

立法會
Legislative Council

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the Administration)

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Panel on Economic Development

Minutes of meeting
held on Wednesday, 19 December 2018, at 10:30 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon CHUNG Kwok-pan (Chairman)
Hon James TO Kun-sun
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Elizabeth QUAT, BBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Dr Hon Junius HO Kwan-yiu, JP
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon CHAN Chun-ying, JP
Hon LUK Chung-hung, JP
Hon Jeremy TAM Man-ho

Members attending : Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Dr Hon KWOK Ka-ki
Dr Hon CHIANG Lai-wan, SBS, JP
Dr Hon CHENG Chung-tai

Members absent : Hon WU Chi-wai, MH (Deputy Chairman)
Hon Michael TIEN Puk-sun, BBS, JP
Hon Jimmy NG Wing-ka, JP
Hon HO Kai-ming

Public Officers attending : Agenda item III

Transport and Housing Bureau

Ms Angela LEE
Deputy Secretary for Transport and Housing
(Transport) 5

Marine Department

Mr WONG Sai-fat
Deputy Director of Marine

Mr Freely CHENG, JP
Deputy Director of Marine (Special Duties)

Mr HO Wing-hong
Assistant Director of Marine (Special Duties)

Mr Eric LEE
Senior Surveyor of Ships (Special Duties)

Miss Carmen CHAN
Senior Marine Officer / Harbour Patrol Section (1)

Agenda item IV

Transport and Housing Bureau

Ms Angela LEE
Deputy Secretary for Transport and Housing
(Transport) 5

Marine Department

Ms Maisie CHENG, JP
Director of Marine

Mr Freely CHENG, JP
Deputy Director of Marine (Special Duties)

Mr WONG Sai-fat
Deputy Director of Marine

Agenda item V

Commerce and Economic Development Bureau

Dr Bernard CHAN, JP
Under Secretary for Commerce and Economic
Development

Mr LEE Sheung-yuen
Assistant Commissioner for Tourism (1)

Transport Department

Mr Eric WAN
Principal Transport Officer / New Territories 2

Clerk in attendance : Ms Shirley CHAN
Chief Council Secretary (4)5

Staff in attendance : Ms Shirley TAM
Senior Council Secretary (4)5

Ms Lauren LI
Council Secretary (4)5

Ms Zoe TONG
Legislative Assistant (4)5

Miss Mandy LUI
Clerical Assistant (4)5

I. Information papers issued since the last meeting

(LC Paper No. CB(4)269/18-19(01) — Administration's paper on tables and graphs showing the import and retail prices of major oil products from November 2016 to October 2018

LC Paper No. CB(4)274/18-19(01) — Airport Authority Hong Kong's information paper on update on the development of the three-runway system at the Hong Kong International Airport)

Members noted the above papers issued since the last regular meeting.

II. Items for discussion at the next meeting

(LC Paper No. CB(4)322/18-19(01) — List of outstanding items for discussion

LC Paper No. CB(4)322/18-19(02) — List of follow-up action(s))

2. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 28 January 2019 at 10:45 am –

(a) Proposed framework for implementing a cooling-off period; and

(b) Proposed injection into the Maritime and Aviation Training Fund.

3. Dr CHIANG Lai-wan suggested that the Panel should discuss the development of high value-added industries, such as pharmaceutical industry, in Hong Kong.

4. The Chairman said that as the proposed subject would straddle across the policy areas of various Government bureaux, it might better be dealt with by a joint Panel meeting.

III. Proposed measures to enhance marine safety

(LC Paper No. CB(4)322/18-19(03) — Administration's paper on the proposed measures to enhance marine safety

LC Paper No. CB(4)322/18-19(04) — Paper on measures to enhance marine safety prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(4)322/18-19(05) — Extract of minutes of meeting on 23 April 2018)

Presentation by the Administration

5. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport) 5 ("DSTH5") briefed members on four legislative proposals aiming to enhance marine safety, concerning (a) the provision of lifejackets on local vessels, (b) safety measures onboard vessels during major events at sea, (c) the regulatory regime of Class IV vessels (i.e. pleasure vessels), and (d) the enhanced arrangement for speed restricted zones. In relation to proposal (a), with the aid of the powerpoint presentation materials, Deputy Director of Marine ("DD") introduced a newly developed lifejacket which was suitable for use by both adults and children ("the Common Lifejacket"). Details of the proposals were set out in LC Paper No. CB(4)322/18-19(03).

(Post-meeting note: The powerpoint presentation materials provided by the Administration were issued to members vide LC Paper No. CB(4)349/18-19(01) on 19 December 2018.)

Discussion

Provision of lifejackets on local vessels

6. Mr James TO said that the "Report of the Transport and Housing Bureau's Investigation into Staff Conduct in the Marine Department in relation to the Vessel Collision Incident near Lamma Island on 1 October 2012" ("the Report") had revealed the problems deeply rooted in the internal governance of the Marine Department ("MD") that might affect the implementation and effectiveness of any measures to enhance marine safety including the proposed ones. Since the Report was kept confidential by the Administration, it was difficult for Members and the public to examine thoroughly whether those

problems had been eradicated and assess the effectiveness of the proposed measures to enhance marine safety. He also cast doubt if the proposed new requirements on provision of lifejackets could ensure the safety of all ship passengers during emergencies.

7. DSTH5 said that most local vessels were currently required to provide sufficient adult lifejackets for all persons on board and sufficient child lifejackets equaling to 5% of the total number of persons on board. To strengthen the existing requirement, the Administration proposed to require all local vessels to carry on board suitable lifejackets, the quantity of which should be equal to the total number of persons the vessel was licensed to carry, including crew members, adult and children passengers. Given that the number of children and adults on board each journey might be different, a vessel might have to carry on board different combinations of adult and child lifejackets if the standards of adults and children lifejackets were different. The Administration had therefore developed the Common Lifejacket which was suitable for use by both adults and children to ensure that each and every passenger would have a suitable lifejacket on board.

8. Mr Jeffrey LAM sought further information about the Common Lifejacket, including its buoyance and the maximum weight that it could support in water. Noting the Administration's plan to introduce a subsidy scheme on replacement of existing lifejackets to facilitate the trade's compliance with the new requirement, he asked about the detailed arrangements of the scheme and the feedback from the shipping trade.

9. Mr CHAN Chun-ying enquired about the details of the subsidy scheme, including the number of vessels and lifejackets involved in the replacement exercise, the cost of each Common Lifejacket and the total subsidy amount. He also called on the Administration to work out with the trade a recycling plan for the existing lifejackets to avoid wastage.

10. Deputy Director of Marine (Special Duties) ("DD(SD)") said that the Common Lifejacket was developed with the assistance of the Hong Kong Polytechnic University. It was suitable for persons weighing up to 120 kg by design or up to 133 kg in actual testing for usage within the Hong Kong waters. The Common Lifejacket was designed to automatically face up the wearer in water to assist breathing. Its development process had been successfully completed with a prototype finalized and ready for production. The whole replacement exercise was expected to involve some 1 300 passenger vessels and about 80 000 existing lifejackets. According to the latest information from the potential manufacturer, the cost of each Common Lifejacket was expected to

range from \$135 to \$180 depending on the production quantity and accreditation fees, and the Government would provide partial subsidy to facilitate replacement. Currently MD was in close discussion with various local vessels associations which gave positive feedback in this regard. As for the recycling plan of existing lifejackets, the trade was planning to donate the existing lifejackets to various maritime organizations in Hong Kong and overseas.

11. In response to Mr Jeremy TAM's enquiry, DD(SD) said that the description, including buoyance and the maximum weight that it could support in water, would be imprinted on each Common Lifejacket. Clear donning instructions would also be provided to assist passengers' donning in case of emergencies.

12. Ir Dr LO Wai-kwok noted that under the proposal, all commercial passenger-carrying local vessels which were licensed to carry more than 12 passengers would be required to have on board the number of infant lifejackets equal to at least 2.5% of the number of passengers that the vessels were licensed to carry. Concerning the sufficiency of infant lifejackets on board, he enquired about the justification for adopting such a requirement and the age limit for using infant lifejacket.

13. DD(SD) explained that according to the international standards, an infant lifejacket was designed for persons weighing less than 15 kg or less than 100 cm in height, whereas a child lifejacket was designed for persons weighing approximately 15 kg to 43 kg or 100 cm to 155 cm in height. The 2.5% requirement was in line with the international standards which also applied to ocean-going vessels. In any case, vessel operators could keep more infant lifejackets on vessels when necessary if they knew the passenger mix in advance. In addition, infants who were larger in size could use the Common Lifejacket if necessary.

Safety measures during major events at sea

14. Mr CHAN Chun-ying noted that only children aged between two and 11 but not infants under the age of two on board local vessels would be required to wear suitable lifejackets at all times on board of spectator vessels during major events. He asked about the reasons for adopting different approaches on this matter and the consideration of respective legal responsibilities in case of distress.

15. DD(SD) explained that while it would be compulsory for the accompanying adult to ensure the wearing of suitable lifejackets by the children concerned during major events at sea, the accompanying adult would have

discretion to decide whether the infants concerned should wear suitable lifejackets subject to practicability and the actual circumstances. This arrangement was considered suitable due to the restriction caused on body movements in wearing lifejackets.

16. Concerning the difficulty in locating and retrieving lifejackets on vessels during emergencies, Mr Jeremy TAM enquired about the detailed arrangements for providing infant lifejackets to the accompanying adults. He also asked about the type of infant lifejackets to be provided for babies aged below six months.

17. DD(SD) said that the coxswain would be required to provide the accompanying adults with suitable lifejackets for each of the children and infants when they boarded a relevant vessel, and to provide sufficient instructions to the adults on how to help children/infants wear the lifejackets. Hence the accompanying adults should be able to reach the lifejackets easily in case of emergency. DD(SD) added that there were various types of infant lifejackets meeting different international standards in the market and vessel operators could select infant lifejackets suitable for their operation.

18. Expressing confidence in the quality of the Common Lifejacket, Mr Christopher CHEUNG considered that there should be sufficient adults to accompany children to ensure their compliance with the new requirements, especially for teachers accompanying students to view major events on vessels. In this connection, he enquired about the proposed adult to children ratio on board of spectator vessels.

19. DD(SD) responded that although MD had no intention to regulate the ratio of accompanying adult to children under the proposal, MD might consider setting a reference ratio after discussing with the trade and the Education Bureau ("EDB"), given that EDB had issued a guidance on staff to student ratio for schools holding outdoor activities, which ranged between 1:10 and 1:30.

20. Pointing out that travel agents always organized harbour tours for tourists to view fireworks display, Mr YIU Si-wing suggested that MD should communicate with relevant travel agents or the Travel Industry Council Hong Kong on the new requirements to facilitate good preparation by the travel trade. In addition, he was of the view that MD should keep appropriate passenger records to facilitate rescue and investigation work in case of distress.

21. DD(SD) replied that MD had maintained a close liaison with harbour tour associations on the new requirements and would strengthen the

communication with the travel industry through the coming relevant briefing sessions. On the passenger list, while a copy of the list concerned would be kept on board of the spectator vessel as well as at the business office of the vessel operator, MD would consult the trade on the feasibility and arrangement of providing such a list to MD in advance.

22. In response to Ir Dr LO Wai-kwok's enquiry about the enforcement actions in relation to the new requirements, DD(SD) advised that under existing administrative practices adopted for major events at sea, the Director of Marine ("DM") would issue a Marine Department Notice ("MDN") to designate specific water areas to be the Restricted Area at specific times on the day of the event. Vessels were not allowed to enter the Restricted Area except with the permission of DM. Since 2013, MD had carried out inspection of spectator vessels gathered near the Restricted Area ("the Viewing Area"). The Administration proposed to make such administrative practice mandatory. Once the said proposal was adopted, DM would declare both Restricted Area and Viewing Area during major events at sea through MDNs. MD would patrol in the two areas to ensure compliance with the new requirements.

23. Ms Claudia MO expressed support for the legislative proposals with a view to enhancing marine safety. She asked about the implementation plan of the new requirements and suggested separating ferry routes from the Viewing Area so as to ensure the safety of ferry passengers during major events at sea.

24. DSTH5 explained that this proposal would be applied only to spectator vessels which were approved to stay within the Viewing Area during major events at sea, while the enhanced measures in relation to the provision of lifejackets would be applied to all local vessels including ferries.

25. Mr Frankie YICK said that during fireworks displays, Central Victoria Harbour would normally be designated as the Restricted Area and ferry service in the vicinity would be temporarily suspended.

Regulatory regime for local pleasure vessels and enhanced arrangement for speed restricted zones

26. Referring to a submission (LC Paper No. CB(4)342/18-19(01)) from three pleasure vessel trade associations tabled at the meeting, Mr Frankie YICK relayed the support from the shipping sector on the revised measures proposed by the Administration on the regulatory regime for pleasure vessels. He called on the Administration to take forward the proposal as early as possible.

27. In response to Mr YIU Si-wing's enquiry, DD advised that there were some 160 marine accidents and 30 cases of prosecution in relation to speed restricted zones in the past five years.

Conclusion

28. The Chairman concluded that the Panel was generally supportive of the four legislative proposals put forward by the Administration.

IV. Proposed establishment changes upon the disbandment of the Task Force on Reform in the Marine Department

(LC Paper No. CB(4)322/18-19(06) — Administration's paper on the proposed establishment changes upon the disbandment of the Task Force on Reform in the Marine Department

LC Paper No. CB(4)322/18-19(07) — Paper on the proposed establishment changes upon the disbandment of the Task Force on Reform in the Marine Department prepared by the Legislative Council Secretariat (background brief)

Presentation by the Administration

29. At the invitation of the Chairman, Director of Marine ("D of M") briefed members on proposed creation of two permanent posts including one Administrative Officer Staff Grade B (D3) post (to be titled Deputy Director of Marine (2) ("DD2")) and one Assistant Director of Marine ("AD of M") (D2) post in MD to strengthen the overall management of the department to enhance marine safety upon the disbandment of the Task Force on Reform ("Task Force") in MD. Details of the proposals were set out in LC Paper No. CB(4)322/18-19(06).

Discussion

Staffing proposals

30. While supporting the proposals, Ms Claudia MO stressed that the vessel

collision incident near Lamma Island on 1 October 2012 ("the Collision Incident") was a marine tragedy revealing many serious problems in MD's internal governance as well as marine safety. She raised concern if the Administration sought to address the problems revealed merely by the current staffing proposals as well as the measures discussed under the previous agenda.

31. DSTH5 explained that in response to the call for a systemic reform in MD by the Commission of Inquiry into the Collision of Vessels near Lamma Island on 1 October 2012 ("CoI"), the then Secretary for Transport and Housing set up a Steering Committee on the Systemic Reform of the Marine Department ("Steering Committee") in May 2013 to advise and steer D of M to undertake a comprehensive systemic review and reform of MD. Three priority areas identified by the Steering Committee for the Task Force to work on were regulatory and operational issues such as marine safety standards and work practices, manpower strategy and training for professional grades in MD, and organizational review on the business processes and work procedures of MD. The Task Force would disband on 31 May 2019 and it was essential to change the MD establishment with a view to strengthening the overall management of the department and enhancing marine safety.

32. Mr James TO said that CoI had identified in its report a number of deep-rooted problems in MD, including possible maladministration and negligence of duty within the department. While supporting the current staffing proposals, Mr TO expressed grave concern about how the incumbent of the proposed DD2 post could eradicate those problems and fully reform the fundamental organizational structure and management work process of the department, especially when many of its senior staff had been accustomed to the long-established working culture and procedures.

33. D of M said that in the past five years, various measures had been implemented to strengthen the management and internal governance of MD, as well as to enhance the communication with frontline staff to better understand their working situations. Staff trainings had also been reinforced, especially for implementation of new regulations or measures. Although the Administration was confident that the measures would be effective to change the MD's inherent culture and working procedures, it was essential to create the two posts on a permanent basis to cope with the need for dedicated attention to the ongoing reform measures and regulatory work on marine safety. In fact, the experience of the reform process had shown that there was a need to revamp fundamentally the organization structure of MD to, among other things, rationalize responsibilities at the DD level as well as among divisions and sections on a permanent basis having regard to the heavy workload of the existing DD and the organization structures of other Government departments.

34. Dr KWOK Ka-ki asked about the reform progress achieved by the Task Force. He suggested creating, instead of permanent posts, supernumerary ones with a limited timeframe so as to align with the Government's established policy of streamlining the structures of bureaux and departments, while addressing the current needs of MD. He also expressed concern that the proposed DD2 post would further expand the establishment of AO grade in MD which might undermine the promotion prospects of professional grade staff and their morale.

35. D of M explained that the existing promotional prospects of professional grade would not be affected since a new AD of M post for professional grade in addition to a new DD2 post for AO grade would be created under the proposal. The reason for creating the DD2 post was to enable the existing DD (to be re-titled "DD1") to focus on the delivery of core functions on the professional side, such as the maintaining and enforcement of ship safety standards, ship surveying matters and managing the Hong Kong Shipping Register, and port operations and navigation safety. DD2 would assist in strengthening the management and internal governance of MD, sustaining the various reform measures implemented and changes in work culture introduced, and driving and directing the long-term manpower and business plans of MD.

36. Mr Frankie YICK expressed support for the staffing proposals having regard to the heavy workload of MD. He also supported deploying an additional AO to MD to enhance its coordination with the Transport and Housing Bureau on implementing international maritime requirements.

37. Supporting the proposals, Mr Jeremy TAM considered it high time for the Administration to reform MD so as to enable a timely implementation of various international requirements. To ensure the quality and credibility of investigation on marine accidents, Mr TAM suggested that the MD team responsible for the investigation work should either report directly to D of M or be made independent from MD taking into account the experience of the Civil Aviation Department. This could avoid any possible interference with the conduct or objectivity of an investigation by relevant parties.

38. D of M advised that under the revamped structure, investigation of marine accidents would continue to be under the purview of the Multi-lateral Policy Division, which would not be involved in the enforcement of local marine regulations. Draft reports on accident investigation should be reviewed by an AD of M and DD to give views on technical matters before submission to D of M. Both the International Maritime Organization and the Independent Commission Against Corruption had found the said distribution of work satisfactory. In any case, the Administration could appoint an independent commission of inquiry for the investigation of a particular case if necessary.

Disclosure of the "Report of the Transport and Housing Bureau's Investigation into Staff Conduct in the Marine Department in relation to the Vessel Collision Incident near Lamma Island on 1 October 2012"

39. Mr James TO expressed dissatisfaction with the non-disclosure of the Report, which had prevented members from examining the measures in relation to the Collision Incident proposed by the Administration. Given that certain personal/confidential information contained in the Report could be redacted in the disclosure to protect the privacy of the persons involved, Mr TO enquired about the justifications for keeping the Report confidential, and urged the Administration to review such justifications.

40. Ms Claudia MO called on the Administration to disclose the Report to facilitate the public understanding of issues in relation to the Collision Incident revealed in the Report.

41. DSTH5 replied that the view of the Department of Justice was that the Government was bounded by the mandatory requirements in the Personal Data (Privacy) Ordinance (Cap. 486) in respect of protection of personal data contained in the Report. Redaction of the Report for public disclosure purpose was not practicable since the bulk of the Report would have to be redacted and the excision of those materials would leave behind a Report which made very little coherent sense. In this regard, a summary of the Report had been provided to the Panel in 2014 providing the gist of the facts and the overall findings and recommendations.

42. Mr James TO did not subscribe to the explanation and requested the Administration to provide the rationale (including the relevant legal advice) to justify the above consideration. Mr Jeremy TAM raised a similar request.

(Post-meeting note: The Administration's response was issued to members vide LC Paper No. CB(4)422/18-19(01) on 15 January 2019 respectively.)

Conclusion

43. The Chairman concluded that the Panel was generally supportive of the Administration seeking approval from the Establishment Subcommittee for the subject proposals.

V. Measures to mitigate the impact of increasing number of inbound tourists on Tung Chung community since the commissioning of the Hong Kong-Zhuhai-Macao Bridge

(LC Paper No. CB(4)322/18-19(08) — Administration's paper on measures to mitigate the impact of increasing number of inbound tourists on Tung Chung community since the commissioning of the Hong Kong-Zhuhai-Macao Bridge

LC Paper No. CB(4)322/18-19(09) — Paper on measures to mitigate the impact of increasing number of inbound tourists on Tung Chung community since the commissioning of the Hong Kong-Zhuhai-Macao Bridge prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(4)247/18-19(01) — Letter from Hon Holden CHOW Ho-ding dated 15 November 2018 requesting the discussion of measures to mitigate the impact of increasing number of inbound tourists on Tung Chung community since the commissioning of the Hong Kong-Zhuhai-Macao Bridge (Chinese version only)

Presentation by the Administration

44. At the invitation of the Chairman, Under Secretary for Commerce and Economic Development ("USCED") briefed members on the measures taken to mitigate the impact of an increasing number of inbound tourists on the Tung Chung community since the commissioning of the Hong Kong-Zhuhai-Macao Bridge ("HZMB"). Details of the briefing were set out in LC Paper No. CB(4)322/18-19(08).

Discussion

Measures to mitigate the impact of influx of inbound tourists on local community

45. Mr Jeremy TAM considered that the problems caused by an influx of tourists resulting from the commissioning of HZMB were largely contributed by the poor planning of the Administration. In this connection, he sought information on the Administration's plan to solve the problems in the long run.

46. Ms Claudia MO considered that the lack of comprehensive planning for the transport arrangement in the vicinity was the reason why local residents of Tung Chung had suffered since the commissioning of HZMB. She thus asked if the Administration would apologize for its poor planning and urged the Administration to devise measures to prevent the recurrence of Mainland inbound tourists from flocking to Tung Chung in the peak travel seasons of the upcoming Chinese New Year holiday.

47. Dr KWOK Ka-ki shared similar views, and opined that the commissioning of HZMB was a disaster as the relevant transport arrangements were poorly made. He considered that the Secretary for Transport and Housing should be held responsible for the problems. He noted that the Administration was exploring various measures, including introducing food trucks to serve tourists in the vicinity of the Hong Kong Boundary Crossing Facilities ("BCF") and encouraging the local tourism trade to launch travel itineraries and products such as half-day tours, to alleviate the impact of the increase in inbound tourists on the Tung Chung community. He enquired about the progress of implementing such measures.

48. USCED advised that it was essential for the Administration to balance the impact of the tourism industry on Hong Kong's economy and the livelihood of our community, and that the Administration had formulated various short-, medium- and long-term measures to channel visitors to different districts of Hong Kong. For example, efforts had been made to roll out new tourist attractions and to promote cultural, creative and green tourism in various districts of Hong Kong. Besides, shuttle bus operators had implemented an online pre-booking system since November 2018. The new arrangement, under which travel agents or organizers of tour groups might purchase shuttle bus tickets through the online system, had helped manage and regulate visitor flows. The Administration would continue to keep in view the effectiveness of the various measures in place.

49. Ms Starry LEE sought details on the Administration's work in liaising

with the relevant Mainland authorities in requesting Mainland travel agents to take measures to reduce the impact of Mainland inbound tourists on the daily lives of Hong Kong residents. USCED advised that as many Mainland tourists came to Hong Kong at weekends, the Administration had communicated with the Guangdong Provincial Culture and Tourism Department ("GPCTD"). GPCTD subsequently issued advice on the itinerary arrangements for tour groups using HZMB to encourage tourists to avoid travelling at weekends, and appealed to Mainland travel agents to organize tours of more than two days such that more tourists could stay overnight in Hong Kong, thereby alleviating the pressure borne by HZMB's nearby districts. The Government would maintain liaison with the relevant Mainland authorities.

50. Mr Jeremy TAM enquired about the effectiveness of issuing advice by GPCTD in helping reduce the influx of Mainland inbound tourists into Tung Chung. USCED replied that improvements to the situation in Tung Chung had been observed over the past few weeks since the various mitigation measures were implemented. Inter-departmental liaison and co-operation would continue to manage the situation.

51. Ms Claudia MO and Dr KWOK Ka-ki noted that the expected opening of the large-scale retail, dining and entertainment complex of the SkyCity on the Airport Island in phases from 2023 would help divert visitors from Tung Chung. While Ms MO enquired if there would be any near-term measures to divert visitors, Dr KWOK was of the view that it meant the Administration had no effective means to divert visitors from Tung Chung in the short run. USCED replied that the Administration would continue to implement different measures through inter-departmental efforts to minimize the impact of tourist activities on the Tung Chung community.

52. Dr KWOK Ka-ki said that the influx of visitors had adversely affected the lives of local residents in various districts like Tung Chung, Tsing Yi, Tsuen Wan and Tuen Mun. Given that there was a limit to the tourist receiving capacity of Hong Kong, Dr KWOK was of the view that diverting visitors to districts other than Tung Chung would be useless in alleviating the impact of an influx of tourists on local residents. In this connection, he asked if the Administration had set a cap on the maximum amount of inbound tourists Hong Kong could receive.

53. Mr CHU Hoi-dick noted that the Financial Secretary had said in December 2018 that visitor arrivals would exceed 60 million in 2018. He opined that any measures to divert such a huge number of visitors would yield no effectiveness given the large population size of the city. He asked if the

Administration would consider imposing a cap on the number of visitor arrivals so as to reduce the impact of tourist activities on the local community.

54. USCED replied that the Administration would continue to implement short-, medium- and long-term measures to balance the impact of the tourism industry on Hong Kong's economy and the livelihood of our community. Dr KWOK Ka-ki expressed dissatisfaction that the Administration did not set a limit to the number of inbound visitors.

55. Mr Andrew WAN noted that the Administration was exploring with relevant Mainland authorities the opening of HZMB's East Artificial Island to group tourists who primarily intended to visit HZMB only and were not keen to enter Hong Kong. Mr WAN pointed out that such a measure would allow tourists to visit HZMB and return to Zhuhai or Macao from the East Artificial Island without crossing the border of the Hong Kong Special Administrative Region and would thus ease the visitor flow to Tung Chung. In this connection, he enquired about the timeline for implementing the measure concerned. Sharing a similar view, Ms Claudia MO enquired if an area could be demarcated at HZMB's BCF for tourists who merely intended to visit HZMB without crossing the Hong Kong border. In response, USCED advised that the proposal of opening of HZMB's East Artificial Island was being explored.

56. Mr Andrew WAN noted that the Administration was arranging to set up temporary small-scale shops or booths in HZMB's BCF to satisfy the shopping needs of tourists. He enquired about the number of shops that had been opened, and asked if the retail areas at HZMB's BCF could be expanded in the long run.

57. Mr Holden CHOW considered that the efforts made by the Administration in the past few weeks had helped ease the situation of tourists flooding to Tung Chung. He was of the view that visitors who only intended to visit HZMB would not need to enter Hong Kong if adequate shopping, catering and entertainment facilities could be provided for them at the BCF Island of HZMB. In this connection, he urged the Administration to resume the work relating to the topside development at the BCF Island of HZMB. Furthermore, he sought information on the progress of work relating to the leasing out of shops at HZMB's Passenger Clearance Building ("PCB"), and urged the Administration to expedite the relevant work. He also urged the Administration to devise measures to handle the anticipated visitor flow at HZMB in the peak seasons of New Year's Eve and the Chinese New Year holiday.

58. USCED advised that several pop-up stores had been opened at the

Arrival Hall of HZMB's PCB to cater for the basic shopping needs of tourists. The Government Property Agency had commenced the tendering work on leasing out the shops at the Departure Hall of HZMB's PCB. In respect of the topside development at the BCF Island of HZMB, USCED advised that, to ensure synergy be created between the BCF Island and the development on the adjacent Airport Island, the Chief Executive had announced in the 2018 Policy Address that the Government would invite the Airport Authority Hong Kong ("AAHK") to submit a development proposal for the topside development of the BCF Island. The Government's vision was that the topside development of the BCF Island, together with the three-runway system, the high-end logistics centre, the SkyCity development project and the future development of the AsiaWorld-Expo on the Airport Island, would turn Lantau into an "Aerotropolis" connected to the Guangdong-Hong Kong-Macao Greater Bay Area and the world. In response to the Government's invitation, AAHK had agreed to submit a proposal which included exploring the feasibility of providing an inbound private carpark at the topside development. The development proposal would cover the entire BCF Island including the closed area on the Island.

59. Mr Andrew WAN relayed complaints from some local residents of Lantau that they were unable to board the buses of New Lantao Bus at stops en route as the buses had already been filled with passengers, most of whom were tourists, when the buses arrived at their stops. He therefore urged the Administration to encourage travel agents in Hong Kong to arrange coaches for receiving their inbound tour groups with a view to reducing inbound tourists' demand for New Lantao Bus services. He also urged the Administration to discuss with the relevant Mainland authorities the proposal of tightening the arrangement for issuing exit endorsements for Mainland residents to visit Hong Kong, with a view to further tackling the current situation of Tung Chung being flooded with tourists. Furthermore, he considered it essential for the Administration to get hold of the relevant data on the tourist receiving capacity of Hong Kong, so that tourists could be received in an orderly manner.

60. Ms Starry LEE said that certain districts in Hong Kong were flooded with inbound tourists since the commissioning of HZMB, and that To Kwa Wan was one of those districts. She opined that measures devised by the Administration to mitigate the impact were of little effect. In order to gain the confidence of the public, the Administration should regularly review the effectiveness of the relevant measures. In this connection, she urged the Commerce and Economic Development Bureau to take the lead in convening inter-departmental meetings regularly with a view to tackling problems effectively. To ease the pressure posed by the influx of tourists on To Kwa Wan, Ms LEE suggested that the Travel Industry Council of Hong Kong

("TICHK") should allow no more new registered shops to receive tour group visitors in To Kwa Wan. She added that the tourist receiving capacity of To Kwa Wan had already been saturated before introduction of any measures to increase the district's ancillary facilities and to channel travellers to other districts.

61. USCED advised that inter-departmental meetings had been convened to discuss the measures required to channel tourists to different districts of Hong Kong. Furthermore, the Administration would suggest that the Travel Industry Authority ("TIA"), to be established under the Travel Industry Ordinance, should formulate administrative measures to combat "non-co-operative" acts and poor arrangements of inbound tour groups by travel agents and tourist guides. TIA would investigate complaints against and make disciplinary orders on such travel agents and tourist guides as appropriate.

62. Ms Starry LEE considered that immediate action was required from the Administration to alleviate the situation in To Kwa Wan as it would take more than one year for TIA to be set up. USCED advised that he would discuss with the stakeholders concerned, including TICHK, further measures to be devised before the establishment of TIA. In the meantime, specific measures had been devised in the short term. For example, relevant law enforcement agencies, including the Police, the Customs and Excise Department, the Immigration Department, and the Food and Environmental Hygiene Department, had stepped up enforcement action. The travel trade had also been advised to make proper arrangements when bringing tour groups to visit the local community.

63. Mr CHU Hoi-dick said that Mainland tourists who held an "endorsement for group visit" were no longer required to arrive and depart Hong Kong as group tour visitors. Instead, they could enter Hong Kong in individual capacity like those Mainland tourists who held an "endorsement for individual visit". He was of the view that this policy change on the Mainland would attract a larger number of Mainland tourists to Hong Kong. He thus enquired about the measures the Administration would devise to cope with the influx of tourists and their impact on the local residents of Hong Kong. Mr CHU also expressed concern about the inadequate number of eateries in Tung Chung, and opined that the increasing number of Mainland inbound tourists would aggravate the problem. In this connection, he urged the Administration to build a temporary cooked food centre in Tung Chung to cater for the need of residents in the district. USCED said that the "endorsement for group visit" was different from the "endorsement for individual visit".

(At 12:39 pm, the Chairman directed that the meeting be extended.)

Regulation of travel agents and capacity of cross-boundary shuttle bus services

64. Mr LUK Chung-hung considered that adequate ancillary facilities were essential for maintaining the balance between the economic growth brought by the commissioning of HZMB and the daily lives of local residents. He reckoned that nuisance caused to local residents by group tourists might be attributable to the absence of a local receiving agent, who would have had managed the groups properly with its presence. Inbound tour groups without a local receiving agent would also mean fewer job opportunities for local tourist guides. He deemed that such tour groups had breached the relevant laws in Hong Kong and enquired if the Administration had reported any of such cases to the relevant law enforcement agencies. Furthermore, since travel agents in Hong Kong were required to register with and provide to TICHK the relevant information of the tour groups in advance whenever receiving Mainland inbound tour groups, Mr LUK considered such information would be useful for relevant authorities to assess the number of tour groups to Hong Kong and thus for them to prepare the ancillary facilities required.

65. USCED advised that travel agents outside Hong Kong were free to organize group tours to Hong Kong, but the key was that they were not permitted to carry on travel agent business in Hong Kong without a licence. He added that TICHK had conducted spot checks over the past few weeks, and that a vast majority of the Mainland inbound tour groups visiting Hong Kong through HZMB had been found to be accompanied by Hong Kong tourist guides.

66. In respect of tour groups suspected of violating the laws of Hong Kong, Dr KWOK Ka-ki enquired if any prosecutions had been made. In response, USCED advised that suspected illegal cases had been reported to the relevant law enforcement agencies as well as GPCTD, and that investigations were under way.

67. Dr CHENG Chung-tai expressed concern about the capacity of the shuttle bus operators in providing HZMB's shuttle bus services. He said that the coach driver involved in a fatal traffic accident on 30 November 2018 was a staff of Kwoon Chung Motors Company, Limited ("Kwoon Chung Motors"), one of the operators whose drivers also provided cross-boundary shuttle bus services. He noted from media reports that Kwoon Chung Motors had deployed up to 200 drivers to operate the cross-boundary shuttle bus services upon the commissioning of HZMB, and that the working hours of such drivers were up to 13 hours a day. He was of the view that drivers might not be able to have enough rest and that road safety would thus be endangered. In this

connection, he urged the Administration to look into the deployment of drivers of the operators concerned to safeguard traffic safety.

68. Principal Transport Officer/New Territories 2 said that the driver involved in the fatal traffic accident on 30 November 2018 was not engaged in driving the cross-boundary shuttle bus. As regards the handling capacity of the shuttle bus operator in dealing with the passenger flow using HZMB, he said that currently more than 170 drivers were deployed by the shuttle bus operator, and that an additional 30 drivers from other cross-boundary coach companies, including a Kwoon Chung Motors related company, were hired at weekends to cope with passenger demand. Furthermore, there were guidelines regarding the working hours of shuttle bus drivers, and the Administration would remind operators to strictly observe the relevant guidelines.

VI. Any other business

69. There being no other business, the meeting ended at 12:49 pm.

Council Business Division 4
Legislative Council Secretariat
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