

立法會
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Establishment Subcommittee of the Finance Committee

Minutes of the 15th meeting
held in Conference Room 2 of Legislative Council Complex
on Tuesday, 7 May 2019, at 2:30 pm

Members present:

Hon Mrs Regina IP LAU Suk-ye, GBS, JP (Chairman)
Hon Holden CHOW Ho-ding (Deputy Chairman)
Hon James TO Kun-sun
Hon WONG Ting-kwong, GBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Steven HO Chun-yin, BBS
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon CHAN Chi-chuen
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon HO Kai-ming
Hon SHIU Ka-fai
Hon YUNG Hoi-yan
Dr Hon Pierre CHAN

Hon CHAN Chun-ying, JP
Hon Jeremy TAM Man-ho
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS

Member attending:

Hon KWONG Chun-yu

Member absent:

Hon SHIU Ka-chun

Public Officers attending:

Mr Arthur AU Chung-pak	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Brian LO Sai-hung, JP	Deputy Secretary for the Civil Service 1
Miss Emma LAU Yin-wah, JP	Judiciary Administrator
Mrs Erika HUI LAM Yin-ming, JP	Deputy Judiciary Administrator (Operations)
Miss Patricia SO Pui-sai, JP	Deputy Judiciary Administrator (Development)
Mrs Connie NGAN LAU Pui-lin	Assistant Judiciary Administrator (Corporate Services)
Ms Gracie FOO Siu-wai, JP	Director of Administration and Development, Department of Justice
Mr Wesley WONG Wai-chung, SC, JP	Solicitor General, Department of Justice
Mr Clifford Joseph TAVARES	Deputy Law Officer (Civil Law) (Planning, Environment, Lands and Housing Unit), Department of Justice
Miss LEE Sau-kong	Deputy Solicitor General (Policy Affairs), Department of Justice
Ms Adeline WAN Ping-siu	Secretary (Law Reform Commission) Department of Justice
Mr Patrick NIP Tak-kuen, JP	Secretary for Constitutional and Mainland Affairs

Mr Roy TANG Yun-kwong, JP	Permanent Secretary for Constitutional and Mainland Affairs
Ms Queenie WONG Ting-chi	Principal Assistant Secretary for Constitutional and Mainland Affairs (6)

Clerk in attendance:

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

Miss Sharon LO	Senior Council Secretary (1)9
Ms Alice CHEUNG	Senior Legislative Assistant (1)1
Miss Yannes HO	Legislative Assistant (1)7
Ms Haley CHEUNG	Legislative Assistant (1)10

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The Chairman drew members' attention to the information paper ECI(2019-20)2, which set out the latest changes in the directorate establishment approved since 2002 and the changes to the directorate establishment in relation to the eight items on the agenda. She then reminded members that in accordance with Rule 83A of the Rules of Procedure ("RoP"), they should disclose the nature of any direct or indirect pecuniary interest relating to the item under discussion at the meeting before they spoke on the item. She also drew members' attention to RoP 84 on voting in case of direct pecuniary interest.

EC(2018-19)37 Proposed creation of five permanent posts, with effect from the date of approval by the Finance Committee, of three judicial posts of Judge of the District Court (JSPS 13) in the Judiciary to strengthen the judicial establishment of the Family Court; and two civil service posts of one Administrative Officer Staff Grade B1 (D4) to head a new Planning and Quality Division and one Administrative Officer Staff Grade C (D2) to strengthen directorate support for the Chief Justice's Private Office in the Judiciary Administration

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2. The Chairman remarked that the staffing proposal was to create five permanent posts, with effect from the date of approval by the Finance Committee ("FC"), of three judicial posts of Judge of the District Court in the Judiciary to strengthen the judicial establishment of the Family Court; and two civil service posts of one Administrative Officer Staff Grade B1 (D4) to head a new Planning and Quality Division and one Administrative Officer Staff Grade C (D2) to strengthen directorate support for the Chief Justice's Private Office in the Judiciary Administration ("Jud Adm").

3. The Chairman pointed out that Jud Adm had consulted the Panel on Administration of Justice and Legal Services ("AJLS Panel") on the staffing proposal on 25 February 2019. Members of the AJLS Panel expressed concern over the lengthy case listing time in the Family Court at present. Some AJLS Panel members pointed out that in Family Court cases, even if key issues had been resolved, the parties might still make applications for variation of orders granted by the Court in view of changes in circumstances, thus increasing the workload of the Court. They held that the Judiciary should review the procedures to ensure that cases were handled more efficiently by the Family Court. Members of the AJLS Panel supported the creation of an additional civil service directorate post in order to ensure adequate support for the Chief Justice of the Court of Final Appeal ("CJ"). Jud Adm had responded to the questions raised by members of the AJLS Panel at the meeting. The AJLS Panel supported the submission of the proposal by Jud Adm to the Establishment Subcommittee ("ESC") for consideration.

Time required for case listing and judgment delivery

Time required for case listing

4. The Chairman noted that the Judiciary had set target listing time for cases handled by courts at various levels ("target waiting time") and asked whether the actual waiting time of cases handled by courts at various levels could meet the respective targets currently. She was also concerned which court level showed a larger disparity between the actual and the target waiting time of cases.

5. Dr KWOK Ka-ki expressed support for the staffing proposal. He and Mr AU Nok-hin were concerned about the lengthy case listing time in the Family Court at present. They requested the Judiciary to provide supplementary information after the meeting, including the Family Court's performance pledge on dealing with cases, the target waiting time and actual waiting time for cases in recent years; and, with the creation of three judicial posts of Judge of the District Court, how the relevant performance pledge could be enhanced.

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(Post-meeting note: The supplementary information provided by the Administration was circulated to members on 28 May 2019 vide LC Paper No. ESC119/18-19(01).)

6. The Judiciary Administrator ("JA") responded that the Judiciary had set target waiting times for key case areas which generally meant the period from the date on which the case was set down for listing to the first free date of the court. The Judiciary was committed to keeping the actual waiting times at various court levels within targets. However, whether listed cases could be dealt with as scheduled was affected by a number of factors, such as whether parties to the litigation had prepared all the documents relevant to the case before trial for the Court's consideration.

7. JA remarked that in the Controlling Officers' Report of the annual Budget and at the special FC meetings, the Judiciary would give an account to the Legislative Council of the target and actual waiting time for cases handled by various levels of courts, reasons for failing to meet the targets, and the studies conducted subsequently as well as improvement measures introduced as a result. The Controlling Officers' Report of the Judiciary in 2018 indicated that the actual waiting time for cases handled by courts at various levels (including the Family Court) had met the targets in general. However, due to substantial increase in workload of the High Court and the judicial vacancies yet to be filled, meeting the target waiting time presented a greater challenge (particularly in the Court of First Instance). The Judiciary would improve the actual waiting time by creating Master posts to help handle cases, recruiting judges, improving their emoluments and benefits, and extending their retirement age, etc.

Time required for delivery of court judgments and decisions

8. The Chairman asked whether the Judiciary had set a reasonable timeframe for delivery of court judgments. She was concerned that the time taken for delivery of judgment of some judicial review cases would affect the progress of works projects relating to people's livelihood. For instance, a member of the public initiated a judicial review to the High Court in 2017 against the project to widen Castle Peak Road. But the Court had not yet delivered its judgment upon the conclusion of the case. As a result this project concerning nearby residents had been delayed.

9. JA replied that the Judiciary concurred that judges at various levels of courts should deliver judgment within a reasonable timeframe upon conclusion of a case. The Chief Judge of the High Court was in charge of supervising the delivery of judgments of High Court cases in order to ensure that judgments were delivered within a reasonable timeframe. The

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Chief Judge of the High Court had issued guidelines for this propose, specifying that if High Court judges were unable to deliver judgments within a reasonably foreseeable timeframe under special circumstances, they were required to notify the parties concerned in writing. If High Court judges were unable to deliver judgments within a reasonably foreseeable timeframe due to heavy workload, they might report to the Chief Judge of the High Court so that adjustment could be made in case allocation to allow them more time to complete the judgments as soon as possible. She would relay the Chairman's concern over the progress of judgment delivery in judicial review cases to the Chief Judge of the High Court.

10. In response to Ms YUNG Hoi-yan's enquiry on whether the Family Court had set a timeframe for handling cases, JA said that given the large number and broad variety of cases handled by the Family Court in recent years, the judges had endeavoured to set priority, taking into account the circumstances of each case. At present the Family Court had increased the number of cases to be handled according to the Practice Directions, and where appropriate, set a minimum and maximum duration for court proceedings. The adoption of the procedural framework under the Practice Directions might provide Family Court judges, the parties to the litigation and their lawyers a guideline on the time required for handling the cases, thus increasing the efficiency of case processing.

Measures for alleviating the workload of the Family Court

11. Mr AU Nok-hin enquired about the progress of the review of the Family Procedure Rules by the Judiciary and how the implementation of the new rules could alleviate the workload of the Family Court.

12. JA responded that the new Family Procedure Rules were expected to enhance the efficiency of the Family Court in managing and handling cases. The Judiciary had consulted the industry on the review of the Family Procedure Rules in 2014. In 2015, the CJ had accepted the *Final Report on Review of Family Procedure Rules* and some 130 recommendations made therein. The Judiciary was preparing for the legislative exercise necessary for the implementation of the above recommendations, including amending the existing principal legislation, subsidiary legislation and various practical guidelines, as well as implementing other relevant recommendations, such as the introduction of a Master system in the Family Court. The Judiciary planned to consult the legal profession and stakeholders again on the detailed legislative proposals at the end of 2019, and aimed to consult the AJLS Panel on the amendment bill, rules and practical guidelines by the end of 2020. Subject to the AJLS Panel's support, the Judiciary would present the

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amendment bill to the Legislative Council in due course. She expected that the above consultation and legislative exercise would take about three years to complete.

13. Mr Holden CHOW expressed support for the staffing proposal. He noted the rapid growth in the number of cases in respect of joint applications for divorce handled by the Family Court, and about 80% of the cases were taken out by unrepresented litigants who required additional support from Family Court judges and judicial officers, thus exerting pressure on the manpower of Family Court judges. Mr CHOW asked whether the creation of three judicial posts of Judge of the District Court would be adequate to cope with the increasingly heavy workload of the Family Court. Mr Tony TSE expressed similar concern and asked whether the Judiciary would still need to appoint Deputy Judges after the creation of three permanent judicial posts of Judge of the District Court, in order to cope with the workload of the Family Court. Mr AU Nok-hin enquired about the difficulties encountered by the Judiciary in recruiting judges and judicial officers.

14. JA advised that the Family Court had an establishment of five Family Court judges since July 2008. To cope with the increasingly heavy workload of the Family Court, the Judiciary had deployed a total of 10 judges and judicial officers (including the deployment and engagement of Deputy Judges) to the Family Court since September 2015, in the light of the actual operational needs. As of April 2019, the Family Court had appointed six Deputy Judges. In view of the increasing caseload and heavy workload of the Family Court, the Judiciary considered it necessary to increase the number of substantive judges in the Family Court. As a prudent approach, the Judiciary proposed to create three additional permanent judicial posts of Judge of the District Court and continue to engage Deputy Judges to share the workload of the Family Court. She emphasized that, with the establishment of having substantive judges as the main judicial officers in charge of Family court cases, supported by the assistance of Deputy Judges, the workload of substantive judges of the Family Court could be alleviated. Judicial officers deployed from subordinate courts or qualified legal professionals recruited externally could also gain judicial experience by taking acting appointments as Deputy Judges in Family Court.

15. JA further said that the Judiciary had been engaging judges and judicial officers through open recruitment and a new round of recruitment of District Court judges was underway. The two additional permanent civil service posts proposed (i.e., Deputy Judiciary Administrator (Planning and Quality) ("DJA(PQ)") and Deputy Administrative Assistant to CJ) would be filled by civil service administrative grade staff. In the long run,

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the Judiciary intended to review the staff establishment in the Family Court, including exploring the establishment of a Master system in the Family Court and the number of Masters needed, after the creation of three permanent posts of Judge of the District Court. Upon completion of the review, the Judiciary would consult the AJLS Panel on its long-term manpower needs and submit a proposal to ESC.

16. Dr KWOK Ka-ki noted that the proposed DJA(PQ) post was mainly responsible for time-limited projects, for example, implementation of the Information Technology Strategy Plan and assisting in works projects such as the reprovisioning of the High Court, District Court and Family Court. He opined that the Judiciary should create a supernumerary directorate post of a longer period to take charge of the above time-limited projects and use the resources for creating the permanent post to recruit more judges in order to reduce the lengthy case listing time.

17. JA responded that DJA(PQ) had to make long-term strategic planning for the application of information technology in the Judiciary in the light of the development of information technology and the unique operating environment of the Judiciary. The implementation of the Information Technology Strategy Plan was only part of DJA(PQ)'s responsibilities. In addition, DJA(PQ) would facilitate the on-going review on the accommodation strategy for courts and the Judiciary premises. Apart from the development of two new mega accommodation projects, namely, the reprovisioning of the High Court, and the reprovisioning of the District Court and the Family Court (which would be co-located with the Lands Tribunal), DJA(PQ) would also be responsible for regular duties such as the security and property management of existing court buildings and the Judiciary premises. JA added that the Administration had granted a site on Caroline Hill Road for the reprovisioning of the District Court and the Family Court, and the Judiciary was planning for the reprovisioning project. Moreover, the Administration had agreed in principle to allocate the site in Central harbourfront for the reprovisioning of the High Court. The Judiciary was discussing the timetable for the project with the Administration. As DJA(PQ) had a number of regular duties in addition to implementing time-limited projects, the proposal of creating a permanent civil service post was considered appropriate.

Development of the Judiciary's Information Technology Strategy Plan

18. In response to Mr AU Nok-hin's enquiry regarding the implementation details of the Information Technology Strategy Plan, JA said that the Plan was one of the numerous tasks of DJA(PQ), whose responsibilities included establishing an integrated court case management

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system ("iCMS") for the Judiciary and enhancing the efficiency of court services through the application of information technology. She added that iCMS would be introduced in two phases: the first phase would cover criminal and civil cases of the District Court and summons cases of the Magistrates' Courts; in the second phase the System would extend to cover cases of the High Court, criminal cases of the Magistrates' Courts and cases of the Small Claims Tribunal. The infrastructure of iCMS was nearly completed, and the Judiciary was reviewing the operation of its applications and internal systems. As iCMS would also be applied to court procedures, such as handling summons cases by electronic means, legislative amendments were therefore involved. As such, the Judiciary was consulting the legal profession, the law enforcement agencies concerned and other stakeholders.

Implementation of the Financial Dispute Resolution Pilot Scheme

19. Ms YUNG Hoi-yan noted that, under the Financial Dispute Resolution Pilot Scheme ("the Pilot Scheme"), in case a Family Court judge failed to facilitate the parties in a divorce case to reach a settlement, the case would be heard by another Family Court judge. Pointing out that the Pilot Scheme involved a lot of court resources, she enquired about the effectiveness of the Pilot Scheme and whether the Judiciary would consider allocating cases under the Pilot Scheme to legal professionals other than Family Court judges.

20. JA responded that, under the Pilot Scheme, a Family Court judge would act as the mediator or facilitator to assist the parties in a divorce case to resolve their financial dispute. In case a settlement could not be reached, the case would have to be heard by another Family Court judge. As three substantive judges to the Family Court would be added under this staffing proposal, the Family Court would have more flexibility in deploying manpower to handle cases under the Pilot Scheme.

21. JA further said that, according to the experience of the Family Court, handling cases in a non-adversarial manner had many advantages. Hence, the Family Court had established the direction of handling cases through mediation. Moreover, the Working Party on Mediation led by a Justice of Appeal of the Court of Appeal of the High Court, would also consider how mediation of civil disputes might be facilitated, having regard to its economic and social benefits and taking into account its developments in other common law jurisdictions. The Working Party was monitoring the implementation of the Pilot Scheme and would consult the industry if the mediation approach warranted improvement.

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Online Daily Cause Lists of the Judiciary

22. In response to Mr AU Nok-hin's views on improving the online Daily Cause Lists of the Judiciary, JA advised that having accepted the views put forward by Members, the Judiciary had updated and improved the online Daily Cause Lists in 2018 with a view to making it more user-friendly. The Judiciary welcomed Members' further comments on the improved Lists.

Voting on the item

23. As members raised no further questions on the item, the Chairman put the item to vote. She was of the view that the majority of the members voting were in favour of the item. She declared that the Subcommittee agreed to recommend the item to FC for approval.

24. Dr KWOK Ka-ki requested that the item be voted on separately at the relevant FC meeting.

EC(2018-19)35 Proposed creation of two permanent posts of one Principal Government Counsel (DL3) and one Deputy Principal Government Counsel (DL2); upgrading one permanent post of Assistant Principal Government Counsel (DL1) to Deputy Principal Government Counsel (DL2); and creation of one supernumerary post of Deputy Principal Government Counsel (DL2) for five years with effect from the date of approval by the Finance Committee to strengthen legal support at the directorate level in the Department of Justice

25. The Chairman remarked that the staffing proposal was to create two permanent posts of one Principal Government Counsel ("PGC") (DL3) and one Deputy Principal Government Counsel ("DPGC") (DL2); upgrading one permanent post of Assistant Principal Government Counsel ("APGC") (DL1) to DPGC (DL2); and creation of one supernumerary post of DPGC (DL2) for five years with effect from the date of approval by FC to strengthen legal support at the directorate level in the Department of Justice ("DoJ").

26. The Chairman said that the Administration had consulted the AJLS Panel on the staffing proposal on 19 December 2018. Members were concerned about the qualifications required for the permanent post of PGC in the Secretary for Justice's Office ("SJO"), the delineation of

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responsibilities among the divisions relating to mediation and arbitration within DoJ upon the creation of the post, as well as how the post would promote and facilitate the legal and dispute resolution services in Hong Kong. Some other members were concerned about how the creation of the permanent post of DPGC in the Law Reform Commission ("LRC") Secretariat of the Legal Policy Division ("LPD") would alleviate the heavy workloads of the Secretariat. The Administration had responded to the questions raised by members at the meeting. The AJLS Panel supported the submission of the above proposal by the Administration to ESC for consideration.

Proposed creation of the permanent post of Principal Government Counsel in the Secretary for Justice's Office

Promotion of Hong Kong's dispute resolution services in the Belt and Road region

27. Dr KWOK Ka-ki pointed out that some countries remained doubtful about the Belt and Road ("B&R") projects and their effectiveness. He queried whether the proposed permanent post of PGC to be created in SJO, in promoting Hong Kong's dispute resolution services in the international community, should position Hong Kong as a dispute resolution centre for the B&R Initiative ("BRI").

28. Mr Tony TSE expressed support for the staffing proposal. He noted that a survey indicated that Hong Kong had dropped out of the top three most preferred seats of arbitration internationally. Coupled with the keen competition between Hong Kong and other international legal and dispute resolution services centres in the region for the fast growing development opportunities arising from BRI, he concurred that DoJ had to step up efforts in the promotion of Hong Kong's international legal and dispute resolution services. On the other hand, he expressed disagreement with Dr KWOK Ka-ki's viewpoint on BRI, pointing out that a number of initiatives and investment projects under BRI had already commenced, with active participation from many countries.

29. The Solicitor General, DoJ ("SG/DoJ") said in his consolidated response that the Administration did not subscribe to Dr KWOK Ka-ki's viewpoint on BRI. He pointed out that, according to the observation of DoJ personnel when attending BRI promotional events, many overseas participants had demands for legal services in respect of cross-border transactions and dispute resolution. Therefore, DoJ considered that there was an actual need to promote the legal advantages of Hong Kong to the international world and to build Hong Kong as a dispute resolution centre for BRI. DoJ's promotional efforts had also gained the support of the

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legal sector, dispute resolution sector and relevant stakeholders in Hong Kong.

30. SG/DoJ pointed out that the proposed post of PGC would also assist in the promotion of Hong Kong's international legal and dispute resolution services in the Mainland, Asia, Europe, etc. DoJ had formulated key promotional measures, including the study on how e-arbitration and e-mediation platforms could contribute to the initiative of the Asia-Pacific Economic Cooperation, and had participated in activities and events to promote Hong Kong's dispute resolution services in as far as South America.

31. Mr AU Nok-hin noted that, as a dispute resolution centre for BRI, Hong Kong would be responsible for the resolution of possible international commercial disputes arising from projects in various jurisdictions in the B&R region. He enquired about the definition of "international disputes" and how DoJ, as the judicial department of a city, could assist in resolving disputes across different jurisdictions.

32. SG/DoJ responded that international disputes under BRI projects mainly covered disputes among contract signatories as well as investment disputes between the government of a jurisdiction and an investor from another jurisdiction. Disputes among commercial contract signatories could generally be resolved through execution of court orders or enforcement of arbitral awards made by arbitration institutions in respect of the assets in the relevant jurisdictions or other jurisdictions. But for a cross-border/cross-jurisdiction dispute between the government of the place where the investment project was carried out and an investor from another jurisdiction, it might have to be resolved only through specific dispute settlement mechanisms, such as arbitration between the investor and the host country.

33. SG/DoJ explained that the Convention on the Recognition and Enforcement of Foreign Arbitral Awards ("New York Convention") was applicable to Hong Kong. By virtue of it, arbitral awards issued in Hong Kong as the seat of arbitration were recognized and enforced in all signatory countries to the New York Convention through the mechanism laid down therein. Furthermore, Hong Kong had entered into arrangements for reciprocal recognition and enforcement of arbitral awards with the Mainland and Macao respectively. The aforementioned edge was conducive to Hong Kong becoming the centre for resolution of disputes across different jurisdictions.

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Efforts in external promotion of Hong Kong's dispute resolution services

34. Mr Holden CHOW opined that DoJ should step up promotion of Hong Kong's excellent dispute resolution services to countries in the Asian region, particularly member states of the Association of Southeast Asian Nations ("ASEAN"). He advised that DoJ might recommend ASEAN member states to stipulate in contracts of B&R projects that for contract-related disputes, options could be made for mediation and arbitration in Hong Kong for the sake of proper management of dispute risks upon contract signing.

35. SG/DoJ advised that the Inclusive Dispute Avoidance and Resolution Office ("IDARO") had been set up under SJO to assist the Secretary for Justice ("SJ") in planning and taking forward various initiatives and programmes which contributed to the enhancement of Hong Kong's role as a hub for deal making and a leading centre for international legal and dispute resolution services. The proposed post of PGS would support the work of IDARO. Moreover, through co-organizing programmes with international and local bodies, DoJ had been providing training on international law and dispute resolution for mediation and arbitration practitioners in both Hong Kong and other places, especially for judges, legal practitioners, government officials, etc. of B&R and Asian jurisdictions, with a view to enhancing their understanding of and general standards for mediation and arbitration. DoJ had also, through organizing international conferences in relation to dispute resolution, enhanced the image and influence of Hong Kong as a centre for international law and dispute resolution services. For example, DoJ was working with the United Nations Commission on International Trade Law ("UNCITRAL") to regularize the UNCITRAL Asia Pacific Judicial Summit into a biennial event permanently based in Hong Kong, so as to assist judicial personnel in the region in capacity building for dispute resolution and strengthen international trade and development.

36. Mr WU Chi-wai enquired whether DoJ had set performance indicators for the work of the Joint Dispute Resolution Strategy Office ("JDRSO") so as to evaluate JDRSO's performance in external promotion of Hong Kong's mediation and arbitration services, such as the number of contract parties of B&R projects opted for dispute resolution in Hong Kong.

37. SG/DoJ advised that the selection of the seat of legal and dispute resolution by contract parties was a business decision, which was generally confidential. DoJ learnt from information provided by some dispute resolution institutions, such as the Hong Kong International Arbitration Centre, that Hong Kong had handled a large number of mediation and

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arbitration cases, which involved vast sums. However, given that many contract parties did not opt for institutional arbitrations, DoJ would also maintain contact with the dispute resolution sector, and try to understand the external responses and competitions through journals, reports and critiques on legal and dispute services. For example, upon signing the Arrangement Concerning Mutual Assistance in Court-ordered Interim Measures in Aid of Arbitral Proceedings by the Courts of the Mainland and of the Hong Kong Special Administrative Region between DoJ and the Supreme People's Court in April this year, the international arbitration sector reacted very positively to the Arrangement as revealed in the relevant journals and reports.

38. Mr WU Chi-wai requested DoJ to provide supplementary information after the meeting on the details and effectiveness of the specific initiatives undertaken by the Administration to promote the legal and dispute resolution services sector of Hong Kong, including reports and critiques by international arbitration and mediation institutions as well as the arbitration and mediation sector on their Hong Kong counterparts, and the engagement of Hong Kong's dispute resolution services by relevant international institutions.

(Post-meeting note: The supplementary information provided by the Administration was circulated to members on 22 May 2019 vide LC Paper No. ESC117/18-19(01).)

39. Mr AU Nok-hin enquired about the details of the activities and delegations organized by DoJ in recent years for the external promotion of Hong Kong's dispute resolution services, and the large-scale promotional events the proposed post of PGC would plan in the short run.

40. SG/DoJ replied that both SJ and LPD colleagues under DoJ had led overseas delegations to promote Hong Kong's dispute resolution services. To enhance Hong Kong's image and influence in the dispute resolution services sector, DoJ had proactively organized local or international conferences in Hong Kong. For instance, in the Hong Kong Forum: 60th anniversary of New York Convention held in September 2018, a number of internationally renowned arbitration and mediation experts as well as practitioners and service users from different jurisdictions were invited. DoJ would set out the activities already held and to be held to promote dispute resolution services on the designated webpage, Legal Hub, which also listed similar activities organized by the sector so as to provide one-stop information to interested parties.

41. As regards securing international conferences on dispute resolution services to be held in Hong Kong, SG/DoJ advised that considerable

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preparatory work had to be made to ensure various requirements for bidding to host the conferences would be met. Taking the organization of the International Council for Commercial Arbitration Congress 2022 as an example, Hong Kong had to bid for being the host city four years before the event date, contending against many other cities interested in hosting the event. Also, the bid for hosting the conference was organized within a very tight timeframe. The proposed post of PGC would be responsible for handling the tasks related to the organization of large-scale events within a tight timeframe.

42. Mr WU Chi-wai pointed out that some foreign chambers of commerce had recently expressed concerns about the common law system in Hong Kong and upholding of the principle of "one country, two systems", as well as possible changes arising from the amendment of the Fugitive Offenders Ordinance (Cap. 503). He enquired how DoJ and JDRSO, in publicizing and promoting Hong Kong's dispute resolution services, would address such concerns. Mr Fernando CHEUNG made similar enquiries.

43. SG/DoJ responded that DoJ had been, in activities promoting the dispute resolution services of Hong Kong and at related international conferences, expounding on the actual circumstances of the judicial operation in Hong Kong to officials, judicial personnel, users of dispute resolution services, etc, in other jurisdictions. Hong Kong practised common law and upheld the principle of "one country, two systems". The market of dispute resolution services was an open one, which allowed the disputing parties to choose the judicial system to be adopted for handling disputes, or choose to handle the disputes in other places under the legal framework of Hong Kong, giving considerable flexibility to the disputing parties.

44. SG/DoJ further remarked that IDARO, set up by DoJ in early 2019, had assisted SJ in concluding a new arrangement with Mainland authorities, under which it was agreed that, pending the determination of the dispute by the arbitral tribunal, the disputing parties could, in accordance with the mechanism, preserve assets or evidence relevant to the dispute in Hong Kong or the Mainland. Under "one country, two systems", Hong Kong was the only jurisdiction outside the Mainland to have entered into such an arrangement. The news of signing the arrangement received very positive responses internationally, including in Europe. DoJ would take forward the arrangement as soon as possible. He stressed that any person engaging in any activity, including mediation and arbitration, must obey the laws of Hong Kong, and the law-enforcement agencies and courts would also act in accordance with the laws.

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45. Dr Elizabeth QUAT supported the staffing proposal. She was of the view that the proposed post of PGC to be created could assist in taking forward the measures such as e-arbitration and e-mediation platform, smart contract platform, which were favourable to the development of Hong Kong into a smart city. She enquired whether the implementation of the above measures would require amendment to existing legislation or enactment of new legislation.

46. SG/DoJ responded that DoJ, in collaboration with the information technology and legal/dispute resolution sectors, provided policy support to develop facilities such as e-arbitration and e-mediation platform, and smart contract platform. The commercial dispute resolution platform to be built in future not only would connect commercial organizations in different regions, but could also provide artificial intelligence translation functions. It was hoped that the Blockchain technology could be employed for the smart contracts in development so that risk management and dispute resolution could be properly handled at the initial stage of entering into contracts. Where necessary, DoJ would make legislative proposals or propose amendments to existing legislation to take forward the above smart measures.

Work of the Law Reform Commission

47. Dr KWOK Ka-ki criticized LRC for rarely taking forward the law reform recommendations made in LRC reports and the rather slow progress of implementation of reform recommendations. He was particularly concerned about the progress of taking forward the archives law by LRC.

48. SG/DoJ expressed that he disagreed with Dr KWOK Ka-ki's criticisms against LRC. He pointed out that it was the relevant bureaux/departments which would consider whether or not to implement the law reform recommendations made by LRC in its reports, and take follow-up actions. Past reform proposals and their implementation status were set out on the LRC webpage, including proposals implemented in full and those implemented in part, as well as follow-up actions taken by the relevant bureaux/departments in response to LRC's proposals. Information on the website showed that proposals made by LRC in the past were mostly adopted by the relevant bureaux/departments. As regards the concern about the archives law, LRC was currently conducting a public consultation on the legislative exercise of the archives law. Judging by LRC's experience, the time required for the research work of the legislative proposal on the archives law was comparable to that required for other law reform proposals of similar complexity.

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49. Secretary (Law Reform Commission) added that the public consultation on the archives law conducted by LRC was originally scheduled to end in March 2019, but a number of groups and individuals had respectively sent written requests for extension of the consultation period so that they would have more time to study the proposals made by LRC, and some groups did not forward their submissions to LRC until May. Given the large number of submissions received during the public consultation period, the LRC Secretariat needed time to handle them. The Secretariat was currently making efforts to analyze the submissions received, with a view to publishing a report on the archives law reform proposal as soon as possible.

50. Mr Holden CHOW was aware that upon the publication of the LRC report on class actions, DoJ had established a cross-sector working group to continue to study the reform recommendations made in the report. He was concerned about the progress made by DoJ in the promotion of consumers' right to class actions, and how the staffing proposal could assist in taking forward the legislative exercise of consumers' right to class actions.

51. SG/DoJ reiterated that most law reform recommendations made by LRC were taken forward by relevant bureaux/departments, while DoJ was responsible for the relevant research work of a small number of the recommendations, such as consumers' right to class actions. Currently, the follow-up research of consumers' right to class actions was taken up by a Senior Assistant Solicitor General ("SASG") in Policy Affairs ("PA") Sub-division and the unit under his leadership. DoJ anticipated that upon the creation of one supernumerary post of DPGC (designated as SASG (Policy Affairs)³) for a period of five years in PA Sub-division, work pressure related to consumers' right to class actions could be alleviated.

Proposed upgrading of one Assistant Principal Government Counsel to Deputy Principal Government Counsel in Policy Affairs Sub-division of the Legal Policy Division

52. Mr CHAN Chi-chuen noted from enclosure 8 to the paper that the proposed upgraded post of one DPGC (designated as SASG (Policy Affairs)²) in Policy Affairs Unit ("PAU") 2 of PA Sub-division would be tasked to advise the Chief Executive ("CE") on requests for the surrender of fugitives made by other jurisdictions. He enquired whether the responsibilities of PAU1 and PAU2 were relevant to the promotion of the amendment exercise of the Fugitive Offenders Ordinance.

53. SG/DoJ explained that PAU1 only prepared drafting instructions and assisted in the promotion of bills under the purview of SJ (including

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the scrutiny of the bills in the Legislative Council). Bills under the purview of SJ included amendments to the Arbitration Ordinance and amendments to the Evidence Ordinance for taking forward LRC's recommendations on hearsay evidence. The amendment exercise of the Fugitive Offenders Ordinance was under the purview of the Security Bureau, and the preparation of drafting instructions as well as promotion of the bill were not within the portfolio of PAU1.

54. As regards the work of PAU2, SG/DoJ advised that PAU2 had been responsible for preparing the draft advice to CE on whether CE should order the surrender of a fugitive to a requesting jurisdiction. He added that currently personnel of the International Law Division of DoJ were responsible for assisting relevant jurisdictions in handling requests for surrender of fugitive offenders. To avoid potential conflict of roles, PAU2 of PA Sub-division under LPD was responsible for preparing the draft of SG's advice to CE on whether CE should sign the order for the surrender of a fugitive. SG/DoJ advised that the work was not relevant to the amendment bill relating to the Fugitive Offenders Ordinance currently under scrutiny by the Legislative Council.

55. Mr Fernando CHEUNG enquired about the work of maintaining a firewall within DoJ, one of the responsibilities of SASG (Policy Affairs)² proposed to be created in PAU2.

56. SG/DoJ explained that if a division or unit within DoJ had previously advised a bureau/department on a particular matter, in view of the potential conflict of roles, PAU2 currently under the leadership of Assistant Solicitor General (Policy Affairs)² would be responsible for providing independent legal advice for another authority in charge on the same matter. In this context, PAU2 would serve as a firewall within DoJ by ensuring legal advice so rendered was independent, thereby minimizing actual or perceived bias and avoiding unnecessary legal challenges. He cited an example and explained that for concluded criminal cases with final appeal results, if those convicted wished to present new evidence to request that the case be reopened, they had the right to lodge a petition to CE. Under such circumstances, to avoid any perceived conflict of interest, the Prosecutions Division would not give legal advice to CE. PAU2 would be responsible for considering the new evidence presented and offering independent legal advice to CE, including recommendation on whether there were sufficient grounds to retry the case.

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Proposed creation of a supernumerary post of Deputy Principal Government Counsel in the Policy Affairs Sub-division of the Legal Policy Division

57. Mr Tony TSE noted that the proposed supernumerary post of SASG (Policy Affairs)³ was tasked to lead the newly established PAU³ in PA Sub-division to implement LRC's recommendations and take forward tasks such as legal cooperation with the Mainland. Given the complexity of its work, some of which being controversial, and the heavy workload, he enquired whether it was appropriate to create a five-year supernumerary post.

58. SG/DoJ responded that DoJ had all along exercised prudence and restraint in making staffing proposals to the Legislative Council. In making the current staffing proposal, DoJ had taken into account the actual operational needs of PA Sub-division and the priorities of various projects being taken forward, and considered the current proposal for the creation of a five-year post appropriate. DoJ would continue to monitor the workloads and actual needs of PA Sub-division to review the future manpower requirements.

Voting on the item

59. The Chairman put the item EC(2018-19)³⁵ to vote. At the request of members, the Chairman ordered a division. At the request of Mr WU Chi-wai, the Chairman ordered that this item be voted in two parts. For the first part, a division was conducted on creation of one permanent DPGC post in LRC Secretariat of LPD. The division bell rang for five minutes. Twenty-four members voted in favour of the item. The Chairman declared that the Subcommittee agreed to recommend this part of the item to FC for approval. The votes of individual members were as follows:

For

Mr WONG Ting-kwong	Mr WONG Kwok-kin
Mr Steven HO	Mr WU Chi-wai
Mr YIU Si-wing	Mr CHAN Chi-chuen
Dr KWOK Ka-ki	Mr KWOK Wai-keung
Mr Christopher CHEUNG	Dr Fernando CHEUNG
Dr Elizabeth QUAT	Mr Martin LIAO
Mr POON Siu-ping	Dr CHIANG Lai-wan
Ir Dr LO Wai-kwok	Mr Alvin YEUNG
Mr Holden CHOW	Mr SHIU Ka-fai
Ms YUNG Hoi-yan	Mr CHAN Chun-ying
Mr Jeremy TAM	Mr AU Nok-hin
Mr Vincent CHENG	Mr Tony TSE

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(24 members)

60. The Chairman put the second part of the item to vote, namely creation of one permanent post of PGC in the Secretary for Justice's Office; upgrading one permanent post of APGC to DPGC in PA Sub-division of LPD; and creation of one supernumerary post of DPGC in PA Sub-division of LPD for five years. Sixteen members voted in favour of the item and seven against it. The Chairman declared that the Subcommittee agreed to recommend this part of the item to FC for approval. The votes of individual members were as follows:

For

Mr WONG Ting-kwong	Mr WONG Kwok-kin
Mr Steven HO	Mr YIU Si-wing
Mr KWOK Wai-keung	Mr Christopher CHEUNG
Dr Elizabeth QUAT	Mr Martin LIAO
Mr POON Siu-ping	Dr CHIANG Lai-wan
Ir Dr LO Wai-kwok	Mr Holden CHOW
Mr SHIU Ka-fai	Ms YUNG Hoi-yan
Mr CHAN Chun-ying	Mr Tony TSE

(16 members)

Against

Mr WU Chi-wai	Mr CHAN Chi-chuen
Dr KWOK Ka-ki	Dr Fernando CHEUNG
Mr Alvin YEUNG	Mr Jeremy TAM
Mr AU Nok-hin	

(7 members)

61. Dr KWOK Ka-ki requested that the second part of the item be voted on separately at the relevant FC meeting.

(At 4:52 pm, the Chairman declared that the meeting be suspended for five minutes. The meeting resumed at 4:57 pm.)

EC(2018-19)36 Proposed creation of two supernumerary posts of one Administrative Officer Staff Grade A (D6) and one Administrative Officer Staff Grade C (D2) and redeployment of two permanent posts of one Administrative Officer Staff Grade B (D3) and one Administrative Officer Staff Grade C (D2) in the Constitutional and Mainland Affairs Bureau for four years with immediate effect upon approval of the Finance Committee for the

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establishment of the Guangdong-Hong Kong-Macao Greater Bay Area Development Office to spearhead the efforts in taking forward the Greater Bay Area Development

62. The Chairman remarked that the staffing proposal was to create two supernumerary posts of one Administrative Officer Staff Grade A ("AOSGA") (D6) and one Administrative Officer Staff Grade C ("AOSGC") (D2) and redeploy two permanent posts of one Administrative Officer Staff Grade B ("AOSGB") (D3) and one AOSGC (D2) in the Constitutional and Mainland Affairs Bureau ("CMAB") for four years with immediate effect upon approval of FC for the establishment of the Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area") Development Office to spearhead the efforts in taking forward the Greater Bay Area Development.

63. Mr YIU Si-wing, Chairman of the Panel on Commerce and Industry, reported that when this staffing proposal was discussed at the Panel meeting held on 19 March 2019, members gave their support in general. Some members considered that the Administration should create permanent posts so as to cope with the long-term development needs of the Greater Bay Area. Given that the official currently responsible for the work pertaining to the Greater Bay Area Development was pitched at D3, members enquired about the rationale for the Administration to propose that the post of the Commissioner for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area ("CGBA") to be created be pitched at D6. Members were also concerned about whether the Administration would announce the major development projects and timetable to be taken forward by CGBA in the first stage, with a view to encouraging the business sector to make investment correspondingly. Some members suggested that individual offices of the Special Administrative Region ("SAR") Government be set up in each of the cities in the Greater Bay Area, and CGBA should be responsible for carrying out the relevant preparatory work. Some members considered that CGBA should strengthen external promotion on the Greater Bay Area to attract more foreign investment. The post holder should also co-ordinate with other policy bureaux/departments to promote the work in various aspects, such as tourism in the Greater Bay Area. In addition, some members were concerned that other cities in the Greater Bay Area would turn into competitors of Hong Kong and might eventually cause foreign investment in Hong Kong to drop, thereby dealing a blow to the long-term economic development of Hong Kong.

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Impact of the Development of the Guangdong-Hong Kong-Macao Greater Bay Area on Hong Kong

64. Dr KWOK Ka-ki, Mr CHAN Chi-chuen, Dr Fernando CHEUNG and Mr AU Nok-hin expressed opposition against this staffing proposal. They were concerned that Hong Kong was "being planned" and "being notified" in respect of the Greater Bay Area Development. They were also worried that the identity of "Hong Kong people" would be gradually replaced in the course of taking forward the Greater Bay Area Development. Dr KWOK was worried that taking forward the Greater Bay Area Development would eliminate Hong Kong, and queried that the planning of the Greater Bay Area would undermine the long-term economic development of Hong Kong. Mr CHAN asked whether the Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Greater Bay Area was a legally binding document.

65. Ir Dr LO Wai-kwok said that the Business and Professionals Alliance for Hong Kong supported this staffing proposal and the expeditious establishment of the Greater Bay Area Development Office. He considered that Hong Kong and Mainland cities could develop jointly under the principle of complementarity, and the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area ("Outline Development Plan") had already reflected the Central Government's recognition of the leading role and advantages of Hong Kong in the Greater Bay Area, which was the result of the hard work of Hong Kong people in various fields (such as innovation and technology ("I&T"), finance, shipping, professional services, etc.) over the years. The Greater Bay Area Development would present a great opportunity to Hong Kong people, especially the youth. In recent years, the Mainland had introduced a basket of policy measures to assist Hong Kong people in working and living in the Mainland, such as issuing the Residence Permit for Hong Kong and Macao Residents, clarifying the method for calculating "183 days" for paying individual income tax, etc. He disapproved of the remarks that China was threatening the development of Hong Kong and the identity of Hong Kong people would be replaced.

66. Secretary for Constitutional and Mainland Affairs ("SCMA") pointed out that the Greater Bay Area Development was an important development strategy during the country's reform and opening up process. It sought to promote coordinated economic development in the Greater Bay Area through further deepening the cooperation amongst Guangdong, Hong Kong and Macao. The Central Government stated in the Outline Development Plan promulgated on 18 February 2019 that the principle of "one country, two systems" would be strictly adhered to during the course of the Greater Bay Area Development, to enable Hong Kong to give full

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play to its advantages and pursue better development. The Outline Development Plan set out the guiding directions for the near future to 2022 and the long-term outlook to 2035, with specific measures being promulgated and implemented gradually. The Administration needed to set up as soon as possible the Greater Bay Area Development Office with sufficient staffing support at directorate level to spearhead the various efforts in taking forward the Greater Bay Area Development. He supplemented that the Outline Development Plan had specified the functions and positioning of Hong Kong in various aspects, which were also the advantages possessed by Hong Kong generally recognized by different sectors of society. With the support of the Central Government, Hong Kong would be able to further capitalize on its edges. He thus disagreed with the saying that Hong Kong was "being planned" in the Greater Bay Area Development.

67. Mr Holden CHOW and Mr WONG Ting-kwong expressed their support for this staffing proposal. They also disagreed with the viewpoint that taking forward the Greater Bay Area Development would eliminate Hong Kong. Mr CHOW pointed out that the Greater Bay Area Development could offer Hong Kong people an additional alternative in living, employment and economic development. Mr WONG opined that the Greater Bay Area Development would bring about a great opportunity for Hong Kong people, especially the youth. He considered that the Administration should, apart from promoting industrial development, take into account issues relating to people's livelihood as well. He expected the Administration to strive for the best interests for Hong Kong people in the Greater Bay Area Development, as well as policy measures assisting Hong Kong people in working and living in the Greater Bay Area.

68. SCMA agreed that apart from promoting economic and industrial development, emphasis should also be placed on facilitating Hong Kong people's daily life in the Mainland during the course of taking forward the Greater Bay Area Development. He pointed out that the Mainland government had introduced in recent years quite a number of policy measures to assist Hong Kong people in working and living in the Mainland, such as issuing the Residence Permit for Hong Kong and Macao Residents, clarifying the method for calculating "183 days" for paying individual income tax, allowing Hong Kong people to open Mainland bank accounts in Hong Kong to enable them to use payment facilities in the Mainland, etc.

69. Dr Fernando CHEUNG and Dr KWOK Ka-ki queried that whilst Hong Kong had devoted substantial resources to carrying out large-scale cross-border infrastructure projects (such as the Hong Kong-Zhuhai-Macao Bridge and the Guangzhou-Shenzhen-Hong Kong Express Rail Link, etc.)

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with a view to taking forward the Greater Bay Area Development, such projects did not aim to provide convenience for Hong Kong people and were not welcomed by Hong Kong people. Dr CHEUNG pointed out that the young people of Hong Kong were skeptical about the Greater Bay Area Development. Besides, in view of the differences between China and Hong Kong in areas such as culture, religion, and civil development, he was concerned that further expediting the Greater Bay Area Development might give rise to more conflicts between the Mainland and Hong Kong.

70. SCMA replied that large-scale cross-border infrastructure would provide Hong Kong people with greater convenience in going to the Mainland for development, travel and consumption. Noting the impact on some communities brought about by the increase in number of inbound travellers, the Government had introduced an array of measures to alleviate the pressure on individual communities and resolve the relevant problems.

71. Given the differences between Hong Kong and the Mainland in respect of systems regarding political and other rights (for instance, the social credit system in the Mainland might arouse Hong Kong people's concern over human rights and privacy in the Mainland), Mr CHU Hoi-dick enquired how the Administration would tackle the aforementioned problem relating to such differences when taking forward the Greater Bay Area Development.

72. SCMA reiterated that, during the course of taking forward the Greater Bay Area Development, the Mainland and Hong Kong would firmly uphold the principle of "one country, two systems", which meant that Mainland cities would deal with matters arising in the Mainland in accordance with the laws and systems of the Mainland, and vice versa.

Structure and manpower of the Guangdong-Hong Kong-Macao Greater Bay Area Development Office

73. Given that the Greater Bay Area Development involved the overall planning of Hong Kong rather than being confined to the constitutional aspect or general affairs of the Mainland, Dr Fernando CHEUNG enquired about the reasons of setting up the Greater Bay Area Development Office under CMAB instead of the Policy Innovation and Co-ordination Office ("PICO"). As the relevant policy measures were yet to be implemented, he was of the view that the Government should consider creating posts of Research Assistant in PICO to conduct studies on the relevant policy measures.

74. SCMA pointed out that the Greater Bay Area Development spanned across the policy areas of various policy bureaux. The Government

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considered it appropriate for CMAB to take up the role as the coordinator since it was related to Mainland affairs. Quite a number of measures facilitating I&T and the improvement of people's livelihood in the Greater Bay Area had been introduced in recent years. The Administration hoped that more policy measures beneficial to the development of Hong Kong people in the Greater Bay Area would be further implemented in the future, thereby creating an environment favourable to the development of young people.

75. Mr AU Nok-hin made a staffing establishment comparison between the Greater Bay Area Development Office and the overseas Hong Kong Economic and Trade Offices ("ETOs") in general and enquired about the justification of proposing to create four directorate posts in the Greater Bay Area Development Office and pitch the post of CGBA at D6.

76. SCMA replied that the post of the officer-in-charge of the Office of the Government of the SAR in Beijing was also pitched at D6. He pointed out that the functions of overseas ETOs differed from those of the Greater Bay Area Development Office. The functions of the Greater Bay Area Development Office included working closely with the National Development and Reform Commission, the Hong Kong and Macao Affairs Office of the State Council, the Guangdong Provincial Government, the Government of the Macao SAR, as well as municipal governments of major Greater Bay Area cities such as Shenzhen and Guangzhou, to jointly develop and introduce policy measures for the Greater Bay Area Development, and coordinate various policy bureaux/departments for the implementation of policy focus and priority setting, which encompassed a wide range of complicated work. As such, the post of CGBA should be pitched at a certain rank, and the post holder must be suitably experienced and equipped with strong leadership skills. It was, therefore, appropriate to pitch the proposed post of CGBA at D6.

77. Mr Martin LIAO pointed out that there would be fewer non-directorate supporting staff in the Greater Bay Area Development Office when compared with other offices in the Mainland or Taiwan. As a wide spectrum of work aspects were involved in the Greater Bay Area Development, he was concerned whether the staffing establishment of the Development Office would be sufficient to handle the workload in the coming four years. Mr CHAN Chun-ying enquired about the division of labour amongst the 17 time-limited non-directorate supporting staff in respect of the policy measures under different areas as set out in the Outline Development Plan.

78. Permanent Secretary for Constitutional and Mainland Affairs ("PS(CMA)") replied that apart from the 17 additional time-limited

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non-directorate officers, the 12 existing permanent non-directorate officers under Team 6 of CMAB would also be re-deployed to the Greater Bay Area Development Office. It was estimated that the aforementioned staffing establishment would be sufficient to cope with the workload pertaining to the Greater Bay Area Development up to 2022. The Administration would review the long-term manpower needs of the Development Office having regard to the progress and advancement of the Greater Bay Area Development, in order to seek long-term resources through established mechanism in due course. PS(CMA) advised that the 17 non-directorate officers, comprising mostly of Administrative Officers, Executive Officers and supporting staff responsible for general clerical work, would be supervised by Assistant Commissioner for the Development of the Greater Bay Area (1) ("ACGBA(1)") and the work undertaken by them in the future would include liaison with the Mainland authorities and organizations or local stakeholders. Members of various sectors could contact ACGBA(1) or Assistant Commissioner for the Development of the Greater Bay Area (2) if they wished to raise opinions or seek assistance in respect of matters relating to the Greater Bay Area.

79. Mr CHAN Chi-chuen was concerned whether the work of the Greater Bay Area Development Office would overlap with that currently undertaken by Deputy Secretary for Constitutional and Mainland Affairs (3) ("DS(CMA)3") and Principal Assistant Secretary (Constitutional and Mainland Affairs) (6) ("PAS(CMA)6") who were responsible for coordinating and promoting the cooperation with Guangdong, Shenzhen and the Macao SAR.

80. PS(CMA) responded that the current duties of DS(CMA)3 and PAS(CMA)6 included coordinating and promoting cooperation between the Hong Kong SAR and Guangdong, Shenzhen and the Macao SAR, and giving support to the Hong Kong/Guangdong Cooperation Joint Conference, the Hong Kong/Shenzhen Cooperation Meeting and Hong Kong/Macao Cooperation High Level meeting. They were also responsible for the additional work pertaining to the Greater Bay Area Development. Given that the Greater Bay Area Development had entered into a stage of full-fledged implementation, there was an imminent need to set up a dedicated Greater Bay Area Development Office as soon as possible to strengthen liaison and collaboration with Mainland authorities, support the Hong Kong SAR Government's participation in the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area ("the Leading Group") (including preparing papers for plenary meetings and working meetings convened regularly by the Leading Group, as well as supporting the liaison and coordination work between the governments of the Hong Kong SAR, the Macao SAR as well as governments at central, provincial and municipal levels), and further step

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up relevant publicity and promotional efforts. In fact, apart from the two new directorate posts to be created, the Administration had also proposed the redeployment of DS(CMA)3 and PAS(CMA)6 to the Greater Bay Area Development Office to provide directorate support.

Coordination within the Government

81. Mr CHAN Chun-ying expressed support for this staffing proposal and noted that the duties of the Greater Bay Area Development Office included strengthening the coordination within the Hong Kong SAR Government. He asked whether the banking sector could liaise and coordinate with the financial regulators in the Greater Bay Area through the Development Office, with a view to promoting the development of the financial services industry.

82. SCMA responded that the work pertaining to the Greater Bay Area Development involved many key policy areas and hence the Greater Bay Area Development Office would be required to conduct extensive coordination between relevant bureaux/departments within the Government in respect of various policies. The financial services sector could liaise with the Financial Services and the Treasury Bureau, which was tasked to promote the development of the financial services industry of Hong Kong, on matters relating to the promotion of the development of the financial services industry in the Greater Bay Area. Apart from that, they could also express their views to or seek assistance from the Greater Bay Area Development Office.

83. Mr Holden CHOW suggested the Greater Bay Area Development Office setting up groups for different sectors, so as to promote the development of Hong Kong people in the Greater Bay Area and to enhance their understanding of the Greater Bay Area in a more effective manner.

84. SCMA remarked that the Greater Bay Area Development Office would be mainly responsible for formulating and coordinating the overall policies for the Hong Kong SAR Government's participation in taking forward the Greater Bay Area Development, providing strategic recommendations on priority tasks for SCMA, and providing support for the Steering Committee for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area ("the Steering Committee") chaired by the Chief Executive. The policy bureaux would continue to draw up policy measures based on the existing mechanisms to promote the development of various sectors in the Greater Bay Area. Stakeholders of various sectors could also reflect to the Greater Bay Area Development Office their views regarding the opportunities offered and the relevant policy measures in the course of taking forward the Greater Bay Area Development. The

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Development Office would maintain close liaison with the policy bureaux and coordinate amongst them for the formulation of overall policies and priority setting.

Publicity and engagement with stakeholders

85. Mr CHAN Chi-chuen and Dr Fernando CHEUNG enquired whether the Administration had, apart from consulting the business sector and professional bodies, sought the views of the people of Hong Kong or the Legislative Council on Hong Kong's participation in the Greater Bay Area. Dr CHEUNG pointed out that the general public had just come to know the contents of the Outline Development Plan and the eight policy measures when the Central Government promulgated the Outline Development Plan and the eight policy measures.

86. Mr CHU Hoi-dick pointed out that the Administration had not consulted the public on the implementation of the Greater Bay Area Development. This together with the fact that discussions with the Central Government were not transparent (for instance, no open meetings were held while documents were not available) had inevitably caused the public to have the perception of "being planned".

87. The Chairman pointed out that the Administration had arranged a duty visit to the Greater Bay Area for Members of the Legislative Council in 2018 for better understanding of the development of the Greater Bay Area.

88. SCMA responded that the Greater Bay Area Development was an important step in the Central Government's reform and opening up process. The Central Government put forward the concept of the Greater Bay Area in 2015 and subsequently promulgated the implementation of the state economic development strategy under which the Greater Bay Area Development would encompass nine Mainland cities as well as the Hong Kong SAR and the Macao SAR. The Outline Development Plan was an important document issued by the Central Government to provide directions guiding the Greater Bay Area Development. Prior to the promulgation of the Outline Development Plan, the Central Government had invited the Guangdong Provincial Government, the Hong Kong SAR Government and the Macao SAR Government to take part in the drafting of the document proactively. The Administration had also widely collected, through the relevant policy bureaux, the views of different sectors of Hong Kong on the Greater Bay Area Development, and had reflected such views to the Central Government. Regarding consultation with Members of the Legislative Council, SCMA remarked that the Administration had arranged for four panels (namely Panel on Economic Development, Panel on

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Financial Affairs, Panel on Commerce and Industry and Panel on Information Technology and Broadcasting) a joint-panel duty visit to the Greater Bay Area in 2018, and all Members of the Legislative Council had been invited to participate as well. The objective of the duty visit was to enable Members to understand the Greater Bay Area Development in various aspects by means of a site visit, so that they could provide practical advice and policy directions for the Government to assist it in implementing its policy measures, thereby further taking forward the role of Hong Kong in the development of the Greater Bay Area. In addition, subjects relating to the Greater Bay Area Development had also been repeatedly deliberated in Legislative Council meetings. Various policy bureaux had also consulted the views of relevant stakeholders on policy areas under their respective purview during the course of their recurrent work.

89. In response to Dr Fernando CHEUNG's enquiry regarding the eight policy measures introduced by the Central Government, SCMA pointed out that most of such measures were drawn up by the Central Government to address the requests of Hong Kong people, including the calculation method Hong Kong people had all along been striving for in relation to the "183 days" counted for paying individual income tax on the Mainland.

90. Mr Martin LIAO enquired about the effectiveness of and expenditure involved in the series of publicity and promotional activities on the Greater Bay Area Development launched by the Administration since August 2018; and how the Greater Bay Area Development Office would seek improvement in the light of the deficiencies identified in past activities.

91. SCMA remarked that the Government had launched a series of publicity and promotional efforts to enhance the understanding of and interest in the Greater Bay Area Development amongst various sectors of society, including setting up a dedicated website to provide information for the public through this one-stop platform. Such information included major features of the Outline Development Plan, relevant policies and measures, and links of relevant information of the Greater Bay Area cities, etc. The Government would further step up publicity and promotional efforts regarding the Greater Bay Area, whereas the Greater Bay Area Development Office, upon its establishment, would be responsible for formulating overall publicity and promotional strategies. In addition, the Greater Bay Area Development Office would bolster its external relations efforts, such as working with chambers of commerce, professional associations and relevant stakeholders to promote exchanges and cooperation, as well as to gauge their views on the opportunities and the associated policy measures for taking forward the Greater Bay Area

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Development. With regard to the expenditure involved, SCMA responded that an actual expenditure amounted to \$10.5 million was incurred in 2018-2019 for publicity and promotional efforts in the Greater Bay Area, including the expenditure of the symposium co-organized by the governments of Guangdong, Hong Kong and Macao.

92. Mr AU Nok-hin noted that the expenditure of co-organizing the symposium amounted to \$2.7 million, which included about \$260,000 for the publishing of information folders for the symposium (including documents such as the Outline Development Plan and fact sheet on the Guangdong-Hong Kong-Macao Greater Bay Area). He queried whether it was cost-effective to spend \$260,000 on printing such information folders as the symposium was only attended by about 800 participants. He requested the Administration to give an account of the reasons for the substantial expenditure arising from co-organizing the symposium.

93. PS(CMA) advised that the symposium was the very first event co-organized in Hong Kong by governments of Guangdong, Hong Kong and Macao after the promulgation of the Outline Development Plan, which sought to make detailed introduction of the contents of the Outline Development Plan. As the participants included Chinese and foreigners, it was thus necessary to have the full text of the Outline Development Plan printed in two languages, and information folders had to be prepared for participants' reference and retention. Full text of the Outline Development Plan was also distributed to other stakeholders after the symposium.

The role of Hong Kong in the development of the Guangdong-Hong Kong-Macao Greater Bay Area

94. Mr Jeremy TAM requested the Administration to explain specifically how Hong Kong's status as an international aviation hub would be consolidated and enhanced when taking forward the Greater Bay Area Development, and how problems relating to the use of airspace in the Pearl River Delta region would be resolved. He urged the Administration to resolve expeditiously the problems regarding the use of airspace, otherwise the Hong Kong International Airport would fail to achieve the target of handling 102 flights per hour even after its Three-Runway System ("3RS") had been put into operation.

95. SCMA advised that the Outline Development Plan set out the pathway for Hong Kong to consolidate and manifest its status as an international aviation hub. The Hong Kong International Airport was the busiest cargo-handling airport and one of the busiest international passenger airports in the world. The Government would continuously upgrade the infrastructure and ancillary facilities of the Hong Kong

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International Airport. It would have further discussion with the Guangdong Provincial Government and relevant central ministries, and implement measures more conducive to the development of the aviation industry of Hong Kong (such as ways to enable travellers of the Greater Bay Area to depart and arrive using the Hong Kong International Airport). At the same time, expansion of 3RS and the continuous development of the local logistics industry in the periphery of the airport would help maintain Hong Kong's leading position as an international aviation and cargo hub. Moreover, problems relating to the use of airspace could also be dealt with through the relevant discussion and policy research platforms on the Greater Bay Area Development, such as the Leading Group led by Mr Han Zheng, the Vice Premier of the State Council, so that the Hong Kong SAR Government, the Macao SAR Government and the Guangdong Provincial Government could reach a consensus on and implement relevant arrangements of the planning and use of the airspace in the Pearl River Delta region as soon as possible.

96. Mr WU Chi-wai and Mr CHU Hoi-dick considered that the policies of the Administration stressed on bringing the talents and capital of Hong Kong to other Mainland cities in the Greater Bay Area for seeking opportunities instead of attracting talents and capital to Hong Kong. Given that Mainland cities had introduced a bunch of concessionary policies to attract capital and talents from other places (including Hong Kong), whereas the Greater Bay Area Development Office would continue to explore with the Mainland authorities the introduction of more measures enabling Hong Kong people to seek personal development, work and live in Mainland cities in the Greater Bay Area, Mr WU was concerned that Hong Kong would suffer from a serious drain of capital and talents. He enquired how the Greater Bay Area Development Office would resolve this problem.

97. SCMA said that the Greater Bay Area Development and relevant policy measures, in particular the cross-border connectivity of capital, would help to promote the development of the entire region (including Hong Kong), and provide ample new opportunities for Hong Kong people to pursue development in Mainland cities in the Greater Bay Area and Hong Kong. He illustrated with an example that the Greater Bay Area Development would further promote the development of I&T in Hong Kong, which would not only provide more jobs and opportunities for development for I&T talents in Hong Kong, but also attract foreign talents to seek development in Hong Kong. In addition, the Chinese Academy of Sciences would establish an affiliated institution in Hong Kong with a view to promoting the two I&T platforms of its research institutes which had established their presence at the Hong Kong Science Park. He reiterated that the policy bureaux would continue to spearhead the formulation of

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policy measures (including talent training) to promote the development of various industries in the Greater Bay Area. The Greater Bay Area Development Office would be mainly responsible for coordinating and promoting the efforts of various policy bureaux/departments to implement the relevant policy measures.

Providing support for Hong Kong people in the Guangdong-Hong Kong-Macao Greater Bay Area

98. Mr CHAN Chi-chuen considered that, apart from enhancing the awareness of the public about the opportunities brought about by the Greater Bay Area Development, the Administration should also provide members of the public with reminders on working or living in the Greater Bay Area. He enquired how the Greater Bay Area Development Office would provide assistance for Hong Kong people encountering problems in the Greater Bay Area. He also enquired about the channels through which the general public could express their views and make enquiries on relevant matters relating to the Greater Bay Area Development.

99. Mr AU Nok-hin said he was aware that when Hong Kong people were doing business in the Greater Bay Area, they were often repelled by the local governments and enterprises due to the strong sense of localism in the Mainland. He enquired how the Administration would support Hong Kong people's efforts in developing their businesses in the Greater Bay Area and safeguard the interests of Hong Kong people.

100. SCMA advised that due to the existence of different systems and customs areas, Hong Kong people pursuing development in the Greater Bay Area might encounter different levels of difficulties and challenges. The Administration would make its best endeavour to provide clear information for those interested in pursuing development in the Greater Bay Area, with a view to deepening their understanding of the systems and policy measures in the Mainland. Should Hong Kong people living or working in the Greater Bay Area encounter any problems, the Government's offices in the Mainland would liaise with the Mainland government, so as to provide appropriate support and assistance. As regards the communication channels, PS(CMA) remarked that members of the public could express their opinions on the Greater Bay Area Development to the Government by phone, email and the electronic comment form soon to be launched.

Concessionary policies of Mainland cities

101. Noting that the Mainland government would provide non-Mainland (including Hong Kong) high-end talents and talents in short supply with

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subsidies to offset the individual income tax differential, Mr Holden CHOW enquired about the definition of high-end talents and talents in short supply as well as the industries covered.

102. SCMA said that Mainland cities would, having regard to their respective needs, provide subsidies for talents of individual sectors to offset the individual income tax differential. Such financial assistance would serve as an incentive to attract relevant talents to pursue development in those cities. The Guangdong Provincial Government would announce the definition of high-end talents and talents in short supply in the future.

103. The Chairman remarked that as some members were still waiting for their turn to ask questions, the Subcommittee would continue the discussion on this item at the meeting to be held on 15 May 2019.

104. The meeting ended at 6:24 pm.