station, but also other stations of SCL, such as To Kwa Wan Station, and even the development of new railway projects in future. As the Chief Executive stated clearly in the Legislative Council this morning, the scope of investigation will cover a review of issues relating to project management, supervision, quality assurance, quality control of MTRCL as a whole and also a further examination of the monitoring and regulatory mechanisms of the Government. This shows that the Government has clearly considered the views of Members. Under the Commissions of Inquiry Ordinance, the composition and terms of reference of the Commission of Inquiry is decided by the Chief Executive in Council. After the Chief Executive in Council made a decision, the Government will announce the details of the Commission of Inquiry as soon as possible.

Fourth, the Subcommittee on Matters Relating to Railways of the Legislative Council has decided to hold a special meeting on 6 July to discuss issues relating to the construction works of To Kwa Wan Station and Exhibition Centre Station under the SCL project. At the invitation of the Subcommittee, the Chairman and senior management of MTRCL and I will attend the meeting to respond to questions from Members.

Fifth, in the Entrustment Agreement of the SCL project, MTRCL warrants that entrustment activities shall be carried out with the skill and care reasonably expected of a professional and competent project manager. In the event of a breach by MTRCL of any of its warranties, the Government will have the right to make a claim against MTRCL. Insofar as this incident is concerned, if

negligence on the part of MTRCL is established to be a cause of the incident in future investigation, the Government will claim compensation from MTRCL for the losses incurred in the incident by, among others, deducting MTRCL's project management cost.

Sixth, with regard to the respective performance of the contractor and the sub-contractors, we will refer these cases to the Development Bureau for it to take appropriate regulatory actions according to the code of practice for approved contractors for public works.

Seventh, concerning problems in the supervision of works, MTRCL admitted that an inspector had noticed the removal of steel reinforcement bars but did not report it. MTRCL has undertaken to conduct a review of its site supervision and commence disciplinary processes against the staff who breached the internal procedures.

Eighth, if a select committee is established under P&P Ordinance to inquire into the incident, the government officials and staff of MTRCL responsible for this project, the contractor, the consultants, etc, would be required not only to provide support to the investigation committee but also respond to the inquiry of the Legislative Council. This will inevitably produce a serious impact on the progress of the remaining works of the SCL project and this may not be what members of the public would wish to see.

Given the multi-dimensional investigations by the independent Commission of Inquiry, the Subcommittee on Matters Relating to Railways and the investigation group led by the Director of Highways, we believe the problems will be resolved satisfactorily and the crux of the problems will be clearly set before the eyes of the general public. For these reasons, the Government does not see the need for the Legislative Council to set up a select committee under P&P Ordinance to inquire into the incident of To Kwa Wan Station.

With these remarks, President, I appeal to Members to vote against the motion. Thank you.

PRESIDENT (in Cantonese): Does any Member wish to speak?

DR HELENA WONG (in Cantonese): President, I rise to speak in support of the motion moved by Ms Claudia MO to enable this Council to appoint a select committee to inquire into the incident of one of the layers of steel reinforcement bars in a structural wall in To Kwa Wan Station of the Shatin to Central Link ("SCL") being removed. Having listened to the Secretary's speech just now, I find him utterly shameless that he actually asked us not to conduct an inquiry, while he himself is so uncertain. It will truly be a serious problem if we only rely on the Government to conduct an inquiry.

President, last week we also discussed whether or not to invoke the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to form a select committee to inquire into the incident of the alleged substandard construction works carried out at the new platforms of Hung Hom Station of SCL. At the time, Members from the pro-establishment camp all listened to the Secretary and said they would not allow the Legislative Council to conduct an inquiry and that the Government would do so. Carrie LAM visited the Legislative Council this morning to attend the Chief Executive's Question Time. In fact, even Members from the pro-establishment camp have started to feel they cannot stand the Government and asked Carrie LAM if she would consider extending the terms of reference of the independent Commission of Inquiry set up by the Government to, in addition to an inquiry into the incident of steel reinforcement bars in Hung Hom Station of SCL being cut short, also inquire into the incident of a layer of steel reinforcement bars in To Kwa Wan Station being removed.

How did Carrie LAM answer? Actually she did not answer Dr CHIANG Lai-wan's question. As regards her willingness to extend the terms of reference of the independent Commission of Inquiry, I believe she is against it. Her answer was nothing but "hypocritical rhetoric" uttered to deceive us. She said the independent Commission of Inquiry can, using the inquiry into the problems in the works of Hung Hom Station as an entry point, delve into the reasons for the blunders committed by the MTR Corporation Limited ("MTRCL") in supervising its contractors and by the Government in monitoring MTRCL. What does "taking the inquiry into the problems in the works of Hung Hom Station as an entry point" mean? I do not understand it. Enter horizontally or vertically? How deep should such entry be made? Or is it just a gentle touch? Such ways of "entry" are very different from one another. Does Carrie LAM think that everything will be solved by the independent Commission of Inquiry?

Honourable colleagues, it has been almost three years since the lead in drinking water incident. The Democratic Party had injected a lot of resources to assisting the Government in conducting the inquiry into the incident of excessive lead content in drinking water in public housing. However, as regards the problems in SCL stations that have arisen successively, now the Government has set up an independent Commission of Inquiry to inquire into the problems in Hung Hom Station. Will it solve the problems in the works of To Kwa Wan Station of SCL altogether? I can say this to her, "Carrie LAM, you are a liar!" In respect of the previous inquiry into the incident of excessive lead content in drinking water in public housing, the scope of inquiry was very narrow, namely to investigate the reasons for excessive lead in drinking water in public housing. Accordingly, if the Government now says it is to inquire into the works problems in Hung Hom Station, the chairman of the Commission of Inquiry can, in fact, only inquire into the works problems in Hung Hom Station and matters relating to MTRCL's supervision. Discussion on the problems in To Kwa Wan Station will be outside the terms of reference of the Commission of Inquiry. Does Carrie LAM know that the independent Commission of Inquiry she herself appointed will only conduct the inquiry as per the terms of reference set down by her? The terms of reference now announced are to inquire into the problems of reinforcement bars in Hung Hom Station being cut short; there is no mention of it being taken as an entry point to inquire into problems in the works of other stations. Are we just having wishful thinking and daydreaming, or the Government is deceiving us and Carrie LAM is lying to us?

If Carrie LAM does have the intention to identify inadequacies, she should then advise Secretary Frank CHAN to stop covering up and gracefully dish out all information so as to investigate the matters until the truth is uncovered, otherwise how can SCL start operating? It is impossible to start the commissioning of SCL. If she cannot make people feel 200% assured, they would worry that the railway will suddenly flip during operation or the station will collapse due to the reinforcement bars in the walls having been removed. Then what should they do? Perhaps the Secretary should go back and figure out together with Carrie LAM how to solve this issue—though I know that he really wants to get himself off the hook. He first joined the Government only wanting to deal with housing affairs, but then he had to deal with such issues as the Express Rail Link and the co-location arrangement. And now he even has to deal with the problems in the construction works of SCL, which have given him many headaches. As the Secretary is wearing many different hats, let the Legislative Council help him carry out the inquiry. Why did he urge Members to vote against the motion?

In my view, either he is just ludicrous and his actions very shameless, or he simply fails to fathom the good intentions of Ms Claudia MO and Members from the pro-democracy camp. As far as this matter is concerned, there is no so-called "entry point", how "deep" should such "entry" be made? It must be clearly stated in the terms of reference.

The same applies to the independent Commission of Inquiry previously set up to inquire into the lead in drinking water incident. We asked if the inquiry would also cover whether similar problems were found in private residential buildings, estates under the Home Ownership Scheme and Government subsidized housing. The Commission of Inquiry said it was outside its terms of reference and such an inquiry could not be done. Next, we asked whether equipment such as water pipes, meters, vales and pumps would be checked as well for release of lead. The Commission of Inquiry again stated that it was also outside its terms of reference, which were to investigate "the causes of excess lead found in drinking water in public rental housing developments". Therefore, even if water pipes released lead, the Commission would not inquire into it; and if water meters, valves and pump released lead, the Commission would not inquire into it neither. Because such were not the causes of excess lead found in drinking water in those 13 "lead-in-water" housing estates, it would then not make any inquiry. Why do we need to invoke P&P Ordinance to inquire into the works problems in To Kwa Wan Station? This is the very reason.

Therefore, unless Carrie LAM says the Government would set up an independent Commission of Inquiry concerning the matter that one of the layers of steel reinforcement bars in a structural wall in To Kwa Wan Station was removed, and undertake to extend its terms of reference to include at least the inquiry into the problems in other SCL stations which have now been discovered, we may then consider if there is a need for setting up a select committee in the Legislative Council. Of course, we think that the Legislative Council still needs to conduct an independent inquiry. Why? In the Chief Executive's Question Time today, we heard Chief Executive Carrie LAM say that fortunately another person has now been identified to join the Commission of Inquiry. She added that it was difficult and time-consuming to find the second member, because it was really no easy feat to find an engineering professional who has not been involved at all in any Hong Kong projects and not engaged as a relevant project consultant. To date, she has only found a Judge and another person whose identity is yet to be made known. Back then, she set up a three-man Commission of Inquiry for the lead in drinking water incident. In comparison,

now as regards the incident of reinforcement bars in MTR Hung Hom Station of SCL being cut short, she only appointed two persons, one of whom is a Judge and the other an engineering professional, while commenting that it was already very difficult. Among the two persons, who will assume the leading role? Who will be the legal representative to ask questions? It will be a big problem if the Commission of Inquiry only consists of two persons. On the lead in drinking water incident, the Government appointed three members to the Commission of Inquiry. The Democratic Party had to raise funds to financially assist the victims of the incident in hiring lawyers to represent them at the meetings of the Commission and ask questions. Now, regarding the works problems in Hung Hom Station, it will truly be a huge problem if we rely on the Government to find two members, one of whom to be the chairman and the other to be subordinate to the chairman.

Why can the Legislative Council not conduct an inquiry? In the Legislative Council, there are so many Members from different professional sectors, as well as Members returned by direct elections of geographical constituencies. Many of us have not been engaged as such kind of project consultants and have no intricate relations with MTRCL—except Mr Abraham SHEK—don't we? We have no vested interest. The only interest is that we do not want accidents to happen when riding on MTR. I pray every day that MTR is safe—it is our sole interest, i.e. public interest. Why are we, Members who actually ride on MTR, have no vested interest and definitely will not harbour MTRCL, not allowed to participate in the inquiry? As the Secretary has been working so hard, why does the Government not let us help him? Though the President will not join the select committee, there are nearly 70 Members. Having so many hands, brains and mouths, we can assist the Secretary in finding out clearly from Samsung-Hsin Chong Joint Venture ("Samsung-Hsin Chong") what actually happened.

Why is the Secretary afraid of the inquiry? Unless the Secretary tells us that Samsung-Hsin Chong and he are brothers and that he has interests involved in it—but if the Secretary says, "no, I, Frank CHAN, am honest and have a clean conscience", then he should let the Legislative Council conduct an inquiry. He has mentioned seven salient points in his speech just now, but I really could not see any rationale among them. Therefore, President, I consider the investigative role of the Legislative Council irreplaceable. Carrie LAM said it was difficult to find the right persons to conduct the inquiry, then now we are here to assist her in doing so. The Government can start from Hung Hom Station and leave To Kwa

Wan Station to us, for example, Mr LAM Cheuk-ting, Dr Helena WONG, Ms Claudia MO and even Mr Tony TSE. We are all happy to lend her a helping hand.

President, we heard the Secretary say that the incident in Hung Hom Station is slightly different from the one in To Kwa Wan Station. As they are different, there should be no hindrance to our inquiry because, after all, the problems in To Kwa Wan Station are blunders of construction works, which possibly involve public safety. Moreover, the building contractors of the two stations are not the same: the contractor of the works of Hung Hom Station is Leighton Contractors (Asia) Limited and that of To Kwa Wan Station is Samsung-Hsin Chong. Yet the two share one common point: they have both tightly covered up the works problems and bound the employees of their subsidiary companies to confidentiality with confidentiality agreements such that they are disallowed to cooperate with MTRCL and the Secretary. They would not tell the truth because their bosses ordered them not to say anything. If employees of the contractors are uncooperative, how can the inquiry be carried out? Besides, the terms of reference of the independent Commission of Inquiry set up by the Government do not include the problems in To Kwa Wan Station and also make no mention of the so-called "entry point"—based on my understanding of the work of previous Commissions of Inquiry. Only when employees of the contractors can willingly come forward, without worries about the so-called confidentiality agreements, and dare to tell to truth, while the contractors also would not stop their employees from telling the truth, that can we gain knowledge of happenings and then have the opportunity to plug those loopholes. Therefore, we must invoke P&P Ordinance to inquire into the problems in To Kwa Wan Station.

In the press release of MTRCL, Honourable colleagues may have taken note that Samsung-Hsin Chong is the contractor of the SCL project construction contract no. 1109 for SCL Sung Wong Toi and To Kwa Wan Stations and Tunnels. When we invoke P&P Ordinance to inquire into the problems in To Kwa Station, we can truly "enter" the works of Sung Wong Toi Station because the works of both stations are performed by the same contractor. Hence, the Government does its inquiry while we do ours in the Legislative Council. We divide the work so that the inquiry can be carried out as much as possible during the summer recess of the Council. The Government must present the truth to rebuild people's confidence in MTRCL and itself. Such confidence cannot be bought with money. To unveal the matters clearly under the sun is the decision made only by a responsible government.

President, last week during the discussion on the setting up of a select committee for the works problems in Hung Hom Station, Members from the pro-establishment camp might have come under pressure from the Government and did not dare to vote in favour of it. Some Members also mentioned that the incident could be passed to the Commission of Inquiry set up by the Government for inquiry. However, now gradually Members from the pro-establishment camp have voiced their requests for the Commission of Inquiry also making an inquiry into the problems in To Kwa Wan Station. Nevertheless, the Government only wants to cajole us into sitting on the matters. I think it cannot be so. The Carrie LAM Administration or Members from the pro-establishment camp often talk about doing something for people's livelihood, and SCL is the biggest livelihood issue. We have spent so much money building this railway, which is a major means of transport for people. If any problem arises in the course of such a project, no one is able to bear the consequences and responsibilities. Can the pro-establishment camp live up to the expectations of the people they represent?

Therefore, here I urge the Secretary, the Government and Members from the pro-establishment camp to turn over a new leaf. Recently, I seem to have heard Mr Michael TIEN also say that it is truly not at all appropriate to only inquire into the problems in Hung Hom Station. What about To Kwa Wan Station? Will Members from the pro-establishment camp accept Carrie LAM's remark that the inquiry into the problems in Hung Hom Station can serve as an "entry point"? I really hope to, together with all people, monitor Members from the pro-establishment camp and the Government. The Democratic Party will spare no effort in supporting the Legislative Council in conducting an inquiry into the problems of the SCL project in accordance with P&P Ordinance so as to uncover the truth for people. Thank you.

MR LAM CHEUK-TING (in Cantonese): President, I rise to speak in support of Ms Claudia MO who proposed that the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") be invoked to inquire into the incident of steel reinforcement bars in a structural wall in To Kwa Wan Station being removed.

President, allow me to start by responding to the last reason given by the Secretary for Transport and Housing, Mr Frank CHAN, for opposing an investigation by the Legislative Council earlier on. The Secretary said that if the

Legislative Council should set up a select committee under P&P Ordinance to inquire into the incident, the contractor and the Administration would have to send people to provide support to the inquiry and this would inevitably cause a serious impact on the progress of the works.

President, if it is necessary for the executive to come to the Legislative Council to give an account of an incident involving such significant public interests, could it be a waste of time? Is it something that "wastes time" as the Chief Executive has put it? Now that there are problems in the implementation of the project, whose responsibility is it? Is it that the Legislative Council is always asking them to come to attend meetings and give explanations? Or is it that he, being the Secretary for Transport and Housing, has failed to properly monitor the MTR Corporation Limited ("MTRCL") and he, being a member of the Board of MTRCL, has not properly performed his monitoring role? This has made it possible for MTRCL to allow the contractor and sub-contractors to act rashly by deviating from the approved drawings, repeatedly making falsifications in the course of works, and worse still, concealing the incident for the purpose of cheating. Frank CHAN must make clear whose responsibility it is. If the Legislative Council invokes P&P Ordinance to conduct an inquiry and if he has to come to the Legislative Council to give an explanation, will that render the progress of works affected? What is wrong with him? If it is said that the past discovery of some archaeological remains or wartime bombs at certain places has somehow affected the progress of works, we can understand it, and the engineering staff should not be held responsible for it; nor does it have anything to do with supervision. However, in this incident, it is obvious that MTRCL, the contractor and the Government have their respective responsibilities and roles. When the Legislative Council, being an organ responsible for monitoring the Government, asks him to come to the Legislative Council to provide support to an inquiry, he dare say that this would affect the progress of the works? What is wrong with him?

President, there is an old saying that goes like this: "Trimming the toes to suit the shoes". Now it is "trimming the bars to suit the wall", as steel reinforcement bars were removed to meet the thickness requirement for the wall. This incident has shaved not only the steel reinforcement bars but also the confidence of Hong Kong citizens in the conduct of the professionals. It has also shaved the public confidence in MTRCL and even the Government. Of course, this incident of removal of steel reinforcement bars is only one of the many scandals of the entire Shatin to Central Link ("SCL") project. Last week

we discussed the incident of the cutting of steel reinforcement bars at Hung Hom Station, and we have also learnt of the problems in the construction works of the Exhibition Centre Station. All of these problems show that the entire supervisory system has collapsed. Regarding the problem found at To Kwa Wan Station, the Legislative Council now wishes to invoke P&P Ordinance to conduct an inquiry. Secretary Frank CHAN said that this is not necessary, that the relevant information has actually been explained clearly and that there is no dispute over the facts. Secretary, is that the case? Sorry, has he read the relevant information? The contractor involved in the construction of To Kwa Wan Station, namely, Samsung-Hsin Chong Joint Venture, had outrageously rejected a meeting between the staff of its subsidiary and MTRCL, refusing to provide support to the investigation. Does it mean that the facts have been fully disclosed? So far, we still do not know who had the guts to trim the wall by removing the steel reinforcement bars. Who is the chief culprit? No idea. The Secretary nevertheless said that this is not the case, that the picture is becoming clear and that the facts are made known and so, it would be unnecessary for the Legislative Council to further ask questions and conduct an inquiry. Is that the case? Is it that with our ears and eyes shut, everything will be fine, this world will be bright and beautiful, Snow White and the Prince will live happily ever after, MTRCL will operate smoothly in the days to come, no platform will collapse, the problematic wall will not slant, and the concrete will not come off? Is that true?

Secretary Frank CHAN has such long years of experience in the engineering sector. He also has rich experience in the Electrical and Mechanical Services Department and various fields of public service. The report compiled by MTRCL now contains information collected only by MTRCL itself. Is everything said by MTRCL true? Sorry, from what MTRCL has said recently, we can see that it is not true in many cases. For example, concerning the question of when the problem at To Kwa Wan Station was first discovered, MTRCL said at one time that it was December 2015 but then it said at another time that it was July to August. In fact, they said different things at different times, offering many different versions of the story and contradicting themselves all the time. Can we simply believe everything that MTRCL has said? We all see the pressure borne by MTRCL now. Will they attempt to play down the incident by turning a big problem into a small one and a small one into nothing? It is clear that the incident is more serious than what has been made known about it, but they said "no", there are problems only at those several locations. They said that only a few dozen metres of that wall are found to be problematic and so,

the incident is not that serious and has no impact on safety overall. Is that true? Can we believe, merely on basis of the words of some people from the companies involved that their account of the situation is true?

President, I have seen that MTRCL, in the face of so many incidents, including this incident of To Kwa Wan Station, has kept passing the buck to the contractor and the frontline staff of MTRCL. Insofar as this incident is concerned, they said that a staff member had noticed the problem during inspection. I have doubts about it. Why? As you can imagine, Secretary, even if we believe MTRCL's information on the area affected, in order to open up such a large area of that wall and remove the steel reinforcement bars inside it, the complexities involved in carrying out such works are imaginable. There were staff members of MTRCL working on the site every day and it is impossible that only one staff member was working on the site. MTRCL has also claimed that stringent procedures were followed in their inspections and supervision. Why is it that only one person had noticed it and then this very same person did not report it to his supervisor? Is it true that no other person had seen it? Is it that all the people on the site were myopic, hyperopic or blind? They are blind not in their eyes, but probably they are blind in their hearts and their brains were clogged. When they made those remarks, will other people believe them? Only one person had seen it? I do not believe it. I absolutely do not believe it. Anyone with common sense will not believe it. But Frank CHAN believes it. He thinks that MTRCL's report is as indisputable as the *Bible*, that what MTRCL has said are facts and the truth, and that MTRCL is above board, great and honest. Is that so?

President, the problem now is that the people of Hong Kong have lost confidence in MTRCL. The Government showed us MTRCL's report and then said that there is no problem, and that we should place our trust in MTRCL. But everything they said is far from convincing. Then how about the remarks made by the Government? Are they convincing? Sorry, the Secretary's remarks are not convincing either, for he always said that he was actually in the dark and that he was only notified by MTRCL, while MTRCL also said that it was in the dark and it was all because a frontline staff member had concealed the problem. Was it all because a frontline staff member had concealed it from the corporation? I do not know, and I very much doubt it. Is it that someone had received the report but turned a deaf ear to it and told other people not to report it to him, or he actually learned of the news and pretended to have forgotten it even though he could remember it clearly? What exactly has happened?

With regard to what MTRCL has said, the Secretary just cannot believe all of it. Does he recall what he said the first day when he came forth to make comments? He said that MTRCL's handling of To Kwa Wan Station was most professional. Does he dare say this again today? The Secretary should not be so naïve as to believe everything that other people said. He is now entrusted with the safety of more than 7 million Hong Kong citizens and visitors to Hong Kong. He cannot simply rely on MTRCL's report which is no more than just stating its own case and then conclude that the problem no longer exists. President, as Dr Helena WONG said earlier, we are gravely concerned about the quality control of the construction works of the entire SCL. It is only reasonable for the motion moved under P&P Ordinance last week to be passed, so that we could conduct an overall review of the quality and supervision of the works of the entire SLC.

Carrie LAM has set out very clearly the duties of the independent Commission of Inquiry, stating clearly that they are confined to the problems concerning the platform of Hung Hom Station. As for the other problems at Hung Hom Station, sorry, I suspect that the independent Commission of Inquiry does not have the powers to deal with problems other than those relating to the platform. But other than Hung Hom Station, the problems of To Kwa Wan Station and Exhibition Centre Station also warrant a comprehensive review. We asked the Government to extend the terms of reference of the Commission of Inquiry but the Government was ambiguous in its reply. The Government should have said candidly that after listening to the views of the community, coupled with the many incidents that occurred afterwards, it has decided that the terms of reference of the independent Commission of Inquiry be extended to cover problems relating to the quality of works of To Kwa Wan Station and Exhibition Centre Station and also a comprehensive review of the supervision problems of MTRCL. That would be very clear. Why does the Government not do so? Given the Government's evasive position, it is inevitable for people to query whether the Government actually wants to turn a big problem into a small one and water down the whole incident.

President, we have seen that some people who are in the know are willing to come forth, with their names revealed, to expose the scandals of the entire SCL, especially Hung Hom Station, but the Legislative Council has not given these brave whistle-blowers an opportunity to speak. So far, they can only release information through the media. I hope that Members in this Chamber, especially colleagues in the pro-establishment camp, can think about this

seriously. The dire consequences of this incident may be looming for many years to come, which may be a decade, two decades or three decades. No one knows which year things will go wrong. When will the problem concerning the quality of works explode? No one knows. But who dare to bear this notoriety in history? If we do not identify all the problems in the quality of works of the entire SCL comprehensively and thoroughly today and ascertain the seriousness of these problems, the area involved and the people who should be held responsible, and if a major incident really happened a decade, two decades or three decades down the line, would we have the courage to face the next generation then? How could we explain to Hongkongers three or four decades later why we did not dig up the whole truth of this matter years back? Why do we allow the children and grandchildren of Hongkongers to bear these risks? Obviously we can tackle the problem now, and there is no pressing need for the commissioning of SCL. What we want is a safe railway. The Government must not think that the safety and lives of the people can be sacrificed for the expeditious commissioning of SCL.

I so submit.

MR TONY TSE (in Cantonese): President, a debate was conducted just last week in the Legislative Council on a motion moved by Dr CHENG Chung-tai to invoke the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to inquire into the construction works carried out at the platforms of Hung Hom Station of the Shatin to Central Link ("SCL"). Since I already spoke on the motion on that day and explained in detail why, in my opinion, P&P Ordinance should not be invoked at that stage to inquire into the cause of the incident, I do not intend to spend time here making repetitions.

Ms Claudia MO will probably argue that this motion proposed by her is different from the one last week as her motion pinpoints To Kwa Wan Station. I would like to respond briefly to this point.

Indeed, the substandard works carried out at To Kwa Wan Station differs greatly from that at Hung Hom Station. According to the MTR Corporation Limited ("MTRCL") and relevant experts, the former is not the same in terms of structural safety, whereas the problems found at To Kwa Wan Station are relatively simple. MTRCL also pointed out afterwards that the contractor would break open the wall where some steel reinforcement bars had been removed and

then undertake remedial works to ensure compliance of the construction works with the plan. Regarding the failure of some supervisory staff to report the incident in which reinforcement bars were removed, MTRCL has already begun its disciplinary proceedings. This is why I think, insofar as the incident of To Kwa Wan Station is concerned, there are no substantial and urgent needs for the Legislative Council to invoke P&P Ordinance to set up a select committee to conduct an inquiry.

Ms Claudia MO claimed that she had been tipped off by someone working on the construction site that a large amount of construction waste had been used as filling at To Kwa Wan Station, and she queried if shoddy construction works would be resulted. Just now, the Secretary pointed out that such construction waste as concrete and inert material is used mainly for providing weight to help underground building structures counterbalance the upward buoyancy of underground water, and this is a normal phenomenon. I also agree that this is a usual practice. Not only is this practice environmentally-friendly, but it can also reduce the construction cost. Though some people argue otherwise, such waste will definitely not be used for building walls or structures, and it is actually impossible to do so. Therefore, there is no question of safety issues.

President, Chief Executive Carrie LAM mentioned this morning that besides appointing Judge HARTMANN to chair an independent Commission of Inquiry, another person had been identified for appointment as a member. I believe this person, who has engineering knowledge and background, is capable of assisting the Commission in conducting an in-depth inquiry into the relevant incident. This is also my long-standing advocacy. I hope to call on the Government again to formally affirm the terms of reference of the Commission of Inquiry expeditiously, including reviewing the monitoring system and process of the Government and MTRRCL, the reporting mechanism, the internal governance of MTRRCL, and so on, to enable the Commission to commence the inquiry immediately and ensure that a report and recommendations can be submitted in six months as scheduled.

As I said earlier, it is absolutely worthwhile for the public and Members to pay attention to SCL construction works and safety issues, as well as problems concerning the works supervision and notification mechanism of MTRCL and the Government. It is necessary for the Legislative Council to follow up the discussion, including requiring the Government, MTRCL and relevant contractors to give an account of the incident. Having regard to the present circumstances,

including the independent Commission of Inquiry which is about to commence work, the load test to be conducted by an independent engineer on the platforms of Hung Hom Station, the omni-directional criminal investigation to be conducted by the Police, and so on, the other five Members of the "Group of Six" and I will not support the motion moved by Ms Claudia MO to invoke P&P Ordinance to inquire into the incident of To Kwa Wan Station.

President, I so submit.

MR AU NOK-HIN (in Cantonese): President, today we are again discussing here whether we should invoke the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to establish a select committee to address issues relating to the Shatin to Central Link ("SCL") project. I think a number of Members—probably most from the pro-democracy camp—actually speak with resignation.

We feel resigned because our debate today is on a topic similar to the one debated last week. Had the pro-Government Members approved the establishment of a select committee last week, it might not have been necessary for Ms Claudia MO to discuss this motion today. But what makes us feel even more resigned is that as we can see from these two motion debates, the quality of major infrastructure in Hong Kong has gone from bad to worse. In the past, seeing the tofu dreg projects in Sichuan, Hong Kong people not only felt grieved, but also drew a lesson from it. But today, the so-called tofu dreg projects have made their way to Hong Kong.

The Rose Garden project before the transfer of sovereignty had long been criticized by pro-Beijing parties who questioned why Hong Kong had to build such a costly infrastructure for no reason at all, and queried whether it sought to exhaust the financial resources of Hong Kong. Though expensive, such infrastructures have at least given play to their significant economic role, and they have at least been functioning well after such a long time.

Nevertheless, today we see that the infrastructures have not only cost a lot of money, but also run into cost overruns; they have not only incurred cost overruns, but also failed to bring actual benefits. Be it the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") or the Hong Kong-Zhuhai-Macao Bridge ("HZMB"), it was well packaged when funding was sought from the Legislative Council. But now when the details are announced,

the fares, trips and cargo and passenger throughput are uncompetitive. Problems have now arisen before the commissioning of such infrastructures. I think some pro-establishment Members may also feel resigned, let alone the pan-democratic Members.

President, I will now come back to SCL. I think the thrust of the motion today does not just simply concern the construction issues at To Kwa Wan Station, but goes further to highlight the select committee proposed by Ms Claudia MO, the scope of inquiry of which covering not just the construction issues at one single station, but also whether it involves ineffective supervision by the Government and the MTR Corporation Limited ("MTRCL") and their deliberate concealment.

In respect of the major infrastructural projects completed over the past five years, each of them has similar setbacks, with water seepage at the XRL station, HZMB Port and Hung Hom Station. The same has also happened to the South Island Line and the newly completed West Island Line. The SCL project is even worse, which had already had a case of water seepage identified before the scandal at Hung Hom Station was exposed. In the end, the problem could only be solved by removing the concrete for reinstatement works. After that, works scandals at Hung Hom Station, To Kwa Wan Station and Exhibition Centre Station continued to unfold one after another, and I believe I need not repeat the news here. But even now, the Government still attempts to play down the avalanche of works scandals, calling them individual works issues. The Government wants only to investigate the circumstances surrounding a single works issue, and the scope of inquiry is also not wide enough.

Without beating about the bush, Ms Carrie LAM admitted to the media in late June that she did not support the incorporation of the issues at To Kwa Wan Station into the terms of reference of the Commission of Inquiry. Even at the Chief Executive's Question Time today, she said that the existing independent Commission of Inquiry would also look into MTRCL's governance structure. Please note that she did not mention the issues at different stations. In that case, will the Commission of Inquiry really not lose its focus in its inquiry into the Government's handling of such issues? How do we ascertain the specific responsibilities? Should the Government be held accountable? Is there anything that can be and should be done better on the part of the Government or in terms of overall works project supervision? I do not consider it something achievable under the regulatory framework currently prescribed by Ms Carrie LAM.

But at this point, I wish to say a few words for those Members from the pro-establishment camp who may still have some conscience left. Last week, the motion on the setting up of a select committee under P&P Ordinance moved by Dr CHENG Chung-tai was voted down by the pro-establishment camp in a high profile. Back then, the pro-establishment camp repeatedly claimed that we should avoid redundancy given that the Government had set up the Commission of Inquiry. In fact, they do not wish to see any inquiry initiated by the Legislative Council into the role of the Government in the incident. But this week, we see that some pro-Government Members have found themselves in an awkward and ridiculous situation. Last week, they made it a point to vote down the motion requesting that the Legislative Council invoke P&P Ordinance to inquire into the incident with every possible means on various pretexts. Today when Ms Claudia MO has moved this motion concerning P&P Ordinance, proposing a scope of inquiry different from that of the Commission of Inquiry set up by the Government, they have nowhere to go. As a result, Members from the pro-establishment camp have either chosen not to speak or be seen, or probably called on the Chief Executive to extend the scope of inquiry of the Commission of Inquiry set up by the Government, so that the Government may look into the issues at To Kwa Wan Station and Exhibition Centre Station together, thereby obviating the need to invoke P&P Ordinance to investigate the Government. Frankly, I originally thought that the Government would heed the advice and extend the terms of reference of the Commission of Inquiry, which would at least take some pressure off the pro-Government Members.

But regrettably, as the Chief Executive may still be troubled by the controversy over whether English should be used yesterday, today she still did not mention specifically how the issues at To Kwa Wan Station and Hung Hom Station should be tackled. The Government now investigates neither the issues at To Kwa Wan Station nor whether any systematic problem is involved. So, how will the pro-establishment camp or pro-Government camp vote? Will the Legislative Council be given the green light to initiate an investigation? The truth will come out when we come to the vote late on.

Nevertheless, I think they need not worry too much because even if this select committee can be set up, the pro-establishment camp may make up the majority of its members. There is no need to panic. Earlier on, Dr Helena WONG from the pro-democracy camp asked Mr LAM Cheuk-ting and Ms Claudia MO to join the committee of inquiry. In fact, they really need not worry too much as we are unable to lead the direction of such a committee. But

do they fear that some new issues may unfortunately be unearthed in the course of an open inquiry? But I think if they do have such worries, it is precisely the important reason why the Legislative Council should establish a select committee to conduct an inquiry.

Last week when I spoke, I already made it clear that members of the public in Hong Kong needed something more than the ultimate truth. What Hong Kong people need is an open process of inquiry subject to democratic monitoring. To put it bluntly, if we just look for a person who can tell us at the end of the day who is right or wrong in this incident instead of calling for an open process of inquiry subject to public monitoring, in fact, it is really no different from Mr Frederick MA's remark that "If I tell you it's OK, then it is", only that whether it is the Judge or Mr Frederick MA who says that at last.

Frankly, the Government set up a number of independent Commissions of Inquiry in the past. Let us see if they are really effective. We need not go a long way back in time. Just a few years ago, the Government set up the Commissions of Inquiry into the lead in drinking water incident and the maritime disaster off Lamma Island, and appointed Mr Justice Michael John HARTMANN to investigate matters relating to the cost overruns of XRL. But were these Commissions of Inquiry truly able to tackle issues of public concern? In the whole process of inquiry, how much information was open to public access? Did they really have access to the information and truth about which they were very much concerned in the whole process of inquiry? We see that the whole report of inquiry into the maritime disaster off Lamma Island could be fully made public only after five years. While it has taken five years' time, many of the things that happened back then might have become irreversible. Is an independent Commission of Inquiry really a suitable approach for looking into matters relating to SCL this time around?

President, in saying that, I do not mean to cast doubts on the independent Commission of Inquiry set up by the Government, thinking that it is of no use at all. At this moment, I still believe in the independence of the Commission of Inquiry set up by the Government, and assume that most of the people in Hong Kong believe that the Commission of Inquiry led by Mr Justice Michael John HARTMANN will somehow find out some clues and the truth, and keep the outcome of inquiry free from any influence of the Government or the powerful and influential.

Nevertheless, how confident and patient are members of the public? If it took five years last time, do we have to wait another five years now? In 2014, the expert panel of inquiry also led by Mr Justice Michael John HARTMANN made five major recommendations for improvement, but how many of them have been implemented? How many of them have practically been put in place? The answer is obvious, and we know it only too well. Ultimately, the Government may not take such recommendations seriously. Had such recommendations been implemented properly, MTRCL and the Government could have saved themselves the many awkward situations today.

The question is, what led to the eventual failure to implement such recommendations properly? It was precisely because of the lack of public participation in the whole process, and even the MTR staff might not know the scope of inquiry throughout the process. Even when problems arose, they would only make a last-ditch effort to come up with follow-up actions instead of considering the recommendations of the Commission of Inquiry to truly reflect on themselves in the process. MTRCL, the Government and the pro-establishment camp are currently trying all means to evade public monitoring.

Let us look at how the authorities handled the incident in these past few weeks. MTRCL stated that the evidence given by China Technology Corporation Limited would not be included in the report at one point while at the other, it talked about the public statement issued, requesting the public not to openly comment on the incident in a threatening tone. While it claimed that it would fully assist in the inquiry initiated by the Government, it was actually not known whether it had upheld honesty and transparency, or whether it had prevented other stakeholders from commenting on or explaining the incident. Acting as if it was innocent, the Government said that it had not much idea. But at the same time, it went so far as to give no thought to the public's right to know at all.

It has almost been a month since the exposure of the incident. Problem-ridden and even faced with the direct challenge by a sub-contractor against MTRCL, so far Leighton Contractors (Asia) Limited ("Leighton") has not come forward to offer any explanation in public. Even if it is a commercial organization which has every right to make commercial decisions, it should at least be morally obliged to tell the general public the course of events after it was awarded the tender for the construction of SCL. Nevertheless, even at this moment, the Government has neither advised nor called on Leighton to show

honesty and transparency. It has just said that we should leave it to the inquiry and even asked us to respect others' decisions, giving tacit approval of such acts by Leighton.

Then, those from the pro-establishment camp have done it a huge favour by stating some sort of mild condemnation, talking about their grave concern and criticizing it repeatedly. Now some of them have even taken another line and gone so far as to request that the Legislative Council establish an investigation committee under P&P Ordinance and even conduct an open inquiry. But they are perceived to be somewhat evasive, who will only shatter the only bit of trust people have in MTRCL and the Government.

In my view, one important reminder is to "own up and take the blame head on". Had MTRCL, the Government and the pro-establishment camp been more open by holding back nothing at the outset, pledging to assist in the inquiry in an honest and transparent manner and even supporting the establishment of an investigation committee by the Legislative Council to conduct an inquiry, the incident would have actually been a crisis over works issues at worst, rather than sparking off one crisis after another. It is because we believe that under the system of the Legislative Council, various parties summoned may present their respective versions which will finally be examined by us to determine who is telling the truth. Regrettably though, MTRCL, the Government or even the pro-establishment camp has been trying hard to cover things up. Had the works issues not been revealed time and again, compelling them to give a direct answer, they would have preferred to keep members of the public in the dark and minimize public concerns. This is also the reason why I support Ms Claudia MO's motion, and compared with the one proposed by Dr CHENG Chung-tai, we should make better use of this opportunity to set up a committee for an inquiry into MTRCL's suspected concealment and the lack of monitoring by the Government. Our ultimate aim is to prevent them from degenerating further.

President, I reiterate our hope that we will face up to the incident and take it seriously, instead of saying we should just let them call for an inquiry because the incident may have been forgotten by the public one or two weeks or a few months later. While some other issues may be revealed, there will come an end to them. But the issues are still there, and the Judge may conduct the inquiry quietly with the members. I have no idea when the inquiry will be completed. Will it take five years? In these five years, how is SCL going to be open for use by Hong Kong people?

President, I so submit.

MS TANYA CHAN (in Cantonese): President, I certainly agree with the points Mr AU Nok-hin made in his speech just now. I believe the democratic camp basically supports invoking the powers under the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to inquire into the matter. We will also consider supporting the motion that will probably be proposed by Mr Michael TIEN. I have a few comments to make on his motion and I will explain why later on. I hope he will give a brief explanation after Mr CHAN Chi-chuen and I have spoken.

As regards Mr AU Nok-hin's speech, I am not sure if he has read the Commissions of Inquiry Ordinance (Cap. 86), under which the inquiry will be open to public and reporters. Applications for giving testimony in camera or absence from cross-examination must be submitted to the Chairman of the Commission and will be approved only with sufficient grounds. But of course, it is different from the inquiry by a select committee of the Legislative Council. In the session when I was first elected as a Member, the Council established a select committee to inquire into the "West Kowloon-gate" incident and I had the honour to become a member of the select committee. In my opinion, the level of transparency of a select committee is definitely higher than that of a Commission of Inquiry because meetings of the former are televized live. I believe live broadcast of commission of inquiry meetings of a Commission of Inquiry is not yet possible, hence, it may not generate as much attention and impact as it depends on media coverage.

I have risen to speak in support of Ms Claudia MO's motion. As I always say, what the Chief Executive does not do, we will do it. I absolutely believe Legislative Council Members have sufficient intelligence and qualities to conduct the inquiry under P&P Ordinance. Mr Abraham SHEK, Chairman of the Public Accounts Committee, is keenly concerned about the incident and has been listening to our speeches despite his special status as a non-executive director of the MTR Corporation Limited ("MTRCL"). I am most impressed by the Public Accounts Committee because its members can really help the public understand the truth when members have done their homework, read the documents, studied the matters and devoted themselves to the task.

The motion moved by Ms Claudia MO this time around mainly concerns To Kwa Wan Station of the Shatin to Central Link ("SCL") where steel reinforcement bars were reported on 12 June to have been removed. Ms Claudia MO even presented relevant photos. In fact, the Civic Party and I wrote to Chief Executive Carrie LAM on 7 June and 12 June respectively to request the

establishment of an independent Commission of Inquiry and proposed the scope of inquiry. I find it most interesting that Chief Executive Carrie LAM said today that she was not sure if more scandals would be exposed. Even the Chief Executive believes that more scandals may be exposed regarding the safety and works of SCL of MTRCL under the Government's monitoring, so let us wait and see. In fact, the wording of Ms Claudia MO's motion covers a relatively wide scope. Members will be able to fully understand the details of the matter in addition to To Kwa Wan Station.

I produced this diagram earlier, which I described as an arachnid web. My assistant asked me what is an arachnid web. I wonder if the President has heard of this term? Arachnids are similar to spiders. An arachnid web is like a spider web. This diagram includes the Government's supervisory system and MTR's monitoring systems. There are many lines in the middle, indicating their mutual notification mechanisms. I have mentioned the views of the Expert Panel chaired by Mr Justice Michael John HARTMANN the last time I spoke, which I will not repeat here. Instead, I would like to take this opportunity to discuss To Kwa Wan Station of SCL. We can see that MTRCL has provided reports in regard to Hung Hom Station and To Kwa Wan Station, so why is there no report in regard to Exhibition Centre Station? The works scandal relating to Hung Hom Station was exposed on 31 May, then the report was submitted about 15 to 16 days later on 15 June. According to the Government's press release, media enquiries regarding To Kwa Wan Station were received on 5 June, and the scandal was exposed on 12 June. MTRCL agreed to submit a report on 18 June, but as they suddenly realized on 18 June that it was a public holiday, the report was submitted one day late on 19 June. Mr Michael TIEN revealed the I-beams scandle at Exhibition Centre Station on 16 June. On 19 June, I was contacted by the media which revealed that steel cages were installed in an incorrect direction. I realized that the Government had not requested MTRCL to submit a report in regard to the incidents at Exhibition Centre Station. I understand that the Transport and Housing Bureau has requested MTRCL to give a detail account from a professional perspective. I very much expect to get hold of relevant information on Friday.

Insofar as To Kwa Wan Station is concerned, first, MTRCL's one-day delay in submitting the report on the ground of public holiday was basically an insult to the intelligence of the people and the Government. There is no way that MTRCL only realized 18 June was the Dragon Boat Festival on the same day, right? There is also no way that the Secretary only realized that day was a public holiday from the news. I consider the explanation unacceptable. We

demand openness and transparency. Instead of waiting for the Secretary, the contractors and the sub-contractors to give explanations on each and every occasion, why do Members not conduct an inquiry into the matters? I certainly welcome the establishment of a Commission of Inquiry by the Government under the Commissions of Inquiry Ordinance (Cap. 86). In our second letter to the Chief Executive, we stressed that conflicts of interest must be avoided and suggested inviting overseas experts to join the Commission and assist in the inquiry. Let me cite an example in the current or former Legislative Council era. Back then, the Council established a select committee under the Legislative Council (Powers and Privileges) Ordinance to inquire into the substandard piling works incident. The select committee submitted two reports in phases. The first one concerned the construction of public housing, while the second one focused on the substandard piling works of that particular estate. Therefore, reports of inquiry conducted under Cap. 86 can be submitted in phases. As I have said, if the Chief Executive does not inquire into the matter, it is perfectly justifiable for the Legislative Council to do it and the inquiry can be just as focused as long as Members make full preparations.

(THE PRESIDENT'S DEPUTY, MS STARRY LEE, took the Chair)

Why did I mention Mr Michael TIEN's motion? Because, although it is also about invoking the Legislative Council (Powers and Privileges) Ordinance, his motion mainly focuses on To Kwa Wan Station and Exhibition Centre Station of SCL. According to Mr Michael TIEN's explanation, one of the contractors, Samsung-Hsin Chong Joint Venture, will attend the meeting of the Subcommittee on Matters Relating to Railways this Friday, but another contractor, Leighton Contractors (Asia) Limited, refused to do so. Why did I mention Mr Michael TIEN's motion? Because I hope he will explain it later on.

Deputy President, I have here the Handbook for Chairmen of Panels and P&P Ordinance. According to P&P Ordinance, Panels and its subcommittees, including the Subcommittee on Matters Relating to Railways under the Panel on Transport, are covered by the interpretation of this Ordinance. However, sections 7.1 to 7.5 of the Handbook for Chairmen of Panels provide for a series of procedures to be followed should a subcommittee or a Panel wish to exercise the powers conferred by P&P Ordinance to inquire, summon witnesses and obtain documents. Under sections 7.1 to 7.5 of the Handbook for Chairmen of Panels,

the proposal must first be agreed by members of the Panel or the subcommittee, then, the House Committee should be informed of the decision by the Chairman of the Panel. The motion on whether to authorize the Panel or the subcommittee to exercise the powers will then be put to vote at a Council meeting. The procedures are set out in detail in the Handbook for Chairmen of Panels. Mr Michael TIEN may have a chance to respond to this, or perhaps I will have a discussion with him later on.

Deputy President, if we look up the records, we will find that the first occasion a Panel was authorized to exercise the powers conferred by P&P Ordinance dates back to the former Legislative Council era when the Panel on Security was authorized in the 1993-1994 session to exercise the powers to inquire into the termination of employment of Alex TSUI by the Independent Commission Against Corruption. The motion was moved by former Member Mrs Selina CHOW. The last occasion dates back to 1995—there are detailed records on the Legislative Council website if anyone is interested—when the Panel on Manpower was authorized to inquire into the circumstances surrounding the incident of the airport.

The motion moved by Ms Claudia MO on this occasion is more specialized. There were many past occasions on which the select committees appointed under P&P Ordinance exercised their rightful powers to summon witnesses and obtain documents. Summoned persons can be accompanied by legal representatives if necessary. Therefore, there are actually many ways to inquire into the matter, but the proposal of Ms Claudia MO to appoint a select committee may be more convenient—I am obliged to use a word frequently used to describe the high-speed rail—because once the motion is passed in the Council, we can immediately prepare for the appointment of the select committee as clearly indicated in the wording of Ms Claudia MO's motion.

Of course, the scope of the inquiry can be further discussed. As we prepare for the appointment of the select committee, the Government will probably be preparing for the establishment of the Commission of Inquiry under Cap. 86. However, if Ms Claudia MO's motion is passed, the scope of our inquiry may be extended instantly to cover parts not touched by the Government, making the whole inquiry more thorough and transparent. This is precisely why the Civic Party, including myself, supports Ms Claudia MO's motion which proposes to invoke P&P Ordinance to inquire into the incident at To Kwa Wan Station of SCL.

The report on To Kwa Wan Station appears to be not complicated. However, Deputy President, I think the most important point is that the wording of the motion seeks to examine in a more comprehensive manner the works quality, regulatory procedures and relevant requirements of MTRCL through a select committee, instead of inquiring into the matters at To Kwa Wan Station only. It also seeks to examine why the implementation of part of the recommendations proposed by the Expert Panel chaired by Mr Justice Michael John HARTMANN came out ineffective. I believe we will be able to understand the whole situation in a more objective manner in this way.

In order to ensure the credibility of the select committee, the participation of Members from various political parties is necessary. I hope this time not only Mr Michael TIEN but Members of the pro-establishment camp will also support the motion. As I have said, the Public Accounts Committee is a good example. Although the work of the Public Accounts Committee often causes embarrassment to the Government or makes the Government find us annoying, in the course of scrutiny, amiable discussions were made in hearings or on questions requiring the Government's responses between Members from different political parties. Many Honourable colleagues made great efforts despite their busy schedules because they understand the public's expectation and that their preparation and questions in hearings are all transparent to the public. Therefore, I support Ms Claudia MO's motion and will vote for it.

I so submit.

MR CHAN CHI-CHUEN (in Cantonese): I support the motion moved by Ms Claudia MO under the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to conduct a thorough inquiry into the scandal related to To Kwa Wan Station of the Shatin to Central Link ("SCL").

Of course, I will definitely support this motion moved by Ms Claudia MO, but Members are probably most concerned about whether or not Mr Michael TIEN, who is waiting for his turn to speak after me, will support Ms Claudia MO's motion. Members may cheer him up in a while and urge more Members to return to the Chamber. Last week, when Dr CHENG Chung-tai proposed invoking P&P Ordinance to conduct a thorough inquiry into the scandal that occurred at the Hung Hom Station of SCL, I was also looking forward to hearing Mr Michael TIEN's speech. Like watching a drama series, we found him spill

the beans every day. But in the end, neither did he speak nor cast his vote. Was it because he was unable to return to the Chamber in time to vote or he abstained on purpose? I am really baffled. Hence, many people bumping into Mr TIEN this week might make comments like "all very harsh in words, but …". Neither did he vote nor speak.

My speech should come as no surprise to Members, but the speech delivered by Mr TIEN later on might turn out to be very sensational. Nonetheless, even if he has got hold of new information, he might keep it to himself until he appears in a territory-wide live broadcast. I note that Mr Michael TIEN will also propose a motion under P&P Ordinance in the House Committee this week for the conduct of a thorough inquiry into SCL. Besides a telephone call from a journalist just now, I was also asked on bumping into another journalist on my way if the pro-democratic camp would support the motion to be proposed by Mr Michael TIEN and whether the Council Front had discussed this issue. I replied that we would have to study the matter again and we did not have time yet to discuss it as we had to first deal with the motion proposed by Ms Claudia MO. I was again told by a journalist that Mr Michael TIEN's motion would not be supported by the mainstream pro-establishment Members, and so he might have to canvass for votes later on in the meeting.

Following the incident involving the cutting of steel reinforcement bars at Hung Hom Station of SCL, the recent exposure of steel reinforcement bars inside an external wall at To Kwa Wan Station of SCL being removed shows that there are problems with the horizontal and vertical projects undertaken by the MTR Corporation Limited ("MTRCL"). Members of the public have already lost their confidence in SCL and even MTRCL. Certainly, some people who are biased in favour of the Government and MTRCL, including the majority of pro-establishment Members, might accuse us of abusing the procedure by invoking the mechanism under P&P Ordinance to inquire into the incident that occurred at To Kwa Wan Station.

Today, I will analyse from three aspects the justifications for setting up a select committee in connection with the incident involving the steel reinforcement bars inside an external wall at the To Kwa Wan Station of SCL being removed. Firstly, this incident might reflect serious monitoring problems within MTRCL. In other words, there is no regulation at all. However, MTRCL might not have the resolve to conduct an inquiry or have the courage to face the consequences. Secondly, the Government lacks the motive to set up a Commission of Inquiry as

the severity of the incident is taken by it lightly. This explains why the terms of reference of the Commission of Inquiry previously set up are confined to the Hung Hom Station. Actually, Carrie LAM is to blame for the entire incident. She has turned down Members' request for extending the scope of inquiry and instead insisted on dealing with the stations one by one. In that case, we might have to deal with the problems that occurred at Exhibition Centre Station later on. Does she want this to happen? Should we fail to deal with this incident solemnly, it will be left unsettled when the summer holiday is over as we might have encountered more serious problems by then. Thirdly, the Legislative Council can certainly conduct an inquiry into the incident in a more independent, transparent and serious manner.

Since the incident of the cutting of steel reinforcement bars was followed by the removal of a layer of steel reinforcement bars in a wall, quite a number of people tend to think that the removal of steel reinforcement bars is less serious. However, I think that the two incidents are equally serious. Actually, this positive expression is not used correctly as it is not yet known which incident is more serious and probably leads to more adverse consequences. Likewise, the removal of steel reinforcement bars, which is no different from shoddy work and the use of inferior materials, will affect structural safety and durability of the wall. This incident took place in April 2018 when the contractor found in early 2018 the uneven thickness of a structural wall measuring 240 sq m in the stairs linking the station platform on the lowest floor and the concourse. As a result, the workers were instructed by the project sub-contractor in April to remove a layer of reinforcement bars, thus reducing the number of reinforcement bars by half. Moreover, the sub-contractor attempted to get away with it by covering the wall with cement, thus greatly reducing the load carrying capacity of the wall.

MTRCL staff responsible for monitoring the project did not report the incident to senior management though they were aware of the removal of the steel reinforcement bars by the contractor. Fortunately, people in the know who had not lost their conscience reported the incident to Members. It was only after the newspapers had exposed the incident that MTRCL took the initiative to make an announcement and inquire into the incident. This shows that the existing system of MTRCL is incapable of monitoring its projects effectively. Although a report was already submitted by MTRCL to the Highways Department seven days after the exposure of the scandal, the former merely indicated that it would instruct some basic rank employees responsible for monitoring the project as well as the contractor to rectify the relevant works. This shows that MTRCL thought that

the incident was merely caused by individual irresponsible employees as well as problems with the quality of the works undertaken by the contractor. MTRCL has absolutely no intention to conduct a thorough and comprehensive inquiry to identify the inadequacies of its monitoring system. Nor does it have any intention to conduct an inquiry to ensure if any senior staff should be held accountable, not to mention the possibility of identifying the systematic problems behind all these problems with the project.

In the Legislative Council meeting held last week, the majority of Members belonging to the pro-establishment camp indicated that since the Government had already set up an independent Commission of Inquiry to inquire into the incident involving the cutting of steel reinforcement bars at Hung Hom Station, there was no need for the Legislative Council to duplicate the work and conduct another inquiry. But the fact is that this incident is different from the last one. Moreover, the Government has not set up a Commission of Inquiry to deal with this incident. I reckon that the Government, the pro-establishment camp and MTRCL share the same view that the incident merely involves the removal of steel reinforcement bars in a wall and such incidents might occur frequently. So, there is no need to set up an independent Commission of Inquiry. This precisely reflects the Government's total neglect of the serious problems behind the removal of steel reinforcement bars in a wall at the To Kwa Wan Station. Given such a mindset, the Government will never take the initiative to inquire into the cause behind the removal of steel reinforcement bars in a wall at the To Kwa Wan Station and related systemic problems. Since the Government refuses to conduct an inquiry whereas MTRCL is acting perfunctorily, only the Legislative Council has the investigative power and the responsibility to propose an inquiry.

Before analysing the reason why a select committee set up by the Legislative Council can inquire into the problems with the To Kwa Wan project in a more independent, transparent and serious manner, I would like to point out that both MTRCL and the Government do not recognize the serious nature of the incident involving the removal of steel reinforcement bars at the To Kwa Wan Station. Moreover, they have dealt with the incident perfunctorily. In that case, why do we think the incident is so important that the Legislative Council must set up a select committee and deploy its resources, whereas Members must spend time and make an effort to conduct an inquiry? The reason is actually very simple. In our opinion, the incident of steel reinforcement bars in a wall at the To Kwa Wan Station being removed is related not only to ineffective

monitoring by an individual contractor and MTRCL. It also has something to do with why the contractor is allowed to do shoddy work and use inferior materials and the reason why, after months of concealment by the monitoring staff, MTRCL can continue to conceal the incident without taking any action. All these problems, which are related to the monitoring loopholes between MTRCL and the contractor, and between the Government and MTRCL, will definitely affect the quality of the project in future. Actually, the quality has already been affected, only that the extent of the impact is not yet known.

Regarding their monitoring loopholes, both the Government and MTRCL still refuse to conduct a serious inquiry into the causes of the works problems as well as the underlying problems. We as Members of the Legislative Council are duty-bound to identify the causes of the works problems with the To Kwa Wan project as well as the underlying problems to ensure and prevent the recurrence of shoddy work and the use of inferior materials by contractors in future, and supervisors from withholding information. Moreover, the senior management should be held accountable for poor monitoring.

Why is the Legislative Council capable of conducting an inquiry into the works problems with To Kwa Wan Station in a more effective, independent, transparent and serious manner? Firstly, the select committee to be set up by the Legislative Council will be empowered to conduct an inquiry and absolutely capable of summoning government officials and senior management of MTRCL under P&P Ordinance to testify before the Legislative Council. As such, this Council does have adequate powers to effectively identify the causes of the works problems with To Kwa Wan Station and the underlying systemic problems.

Secondly, the select committee to be set up by the Legislative Council will be able to conduct a more independent inquiry into the works problems with To Kwa Wan Station of SCL. Although some Legislative Council Members are members of the Board of the MTRCL, I am referring to Mr Abraham SHEK, the majority of Legislative Council Members do not have a close relationship with MTRCL, except the company to which the President belongs for it might handle some accounting matters for MTRCL. As such, in formulating its terms of reference and conducting an inquiry, the select committee may undertake the relevant work in a more independent manner. A more positive effect might be achieved by the Legislative Council as it is more independent than the Government.

In fact, I also mentioned when speaking on the Hung Hom incident that whistle-blowers might be more willing to provide important confidential information related to the project to the Legislative Council. Members should remember that this incident was exposed after a whistle-blower had divulged some secrets to Ms Claudia MO. Why did the whistle-blower choose to divulge secrets to the Legislative Council instead of the Government? I do not know the reason, but I believe the whistle-blower might have lost faith in the Government. As such, the Government might still be unable to put the mind of the whistle-blower at ease in providing information even if it sets up an independent Commission of Inquiry. Hence, if a select committee is set up by the relatively independent Legislative Council to conduct an inquiry, the whistle-blower might be encouraged to provide more information. What is more, more whistle-blowers might even be encouraged to come forward. Such a precedent might produce a knock-on effect, which should be the last thing the Secretary wishes to see. In fact, our intention is to provide assistance rather than condemning or "beheading" someone. But certainly, this might be a natural result.

Another merit of setting up a select committee by the Legislative Council is, as we often mention, the inquiry will be more transparent. Since the independent Commissions of Inquiry set up by the Government in the past were mostly conducted behind closed doors, the public could hardly gain knowledge of the progress of the inquiries conducted. In comparison, the select committees set up by the Legislative Council are more open and more meetings will be broadcast live to enable the public to understand the process of the inquiries. What is more, professional bodies may offer advice on the new information and problems uncovered in the course of the inquiries, thus enabling the Legislative Council to inquire into the works problems and responsibilities related to To Kwa Wan Station in more dimensions and a more comprehensive manner. For these reasons, if the Legislative Council is to conduct an inquiry, and if members of the public are to be informed of the replies given by the Government and MTRCL immediately and if such replies are found to be misleading or deceptive, those in the know may provide information to this Council immediately to help us gain a better understanding of the truth of the incident.

The select committee to be set up by the Legislative Council will be able to conduct an inquiry in a more independent and transparent manner. Moreover, Legislative Council Members will conduct an inquiry into the To Kwa Wan Station project in a more serious manner. Now MTRCL is conducting an

inquiry into its own works problems with the presumption that the incident is not too serious, so how can MTRCL be motivated to conduct the inquiry seriously? Or has MTRCL set barriers regarding its mindset or approach? Half of the Legislative Council Members, who are returned by direct elections, must be accountable to the public. In fact, quite many members of the public have requested Legislative Council Members to seriously inquire into the incident that occurred at To Kwa Wan Station. Should Members fail to do so, their electors will definitely hold them accountable. As such, an inquiry conducted by a select committee set up by this Council will definitely be more thorough than the one conducted by an independent Commission of Inquiry. There are so many brilliant minds in the Legislative Council. Mr Michael TIEN, who is sitting in front of me, is very experienced in railway matters. I do not know if he will admit that he is an expert, but he is indeed very experienced. Should this Council set up a select committee, I believe Mr TIEN will surely join it. Let me take this opportunity to canvass votes for Ms Claudia MO by shining his shoes. Besides Mr TIEN, there are many professionals in the Legislative Council. Even if not all Legislative Council Members have the relevant knowledge, members of the public may offer advice in the course of the inquiry, too.

Actually, I am very angry and Mr LAM Cheuk-ting also made a comment similar to mine just now that the Secretary often stressed the progress of the project would be affected should an enquiry be launched by the Legislative Council. I find the Secretary's remark quite disgusting and I even have to strongly condemn it. In his opinion, is the commissioning of SCL or human life more important? We are now discussing shoddy work and the use of inferior materials and a wall being reduced in thickness. Furthermore, we can still not ascertain if one wall or many walls have been affected and whether structural problems will arise. Secretary Frank CHAN should not think that when he says the wall is safe then it is safe; or when he says there is no problem then there is none; or when he says we have to trust MTRCL then we must trust it.

According to the Secretary, the progress of the project might be delayed should the Legislative Council conduct an inquiry. However, the mode of transport frequently used by the public daily is involved in this incident. How many times will Secretary Frank CHAN travel on MTR daily? Are the lives of the public not more important? The Secretary may opt not to support us in exercising the powers conferred by P&P Ordinance, but he should stop repeating that "the progress of the project and the commissioning of SCL will be affected should an additional inquiry be conducted". Actually, the commissioning of that

section should be postponed before an inquiry to ascertain its safety is completed. What is the commissioning date in the Secretary's mind and is he in a hurry to get a birth certificate?

MR MICHAEL TIEN (in Cantonese): Deputy President, sorry, for I really do not have such a loud voice, and I hope Members can hear me. Deputy President, I have made many, many comments on the Shatin to Central Link ("SCL") this month. But in fact, what I have heard is far more than what I have said. Some members of the public have questioned why I did not vote last week on Dr CHENG Chung-tai's proposal for the appointment of a select committee by the Legislative Council under the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to inquire into the incident of the MTR Corporation Limited's concealment of the alleged substandard construction works carried out at the new platforms of Hung Hom Station of SCL.

I would like to take this opportunity today to give an explanation. The motion proposed to invoke P&P Ordinance on the last occasion was about Hung Hom Station of SCL and I had said openly that I did not support it. First, with regard to Hung Hom Station of SCL, an independent Commission of Inquiry led by a Judge and with statutory powers is already set up to investigate the incident. The Commission has actual powers to summon the relevant persons from all quarters to attend hearings in order to find out the truth of the incident. Personally I am really more convinced by the professionalism of an inquiry conducted by a Judge and most importantly, the credibility of judges in the minds of the general public. If I should make a choice, I will definitely prefer an inquiry led by a Judge.

Second, I have made enquiries with the Office of the Chief Executive of the Hong Kong Special Administrative Region about the scope of investigation of the Commission of Inquiry in respect of Hung Hom Station. The information given to me was that the scope of investigation would be so broad as to cover even the monitoring role of the Government. In view of this, I think it already suffices at the present stage.

Third, the Chief Executive has stated clearly that the Commission of Inquiry would complete investigation in six months, whereas an investigation by a select committee of the Legislative Council may often take one or two years. To ensure safety of the platforms, it is necessary to open up the concrete to

conduct tests as soon as possible. How can such works be put off for a year or two? We hope that after commencing operation probably for a week or two or a month, this independent Commission of Inquiry led by a Judge can express reasonable doubts and demand the opening up of the concrete to examine the steel reinforcement bars inside it. So, these are the reasons why I did not support that P&P Ordinance be invoked to inquire into Hung Hom Station of SCL.

As for this motion proposing to invoke P&P Ordinance to inquire into To Kwa Wan Station, I will throw weight behind it. As I have said many times, P&P Ordinance, which is like an "imperial sword", cannot be deployed frequently. But recently, I have asked myself this question: Even though we cannot deploy this "sword" all the time, should we refrain from using it all the time? If we do not use it at all, what is the use of these powers as provided for in P&P Ordinance? Since I became a Member of this Council, I have never supported the invocation of P&P Ordinance. Now I think there is a first time for everything *(Some Members cheered and applauded)*. The biggest difference between this motion and the last one is that the Government said it would not carry out an investigation. If the Government is not going to investigate it, nor are we going to investigate it; and as they ignored me when I convened a meeting … Samsung-Hsin Chong eventually replied to me today that they would attend the meeting. It seems that their Board Chairman will attend the meeting and they would even require simultaneous interpretation which, I think, should be from Cantonese to Korean. I wonder how much he can understand it after the process of interpretation and during the two-hour meeting, how much discussion we can have. In any case, the meeting will be held the day after tomorrow. Leighton Asia ("Leighton") already said that they would not attend the meeting, while Samsung-Hsin Chong said that they would be represented by someone at the level of Chairman.

As Leighton said that they would not attend the meeting, we must summon them to come before us in other ways. This is why I wrote to the Chairman of the House Committee and that is you, Deputy President—your goodself, Madam Deputy, though this has nothing to do with your age—in the hope that the Chairman of the House Committee will empower the Subcommittee to invoke P&P Ordinance to summon the companies concerned to come before us. Assuming that Leighton will persistently refuse to come here and even though Samsung-Hsin Chong will attend the meeting, since they will not be protected by P&P Ordinance, we probably know what relies they are going to give, and while

they may have a lot to say, they will be inhibited from doing so. Of course, if their replies were considered satisfactory by Members—I think the chance is but slim—I would withdraw my motion on To Kwa Wan Station. As regards the motion on Exhibition Centre Station, I will definitely move it, and we will see whether the motion can get through and be passed by the House Committee then.

Of course, if this motion on the invocation of P&P Ordinance moved by Ms Claudia MO today were passed, I would not have to care about whether or not their Chairman will attend the meeting on Friday, or whether or not he can understand us, or how we will carry out the discussion, and I will also withdraw the motion to avoid overlapping as we do not have so much time after all.

Deputy President, I so submit.

MR ALVIN YEUNG (in Cantonese): Deputy President, it can be said that I have not entered politics for a long time and there are two matters that all along, I do not quite understand: First, what does wasting the time of the legislature mean? Of course, the pro-government camp would say that filibusters waste the time of the legislature. However, people with some basic understanding of political science all understand that wasting the time of the legislature is not the ultimate goal of filibustering; it is the only means by which the minority can compel the majority to make concessions. If the objective effect of filibustering is wasting the time of the legislature but not achieving other goals, be it the minority that launch the filibustering or the majority that refuse to compromise, in fact, they both have to assume responsibility.

However, Deputy President, after these two weeks of meeting, I finally understand what wasting the time of the legislature truly means. Last week, Dr CHENG Chung-tai proposed that the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") be invoked to look into the problematic platforms at Hung Hom Station of the Shatin to Central Link ("SCL"). If the pro-government camp had been willing to support the forming of a select committee, I believe the select committee would have already embarked on its work and the delineated scope of inquiry would surely cover To Kwa Wan Station and Exhibition Centre Station, where problems have allegedly arisen, and even other stations of SCL which may also be exposed to have works problems in the future. In that case, would it have been necessary for Ms Claudia MO to propose invoking P&P Ordinance today? I believe Ms Claudia MO surely would not have wasted the time of the legislature.

Deputy President, the second thing that I all the more do not understand is: What does politicization mean? Many people in this political circle, including government officials and other Honourable colleagues in the legislature, often accuse other people of politicizing an incident, portraying themselves as being very pure and true, as though they have never been involved in politics. Of course, Deputy President, there should not be too much politics both inside and outside the legislature. However, unfortunately, all of us are in fact political people.

Deputy President, what does politicization mean? Last week, a prime example could be seen here: After Mr Jason POON, Managing Director of the China Technology Corporation Limited, had disclosed some important information to the mass media, our highly esteemed Dr CHIANG Lai-wan, who is a comrade of the Deputy President's political party, described Mr POON in this way, "… but I know that he often attacks them (pro-establishment Members). He even stood in the District Board Election in a constituency in Kowloon West and was an opponent to candidates of the Democratic Alliance for the Betterment and Progress of Hong Kong. Does Mr POON support us or who does he really support? I believe the opposition Members know it only too well.", to this effect.

Deputy President, as a member of what the pro-establishment camp call the opposition, I found it really hard to "know it only too well". In fact, the "politicization" that I wish to talk about is to associate the discussion of all things with political stances and judging the right and wrong of all matters according to people's political stances. Dr CHIANG Lai-wan has indeed done a very precise and lively demonstration for Hong Kong society.

Deputy President, back to business, last week, I cited the comments made by former Premier ZHU Rongji about "tofu-dreg projects". In fact, the phrase "tofu-dreg projects" is frequently used in China and it was coined by Premier ZHU. Today, I would also like to quote the comments made by Premier ZHU but they were made by him in 2001, after visiting the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China.: "(I quote to this effect) A small number of corrupt elements in government agencies collude with criminals. The criminal activities of manufacturing and selling counterfeit and shoddy commodities are still very rampant. Recently, there have been several serious cases of making and selling toxic foods. This is tantamount to murder for money and is utterly devoid of conscience." (End of quote)

Although Premier ZHU was talking about food safety here, the nature of the "tofu-dreg projects" that were carried out at a number of stations of SCL this time around is exactly the same. If the contractor responsible for construction and the Mass Transit Railway Corporation Limited ("MTRCL"), which is responsible for supervision, and even the SAR Government, which is the biggest shareholder of MTRCL, collude with one another to cover things up, harbour wrongdoers and disregard public safety by commissioning the railway no matter what the circumstances are, in the future, if any major mishap happens on SCL, Deputy President, this is actually the same as manufacturing powder formulae that results in "big-headed babies", "soy sauce made with hair", fake eggs, fake rice, etc., as they are all tantamount to murder for money and is utterly devoid of conscience.

Deputy President, what we can see this time around is that the Secretary and other Members of the pro-establishment camp would probably cite the same grounds, including the wish not to affect the inquiry to be conducted by Mr Justice HARTMANN, in voting against the motion moved by Ms Claudia MO this time around. I really want to understand why there will surely be conflicts between the two. What has the Legislative Council done to impede the establishment of a Commission of Inquiry chaired by Mr Justice HARTMANN? Did we block him on his way to meetings? Did we create some actual effect that makes it impossible for Mr Justice HARTMANN to summon witnesses? Deputy President, I cannot figure this out and still less can I understand what kind of rationale or justification this is. Or is this just a stretched and feeble excuse?

Deputy President, it is anticipated that this section of SCL stretching from Tai Wai to Hung Hom called the Tuen Ma Line will be commissioned in the middle of next year and there is only a year or so to go. It is now known that problems have occurred in two of the eight stations of the whole section. On hearing this initially, it seems that only 25% of the stations are involved. However, this large-scale transport system has a bearing on the lives of tens of thousands of passengers every day and even if just 1% of the stations are found to have problems, I believe no one would be willing to compromise. I hope that Honourable colleagues in the legislature, in particular, Members whose constituencies are covered by the Tuen Ma Line, can give some thoughts to Hong Kong people or their voters. Although they have waited a long time for the commissioning of this railway, I hope, and believe, that they hope to see a railway that is safe and fast, rather than a train whose next stop may be hell.

Deputy President, in fact, the same comments and grounds were voiced by many Members here last week. Of course, Secretary Frank CHAN did not hear each and every Member speak but I believe he surely appreciates our good intentions. This week, we can only hope that after a week of rumination, Members of the pro-establishment camp can turn back before it is too late and cast a vote of support for the motion moved by Ms Claudia MO this time around.

The Civic Party will also lend its full support to the motion. I so submit.

MR SHIU KA-CHUN (in Cantonese): Deputy President, I rise to speak in support of the motion moved by Ms Claudia MO under the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to call on this Council to appoint a select committee to inquire into the incident of one of the layers of steel reinforcement bars in a structural wall in To Kwa Wan station of the Shatin to Central Link ("SCL") being removed, and whether the incident involved ineffective monitoring by the Hong Kong Special Administrative Region ("SAR") Government and the MTR Corporation Limited ("MTRCL") and their deliberate concealment of the construction scandal.

The eruption of a spate of scandals involving MTRCL over the past couple of months, including the derailing of a Guangzhou-Shenzhen-Hong Kong Express Rail Link ("XRL") train in the maintenance depot during a trial run, a signalling failure due to leakage in a tunnel, unexpected wear and tear of wheels and a recent fakery scandal involving the cutting of steel reinforcement bars at To Kwa Wan Station of SCL, has not only had an adverse impact on the quality of the construction works, but also involved systematic problems ranging from whether the management of MTRCL is withholding information to whether the Government has lost its will to monitor the construction works.

The scandal erupted at To Kwa Wan Station of SCL has several features. Firstly, the incident involves fakery and has nothing to do with cost overruns or delays. Railway construction is a very complicated and massive project. It is very common for complications to be encountered in the process of works execution. Even if overseas railway projects encounter complications halfway through a project, the problems will be solved according to the established procedures. In this incident, however, some people have apparently cut steel bars that cannot be connected properly and screwed them into couplers, pretending that the two components were successfully connected. The cover-up of the truth with the injection of concrete afterwards is by nature a deceptive act.

Since the allegedly fakery in this incident involves a critical structure, serious consequences will be caused should anything go wrong. According to the analysis done by some professionals commissioned by a newspaper recently, the couplers of the steel bars were found exactly precisely at the place where the columns and platform slabs were connected. If the connection force of the steel bars is inadequate, a shear failure may occur without any signs beforehand when two fully loaded trains running in opposite directions pull in the station simultaneously and the platform reaches its full capacity with loads of waiting passengers. The entire platform might suddenly collapse anytime and cause catastrophic consequences.

Second, during the design stage, engineers will build in a considerable safety factor at critical locations. Will the safety factor drop to an unacceptable level due to the faked steel bar connections? Neither MTRCL nor the contractor has offered a clear explanation.

Third, the exposure of this incident is once again attributed to someone divulging secrets and releasing information to the media, or else the public will still be kept in the dark.

It is most worrying that the sub-contractor who released information to the media indicated that he had been warned by the contractor and he could not disclose further information to the public due to a confidentiality agreement with the contractor. It is once again shown that Hong Kong must expeditiously enact a whistle-blower protection law to protect people disclosing information to the media in public interest from reprisal or being held accountable over the agreement.

The enactment of a whistle-blower protection law gives whistle-blowers omni-directional protection on various fronts, such as occupational status, personal safety, legal assistance, psychotherapy, and so on. Through the provision of comprehensive protection to whistle-blowers, the general public will be motivated to pluck up the courage to disclose irregularities to organs with powers and responsibilities, thus enabling the Government to obtain a full picture of unlawful acts more quickly and accurately for monitoring and pursuing responsibility.

The enactment of whistle-blower protection legislation has become a global trend. For instance, an agreement was reached at the Group of Twenty summit as early as 2010 to call on various countries to enhance whistle-blower

protection legislation as an effective tool to prevent corruption and safeguard public safety. In this respect, Hong Kong has not taken any step at all. So, the public must dial up the pressure on the Government.

Let me take this incident as an example. The Government should instruct MTRCL and the contractor to lift the requirement of keeping the agreement confidential, so that the sub-contractor and people in the know can further disclose information affecting public safety to the media, or else the truth will probably be concealed forever.

Fourth, it seems that the Government has lost its will to govern MTRCL. Whenever problems occur, government officials would invariably defend MTRCL and they simply do not realize the responsibility of the Government as a supervisor. Given the political reality that MTRCL is backed by the Government in everything, coupled with the offer of a big help by the pro-establishment Members under the pretext of mild condemnation in defence of MTRCL, its senior management has become badly spoiled. MTRCL Chairman, Frederick MA, was so arrogant as to even dare rebuke the media, saying "it is OK if the management says so". Should such a fearless system of governance remain unchanged, the standard of management of the construction works undertaken by MTRCL will only continue to deteriorate. Not only will Hong Kong people see their money go down the drain, public safety will also become less and less protected.

The Secretary keeps repeating that since the Government has already set up an independent Commission of Inquiry, there is no need for the Legislative Council to conduct an inquiry. In my opinion, the inquiries conducted by the Government and the Legislative Council are two different matters. Firstly, it is not yet known whether the new scandal erupted at To Kwa Wan Station is within the scope of inquiry to be conducted by the Commission of Inquiry. Secondly, like two patients suffering from Alzheimer's disease, both MTRCL and the Government seek to mislead the media by pretending that they are also in the dark, which is most disappointing.

If we fully believe in the independent Commission of Inquiry set up by the Government, I am afraid the culture of cronyism will only turn this incident into a repeat of the lead-in-water incident. Members should bear in mind that Enoch LAM, the former Director of Water Supplies who was named and criticized by the Commission of Inquiry for being "unprofessional and obstinate", was awarded

the Silver Bauhinia Star two days ago in recognition of his contribution to upgrading the safety of potable water in Hong Kong. Has he done anything to enhance the safety of potable water in Hong Kong? How can the public trust the independent Commission of Inquiry appointed by the Government? Why can the Legislative Council not discharge its functions to conduct an inquiry?

Given the developments of the incident, people are worried that Hong Kong will become increasingly like the Mainland. A senior staff member of the China Technology Corporation Limited, Mr POON, pointed out in an interview that the number of cut steel reinforcement bars was not, as mentioned by MTRCL, less than 20. Earlier on, Chairman of the Subcommittee on Matters Relating to Railways, Mr Michael TIEN, even claimed that more than 5 000 steel bars, or approximately 20% of the 26 000 connectors found at the platform of Hung Hom Station, were involved. In my opinion, our greatest concern now is whether the quality of construction works undertaken at To Kwa Wan Station, the centre of the new scandal, is problematic as it will directly affect public confidence in using SCL in the future.

Regrettably, the Government, MTRCL and the contractor have still not indicated their stance regarding how to deal with the mess. In particular, the Government is still adopting a "take-it-easy" strategy to delay the matter and cover up the truth by all means in a bid to contain the damage. In fact, there have been endless scandals related to the railway construction works carried out by MTRCL in recent years. It is not until today that such incidents occurred. In March 2014, for instance, "Fan-li-hua" (樊梨花), a tunnel boring machine, was damaged by the influx of floodwater caused by a severe rainstorm that warranted the issue of the Black Rainstorm Signal. However, the incident was not made known to the public by MTRCL until two weeks later. The public were most dissatisfied that the construction works of the Hong Kong section of XRL was subsequently delayed for at least nine months.

It is nothing new that Hong Kong was hit by severe rainstorms of the black signal type, but MTRCL had surprisingly failed to take proper flood control measures. Though the damage caused to the boring machine by flooding can be considered a silly mistake, the completion of XRL was delayed for three years due to the emergence of various problems afterwards. Although former MTRCL Chief Executive Officer Jay WALDER quit one year earlier due to the delayed completion of XRL, I can still not see the senior management of MTRCL heighten their alertness in monitoring railway works. During an interview by

the media, MTRCL Chairman, Frederick MA, even behaved like an overlord, saying there was no problem with the construction works carried out by MTRCL so long as its management said it was OK. Was he hinting that the outsiders were so ignorant that they were not qualified to challenge MTRCL?

The transformation of Frederick MA into "Mr OK" was followed by a spate of incidents involving the cutting of steel reinforcement bars at Hung Hom Station and To Kwa Wan Station of SCL. The delayed completion of XRL, as well as the recent incidents involving the cutting of steel reinforcement bars, shows that the governance culture of MTRCL has not changed at all. Given its sense of superiority, the MTRCL management is totally devoid of the spirit of accountability. Should the situation remain unchanged, Hong Kong people will ultimately come forth to oppose XRL. I wonder what the Government will do then to clear up the mess.

The Transport and Housing Bureau and MTRCL are actually in the same boat. Should MTRCL get into trouble, it implies that the Bureau has failed to perform its supervisory role effectively. How can MTRCL become an independent kingdom if it is not harboured by the Bureau? Even Secretary Frank CHAN, the head of the Bureau, is incapable of exerting pressure on MTRCL. Nor does he dare to offend MTRCL. In his recent response to the suggestion made by Mr Michael TIEN to randomly open up the concrete to inspect the steel bars, Secretary Frank CHAN said that it would depend on whether or not the proposal was supported by concrete scientific evidence. This answer appears to be scientific, but as a member of the public, I hope the Government can adopt the inspection method proposed by Mr Michael TIEN. Since the vast majority of the public know nothing about engineering, the public can hardly be appeased if the concrete wall is not opened up for an examination.

However, Secretary Frank CHAN might know something the public should not know. This is why he seeks to threaten Hong Kong people in a bid to silence those who are not in the know. I even think that besides invoking P&P Ordinance to conduct an inquiry, the motion moved this time around can also give the Government a good opportunity to buy back MTRCL. Furthermore, the non-railway properties, including property developments, property rentals and management, station businesses, and so on, can be listed afresh, so that MTRCL can better reflect its value. As regards the railway services to be returned to the SAR, the Government may appoint a new management company to take charge

of the railway management services. Unlike the present management, the new management needs not work with other overseas companies to develop railway projects in the Mainland and abroad for profit-making. But most importantly, the management may focus on developing railway services to benefit the public.

Upon recovering MTRCL, the Government can truly make use of the fare adjustment mechanism to determine fares. The SCL scandal has once again revealed that MTRCL remains an independent kingdom that seeks to deceive its superiors and delude its subordinates. It is worthwhile to pinpoint this issue and deal with it seriously.

Deputy President, I so submit.

DR CHENG CHUNG-TAI (in Cantonese): Deputy President, in my following speech, I definitely will support Ms Claudia MO's motion moved under the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to investigate the scandals concerning To Kwa Wan Station of the Shatin to Central Link ("SCL"), or the incident of one of the layers of steel reinforcement bars in a structural wall being removed.

First, I have to point out that at the meeting of the Council held last Wednesday, I proposed a motion under P&P Ordinance to investigate the alleged fakery incident of steel bars being cut short at Hung Hom Station of SCL. Certainly, with the support and protection of the pro-establishment camp by voting against my motion at separate voting, my motion was negatived. I am extremely disappointed about this. Yet, it is not merely because we cannot follow up on the fakery problem of SCL in the legislature but that I consider the motion I proposed under P&P Ordinance last week provided a crucial opportunity for the community to find out the truth. To put it simply, we merely need to use our common sense to deal with the fakery problem of SCL. Actually, we may simply think about the issues with common sense. Under what kind of practices or culture will people in charge of works projects think of cutting short the steel bars and actually doing so? In what kind of culture or under what kind of practices will they cut short steel bars to complete construction works? I believe people born and brought up in Hong Kong can never understand how this kind of practices would have developed and why they can do such things.

Hence, based on this point, the Legislative Council should invoke P&P Ordinance to investigate the case and find out the reasons. Other justifications or reasons for invoking P&P Ordinance are unnecessary, for the incident simply defies common sense. The incident will affect Hong Kong as a whole, and it is a matter of life and death, for some 5 million passengers are taking MTR every day. In the past, they said that "they are here to serve". During the construction of the railway, how is it possible that someone would cut short the steel bars, not just one, to complete the construction works? Although Members have put forth a lot of reasons in the discussion, we can indeed look at the incident with common sense. Frankly, if the door of your bathroom at home cannot be fixed to the door frame, will you remove the door handle so that the door can be successfully installed? You may do so at home, yet this is not your home but the platform of an MTR station. Hence, Deputy President, I think my case is made extremely clear merely by stating this point in my speech. We need not discuss issues like the reasons for doing so, the powers involved, which practice is more transparent or fairer, and so on, for these remarks have been repeated many times. If we simply use the common sense of the people of Hong Kong to consider the incident, we will realize that the incident is utterly unreasonable.

Last week, I moved a motion under P&P Ordinance, yet it was frustrating that it was vetoed under separate voting. I think we must face the reality. Given the political situation in the legislature or the establishment, we have missed the golden opportunity to invoke P&P Ordinance to investigate the fakery incident. This is an opportunity for us to understand the truth clearly. Indeed, the truth is before our eyes. Last week, during the discussion on the motion moved under P&P Ordinance in the Legislative Council, Mr POON, the Managing Director of China Technology Corporation Limited, did interviews with Cable Television and Commercial Radio Hong Kong. I think his remarks have obviously or very likely violated certain agreements with the MTR Corporation Limited ("MTRCL"). He said that he witnessed someone cutting short the steel bars, and he even described the clothes they were wearing and pointed out that someone might have procured specific machines for cutting the steel bars.

As I said at the outset, according to the common sense of the people of Hong Kong, no one will cut short the steel bars to complete the construction works, will there? Yet, the present case goes beyond that, as specific machines are bought for cutting the steel bars. Let us think about it carefully. What an

enormous amount of interests is involved behind the case? If what he said is true, the situation is extremely outrageous. If not everything he said is true, just the part about cutting short the steel bars already defies logic. The reason for Mr POON to describe or recap the incident to the mainstream media last week is merely an attempt to make all the Members of the Legislative Council to follow the logic and the norm in assessing the severity of the incident. Of course, my opinion of him is that he is naïve. It is too naïve of him to think that all Members of the Legislative Council will consider the incident on the premise of public interest and as a matter of life and death, and that they will consider the cutting short of steel bars beyond common sense in Hong Kong and then vote for the motion. He expects that if the motion moved under P&P Ordinance is passed, the video recording he has at hand—"the truth is in the video"—can be brought to light and shown to the public.

After the meeting last week where the motion was negatived, he made public that he still had many videos in hand. Why would he do that? At hearing those remarks, I grew a little worried about him, wondering if he would meet any accident like the Chairman of HNA Group. The news just reported that the Chairman had an accident in France. Mr POON hopes that what he has done will prompt the Legislative Council to invoke P&P Ordinance to summon him to the legislature, so that he can be protected under P&P Ordinance and bring to light the truth. Indeed, the truth is before our eyes. What else do we need to investigate? The investigation period of six months is too long, for the situation can be seen in the video recording. As in the investigation of my case involving turning the national flags upside down at a meeting of the Legislative Council, not many things require investigation, for the fact is borne out in the video recording. It is a matter of perspective and difference in opinions about who should be held accountable. As for the persons involved, the clothes they wore, the time they cut short the steel bars, the tool and the method they used for cutting the steel bars and the length of steel bars cut, if video recordings are available, we will have all the answers. If so, what is the point of the present debate? Our debate is about how much power we have to let the general public in Hong Kong to indulge in the fantasy or imagination that Hong Kong is still an extremely safe metropolis.

After my motion moved under P&P Ordinance was negatived, I actually thought that the best timing for following up on the fakery problem at Hung Hom Station and other issues relating to the construction works had passed in some measure. Why? Had Members paid close attention to the many speeches made

at the previous meetings, they would have noticed that Dr CHIANG Lai-wan's speech had brought forth the most important point. She mentioned that Mr POON had said a lot. She said he had participated in the District Council Election of Kowloon West District in the past and was an opponent of the Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB"), and she even suspected that he was not in the establishment. I wish to point out that the general public in Hong Kong would be confused by such remarks, losing their focus on the incident. It is a matter of life and death, why would she relate it to politics? It is a matter of life and death, why would she relate it to a matter of friend or foe? We have all along been talking about public interests. It is because some 5 million people will be using the MTR every day that we are so anxious about the case. I give no regard to what will happen afterwards. I just took the lead to propose a motion under P&P Ordinance, for no one can imagine what will happen after several decades. What if an accident does occur to the link one day and what if one of the passengers affected is someone you know? Perhaps those in the Chamber may not take MTR, yet you cannot assert that some people of Hong Kong whom you know may take MTR. At this very moment, I believe the door to heaven is opened to selected persons, yet this is not the case for the Hades. What will happen in the end? We may enter that railway which is the Hades.

The people of Hong Kong are facing this problem of fakery. Worse still, the Government is telling us that it can do nothing about it. How incapable it is. The Government has requested the companies concerned to explain the incident. Yet, in the Legislative Council, even Mr Michael TIEN says that the scope is too large and proposes that the Subcommittee on Matters Relating to Railways be conferred the power under P&P Ordinance to summon certain people to testify. He is obviously trying to summon personnel from the Leighton Contractors (Asia) Limited. This is the case.

As the Government, how can it say that it has no way to handle the case? I did not talk about politics when I spoke last time. Yet, come to think about it. To put it bluntly, in Hong Kong, MTRCL is actually a local enterprise comparable to a state enterprise. Despite all these incidents that occurred in Hong Kong, the price of the shares of MTRCL has not experienced much fluctuation. Under what circumstance will this happen? It will happen when the financial status or performance of the company or the enterprise is no longer linked to the people there. Now, at issue is that this organization resembling a state enterprise is bullied by an enormous construction enterprise or even a super

multinational enterprise. It is not just disputes between companies, yet it may be regarded as disputes between enterprises. No matter how, under the supervision of the Government, all the citizens in Hong Kong are now being put at unbearable and incalculable risks.

All along, we have been talking about considering the case from common sense. Last week, when Dr CHIANG Lai-wan gave her response, she said that Mr POON was doing all that because he had participated in the District Council Election of the Kowloon West District and something like that. I think it is true that some people in Hong Kong may think he is a "blue ribbon" or a "yellow ribbon" and wonder what kind of background he has. They may suspect whether or not he is doing all this as a political operation and the conspiracy behind it. Such remarks will actually generate public opinions to this effect. Hence, why does this motion under P&P Ordinance have to be proposed today? First, we cannot allow the incident to fade away, so proposing this motion is a reasonable move. Why can we not allow the incident to fade away?

Members may think about the lead-tainted drinking water we now consume. It is naturally tasteless, for water is favourless. The Commission of Inquiry into Excess Lead Found in Drinking Water ("the Commission of Inquiry") has been investigating the lead-tainted water incident for a long time. The lead-tainted water incident occurred in 2015, yet in the latest Honours List announced on 1 July, Enoch LAM, Director of Water Supplies, is awarded a Silver Bauhinia Star. Why would this happen? The Commission of Inquiry has criticized the Director for not having sufficient expertise and having a predetermined mindset. These two comments can aptly apply to Frank CHAN. He says that he does not have knowledge in transport, so he has not sufficient expertise. As for the predetermined mindset, he said in the beginning of the incident that it was not a problem and MTRCL would handle it and give an account of the incident. The two comments were made by the Commission of Inquiry after the investigation of the lead-tainted water incident was completed. Now that the incident is over, yet the "Director of lead-tainted water" Enoch LAM is awarded the Silver Bauhinia Star. Is this a token for betraying Hong Kong? Does it mean that the more bad deeds a person has done, the higher and greater honour he will be awarded? So, Secretary Frank CHAN may be awarded the Gold Bauhinia Star in the future? Or that the Transport and Housing Bureau will undergo a reorganization and Carrie LAM will take the opportunity to kick him out, so that he will no longer be the Director of Bureau. Then, two years later, he will be awarded the Grand Bauhinia Medal.

We do not wish to see the repeated replay of such incidents and the repetitive and similar results that follow. This has happened to our drinking water in the lead-tainted water incident. This has happened to the means of transport we use. As for housing, similar incidents occurred a dozen of years ago. Clothing, food, accommodation and transport, none of these aspects follows logic or common sense. What are we doing in today's debate then? After all, we are trying to defend the common sense in Hong Kong. The common sense is that: No one will cut short steel bars to complete the construction of a building. Deputy President, it is just that simple. No matter we are going to investigate the structural walls of SCL or the notification system between MTRCL and the Government … Talking about the notification system, it has been learnt that the Housing Department will seemingly introduce certain measures to ensure water quality, such as setting up a new division responsible for water testing and appointing civil servants to do water testing in the Mainland. Please stop fooling yourself. In the event of an accident, we may all go into that hole. In other words, we will all go into the Hades. This is the sin of all. Perhaps some people may not consider this a cause of concern, for they may have the choice to go through the door to heaven.

For the motions moved under P&P Ordinance this week and next week, the content of speeches may be repetitive, yet I have tried my best to discuss the incident from different perspectives. Last week, we missed the opportunity to reveal the truth and the video recording to the public. Hence, I hope that at the meetings of the Legislative Council and the House Committee this week, we can get justice done for the people of Hong Kong once again.

I so submit. Thank you, Deputy President.

MR LEUNG YIU-CHUNG (in Cantonese): Deputy President, I support Ms Claudia MO's motion.

In June this year, the media exposed that the contractor of To Kwa Wan Station of the Shatin to Central Link ("SCL"), Samsung-Hsin Chong Joint Venture, had made an unauthorized change to the design of the structural wall of the station. It removed one layer of steel bars of the wall and quickly poured in concrete to try to cover the unauthorized change. The change has greatly undermined the structural capability of the wall. The incident is very serious. In fact, the contractor must seek approval from the MTR Corporation Limited

("MTRCL") in advance for any alteration of design of structural walls and steel bars. Yet, the management of MTRCL stated that it has no knowledge of the alteration. It gives people the impression that the corporation has not merely outsourced the project works but also outsourced its responsibility. If this is not a perfunctory practice, what is this? Indeed, MTRCL was wakened only after the media had exposed the incident. From this, we can imagine how MTRCL has been performing its monitoring role.

(THE PRESIDENT resumed the Chair)

It is true that MTRCL has submitted a report to the Government after the incident, stating that the contractor had admitted in writing that it had removed two walls in part of the construction works and the steel bars of walls of an area of 59 sq m in total. In the speech made by the Secretary just now, he said that To Kwa Wan Station was different from Hung Hom Station, for it did not involve many questionable issues and controversies. He said that since MTRCL has been cooperative and told the truth about the incident, and that the contractor and the sub-contractor were willing to bear the responsibility, it would be unnecessary to set up an independent Commission of Inquiry and invoke the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to find out the truth.

President, is this the fact? Is it true that there is no controversy concerning the incident? I can hardly agree with the comments of the Secretary in this regard. These incidents lead me to identify a number of problems. First, it is about the supervision of MTRCL. When did MTRCL learn about the removal of steel bars of walls at To Kwa Wan Station? Is there any deliberate cover-up in the case? The Chief Executive Officer of MTRCL, Lincoln LEONG, has admitted that the relevant notification mechanism warrants improvement. Regarding the problems with the works at To Kwa Wan Station this time around, the management of MTRCL learned of the case very late. If this is true, it rightly reflects that even if MTRCL has not covered up the incident, it is obvious that there are significant inadequacies in its existing works supervision system, which has exposed the internal management culture of MTRCL. For a large-scale project involving a funding of $100 billions, its current practice is apparently slapdash, is it not?

Moreover, MTRCL has pointed out in its report that an MTR inspector at the site had noticed the removal of some steel bars but had not taken any action against the contractor or reported the case to his supervisor. Is this deliberate concealment of the case? Does it smack of protecting the contractor? If it is the case, what is the reason behind it? Undoubtedly, MTRCL and the Secretary have spoken along the same line, criticizing frontline personnel for failing to report the works problems to the Board and the Government. Though MTRCL has shown great concern about the incident and said that it would commence the disciplinary process, when MTRCL was asked repeatedly by reporters about the reasons for the inspector to cover up the case, the senior management of MTRCL did not give a clear response. Moreover, MTRCL has not given any account on the standard and guidelines for frontline personnel to report works problems to the Board. All of these practices give people an impression that they are evading the problems and refusing to face the public. This is definitely not an attitude a public service provider should adopt.

As the largest shareholder of MTRCL, the Government can hardly absolve itself of the blame in this incident. Regarding MTRCL's failure to give the reason for the frontline officer not reporting the case to his supervisor, it is obviously dereliction of duties on the part of the Highways Department ("HyD") in not requiring a clarification and provision of supplementary information immediately. Though the Acting Chief Executive Matthew CHEUNG has said that the Government will step up its monitoring of MTRCL, no specific measures have been announced to date. Is this telling us that the Government is merely paying lip service?

Moreover, MTRCL has said that it may open up the walls to inspect the steel bars, yet when it was asked whether the date of commencement of operation will be affected, MTRCL said at one time that it needed to discuss with the contractor, yet it said at another time that operation would commence in the middle of next year as scheduled. Such remarks give public the impression of it keeping changing. How can the public be convinced? This railway costing nearly $100 billion has run into cost overruns repeatedly and the date of completion has been deferred time and again, yet the senior management of MTRCL is making inconsistent remarks about whether the railway will commence operation as scheduled. This kind of practice makes the public feel extremely anxious.

Yet, a greater cause of concern is that the To Kwa Wan Station incident is not an individual incident, for the excavation works at Exhibition Centre Station which is undertaken by Leighton-China State Joint Venture is also found to be problematic. Some time ago, it was exposed that the contractor had failed to install sufficient diaphragm wall panels for the excavation works and the excavation works was ordered to suspend. Moreover, at Hung Hom Station of SCL, it has been exposed that 5 000 steel bars at the platform had been cut short and the Government had all along been kept in the dark. The scandals about the constructions works of SCL were exposed in a row, evident that there are significant inadequacies in the works supervision system adopted by the Hong Kong Government, MTRCL and contractors.

A more serious problem is that the Government has all along adopted a most lenient attitude towards these problems. Yet, do the public consider this lenient attitude acceptable? Today, we see that even colleagues from the pro-establishment camp cannot bear it anymore. One after another, they have stated that the independent Commission of Inquiry set up by the Government is inadequate, for it is necessary to expand the scope of investigation to cover To Kwa Wan Station and Exhibition Centre Station of SCL where similar incidents have happened.

Even if the Government agrees to extend the scope of investigation of the Commission of Inquiry and has appointed the former Non-Permanent Judge of the Court of Final Appeal as the Chairman of the Commission of Inquiry, it cannot avoid the impression of being unfair given its role as the greatest shareholder of MTRCL and the function of monitoring the works of various scales of MTRCL. Furthermore, upon the completion of the investigation, the authorities may not make public the complete report or give a comprehensive account, which makes it difficult for the public to know the causes and circumstances of the incident. Besides, at the Chief Executive's Question Time this morning, when Dr CHIANG Lai-wan asked whether the Government would extend the scope of investigation of the Commission of Inquiry, Chief Executive Carrie LAM refused to give a direct answer, other than merely saying that Hung Hom Station would be an entry point and issues relating to SCL would be addressed altogether. Though she fell short of stating it explicitly, she de facto rejected the relevant proposal. Such remarks are really unacceptable.

The terms of reference of the Commission of Inquiry are to investigate the platform of Hung Hom Station, and this is crystal clear. If the authorities are determined in identifying inadequacies, I think it should exhaust all means

possible to investigate the incident and find out the causes, so that the public will know the truth and feel relieved. The authorities should not merely urge Members to vote against the motion and prevent Members from fulfilling their obligation of monitoring the Government and public organizations. If we allow the incident to run its course, we worry that it will eventually be left not addressed. By then, MRTCL will continue to act in its slapdash and arrogant manner, whereas the public will continue to be treated as the ATM supplying cash for the construction of "white elephant" projects. Worse still, the public will be risking their lives in taking the railway. Hence, to protect the safety of the public and to comprehensively review the supervisory and notification mechanisms of the Government, MTRCL and contractors, I consider it necessary to adopt a more proactive and determined approach in investigation.

As the institution with popular mandate in monitoring the Government and accountable to the public, the Legislative Council definitely needs to intervene proactively instead of waiting passively for the Government to investigate its own men or waiting for witnesses to decide whether or not to attend the meetings of the relevant committees. Since the legislature may invoke P&P Ordinance to inquire into incidents involving significant public interests, I think this Council should exercise its power to summon the persons concerned to testify. We should give regard to the fact that the incidents involving SCL this time around are unprecedented scandals. These incidents may affect the date of commencement of services. Worse still, they may pose a threat to the safety of the public. Besides, the colossal expenditure of the construction works is paid by public coffers. The authorities should give a comprehensive account to the public, should it not? Hence, with regard to the severity of the incidents as well as the power to ascertain accountability, it is absolutely necessary for the legislature to invoke P&P Ordinance to conduct a comprehensive investigation to find out the truth and give an account to the public.

In his earlier speech, the Secretary said that HyD had already set up an investigation committee to review issues relating to the works of SCL and the findings will be reported to the legislature when they are available, so the Legislative Council should not invoke P&P Ordinance to conduct an investigation but should trust HyD and wait for the findings. In fact, HyD has been responsible for monitoring the works progress of SCL since 2014, yet scandals concerning SCL have been exposed one after another. It is evident that HyD is insensitive and slow in response. After all, over the years, none of these problems was discovered by HyD. Can we still rely on HyD and trust the findings of its investigation?

Furthermore, as Dr Helena WONG mentioned just now, Carrie LAM said this morning that it was very difficult to invite people to join the Commission of Inquiry. In fact, Members do not mind sharing the burden and offering assistance in the investigation work, and it is particular so when a number of Members are professionals and they have quite some knowledge in the field. More importantly, Members have enormous support from the public. If the investigation is to be conducted by Members, the public may offer their opinions to help us with the investigation even when we encounter issues we do not know.

Hence, I consider it necessary for the Legislative Council to invoke P&P Ordinance to investigate the case. Moreover, the contractors have signed the non-disclosure agreement with their staff. Hence, when MTRCL submitted the report last time, the contractor refused to allow their staff to assist in the investigation. Such an attitude is infuriating. It also reflects that the monitoring mechanism between contractors and MTRCL has broken down. If the report is unclear and fails to explain all the questionable points, it will be a waste of time and resources. Hence, in my view, if P&P Ordinance is not invoked to allow persons who know the case to speak the truth and state the facts and causes, the truth of the incident can hardly be found. Now, we must identify remedies for the problems. We cannot allow the incident to run its course. We must investigate the incident by invoking P&P Ordinance.

Even if the Government eventually changes its mind and becomes willing to extend the scope of investigation of the independent Commission of Inquiry to include the To Kwa Wan Station incident concerning the removal of steel bars, the investigation can be conducted in parallel. There is no problem or conflict in doing so. On the contrary, I think this will have a complimentary effect. I think we can brook no delay in handling the incident this time around. Members should allow the legislature to invoke P&P Ordinance to investigate the case, so that the general public will know the truth of the incident and we can continue to monitor the operation of MTRCL.

President, I so submit.

IR DR LO WAI-KWOK (in Cantonese): President, the subject of the debate is: Ms Claudia MO requests that this Council appoints a select committee and authorizes the select committee to exercise the powers conferred by the

Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") in the performance of its duties to inquire into the incident, as she pointed out, of one of the layers of steel reinforcement bars in a structural wall in To Kwa Wan Station of the Shatin to Central Link ("SCL") being removed, and whether the incident involved ineffective monitoring by the Hong Kong Special Administration Region ("SAR") Government and the MTR Corporation Limited ("MTRCL") and their deliberate concealment of the construction scandal, and other related matters.

President, in recent years, P&P Ordinance as an "imperial sword" has been gradually reduced to something similar to the so-called elixir on the lips of charlatans in the hands of certain Members from the non-establishment camp, which can cure all ills. Whenever the media has reported a certain matter that such Members find suspicious, they scramble to invoke P&P Ordinance to conduct an inquiry. Since the inauguration of this Legislative Council in 2016, such a situation has been a common occurrence. For example, at the meeting of the House Committee on 8 June this year, Dr CHENG Chung-tai made a relevant request about a similar issue, on which Honourable colleagues from various political parties and groupings each aired their views and thoroughly expressed their own stances. Upon voting by Members, the request was not approved. Subsequently, he moved the motion again at the meeting of the Legislative Council last week. The debate as a whole illustrated it was very unlikely that Honourable colleagues, whether in favour of or against the proposal, could present stronger new arguments. The outcome was that the motion was again not passed. Now, Ms Claudia MO proposed again a motion that was more or less the same, merely singing the same old tune over and over.

There are altogether 10 stations in the SCL project with a catchment area covering Hong Kong Island, Kowloon and the New Territories, which is a project having wide-ranging impact. I believe no one can dare guarantee no new problems will be raised after the conclusion of the debate today. But I can almost assert that, in that case, it is highly likely that some Member will then propose a motion and again wave the "imperial sword" of the Legislative Council. In this way, the solemn Legislative Council of Hong Kong will find itself circling MTRCL or even just some infrastructural projects and ensnared in endless entanglements. I consider it not in the overall interest of Hong Kong nor consistent with the wish of the general public.

Previously, given that the incident of steel reinforcement bars on platforms of Hung Hom Station of SCL being cut short concerns public safety and attracted widespread concern in society, the Government has also accorded great importance to it. On 12 June, the Chief Executive, Mrs Carrie LAM, decided to set up a Commission of Inquiry under Cap. 86, the Commissions of Inquiry Ordinance (Cap. 86), to conduct a thorough inquiry into the incident. Mr Justice Michael John HARTMANN, a former non-permanent Judge of the Court of Final Appeal, was appointed to head the inquiry, which is expected to take six months to complete. The Commission of Inquiry is set up under the Commissions of Inquiry Ordinance. The inquiry hearings are legal proceedings endowed with statutory powers to summon specific parties to testify or produce any item or document, being genuinely a "sharp-toothed tiger". As regards the Government's decision to set up an independent Commission of Inquiry, Members from different political parties and groupings in the Legislative Council all gave their unanimous approval and support, which is a rare occurrence.

In her replies to questions from Members when attending the Chief Executive's Question Time at the Legislative Council today, Chief Executive Carrie LAM stated that the Government had announced earlier the forming of a statutory and independent Commission of Inquiry to inquire into the works problems in Hung Hom Station of SCL, which is chaired by Mr Justice Michael John HARTMANN, and the second member had been identified in recent days and she would request the Executive Council to approve the establishment of the Commission as soon as possible. She commented that the member of the Commission must be a professional in the engineering sector, have no engagement in any Hong Kong projects or as a consultant and also have no relations with MTRCL. It was not easy to find such a person and so it had taken a while to do so.

As regards the works problems in To Kwa Wan Station and Exhibition Centre Station, Chief Executive Carrie LAM indicated that the Government learnt of the incident from media reports. The Secretary for Transport and Housing will give an account of it at the meeting of the Panel on Matters Relating to Railways shortly. She stated that the Government attaches importance to the safety of infrastructural works and that though the Commission of Inquiry is set up as a result of the works problems in Hung Hom Station, its terms of reference include examining matters such as MTRCL's overall project management, supervision, quality assurance and quality control, as well as further examining the monitoring and control mechanisms of the Government.

I have previously pointed out that an independent and professional engineer should be included as a member of the Commission of Inquiry. It will bring substantial help to the inquiry. I look forward to the completion of the inquiry within six months as scheduled and constructive recommendations to be made by the independent Commission of Inquiry. Meanwhile, the Commission of Inquiry should also conduct an inquiry into the traceability and risk management of MTRCL's works procedures. As the authorities have initially responded to the concerns in society, various sectors should give the Commission of Inquiry appropriate time and room to submit a report within the proposed period of six months and then carry out consequential follow-up.

On the subject of the safety of platforms in Hung Hom Station, I consider a load test the most scientific way of verification. MTRCL has engaged an independent engineering expert to carry out load tests on the platforms of Hung Hom Station. The engineering expert has also submitted the testing approach. It is the most scientific way to ensure whether or not the structure meets the engineering requirements. As regards the incident of reinforcement bars in To Kwa Wan Station being removed, it differs from the situation in Hung Hom Station and should not be confused with it. I have been given to understand that the report submitted by MTRCL to the authorities allegedly discloses that some horizontal reinforcement bars in a total of three locations on a wall adjacent to two staircases on the upper platform of the station were removed without authorization by the contractor when performing correction of wall thickness, not in compliance with the approved plans. MTRCL claimed that the incident would not pose any safety risk but has conducted detailed checks and instructed the contractor to carry out remedial works as per the approved plans. It will also look into the relevant issues of works procedures and supervision of work sites.

In respect of the specific matters involved in To Kwa Wan Station of SCL and the nature of relevant reports, Chief Executive Carrie LAM stated this morning that the Secretary for Transport and Housing, Mr Frank CHAN, would make a report to the Panel on Matters Relating to Railways of this Council shortly. In my view, the Legislative Council should not draw its "imperial sword" merely based on some fragmentary reports by the media, but should first let the authorities have a good grasp on the overall situations of To Kwa Wan Station and make a report to the relevant Panel before considering how to follow up on it. The crucial question and the focus of attention are both the SAR Government as the supervisor and MTRCL as the project manager of the SCL project must ensure that the quality of works will not be compromised, with

public interests and public safety as the prime considerations. Any irregularity, once discovered, must be dealt with seriously by, among others, making referrals to the law enforcement agencies for investigation. In fact, the Under Secretary for Transport and Housing, Dr Raymond SO, emphasized in his closing speech on the motion moved by Dr CHENG Chung-tai under P&P Ordinance last week that the Government is now seriously following up on the alleged problems of quality and irregularities in the construction works of the platforms of Hung Hom Station of SCL, and has passed all information obtained to law enforcement agencies for investigation, with a view to clearing up doubts and revealing the truth.

President, it is undoubtedly our duty to delve into various problems emerging in the SCL project to learn a lesson and make incidents involving construction safety sufficiently transparent to manifest the public's right to know. However, as I stressed in my speech made on the motion of a similar nature last week, such engineering problems are professional issues that are highly technical and not readily comprehensible to the general public. It is imperative that we do not make speculations or accusations that take the part as the whole based on fragmentary information, or even run after a shadow and spread hearsay. Instead, we should refer the problems to qualified professionals for handling, otherwise it may cause unnecessary panic among the public and also severely affect the reputation of the engineering trades built up over the years.

President, against such a background, if this Council invokes P&P Ordinance to inquire into the works problems in To Kwa Wan Station, pursuant to Ms Claudia MO's motion, it will not only cause redundancy and duplication that will waste the time of the Council and relevant parties but, as seen in past experience, it is also not difficult to infer that at such time, for some Members, the focus of the discussion would be only on the so-called accountability of public officers or the MTRCL management. Targeting at the persons but not the matter make us overlook the problems that genuinely require solutions. I am afraid it will only politicize the works problems.

President, my colleagues in the Business and Professionals Alliance for Hong Kong and I do not approve of Ms Claudia MO's motion, for it is both unnecessary and inappropriate, and renders no help to solving the problems.

President, I so submit.

MR WU CHI-WAI (in Cantonese): Ir Dr LO Wai-kwok's speech just now is indeed an eye-opener because in the final analysis, Ir Dr LO Wai-kwok may consider that given the complexities of construction works or technicalities, when the engineering personnel said OK, then things would be OK. I hope Ir Dr LO Wai-kwok will think about it clearly. It is exactly because of these construction scandals happening one after another that the integrity of practitioners in the entire engineering sector has been affected and questioned. The MTR Corporation Limited ("MTRCL") has held a press conference on the works problems of To Kwa Wan Station. At the press conference it was said that MTRCL's project team consisted of some 10 000 staff members. A great majority of them have performed their duties faithfully and only individual staff members, such as those responsible for the construction works at To Kwa Wan Station, have deceived their superiors in not reporting the problem even though they had noticed it. Is this a problem with individual staff members or one with the system? Apart from To Kwa Wan Station, do other MTR Stations have problems, too? If we do not examine the problem with a convincing approach or if we continue to allow MTRCL to conduct investigations by itself, as Ir Dr LO Wai-kwok has said, there is no guarantee that no other incident will occur. Certainly, even if an investigation is carried out, does it mean that the problem will be resolved once and for all? No one knows. But if we can identify the thrust of the problem, is that not something that the community of Hong Kong most wishes to see? Concealing a problem as a way to resolve it is, I think, quite an interesting thing to do. I hope Honourable colleagues will think about this clearly. The motions proposed by Members last week, today or next week of invoking the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to inquire into the construction problems of the Shatin to Central Link ("SCL") actually serve the same purpose.

I recall that in the course of the investigation into the construction works of the Express Rail Link ("XRL"), we were unable to probe into many problems, for we were not given powers by P&P Ordinance to summon the relevant witnesses. We could only rely on other information, especially information in the investigation report of the Board of MTRCL at the time. Subsequently, with regard to the phenomena reflected by the investigation, we could only make criticisms. But as Ir Dr LO Wai-kwok has said, after we had made criticisms, without the leeway or power to further obtain evidence from the persons concerned, we were actually unable to conduct a comprehensive, solemn investigation to find out the truth or even take precautions to pre-empt problems.

Some colleagues have kept saying that if this committee will carry out an investigation and that committee will do the same, the engineering staff of MTRCL will be heavily burdened and as a result, they will not have the time to perform the daily management duties properly, or they will not have the capacity to cope with these duties alongside the investigation. Assuming that there will be this problem, it precisely goes to show that the SAR Government might have been wrong in abruptly entrusting so many projects to MTRCL. It also points to a problem in the capacity of the construction or engineering sector as a whole. How could this not be a problem? In this connection, we hope to invoke P&P Ordinance to conduct an inquiry with the purpose of finding out where the problems lie.

Some colleagues have always said that the Government has already set up an independent Commission of Inquiry led by Mr Justice Michael John HARTMANN to conduct an investigation. But let us not forget that the scope of his investigation covers Hung Hom Station and targets Leighton Asia. However, To Kwa Wan Station is not included in the scope of investigation, and Samsung-Hsin Chong Joint Venture, which is involved in the construction of To Kwa Wan Station, is also not covered in the scope of the investigation into Hung Hom Station. So tell me, how can this deal with the problem? If Carrie LAM said that since works problems have also been found in To Kwa Wan Station, she would extend the terms of reference of the Commission of Inquiry led by Mr Justice Michael John HARTMANN to cover the various contractors of SCL, we would consider it reasonable and it may help identify a solution or find out all the circumstances pertaining to the incidents. But this is not the case now. All we can do is to rely on "other related issues" within the scope of investigation into Hung Hom Station. But according to past experience, "other related issues" are often said to be outside the areas of investigation under the terms of reference. I would say that this is a problem resulted from the scope of investigation not being broad enough. Therefore, regarding Ms Claudia MO's proposal to include To Kwa Wan Station in the investigation, is it actually not reasonable and sensible?

SCL has as many as 10 stations. At Hung Hom Station, problems have been found; at To Kwa Wan Station, a layer of the steel reinforcement bars in a wall are found to have been removed, resulting in problems affecting an area of close to 600 sq ft of a concrete wall and remedial works are hence warranted; and at Exhibition Centre Station, the implementation of works is found to have deviated from the original drawings. Problems have been found at three stations. Do other stations have problems? The contractor concerned is found

to be engaged in faulty works at To Kwa Wan Station, will the same happen in other stations? Who can give a guarantee? Is there clear information showing that other construction works are fully in compliance with the specifications? According to the information provided on To Kwa Wan Station, had it not been people in the know revealing the problem, the management of MTRCL responsible for supervising the works would have been kept in the dark, or else Secretary Frank CHAN would not have said that he got his first-hand information from the news report. This precisely reflects the question of whether the problem is only limited to the area disclosed or it is actually bigger in scale? Moreover, the works problems revealed in this incident have aroused doubts among the public about the quality of the works of MTRCL. How can public confidence be restored? Can public confidence be restored by sweeping the dirt under the carpet? If there will be no comprehensive investigation which includes an investigation by the Government and an inquiry by the Legislative Council … What do I think is the best outcome? In order to really protect the brand of MTRCL, assuming this is our objective, I think the best outcome is that the conclusions reached by Mr Justice Michael John HARTMANN would be entirely the same as those of the Legislative Council in that they would both identify problems and come up with effective solutions or perhaps they would even conclude that there is no problem with supervision and the problem is attributed to default of duty by individual engineering staff members. Even if it is really considered an isolated problem, this has to be a view reached by both committees after investigation, and this is the most effective way to restore public confidence.

Honestly, the success of the MTRCL brand was not achieved overnight. But from the delays and cost overruns of XRL to the exposure of problems in the supervision of the construction works for SCL, if MTRCL wants to restore public confidence, not only should it respond to the expectation of the general public in Hong Kong for SCL and railway projects in Hong Kong to attain a high level of performance and safety standards, because this can also affect the international reputation of MTRCL in the supervision of works. How can public confidence be restored? I believe it is absolutely not by way of sweeping the dirt under the carpet, for this can never dispel the doubts and the consequences can be lasting.

So, when Secretary Frank CHAN appealed to colleagues to vote against Ms Claudia MO's motion in his opening remarks, has he clearly thought about what should be done to restore both local and international confidence in MTRCL? The Secretary must bear in mind that he himself and his predecessor have

encountered the same problem and when they noticed the problem, they were both shocked and unable to grasp the problem at the earliest opportunity. From this we can see that the reports on the progress of works made to the Secretary by supervisors of works appointed by the Government or the information grasped by these supervisors and even the information grasped by the senior management of MTRCL is not as comprehensive as we expected. Such being the case, what else can the Secretary rely on to restore public confidence in the SAR Government and MTRCL?

In the international community there are many railways which operation is outsourced, and many places have also expressed great interest in inviting MTRCL to be the project manager. If this reputation is gone, how can it be restored? If these project management personnel of such a good quality in Hong Kong would adopt the approach of sweeping the dirt under the carpet, fearing that disclosing the problem would open the Pandora's Box, it would only be easier for problems to arise. In fact, to resolve a crisis, it is always best to be open and transparent. What is most terrifying is that everybody thinks that this should not be done and that should not be done and at the end of the day, everybody is trying to cover up for each other. The problem will not be resolved by concealing it.

Ir Dr LO Wai-kwok said just now that we often rely on some patchy reports in newspapers to gain understanding of an issue. Let us bear in mind that these patchy reports in newspapers are from the press conferences convened by MTRCL. The pictures were provided at the press conferences, and the information or dialogues were based on the exchanges between the reporters and the project controllers of MTRCL at the press conferences. From this angle, if they did not give a detailed reply and if doubts remained uncleared, it precisely showed that the problem had yet been fully sorted out and in that case, how can these reports be considered patchy? It is because we could not obtain a proper reply from MTRCL that we are duty-bound to look clearly into what actually happened.

For instance, some people asked what methods the contractor had adopted in removing the steel reinforcement bars. Mr Jason WONG, General Manager of Projects Management Office, said that the contractor did not specify the method for removing the steel reinforcement bars and that the enclosed area involved was covered with concrete. He said that they had yet opened up the concrete for examination and they would later open up the concrete of the wall to examine it. When asked why the site supervisor of MTRCL did not report the

problem even though he had noticed it, MTRCL did not explain why no report had been made. It only said that it was recorded in the report that a site supervisor of MTRCL had noticed that some horizontal reinforcement bars were removed when he walked past an internal wall beside staircase No. 3 but he took no action against the contractor, nor did he report the case to his supervisor. This is exactly the problem. Such patchy information was disclosed by the project controller of MTRCL. How can you say that the patchy reports or reports in newspapers on which colleagues in the Legislative Council have relied are unnecessary or even unworthy of our attention and consideration? I think this is absolutely irresponsible.

In fact, I think whenever problems are found in construction projects, Ir Dr LO Wai-kwok often takes the attitude that when the engineering sector said OK, then things will be OK, and such an attitude will backfire and produce counter effects. It is because as the staff of MTRCL have said, a great majority of practitioners in the engineering sector are diligent and dedicated at work, observing all the rules and standards in performing their duties, whereas the bad apples are only a minority. If we do not pick them up, actually it would be like a mouse dropping ruining a whole pot of congee. Secretary, all these are problems, and it is imposible to restore people's confidence in the engineering sector by concealing the problems.

With these remarks, President, I support Ms Claudia MO's motion.

MR CHARLES PETER MOK (in Cantonese): President, I rise to speak in support of the motion moved by Ms Claudia MO under the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to set up a select committee to inquire into the incident of some steel reinforcement bars in a structural wall in To Kwa Wan Station of the Shatin to Central Link ("SCL") being removed, and matters such as whether it involved inadequate monitoring by the Hong Kong Special Administrative Region Government and the MTR Corporation Limited ("MTRCL").

Judging by the content of the motion alone, I believe people really have no reason to say that the inquiry is unnecessary. Nevertheless, sometimes the Council is rather strange. Last week, Dr CHENG Chung-tai also moved a similar motion under P&P Ordinance, in the hope of setting up a select committee to inquire into the works incident relating to SCL, but it was negatived by the pro-establishment camp.

Looking back on the past week, what developments were there of the incident? The Panel on Matters Relating to Railways ("the Panel") of the Legislative Council will hold a special meeting on Friday, where all parties, including the construction companies concerned, sub-contractors, MTRCL and the Government, have been invited to attend and answer questions. Obviously, as we can all see, Leighton Contractors (Asia) Limited ("Leighton") refused to attend the meeting. I do not know if Secretary Frank CHAN would concur that Leighton should indeed not send any representative to the Legislative Council on Friday. I do not know his thoughts on this. Might he think that the Panel should not hold a meeting to ask questions at all? However, I believe he would not deny that the Panel has the power to convene a meeting. It is also common knowledge that the Chief Executive Officer of MTRCL, Mr Lincoln LEONG, has stated that the main contractor, Leighton, has been repeatedly encouraged to give an open account of the incident to the public, but Leighton has maintained there is no such need. Secretary CHAN should be a member of the board of directors of MTRCL and the Government is also the majority shareholder. I can see their helplessness. Is the Secretary quite confident about settling this incident? If so, why has he not yet been able to make Leighton give a proper and open account to the public?

In my view, people have reasonable expectations for public works contracts worth tens of billions of dollars of public money. As money has been spent, the works so conducted should meet the most basic standards. More importantly, the Secretary certainly regards safety as the prime consideration, so there is no reason that in the face of safety issues, the Government would say it has no responsibility. Why does it not seize every opportunity to discover the truth, reveal it to the public and make the contractor bear the due responsibility?

As people have seen the problems, does it suffice to claim that a contract with various terms and conditions has been entered into between commercial organizations and use it as a pretext for not disclosing any information? The first question we have to ask is: Why would such terms and conditions be concluded? We are talking about public works carried out using people's money. Is it not necessary for Leighton to give an account of it, or the Government has no right to require Leighton to give an account of it? What people want to ask is: After spending public money to sign such works contracts, is there really "zero monitoring"? Even Mr Michael TIEN has also indicated his intention to propose a motion under P&P Ordinance, while remaking that there is no reason to not support Ms Claudia MO's motion today. I hope he will return

later on to vote. Honourable colleagues can see that a number of Members, considering the incident having run out of hand, have started to change their stances and inclinations as the developments unfold.

After a week, there have been new developments. Recently, the media have exposed water leakage found on the canopy of the Passenger Clearance Building of the Hong Kong-Zhuhai-Macao Bridge during two rainstorms in May and June this year, leading to a number of water puddles to form on the floor of the building. Workers were also quoted as saying that there was no remedial measure at all. I am not digressing from the subject. It so happened that such works were also undertaken by Leighton and Chun Wo Development Holdings. It was Leighton again. Incidents have arisen in so many works undertaken by this company. We can imagine that the media and other organizations may have uncovered only the tip of the iceberg. By invoking P&P Ordinance to conduct an inquiry, the Legislative Council can obtain more information. Even though the pro-establishment camp asserted that the independent Commission of Inquiry set up by the Government will suffice, apparently the two can complement each other. I also think that Secretary Frank CHAN should look at the Legislative Council as a working partner who will help him find out the truth.

I already pointed out last week that the Government, after all, has a close relationship with MTRCL. The Government is both represented on the Board of MTRCL and also the majority shareholder. Frankly, as I mentioned last week, for example, if an incident occurs in the Legislative Council and I am the shareholder of a certain company which is under investigation by the Legislative Council, not only do I have to make a declaration of interest, I also believe I would not join the relevant Commission of Inquiry or speak on that matter. But why does the Government deal with the incident in a different way? I do not wish to say there is a conflict of interest involving the Government because I believe it also wants to find out the truth for people. However, in fact, there is a conflict of interest involving the Government in the incident and, to a bigger or smaller extent, it should avoid arousing suspicions. There is no reason to say that the inquiry by the Legislative Council will not be more neutral. After the incident, I believe people, once considering the inquiry will be a "peer investigation", will find it exceedingly unreasonable and difficult to be convinced.

As a matter of fact, the Government bears the responsibility for this incident. We need to look into whether monitoring is adequate, and it is one of the issues that need to be covered in the inquiry. The Government stated that it

would set up an independent Commission of Inquiry to take charge of the inquiry, but the Legislative Council indeed has the same responsibility. Should the Council not do so, it will fail to perform its essential function of monitoring the Government. We also have to perform our function fully to answer to the people. If the Legislative Council does not conduct an inquiry, on what grounds can we pursue the question of accountability within the Government? If we need only look at the results of government studies, a lawmaker is truly an easy job. It transpires that we absolutely need not monitor the Government, make sure the Government is called to account or conduct inquiries.

President, in the past when the Government was involved in similar incidents, many of the internal investigation reports were not made public after completion. It is one of our concerns because after the completion of the inquiry, the Government would point out that a lot of information is business-related and contract-specific, so on and so forth, disregarding the public's right to know. It is the very difference between a select committee set up by the Legislative Council and a Commission of Inquiry set up by the Government.

An inquiry conducted by the Legislative Council can precisely make up for the inadequacies of the independent Commission of Inquiry set up by the Government, or the two can complement each other—I do not wish to say it has inadequacies. They each do their own job and can indeed collaborate. The scope of inquiry will definitely be broader. Besides, for the time being, we know that the independent Commission of Inquiry will only inquire into the matters of Hung Hom Station. Now a scandal is exposed each week, and another one may be exposed a few days later. Then, who will be responsible for the inquiry into other works? Maybe they should only inquire into the matters of Hung Hom Station and leave the rest to the Legislative Council? The authorities ought to clearly figure out how to deal with such matters and really not use the independent Commission of Inquiry as a shield.

Reading the statement released by China Technology Corporation Limited ("China Technology") last week, we have learnt the exact opposite. Sometimes I feel that MTRCL is quite miserable—Mr SHEK is present—as in the statement surprisingly China Technology criticizes MTRCL's attitude, questions whether the Government's independent Commission of Inquiry will commence work so soon and casts doubts on the outcome of the inquiry. Sometimes, I am not sure if staff of MTRCL are truly afraid of being investigated, as I think they are

actually victims of the incident as well—someone is nodding in agreement. Is it because the majority shareholder forbids them to take such a stance that, on many matters, MTRCL has to suffer in silence? I do not want to jump to a conclusion and assert that it must be so. Nonetheless, it demonstrates the merits of an inquiry conducted by the Legislative Council, as we can examine the incident in a relatively independent manner, while also possibly doing justice to MTRCL.

Let us read again the statement issued by China Technology. It reads, to this effect, "the independent commission of inquiry is expected to commence its work after September the soonest. Moreover, given MTRCL's attitude as shown in the report, as regards the search for the truth and the totality of facts, including addressing the aspect of evidence protection and objectively making improvement proposals in the future, unless all parties can, from now on, actively cooperate, we are afraid it will only be a waste of resources and time. Regarding the actual number of steel reinforcement bars in this fakery, unless the concrete is opened up for spot tests, it will be difficult to get at the truth."

Indeed, I believe before making such a statement, they have already contemplated clearly what legal responsibilities they will bear. Still, they dared to say so, indicating the great severity of the problem. If the motion is negatived later today, meaning the Legislative Council once again curtails its own powers and handicaps itself, how do we live up to people's expectations? In respect of an issue of widespread concern and involving public interest, do the public really have to wait for the Government to set up an independent Commission of Inquiry after September and leisurely conduct the inquiry, and then consider the incident settled after the Government has selectively given an account of parts of the report?

As Mr WU Chi-wai stated just now, it is of the utmost importance to restore people's confidence and ensure the safety and reliability of the railway system, be it the lines currently in operation or new lines. Now, as people travel on MTR every day—I have taken MTR a few times today as well—do they really have so much confidence in MTR? We have to clearly figure out how to deal with the whole incident. Will everything be fine now with us simply believing Secretary Frank CHAN is a good man? Do people think the same? It is nothing personal about him, but we all wish to see the matters yielding fruitful results under the system. The Legislative Council is responsible for monitoring the Government. We should discharge our responsibility to inquire into the incident by setting up a select committee under P&P Ordinance.

If the incident begins in a station, then we should conduct the inquiry starting from that station. If we find out that the problems are snowballing, I believe we will find a solution and no Member will oppose enlarging the scope of inquiry anymore.

I hope that Secretary Frank CHAN will think it through if he should blindly urge us—as he stated in his opening speech—to oppose the motion. I do not know if the motion can be put to the vote this evening. Perhaps it will be put to the vote tomorrow morning and then negatived. Afterwards, the Government will not take it seriously and the "paparazzi" outside can pack up and come to the Legislative Council again next week. And then it will be time for the summer recess and the incident will be left unsettled. Will it be the case? Why does the Secretary blindly urge us to oppose the motion? Why can we not collaborate with each other in conducting the inquiry? The Legislative Council wishes to collaborate with Secretary CHAN and the Government to uncover the truth. Therefore, I urge Secretary Frank CHAN to change his stance in his speech later. Here, many Members—I dare say most of them—will definitely heed his views. I mean views—I dare not say instructions.

Should he change his mind later and decide to collaborate with the Legislative Council in conducting the inquiry, I believe he and the Chief Executive will both earn some credit and applause from all the people of Hong Kong. He needs to think it through as it is a very good opportunity. Why does he not happily do so? Moreover, they surely did not make such a decision for the sake of protecting certain people with vested interests. I clearly heard the Chief Executive say that, as regards people with vested interests affecting the conditions of various aspects in Hong Kong, she intends to surmount such obstacles. I heard her clearly. Now I wish to see her do so, and also the Secretary do so.

I hope that the Secretary will declare in his speech later that the Government will collaborate with the Legislative Council and the two parties will each conduct an inquiry on their own. And if we can secure his cooperation, we will definitely be able to find out the truth of the incident and do justice to the people, do justice to the companies possibly affected by the incident and even to MTRCL, as well as doing justice to the Government. At least, in the future, the practices and effectiveness of monitoring such projects can certainly be improved. Therefore, I implore, not Members, but definitely the Government—if the Government is willing to support the motion, most Members here will immediately heed the Government's advice and we will not pick a

quarrel to oppose the motion. If the Government supports the passage of this motion, we will then *(The buzzer sounded)* … likewise support the Government in passing this motion.

PRESIDENT (in Cantonese): Mr MOK, please stop speaking immediately.

MR CHU HOI-DICK (in Cantonese): Mr LEUNG, just now Mr Charles Peter MOK said Secretary Frank CHAN would receive some applause if he agreed to invoke the Legislative Council (Powers and Privileges) Ordinance to inquire into the matter. But I do not think that will happen because I do not believe Secretary Frank CHAN expects any applause from the public on this matter. He should be happy if the public scold him less. Actually, it has come to a point where I will be scolded if I do not criticize him in my speech.

Mr Charles Peter MOK also mentioned that, according to Chief Executive Carrie LAM, there are many groups with vested interests nowadays which she would like to defeat one by one using the powers of the Chief Executive. If that is really the case, she should defeat Ir Dr LO Wai-kwok first because his speech of a few minutes was so illogical and contradictory to common sense that I find it most astonishing. In particular, he said to this effect, "you people should not relay groundless rumours out of hearsay and create panic. Only engineers understand engineering works. You should let us talk and let the Government inquire into it." Let us get it straight here. We are not relaying rumours, such as Yakult can resist radiation or salt can fight cancer, to create panic. Professional media workers in Hong Kong are making their best efforts to expose and sort out the problems in works projects concealed by the MTR Corporation Limited ("MTRCL"), Leighton Contractors (Asia) Limited and the Government. I ask Ir Dr LO Wai-kwok to refrain from insulting the professional press.

To put his argument in a wider context, the public should not be informed of anything at all, as they would not learn anything from it. Then I would ask Ir Dr LO Wai-kwok to never speak on the subject of civic education again because he opposes civic education. He thinks people are better off remaining stupid. In a nutshell, just take MTR when it is needed. They say OK so it is OK. People just need to understand the alphabets "O" and "K". They do not need to know how steel bars are cut, screw caps, how many temporary steel struts there are at Exhibition Centre Station or even the problem raised by Ms Claudia MO today regarding the over-casting of concrete adjacent to staircases at To Kwa

Wan Station due to shoddy works or other reasons which rendered workers unable to complete tiling afterwards. They ended up trimming the toes to fit the shoes by trimming the over-cast concrete. They would not say "Sorry, we have made a mistake. We did a poor form working job which caused the over-casting of concrete." They should re-do it, but they will not. They trimmed the toes to fit the shoes without reporting the incident to their superiors. MTRCL did not make the incident known to the public even after it became aware of it.

Do the public really not understand all this? How difficult are they to understand? We have not relayed rumours at all. Problems were dug out layer by layer and Hong Kong people have taken a best civic education lesson. We want to break the monopoly of their so-called professional expertise. They know everything, we know nothing? We must pay them to do everything? Even though we have paid hundred billions of dollars, the Shatin to Central Link is not done well, so is the Hong Kong-Zhuhai-Macao Bridge. It is most infuriating that after taking advantage of Hong Kong people in every way possible, they now turn around and ask us to not discuss the matter because we have no knowledge of it.

If the functional constituencies of the Legislative Council hope to earn a little respect from the people, functional constituency Members should be the first ones to blame and criticize their sectors when a problem arises. Being biased in favour of their own sector will not benefit the reputation of the engineering sector. I cannot think of an idiom to describe this approach. Is it burying one's head in the sand? The reputation of the engineering sector should obviously be built on the foundation of the quality of works. The engineering sector is consisted of many levels, from workers of the lowest level to supervisors and contractors. If everyone does not dare take the risk of being prosecuted for blowing the whistle, then the engineering sector would be reputable. Friends in the engineering sector, if you are rational and respect knowledge, please do not accept what Ir Dr LO Wai-kwok said. He is a shame to the engineering sector.

Many Members have quoted Secretary Frank CHAN's opening speech, saying that the staff of MTRCL and the principal contractor will be too busy attending hearings if the Government and the Legislative Council conduct inquiries at the same time, which will delay the works and create problems. When I heard his remark I realized that he did not understand the crux of the problem yet. As Honourable colleagues have mentioned, the crux of the problem is confidence. I do not know since when the Secretary has not taken MTR, but if he asks any random passenger on MTR whether the Legislative

Council should inquire into the matter given the daily exposures and media enquiries to the Chief Executive, the Secretary and MTRCL, what would the passenger say? Do people want to know more about the matter or be kept in the dark as long as the Shatin to Central Link can be commissioned as soon as possible just like the Secretary said? I invite him to gauge the views of the public before spouting nonsense here.

This is actually an accumulated problem that ran throughout the Express Rail Link, the Shatin to Central Link and the Hong Kong-Zhuhai-Macao Bridge. They could build a meter room underground and dig a hole on top of it which allows rainwater to flow into it. Are these works a joke? Public confidence has dropped to negative as people witness daily what is happening in Hong Kong. If there is a Secretary for Works in the Government, his score must be the lowest among all the Bureau Directors. So how can the Government restore public confidence? It must be open and transparent because there are actually two sides to confidence: first, whether the people have confidence in the Government; second, whether the Government has confidence in itself.

The way Ir Dr LO Wai-kwok acted just now was a perfect example of a lack of confidence. If I am proud of the engineering sector that I represent, why should I be afraid of an inquiry? However, Ir Dr LO Wai-kwok acted just the opposite. He feared that exposures will undermine the reputation of the sector, which will lead to the deterioration and collapse of Hong Kong economy. We can see that many Honourable colleagues of the pro-Government camp often adopt the logic of the Communist Party of China, that others incessantly desire to overthrow it and hurt the feelings of Chinese people. They turn a blind eye to all the public discussions in society and the role of the Council to monitor the Government on behalf of the people. Instead, they look at them through tinted glasses and pin a negative label on them.

Ir Dr LO Wai-kwok said the democratic camp rehashes the same old issues, repeatedly proposing to conduct inquiries by invoking the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance"). But I would say it is more unacceptable when the pro-Government camp rehashes the same old issues. Is it meaningful that they often blame the democratic camp for filibustering? Their rehashing of the same old issues is meaningless, while our approach won the acceptance and commendation of the public. If there is a problem in the Government, we should monitor it and invoke P&P Ordinance, or should we let this "imperial sword" rust in the attic instead? This is a question

of self-confidence. If they adopt the mentality of the Communist Party of China, they will continue to escape from the reality due to a lack of confidence, which cannot resolve the problems at all.

In fact, Hong Kong is an open society with freedom of information. Everyone has the right to speak. It is a rather significant shortcoming that we still have no law to protect informants, but the Secretary, MTRCL and Members must understand that the only way to increase self-confidence and gain public trust is openness and transparency. Therefore, I fully support Ms Claudia MO's motion to invoke P&P Ordinance to inquire into the matter because the Legislative Council has not used this "imperial sword" for too long and it is now covered in rust. If Members are worried that the inquiry will take up too much of their valuable time for other tasks, I suggest them not to join the select committee and leave the seats to those who actually want to join it.

Since the Government is reluctant to inquire into the matter at To Kwa Wan Station and the Legislative Council has the power to do so, an inquiry by us cannot be considered as working beyond our remit. We are only discharging our duties. We are elected Members and we are duty-bound to inquire into the matter. I have no reason not to give the motion my full support when even Mr Michael TIEN supports it. I so submit.

PRESIDENT (in Cantonese): Does any other Member wish to speak?

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Secretary for Transport and Housing, please speak.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, since I have responded to some of the views expressed just now by a number of Members in their speeches to the motion proposed by Ms Claudia MO, I will not repeat them here. I now wish to sum up their views briefly with a general response.

Before all else, I wish to point out that the motion debate today focuses on the incident of one of the layers of steel reinforcement bars in a structural wall in To Kwa Wan Station of the Shatin to Central Link ("SCL") being removed and

other related matters. Regarding the incident at To Kwa Wan Station, the report submitted by the MTR Corporation Limited ("MTRCL") has given a general account of the circumstances of the incident, the failure of the contractor to carry out works according to the approved plan, the scope of the affected areas, the failure of the contractor to perform its monitoring duties properly, the rectification plan, and so on. It is found that this incident has not affected the overall structural integrity of To Kwa Wan Station and the works programme of the entire project. The report has also been made public for reference and the parties concerned have no dispute over the facts. This is unlike the incident of Hung Hom Station as the contractor and sub-contractors involved merely adhere to their own assertion and so a clear judgment cannot be made. It is precisely for this reason that an independent inquiry must be conducted under the Commissions of Inquiry Ordinance (Cap. 86).

In the incident of To Kwa Wan Station, the contractor has violated the rules for he was suspected to have withheld the fact that the width of a wall did not meet the requirement of the contract. What is more, he has failed to meet the requirement by altering the plan without permission and reducing the number of steel reinforcement bars inside the wall. Not only is it a violation, but he has also failed to take the initiative to report to MTRCL after the incident. He must be condemned and held accountable for it was only after the incident had been reported by the media that he could not but admit his fault. Upon learning about the incident, the frontline staff of MTRCL ought to intervene and report to their supervisors at an early date but they have failed to do so. Due to its unsatisfactory supervision at the construction sites, MTRCL has failed to urge the contractor to rectify the problematic wall surface in accordance with the procedure, thus leading to the subsequent removal of some steel reinforcement bars. All this demonstrates MTRCL's serious lack of internal communication and management and the lack of communication between frontline staff and the management. What is more, even after the occurrence of the incident involving the removal of some of the steel reinforcement bars, MTRCL was still unaware of it and unable to take remedial action.

Both MTRCL and the contractor have confessed that the latter has not followed the procedure in the entire incident and the former has failed to perform its due functions in monitoring. In addition, the notification mechanism has room for improvement. The Government will continue to identify inadequacies to ensure railway safety and quality to enable the public to regain confidence.

The design of using backfill materials to provide weight to counterbalance the buoyancy force acting on buildings by underground water is a green measure whereby the inert materials produced during the construction period is optimized and used as backfill materials. Notwithstanding this, it is disappointing that MTRCL has failed to report to the Highways Department ("HyD") in a timely manner and, therefore, improvements need to be made.

If it is proved that the incident of To Kwa Wan Station and even the SCL project are caused by negligence on the part of MTRCL, the Government will make damages claims against MTRCL for the losses incurred as a result of the incident, including deducting the project management fees collected by MTRCL.

Regarding the performance of the contractor and sub-contractor in the incident of To Kwa Wan Station, we will refer the case to the Development Bureau, which will take appropriate regulatory action in accordance with the Code for regulating approved contractors for public works.

On improving project management and the relevant systems, the Government has requested MTRCL to conduct a comprehensive review of the control system for construction sites and the notification mechanism. MTRCL also announced on 21 June that the Capital Works Committee, a standing committee set up by it, will review the management procedures of the entire SCL project and consultants will be engaged to provide assistance to hopefully complete the work in three months. On 19 June, HyD also set up a working group led by the Director of Highways to review the mechanism put in place by the Government to monitor SCL projects and make relevant recommendations and follow up on the short- and long-term improvement plans.

The scope of inquiry of the Commission of Inquiry set up by the Government under the Commissions of Inquiry Ordinance will include reviewing MTRCL's existing project monitoring system and making improvement recommendations. The relevant findings of the review and its recommendations will likewise be applicable to the incident of To Kwa Wan Station. The Commission of Inquiry will also review the Government's monitoring and regulatory mechanism.

Furthermore, the Subcommittee on Matters Relating to Railways will convene a special meeting on 6 July to discuss in detail the project issues arising from To Kwa Wan Station and Exhibition Centre Station to enable Members and

the public to have a better understanding of the incident. At the invitation of the Subcommittee, the Chairman and senior management of MTRCL and I will attend the meeting to respond to questions raised by Members.

Given that there are no disputes whatsoever on the circumstances of the incident, coupled with the undertakings made by the Government and MTRCL to take follow-up action and make improvements, it is unnecessary to invoke the Legislative Council (Powers and Privileges) Ordinance ("P&P Ordinance") to set up a select committee to inquire into the incident of To Kwa Wan Station.

With railways being the backbone of Hong Kong's public transport system, the quality of railway construction and railway safety are the prime prerequisites, and there is absolutely no room for compromise. The construction of railways, including SCL, must be in full compliance with the construction specifications, and safety must be ensured before the railways can be commissioned. The Government team will closely monitor, regulate and ensure operational safety.

President, the Government team has been dealing with the incident with an open, transparent, candid and honest spirit. Given that (1) the Commission of Inquiry chaired by Mr Justice Michael John HARTMANN; (2) the meeting convened by the Subcommittee on Matters Relating to Railways of the Legislative Council; (3) the working group led by the Director of Highways; and (4) MTRCL's standing Capital Works Committee have already been set up to conduct a comprehensive and multi-level inquiry and review, as well as undertaking follow-up work, there is no need for the Legislative Council to invoke P&P Ordinance to set up a select committee to inquire into the incident of To Kwa Wan Station. I therefore implore Members to vote against the motion.

I so submit. Thank you, President.

PRESIDENT (in Cantonese): I now call upon Ms Claudia MO to reply. Then, the debate will come to a close.

MS CLAUDIA MO (in Cantonese): According to the remarks made by Secretary Frank CHAN earlier, he seemed to mean that the complaint about steel reinforcement bars in a structural wall in To Kwa Wan station of the Shatin to Central Link ("SCL") being removed is an established fact and the Government

strongly condemns the contractor for non-compliance with the requirements, and as the parties concerned already admitted their mistakes, we may as well stop taking actions in order to settle the dispute. The Secretary said that there is no dispute over the facts, but I have to tell him that as I said earlier, the complainant who first exposed the incident has alleged that the authorities are 100% lying. The authorities claimed that steel reinforcement bars were removed only in a small area of the structural wall and that the problem can be rectified simply by opening up a few "small windows". But the complainant insisted that steel reinforcement bars had been removed in the entire structural wall, which is exactly a mistake in the execution of works, and that the wall has to be pulled down for works to start all over again. If the allegations made by this complainant are true in that half of the steel reinforcement bars in the entire structural wall at To Kwa Wan station have been removed , how can we be sure that the Sung Wong Toi Station nearby does not have similar problems? The Secretary also admitted that before the complainant blew the whistle, not even MTRCL was aware of the problem, let alone Frank CHAN himself and yet, he is saying now that there is no dispute over the facts.

In his opening speech this afternoon, the Secretary said that—though he did not dare to repeat his remarks in his closing speech just now—if a select committee were set up by the Legislative Council to inquire into the incident, it would hinder the progress of the construction works of SCL. However, this incident involves the safety of human lives as well as the question of non-compliance with the law and requirements, which are very important considerations and may lead to crashes and deaths anytime. Why are they in such a rush? What harm will it do to put off the works for a month? What is more important than the safety of passengers?

According to the Secretary, we can sit on the case of To Kwa Wan Station and should worry no more. Let us then refer to Ir Dr LO Wai-kwok's remarks. He is the representative of the engineering sector, or a member of the professional sector, so to speak, yet he could make such remarks to the effect as "incorrectly relaying erroneous messages", "throwing people into a state of panic", "construction projects should not be too politicized", and so on, which is indeed laughable. After all, what is there in this world that is not related to politics? He is the representative of the engineering sector and an engineer by profession. Why did he not come forth to say something when we got wind of a second complaint involving To Kwa Wan Station? Obviously, he simply does not have the knowledge. The authorities already admitted that the counterweight element

is actually backfilled by construction waste but it is still an environmentally-friendly practice. Did Ir Dr LO Wai-kwok have the knowledge to make this comment back then? Could he refute the rumour for the MTR Corporation Limited ("MTRCL")?

If the Legislative Council should really set up a select committee to inquire into the incident, it may, on the contrary, do justice to MTRCL. The brand of MTRCL, which originally enjoyed a high repute, has now become a notoriety following its involvement in the shoddy works of SCL. Is this not saddening and even heart-breaking? Some people have used "give a dog a bad name" to describe the current state of MTRCL, meaning that once its reputation is besmirched, it will be doomed eternally and can never stage a comeback no matter what happens in future. But this is unfair, and it is necessary to do justice to MTRCL.

What is most laughable is that when Dr CHENG Chung-tai called for the setting up of a select committee to inquire into the incident of Hung Hom Station last week, Members criticized his proposal as redundant because the Government already said that an independent Commission of Inquiry would be appointed to investigate the incident. But we all know that this Commission of Inquiry appointed by the Government will not probe into To Kwa Wan Station—in order that the investigation will not lose focus, to put it in Carrie LAM's words—but Ir Dr LO Wai-kwok maintained that an inquiry into the incident of To Kwa Wan Station by the Legislative Council would be redundant. Disregarding whether or not an investigation will be conducted, he invariably criticized our proposals as redundant as if he was talking to himself, and his remarks were entirely unprofessional. Earlier on when Mr Alvin YEUNG was about to give a speech, he turned around and said to me that had the Government been willing to investigate the incident of To Kwa Wan Station, or had the motion proposed by Dr CHENG Chung-tai last week of setting up a select committee under the Legislative Council (Powers and Privileges) Ordinance been passed and the incident of To Kwa Wan Station been included in the scope of investigation, it would have been unnecessary for me to propose this motion today. Mr Alvin YEUNG turned around and asked me whether, if that being the case, I would still take up the time of this Council. I replied that had it been the case, I would not have proposed this motion. Ir Dr LO Wai-kwok has simply turned a deaf ear to all this and continued to criticize my proposal as redundant, which is most unfair.

Our remarks and votes today will be recorded in history, and I urge Members to think about it clearly first. I thank Mr Michael TIEN once again, as he said that he would support this motion—he is not in the Chamber now but he said that he would support it.

Thank you.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Ms Claudia MO be passed. Will those in favour please raise their hands.

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(Members raised their hands)

Ms Claudia MO rose to claim a division.

PRESIDENT (in Cantonese): Ms Claudia MO has claimed a division. The division bell will ring for five minutes.

(While the division bell was ringing, Mr Abraham SHEK stood up)

PRESIDENT (in Cantonese): Mr Abraham SHEK, what is your point?

MR ABRAHAM SHEK (in Cantonese): President, I declare that I am a Non-executive Director of the MTR Corporation Limited.

(While the division bell was ringing, Ms Starry LEE stood up)

PRESIDENT (in Cantonese): Ms Starry LEE, what is your point?

MS STARRY LEE (in Cantonese): President, I declare that the accounting firm where I work is the auditor of the MTR Corporation Limited but I am not involved in any of the relevant work.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

PRESIDENT (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Mr James TO, Mr LEUNG Yiu-chung, Mr Charles Peter MOK, Mr Kenneth LEUNG, Mr Dennis KWOK, Mr SHIU Ka-chun, Dr Pierre CHAN and Mr KWONG Chun-yu voted for the motion.

Mr Jeffrey LAM, Mr CHAN Kin-por, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Christopher CHEUNG, Mr Martin LIAO, Mr POON Siu-ping, Ir Dr LO Wai-kwok, Mr HO Kai-ming, Mr CHAN Chun-ying and Mr LUK Chung-hung voted against the motion.

Mr WONG Ting-kwong, Ms Starry LEE, Mr Steven HO, Mr Holden CHOW, Mr LAU Kwok-fan and Mr Tony TSE abstained.

THE PRESIDENT Mr Andrew LEUNG and Mr Abraham SHEK did not cast any vote.

Geographical Constituencies:

Ms Claudia MO, Mr Michael TIEN, Mr WU Chi-wai, Mr CHAN Chi-chuen, Dr Fernando CHEUNG, Dr Helena WONG, Mr Alvin YEUNG, Mr Andrew WAN, Mr CHU Hoi-dick, Mr LAM Cheuk-ting, Mr HUI Chi-fung, Dr CHENG Chung-tai, Mr Jeremy TAM, Mr Gary FAN and Mr AU Nok-hin voted for the motion.

Mr WONG Kwok-kin, Ms Alice MAK, Mr KWOK Wai-keung, Dr Junius HO and Mr CHEUNG Kwok-kwan voted against the motion.

Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr CHAN Han-pan, Mr LEUNG Che-cheung, Dr Elizabeth QUAT, Dr CHIANG Lai-wan, Mr Wilson OR and Mr Vincent CHENG abstained.

THE PRESIDENT announced that among the Members returned by functional constituencies, 28 were present, 8 were in favour of the motion, 12 against it and 6 abstained; while among the Members returned by geographical constituencies through direct elections, 28 were present, 15 were in favour of the motion, 5 against it and 8 abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the motion was negatived.

SUSPENSION OF MEETING

PRESIDENT (in Cantonese): I now suspend the meeting until 9 am tomorrow.

Suspended accordingly at 7:59 pm.

Annex I

Inland Revenue (Amendment) (No. 6) Bill 2017

Committee Stage

Amendments moved by the Secretary for Financial Services and the Treasury

Clause	Amendment Proposed
3	By deleting the clause and substituting—

"**3. Section 8 amended (charge of salaries tax)**

(1) Section 8(1A)(c), before "excludes"—

Add

"subject to subsection (1C) and section 50AA,".

(2) After section 8(1B)—

Add

"(1C) Subsection (1A)(c) does not apply in relation to income derived by a person from services rendered by the person in a territory if—

(a) the territory is a DTA territory (as defined by section 48A); and

(b) under section 50, tax payable in the territory by a Hong Kong resident person in respect of income derived from services rendered by him or her in the territory is to be allowed as a credit against tax payable in Hong Kong by the Hong Kong resident person in respect of that income.".".

4 By deleting the clause and substituting—

"**4. Section 16 amended (ascertainment of chargeable profits)**

(1) Section 16(1)(c), before "tax of"—

Add

"subject to subsection (2J) and section 50AA,".

(2) Section 16(1)(c)—

Repeal the colon

Substitute a semicolon.

(3) Section 16(1)(c)—

Repeal the proviso.

(4) After section 16(2I)—

Add

"(2J) Subsection (1)(c) does not apply in relation to any tax paid in a territory by a person in respect of profits referred to in that subsection if—

(a) the territory is a DTA territory (as defined by section 48A); and

(b) under section 50, tax payable in the territory by a Hong Kong resident person in respect of the profits is to be allowed as a credit against tax payable in Hong Kong by the Hong Kong resident person in respect of the profits.".".

5 In the proposed section 48A, by deleting the definition of ***non-DTA territory***.

6 In the heading, by deleting "**arrangements for relief from double taxation and exchange of information**" and substituting "**arrangements: relief from double taxation, exchange of information and other international tax cooperation**".

8 By deleting the proposed section 50AA(1)(a) and (b) and substituting—

"(a) relief under section 8(1A)(c) by way of exclusion of any amount of the relevant income;

(b) relief under section 16(1)(c) by way of deduction of any amount of the foreign tax;

(c) relief under section 50 by way of credit and deduction of any amount of the foreign tax.".

8 By deleting the proposed section 50AA(3)(a)(ii) and substituting—

"(ii) if subsection (1)(c) applies—the double taxation arrangements made with the foreign territory,".

9 In the proposed Part 8AA, in the Note under the Part heading, by deleting item 2 and substituting—

"2. Division 2 incorporates the international transfer pricing rules and has the following effect—

(a) in relation to a year of assessment beginning on or after 1 April 2018—

(i) a person's tax liability under this Ordinance is to be determined on the basis that a provision made or imposed between the person and the person's associated person is made or imposed on an arm's length basis;

(ii) in other words, a person who would have a Hong Kong tax advantage if taxed on the basis of a non-arm's length provision (***advantaged person***) will have income adjusted upwards or loss adjusted downwards;

(b) similarly, in relation to a year of assessment beginning on or after 1 April 2019, the income or loss of a non-Hong Kong resident person attributable to the person's permanent establishment in Hong Kong is to be determined as if the permanent establishment were a distinct and separate enterprise.".

9 In the proposed Part 8AA, in the Note under the Part heading, by adding—

"2A. The arm's length provision is to be determined in accordance with the OECD rules (as defined by section 50AAC(1)). It is possible that application of the OECD rules may not produce a single provision (such as an exact figure as the price) but may produce a range of provisions where each provision constitutes an arm's length provision.".

9 In the proposed section 50AAC(1), by deleting the definition of ***double taxation arrangements*** and substituting—

"***double taxation arrangements*** (雙重課稅安排)—

(a) in relation to the computation of income or loss with respect to a provision made or imposed between 2 persons by means of a transaction or series of transactions—means double taxation arrangements (as defined by section 48A) that incorporate—

(i) the associated enterprises article and the mutual agreement procedure article; or

(ii) any rules in the same or equivalent terms as those articles;

(b) in relation to the attribution of a person's income or loss to the person's permanent establishment in Hong Kong—means double taxation arrangements (as defined by section 48A) that incorporate—

(i) the business profits article and the mutual agreement procedure article; or

(ii) any rules in the same or equivalent terms as those articles; or

(c) in relation to the determination of the question whether a person has a permanent establishment in Hong Kong—means double taxation arrangements (as defined by section 48A) that incorporate—

(i) the permanent establishment article; or

(ii) any rules in the same or equivalent terms as the article;".

9 In the proposed section 50AAC(1), by deleting the definition of ***DTA territory*** and substituting—

"***DTA territory*** (有安排地區) means a territory outside Hong Kong with which double taxation arrangements have been made;".

9 In the proposed section 50AAC(1), by deleting the definition of ***non-DTA territory*** and substituting—

"***non-DTA territory*** (無安排地區) means a territory outside Hong Kong that is not a DTA territory;".

9 In the proposed section 50AAC(1), by adding in alphabetical order—

"***associated enterprises article*** (相聯企業條文) means the rules contained in Article 9 of the Model Tax Convention;

business profits article (營業利潤條文) means the rules contained in Article 7 of the Model Tax Convention;

mutual agreement procedure article (相互協商程序條文) means the rules contained in Article 25 of the Model Tax Convention;

OECD rules (《經合組織規則》) means—

(a) the commentary on the associated enterprises article or the business profits article (as the case requires); and

(b) the Transfer Pricing Guidelines for Multinational

Enterprises and Tax Administrations published by the Organisation for Economic Co-operation and Development on 10 July 2017;

permanent establishment article (常設機構條文) means the rules contained in Article 5 of the Model Tax Convention;".

9 In the proposed section 50AAC, by adding—

"(1A) For the purposes of the definitions of ***associated enterprises article***, ***business profits article***, ***mutual agreement procedure article***, ***OECD rules*** and ***permanent establishment article*** in subsection (1)—

(a) a reference to an article of the Model Tax Convention means the article of the Model Tax Convention on Income and on Capital as approved by the Organisation for Economic Co-operation and Development on 21 November 2017; and

(b) a reference to the commentary on the associated enterprises article or the business profits article means the commentary on the article so approved on that date.".

9 By deleting the proposed section 50AAC(5) and substituting—

"(5) The Secretary for Financial Services and the Treasury may, by notice published in the Gazette, amend—

(a) the definitions of the following expressions in subsection (1)—

associated enterprises article (相聯企業條文);

business profits article (營業利潤條文);

mutual agreement procedure article (相互協商程序條文);

OECD rules (《經合組織規則》);

permanent establishment article (常設機構條文);

(b) subsection (1A); and

(c) Schedule 17G.".

9 In the proposed section 50AAE—

(a) in subsection (1), by deleting "Division" and substituting "Part";

(b) by deleting subsections (2), (3) and (4).

9 In the proposed section 50AAF(6), by deleting "a more reliable measure" and substituting "an equally reliable measure, or a more reliable measure,".

9 In the proposed section 50AAF, by adding—

"(7) Subsections (1) to (6) do not apply in relation to a provision made or imposed in relation to any disposal or acquisition of trading stock if section 15BA(4) or (5) applies in relation to the disposal or acquisition.

(8) Subsections (1) to (6) do not apply in relation to a provision made or imposed in relation to any trading stock if section 15C applies in relation to the trading stock.".

9 In the proposed section 50AAJ—

(a) by renumbering the section as section 50AAJ(1);

(b) by adding—

"(2) Despite subsection (1), an actual provision made or imposed as between 2 persons is not taken to confer a potential advantage in relation to Hong Kong tax on either of the affected persons if—

(a) the domestic nature condition is met as provided for in subsection (3);

(b) either the no actual tax difference condition is met as provided for in subsection (5), or the non-business loan condition is met as provided for in subsection (6); and

(c) the actual provision does not, under subsection (7), have a tax avoidance purpose.

(3) The domestic nature condition is met—

(a) if the actual provision is made or imposed in connection with each affected person's trade, profession or business carried on in Hong Kong; or

(b) if—

(i) the actual provision is made or imposed in connection with either affected person's trade, profession or business carried on in Hong Kong; and

(ii) the other affected person is resident for tax purposes

in Hong Kong and the provision is not made or imposed in connection with that other person's trade, profession or business.

(4) For the purposes of subsection (3), a trade, profession or business is not regarded as being carried on in Hong Kong by an affected person only because a sum received or receivable by or accrued to the person is deemed under section 15(1) to be a receipt arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong.

(5) The no actual tax difference condition is met if—

(a) each affected person's income arising from the relevant activities is chargeable to Hong Kong tax or each affected person's loss so arising is allowable for the purposes of Hong Kong tax; and

(b) no concession or exemption for Hong Kong tax applies to any affected person's income or loss arising from the relevant activities.

(6) The non-business loan condition is met if the actual provision relates to lending money otherwise than in the ordinary course of a business of lending money or an intra-group financing business (as defined by section 16(3)).

(7) For the purposes of this section, an actual provision has a tax avoidance purpose if the Commissioner is satisfied that the main purpose, or one of the main purposes, of the provision is to utilize a loss sustained by an affected person to avoid, postpone or reduce any liability, whether of the other affected person or any other person, to Hong Kong tax.

(8) In this section—

relevant activities (有關活動) has the meaning given by section 50AAL.".

9 In the proposed section 50AAK(10), by deleting "a more reliable measure" and substituting "an equally reliable measure, or a more reliable measure,".

9 In the proposed section 50AAM(10), by deleting "a more reliable measure" and substituting "an equally reliable measure, or a more reliable measure,".

9 In the proposed section 50AAO(3)(b)(ii), in the Chinese text, by deleting "虧損定" and substituting "虧損".

9 In the proposed section 50AAP(3)(a)(i)(A), in the Chinese text, by deleting "評計算" and substituting "計算".

10 In the proposed Schedule 17G, by deleting "Sch. 42]" and substituting "Sch. 44]".

10 In the proposed Schedule 17H, by deleting "Sch. 42]" and substituting "Sch. 44]".

10 In the proposed Schedule 17H, in section 7(9)(a), by adding "subject to subsection (10)," before "a service".

10 In the proposed Schedule 17H, in section 7, by adding—

"(10) The service charge payable under subsection (9)(a) in respect of an application must not exceed $500,000.".

13 In the proposed section 15BA(1), by adding in alphabetical order—

"***trade*** (行業) means a trade or business;".

13 In the proposed section 15BA, by adding—

"(6) Subsection (4) does not apply in relation to a disposal, and subsection (5) does not apply in relation to an acquisition, of any trading stock if section 15C applies in relation to the trading stock.".

14 In the proposed section 15F(5)—

(a) in the definition of ***intellectual property***, in paragraph (b), by deleting everything after "material," and substituting "layout-design (topography) of an integrated circuit, performer's right, plant variety right, secret process or formula, or other property or right of a similar nature;";

(b) in the English text, in the definition of ***non-Hong Kong resident person***, by deleting the full stop and substituting a semicolon;

(c) by adding in alphabetical order—

"***performer*** (表演者) has the meaning given by section 200(2) of the Copyright Ordinance (Cap. 528).".

New By adding—

"**14A. Section 20 repealed (liability of certain non-resident persons)**

Section 20—

Repeal the section.".

16 In the proposed section 58B(2), in the definition of ***CbCR documents***, in paragraph (b), by deleting "2017" and substituting "2018".

16 In the proposed section 58B(2), by deleting the definition of ***filing deadline*** and substituting—

"***filing deadline*** (提交期限) has the meaning given by subsections (2A) and (2B);".

16 In the proposed section 58B(2), in the Chinese text, in the definition of ***國別標準文件***, in paragraphs (a), (b) and (c)—

(a) by deleting "(《" and substituting "("《";

(b) by deleting "》是" and substituting "》"是".

16 In the proposed section 58B, by adding—

"(2A) In this Part—

filing deadline (提交期限), in relation to a country-by-country return for an accounting period, means, subject to subsection (2B), the earlier of the following dates—

(a) the date on which a period of 12 months after the end of the accounting period expires;

(b) the date specified in a notice given under section 58G.

(2B) If—

(a) a Hong Kong entity (not being a HK ultimate parent entity) required under section 58F to file a country-by-country return for an accounting period notifies the Commissioner in accordance with section 58H that the SPE-filing-elsewhere exception is to apply within the meaning of section 58I(2)(a); and

(b) the date by which a country-by-country report for the accounting period is required to be filed by the laws or regulations of the jurisdiction of tax residence of the

surrogate parent entity concerned (***foreign filing date***) is later than the filing deadline under subsection (2A),

the filing deadline, in relation to the country-by-country return for the accounting period, is the foreign filing date.".

16 In the proposed section 58B(3)—

(a) in paragraph (a)(ii), by deleting "; and" and substituting a semicolon;

(b) in paragraph (b), by deleting the full stop and substituting "; and";

(c) by adding—

"(c) for the purposes of applying Schedule 17G to determine whether a business unit of a multinational enterprise group has a permanent establishment in Hong Kong, a reference to a person or to an enterprise—

(i) in paragraph (c) of the definition of ***double taxation arrangements*** in section 50AAC(1); or

(ii) in Schedule 17G,

is to be construed as including such a business unit.".

16 In the proposed section 58C(2)(a), by deleting "6" and substituting "9".

16 By adding before the proposed section 58C(4)(a)—

"(aa) a local file of the Hong Kong entity in respect of an accounting period of the entity is not required to cover specified domestic transactions;".

16 In the proposed section 58C, by adding—

"(4A) Specified domestic transactions are to be disregarded in computing, for the purposes of subsection (4)(a) or (b), the total amount of a type of controlled transaction specified in section 4 of Schedule 17I.".

16 In the proposed section 58C(5)—

(a) in the English text, by deleting the full stop and substituting a semicolon;

(b) by adding in alphabetical order—

"***specified domestic transaction*** (指明本地交易).".

16 In the proposed section 58D(4)—

(a) in paragraph (a), by adding "and" after the semicolon;

(b) in paragraph (b), by deleting "; and" and substituting a comma;

(c) by deleting paragraph (c).

16 In the proposed section 58D(5), by deleting the definition of ***jurisdiction U's threshold amount*** and substituting—

"***jurisdiction U's threshold amount*** (終區門檻款額) means—

(a) if jurisdiction U requires the filing of a country-by-country report in respect of period P by a multinational enterprise group that has a total consolidated group revenue for period P-1 of at least a threshold amount and that amount is specified under the laws or regulations of jurisdiction U—the threshold amount specified; or

(b) in any other case—an amount, in currency U, that is equivalent to EUR 750 million as at January 2015;".

16 In the proposed section 58H(1)(b)(iv) and (c)(iii), by deleting "the date on which" and substituting "whether".

16 In the proposed section 58I(3)(b), by deleting everything after "in jurisdiction S" and substituting "on behalf of the group.".

17 In the proposed Schedule 17I, by deleting "Sch. 42]" and substituting "Sch. 44]".

17 In the proposed Schedule 17I, in the Chinese text, in section 1, by deleting "本部" and substituting "本附表".

17 In the proposed Schedule 17I, in section 2, by adding in alphabetical order—

"***specified domestic transaction*** (指明本地交易) means a controlled transaction between a Hong Kong entity of a group in the extended sense and an associated entity of that Hong Kong entity if, in relation to the transaction—

(a) subject to section 2A of this Schedule, either of the following conditions is met—

(i) the transaction is undertaken in connection with each entity's trade, profession or business carried on

in Hong Kong; or

(ii) both—

(A) the transaction is undertaken in connection with either entity's trade, profession or business carried on in Hong Kong; and

(B) the other entity is resident for tax purposes in Hong Kong and the transaction is not undertaken in connection with that other entity's trade, profession or business; and

(b) either of the following conditions is also met—

(i) each entity's income arising from the transaction is chargeable to Hong Kong tax or each entity's loss so arising is allowable for the purposes of Hong Kong tax; or

(ii) the transaction relates to lending money otherwise than in the ordinary course of a business of lending money or an intra-group financing business (as defined by section 16(3));".

17 In the proposed Schedule 17I, in Part 1, by adding—

"2A. For the purposes of paragraph (a) of the definition of ***specified domestic transaction*** in section 2 of this Schedule, a trade, profession or business is not regarded as being carried on in Hong Kong by an entity only because a sum received or receivable by or accrued to the entity is deemed under section 15(1) to be a receipt arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong.".

17 In the proposed Schedule 17I, in section 3(a), by deleting "$200" and substituting "$400".

17 In the proposed Schedule 17I, in section 3(b), by deleting "$200" and substituting "$300".

32 In the proposed section 26AB—

(a) in the heading, by deleting "**for determining whether profits producing activities are carried out in Hong Kong etc.**" and substituting "**relating to concession condition provisions**";

(b) in subsection (1), by adding ", for the purposes of a concession condition provision," after "whether";

(c) by deleting the Note after subsection (1);

(d) in subsection (2), by adding ", for the purposes of a concession condition provision," after "not";

(e) by adding—

"(2A) To avoid doubt, the fact that the threshold requirement is not met for the purposes of subsection (2) does not imply that the assessable profits or the exempt sums under subsection (1)(a) or (b) do not arise in or are not derived from Hong Kong.";

(f) in subsection (3), in the definition of ***threshold requirement***, in paragraph (a), by deleting "engaged in the activity" and substituting "who carry out the activity and have the qualifications necessary for doing so";

(g) in subsection (3), in the definition of ***threshold requirement***, in paragraph (b), by adding "operating" before "expenditure";

(h) in subsection (3), by adding in alphabetical order—

"***concession condition provision*** (寬減條件條文) means section 14B(2)(a), 14D(5)(a)(ii), 14H(4)(a)(ii), 14J(5)(a)(ii) or 23B(4AA);

Note (with no legislative effect)—

Section 14B(2)(a), 14D(5)(a)(ii), 14H(4)(a)(ii), 14J(5)(a)(ii) or 23B(4AA) imposes a condition for activities producing the assessable profits or the exempt sums concerned to be carried out in Hong Kong or arranged to be carried out in Hong Kong. The condition must be met in order for the tax concession under section 14B(1), 14D(1), 14H(1), 14J(1) or 23B(4AA) to apply.".

33 By renumbering the proposed subsection (20) as subsection (21).

33 In the proposed subsection (21), by deleting "42" and substituting "44".

34 By deleting "**Schedule 42**" (wherever appearing) and substituting "**Schedule 44**".

34 In the proposed Schedule 44, by deleting "89(20)]" and substituting "89(21)]".

34 In the proposed Schedule 44, by deleting section 4(1) and substituting—

"(1) Subject to subsections (2), (3) and (4), the following provisions apply in relation to a year of assessment beginning on or after 1 April 2018—

(a) Divisions 2 and 3 of Part 8AA (except section 50AAK) and Schedule 17G;

(b) Division 4 of Part 8AA and Schedule 17H;

(c) section 15BA;

(d) the amendments made to sections 80, 82 and 82A by the Amendment Ordinance (except to the extent that the amendments relate to section 50AAK).

(1A) Subject to subsections (2A), (5) and (6), the following provisions apply in relation to a year of assessment beginning on or after 1 April 2019—

(a) section 50AAK;

(b) section 15F;

(c) the amendments made to sections 80, 82 and 82A by the Amendment Ordinance (to the extent that the amendments relate to section 50AAK);

(d) the amendments made to rules 3(1A) and 5(1) of the Inland Revenue Rules (Cap. 112 sub. leg. A) by the Amendment Ordinance;

(e) rule 5(1A) of those Rules.".

34 In the proposed Schedule 44, in section 4(2), by deleting "(1)(a), (d) and (e)" and substituting "(1)(a) and (d)".

34 In the proposed Schedule 44, in section 4, by adding—

"(2A) The provisions referred to in subsection (1A)(a), (c), (d) and (e) do not apply in relation to a transaction entered into or effected before 1 April 2019.".

34 In the proposed Schedule 44, in section 4(5) and (6), by deleting "the commencement date" (wherever appearing) and substituting "1 April 2019".