# 立法會 Legislative Council

Ref : CB2/PL/HA <u>LC Paper No. CB(2)899/18-19</u>

(These minutes have been seen by the Administration)

#### **Panel on Home Affairs**

# Minutes of meeting held on Monday, 26 November 2018, at 8:30 am in Conference Room 2 of the Legislative Council Complex

Members : Hon KWOK Wai-keung, JP (Chairman)
present Hon AU Nok-hin (Deputy Chairman)

Hon Jeffrey LAM Kin-fung, GBS, JP

Hon CHAN Hak-kan, BBS, JP

Hon Claudia MO

Hon Steven HO Chun-yin, BBS

Hon Frankie YICK Chi-ming, SBS, JP

Hon YIU Si-wing, BBS

Hon MA Fung-kwok, SBS, JP

Hon CHAN Chi-chuen

Hon LEUNG Che-cheung, SBS, MH, JP

Hon Christopher CHEUNG Wah-fung, SBS, JP

Dr Hon Fernando CHEUNG Chiu-hung

Hon IP Kin-yuen

Hon Andrew WAN Siu-kin Hon Jimmy NG Wing-ka, JP Dr Hon Junius HO Kwan-yiu, JP Hon Holden CHOW Ho-ding

Hon SHIU Ka-fai

Hon Wilson OR Chong-shing, MH

Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon CHAN Chun-ying, JP
Hon LUK Chung-hung, JP

Hon LAU Kwok-fan, MH Hon KWONG Chun-yu

Hon Vincent CHENG Wing-shun, MH

Hon Tony TSE Wai-chuen, BBS

Members : Hon Michael TIEN Puk-sun, BBS, JP

**attending** Hon Charles Peter MOK, JP

Members : absent

: Hon CHU Hoi-dick Hon SHIU Ka-chun Hon Tanya CHAN Hon HUI Chi-fung

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

**Public Officers:** attending

Item III

Mr Jack CHAN Jick-chi, JP

Under Secretary for Home Affairs

Mr YEUNG Tak-keung, JP Commissioner for Sports Home Affairs Bureau

Mr Paul CHENG Ching-wan

Principal Assistant Secretary for Home Affairs (Recreation and Sport)1

Mrs Doris FOK LEE Sheung-ling Assistant Director (Leisure Services)1 Leisure and Cultural Services Department

Ms Rebecca LOU Wai-yi Assistant Director (Leisure Services)2 Leisure and Cultural Services Department

Item IV

Mr LAU Kong-wah, JP Secretary for Home Affairs

Mrs Angelina CHEUNG Wing-ping, JP Deputy Secretary for Home Affairs (2)

Mr Kesson LEE

Principal Assistant Secretary for Home Affairs (Culture)1

Miss Rochelle LAU Shuk-fan Assistant Director (Libraries & Development) Leisure and Cultural Services Department

Miss Vivian YEUNG Wing-kam Chief Manager (Stadia, Ticketing and Special Duties) Leisure and Cultural Services Department **Clerk in** : Ms Joanne MAK

attendance Chief Council Secretary (2) 3

**Staff in** : Miss Connie AU

**attendance** Senior Council Secretary (2) 6

Mrs Fonny TSANG

Legislative Assistant (2) 3

Action

## I. Information papers issued since the last meeting

[LC Paper Nos. CB(2)242/18-19(01) and CB(2)269/18-19(01)]

<u>Members</u> noted that the following papers had been issued after the last meeting:

- (a) Administration's response to the letter dated 15 October 2018 from Hon MA Fung-kwok; and
- (b) letter dated 2 November 2018 from Hon LUK Chung-hung.

#### II. Items for discussion at the next meeting

[LC Paper Nos. CB(2)292/18-19(01) and (02)]

- 2. <u>The Panel</u> agreed to discuss the following items proposed by the Administration at the next regular meeting on 19 December 2018 at 8:30 am:
  - (a) Virtual Reality/Augmented Reality/Mixed Reality Research Laboratory in the Hong Kong Academy for Performing Arts;
  - (b) Enhancement of programming, audience building, and renewal of permanent exhibitions of Hong Kong Science Museum; and
  - (c) Development of Smart Library System.

# III. Participation in sports by people with disabilities

[LC Paper Nos. CB(2)292/18-19(03) and (04)]

3. At the invitation of the Chairman, the Under Secretary for Home Affairs ("USHA") briefed members on the salient points of the Administration's paper [LC Paper No. CB(2)292/18-19(03)].

#### Discussion

#### Developing elite sports

- 4. Mr MA Fung-kwok said that notwithstanding the introduction of a full-time athlete system and the Pilot Scheme for Elite Vote Support System ("EVSS") for disability sports ("the Pilot Scheme") in 2017, many high-performance athletes with disabilities ("AWDs") had reservations in becoming full-time athletes. He considered that the Administration should find out and address AWDs' concerns when reviewing the Pilot Scheme. Mr LEUNG Che-cheung said that the Administration should put in place measures to groom and attract more high-performance AWDs to become full-time athletes.
- 5. USHA responded that at present 50 athletes had joined the Pilot Scheme including 28 full-time athletes. The Hong Kong Sports Institute ("HKSI") provided direct financial subsidy and other support services, including support in sports science and sports medicine, accommodation and meals for the athletes under the Pilot Scheme. The Commissioner for Sports ("C for S") said that a review of the Pilot Scheme was underway which would, among others, take into account the views of AWDs. Relevant sports organizations/groups would also be consulted with a view to devising an EVSS that would support the long-term development of disability sports and meet the specific needs of AWDs. C for S further said that based on the feedback from relevant sports organizations and AWDs so far, there were different reasons for not becoming full-time athletes. For example, some AWDs were not confident to attain the required sports performance levels while some did not want to commit to full-time training.
- 6. Mr CHAN Chun-ying, Mr LEUNG Che-cheung and Dr Fernando CHEUNG considered that the disparity in the amount of financial subsidies provided to elite AWDs (i.e. about \$8,000 a month) and those for able-bodied elite athletes (i.e. about \$30,000 a month) should be reduced and more financial support should be provided to elite AWDs. Dr CHEUNG added that as compared to able-bodied elite athletes, elite AWDs had to put in more effort to achieve an outstanding performance.
- 7. <u>USHA</u> responded that under the Pilot Scheme, full-time athletes of Elite A, B and C categories received a monthly subsidy of \$20,000, \$16,000 and \$9,000 respectively; while the monthly subsidy for part-time athletes of Elite A, B and C categories was \$7,000, \$5,600 and \$3,000 respectively. The Administration would examine the amount of subsidies during review of the Pilot Scheme.

- 8. Mr Jeffrey LAM, Mr MA Fung-kwok, the Chairman and Dr Fernando CHEUNG shared the view that appropriate support should be provided to AWDs to facilitate their career development after retirement. Mr MA opined that the Administration should provide a tailor-made career and education programme for AWDs to meet their special needs. The Chairman hoped that the Hong Kong Paralympic Committee & Sports Association for the Physically Disabled ("HKPC&SAPD") would implement programmes the soonest practicable to meet the education and career needs of AWDs and provide them with appropriate support.
- 9. <u>USHA</u> and <u>C for S</u> responded that at present, HKSI collaborated with certain secondary schools and local universities so that elite athletes could continue with their studies while receiving elite training at HKSI to facilitate the development of dual career pathways. Similar support services would be provided by HKSI to AWDs if a long-term EVSS for disability sports would be implemented after completion of the review of the Pilot Scheme. Meanwhile, HKPC&SAPD would examine the need of AWDs for education and career counselling services and consider how to provide them with the appropriate support.
- 10. Mr Jeffrey LAM said that the availability of suitable sports venues for the training of AWDs was essential to the development of disability sports. He suggested that more sports facilities should be included under the Lantau Tomorrow Vision. USHA responded that the Administration would press ahead the 41 projects under the Five-Year Plan for Sports and Recreation Facilities.

#### Promoting sports participation by PWDs

11. Mr Wilson OR said that PWDs who wished to book sports venues on an individual basis could not benefit from the pilot scheme on priority venue booking arrangements which only allowed participating organizations to make priority bookings of facilities in four designated sports centres during non-peak slots to organize sports activities suitable for PWDs. He suggested that the Administration should consider extending the pilot scheme to other sports centres and schools where appropriate. Mr OR further suggested that priority bookings for peak slots should be explored to cater for PWDs who needed to work/go to school during non-peak hours. USHA responded that the suggestion would be considered when the pilot scheme was reviewed after its completion in March 2019. USHA added that the Administration had endeavored to encourage more collaboration between sports organizations and schools through the Opening up School Facilities for Promotion of Sports Development Scheme.

- 12. Mr LEUNG Che-cheung enquired if all newly built sports venues managed by the Leisure and Cultural Services Department ("LCSD") were barrier-free. Dr Fernando CHEUNG and Mr Wilson OR shared the view that the Administration should consider the provision of sports venues designated for the exclusive use of PWDs in districts with a larger population of PWDs and provide appropriate software support (e.g. coaches). Dr CHEUNG suggested that beach wheelchairs should be provided on beaches managed by LCSD. USHA responded that all LCSD sports venues built after 2008 were provided with barrier-free access. As for sports venues built before 2008, LCSD had carried out the necessary improvement works in most of them insofar as the conditions permitted. The Administration would continue to explore feasible options for those pending improvement.
- 13. Mr YIU Si-wing and Dr Fernando CHEUNG considered that the Administration should put in more effort in helping PWDs to develop a healthy sporting habit. The Deputy Chairman pointed out that not many PWDs had applied for the "Registration Card for People with Disabilities" and he wondered if that might have hindered PWDs' participation in sports activities. He suggested that LCSD should provide additional channels to facilitate PWDs to enroll in sports activities and to book sports facilities (e.g. by phone, by email or through the LCSD Leisure Link System). He further said that the specific needs of various types of PWDs should be addressed. Mr LEUNG Che-cheung suggested that the pilot programmes on providing sports training to PWDs in seven districts in collaboration with relevant "national sports associations" ("NSAs") should be extended to other districts. Mr Wilson OR requested the Administration to provide more Rehabuses to facilitate PWDs' participation in recreation and sports activities.
- 14. <u>Dr Fernando CHEUNG</u> suggested that the outreach recreation and sports programmes should be extended to other workshops and centres for PWDs in addition to the five workshops/centres covered in the initial phase of the programme. He considered that the Administration should review the effectiveness of various measures for promoting sports participation by PWDs at regular intervals, say, every two to three years.
- 15. <u>USHA</u> said that in 2018-2019, LCSD planned to organize around 1 300 free recreation and sports programmes for PWDs. For the coming Seventh Hong Kong Games to be held in 2019, the Organizing Committee would continue to organize events suitable for PWDs, providing them with more opportunities to participate in sports competitions. USHA further

said that the new intelligent sports and recreation services booking and information system (which would replace the Leisure Link System) would facilitate members of the public, including PWDs, in booking venues and enrolling in sports and recreation activities. Besides, the Labour and Welfare Bureau had implemented measures to enhance the provision of Rehabuses for PWDs. C for S said that the Administration would collaborate with relevant NSAs and special schools to arrange sports activities for various types of PWDs.

16. In response to Mr CHAN Chun-ying's enquiry, <u>USHA</u> said that the financial resources allocated by the Administration for supporting AWDs and promoting sports participation by PWDs in 2018-2019 was around \$70 million (i.e. an increase of about 50% as compared to 2017-2018), of which about \$20 million was earmarked for providing support to relevant NSAs/sports organizations, about \$33 million for HKSI to implement the Pilot Scheme, about \$5 million for providing support services on career development for AWDs after retirement, and some \$7 million for providing support to AWDs for their preparation for and participation in major international games. <u>Mr CHAN</u> suggested that tax concession should be granted to business sponsorship for sports events for PWDs. <u>C for S</u> said that Mr CHAN's suggestion would be relayed to the relevant bureau for consideration.

Admin

Updating the structure of sports organizations for PWDs

17. Mr YIU Si-wing expressed support for the re-organization of HKPC&SAPD into two independent bodies as set out in paragraph 22 of the Administration's paper so as to allay the concerns of some PWDs and organizations over the dual role of HKPC&SAPD.

# IV. Sale of tickets for events held at venues of Leisure and Cultural Services Department

[LC Paper Nos. CB(2)292/18-19(05) to (06) and CB(2)298/18-19(01)]

18. At the invitation of the Chairman, the Secretary for Home Affairs ("SHA") briefed members on the salient points of the Administration's paper [LC Paper No. CB(2)292/18-19(05)].

#### Discussion

#### Legislative measures

- Members in general expressed support for enacting appropriate legislation(s) to prohibit unauthorized profiteering activities on resale of tickets (commonly known as "ticket scalping activities") for events held at venues of LCSD as they noted that both the general public and the performing industry were in support of doing so. Members enquired about the timeframe for the legislative amendment exercise. Members also generally considered that the penalty level for ticket scalping activities should be significantly increased as the current fine level (\$2,000) under section 6 of the Places of Public Entertainment Ordinance (Cap. 172) ("PPEO") in relation to unauthorized sale of tickets was too low to achieve any deterrent effect. Mr LAU Kwok-fan suggested that the penalty level should be increased to, say, \$50,000 to \$100,000 while Mr Michael TIEN suggested that it should be increased to at least \$20,000. The Chairman was of the view that the Administration should take into consideration the potential gain from ticket scalping activities when setting the penalty level. Mr Frankie YICK considered that apart from raising the penalty level, it was equally important for the starting point for sentencing to be pitched at a level that could achieve a sufficient deterrent effect.
- SHA responded that in addition to amending PPEO to cover LCSD venues as proposed by some quarters in the community, other proposals under consideration included amending the Public Health and Municipal Services Ordinance (Cap. 132) and the Summary Offences Ordinance (Cap. 228). SHA said that the possibility of imprisonment, in addition to a fine, as penalty option for the court to consider was also being explored. The Administration, however, had to proceed in a prudent manner as the proposed amendments involved introducing a criminal offence. Administration would take into consideration the views and suggestions of members, the performing industry and relevant stakeholders, and would continue to deliberate proposals that were both legally and practically sound and solid, as well as drawing reference from overseas experience, with the SHA added that the Administration planned to Department of Justice. consult the Panel again in the third quarter of 2019 regarding the proposed measures and legislative proposals to combat ticket scalping activities.
- 21. Some members including Mr MA Fung-kwok, Mr Wilson OR, Mr Charles MOK and the Deputy Chairman expressed concern about measures to combat ticket scalping activities conducted online as well as ticket purchasing activities by automated computer programmes (commonly

referred to as "bots"). Mr MA and Mr Frankie YICK suggested that the Administration might consider liaising with the local Internet service providers to block access to online platforms that engaged in unauthorized profiteering activities on resale of tickets of local events or even prohibit their operation. To make ticket purchase by bots or by syndicates more difficult, Mr MA suggested that the Administration should set an upper limit on the number of tickets a patron could purchase for each programme through the Urban Ticketing System ("URBTIX"). Mr MOK said that the Administration should review the relevant measures and legislation from time to time to ensure that they could keep pace with technological advancement and changing circumstances. He hoped that Administration could make reference to the experience of the United States and the United Kingdom which had recently passed legislation to prohibit Mr OR raised concern about the protection of ticket purchase by bots. personal data held by online ticketing agents/companies engaging in ticket resale.

22. <u>SHA</u> responded that many places in the world were also facing the same situation with regard to curbing ticket scalping activities. LCSD had been constantly discussing with the service provider of URBTIX to enhance the system functions of URBTIX so as to prevent online ticket purchasing activities by bots. URBTIX would proactively discuss with the organizer concerned when handling ticketing arrangements for a programme expected to be popular. As regards the suggestion of blocking access to online ticketing agents/companies engaging in ticket scalping activities, <u>SHA</u> said that a decision should not be taken lightly and all factors had to be carefully considered.

#### Adjusting the ratio of consignment tickets

23. Mr MA Fung-kwok said that the performing industry was facing hardship due to a persistent decline in album sales and had been relying on organizing pop concerts to maintain their income. He further said that the performing industry considered that the maximum ratio of consignment tickets should be maintained at 80% for programmes held at the Hong Kong Coliseum ("HKC") and the Queen Elizabeth Stadium ("QES") with tickets sold through URBTIX. Mr MA and Mr SHIU Ka-fai were of the view that commercial sponsorship was vital to large-scale entertainment productions in terms of reducing financial risks, and organizers would need flexibility in selling tickets. They opined that lowering the maximum ratio of consignment tickets would not only stifle the development of the performing industry and budding artists, but would also affect the general public as they

might suffer from a reduced number and variety of programmes as well as increased ticket prices due to possible drop in commercial sponsorship. Mr MA stressed that in the absence of effective measures to combat ticket scalping activities, the mere increase in the supply of tickets available for public sale would not effectively combat ticket speculation.

- 24. Mr YIU Si-wing and Mr CHAN Chun-ying suggested that the Administration might proactively encourage the performing industry to increase the tickets available for public sale for popular programmes. Mr CHAN suggested that the Administration might consider adopting a clawback mechanism similar to the arrangement in the initial public offerings of securities such that the proportion of consignment tickets could be adjusted according to the actual demands in public sale.
- 25. Noting that the performing industry was keen on maintaining the maximum ratio of consignment tickets at 80%, the Chairman and Mr CHAN Chi-chuen considered that the Administration should strike an appropriate balance between the interests of the performing industry and the general public. The Deputy Chairman said that consideration might be given to calculating a consignment ticket ratio on the basis of the total number of shows of a programme. Mr CHAN Chi-chuen said that to his understanding some organizers might give out tickets to contractors as payment for service, who then could re-sell the tickets in the market to recoup the cost of service provided to the concert organizers.
- 26. Mr Andrew WAN, Mr Frankie YICK and Mr Michael TIEN expressed support for lowering the maximum ratio of consignment tickets as they considered that the current maximum consignment ticket ratio (i.e. 80%) was far too high. Mr YICK suggested that the Administration might adopt a tiered system in setting the maximum consignment ticket ratio. Mr TIEN suggested that the maximum ratio of consignment tickets should be lowered to 50%.
- 27. <u>SHA</u> responded that the Administration would seek to strike a balance between the interests of the performing industry and the general public. <u>SHA</u> said that the consignment ticket ratio of entertainment programmes held at HKC for the recent three years was around 50% on average, which meant there was still room to lower the maximum ratio of consignment tickets for HKC and QES. Having regard to the performing industry's concerns, the Administration did not consider it appropriate to significantly lower the maximum ratio of consignment tickets immediately, but the concerned ratio should be lowered gradually. More flexible conditions

(such as permitting the calculation of the maximum consignment ticket ratio on the basis of all shows of a programme) could also be considered. SHA said that the Administration would move forward to increase supply of tickets to the public by lowering the consignment ticket ratio, and would consider possible mechanisms as suggested by the Panel.

(At 10:15 am, the Chairman directed that the meeting be extended for 30 minutes beyond the appointed ending time.)

Adoption of "personalized ticketing"

- 28. Some members including Mr MA Fung-kwok, Mr CHAN Chun-ying, Mr YIU Si-wing, Mr SHIU Ka-fai and Mr Frankie YICK did not support the adoption of "personalized ticketing". They considered that "personalized ticketing" would not only increase the cost to programme organizers but would also cause much inconvenience to the audience as they had to arrive at the venue much earlier for identity verification. They also expressed concern about the privacy risk associated with personal data, as well as the additional cost and responsibility to be borne by the organizers for the protection of such data. Mr MA held the view that it was not reasonable for the performing industry to bear such additional responsibilities. Mr Charles MOK, Mr Andrew WAN, the Deputy Chairman and Mr Holden CHOW also expressed reservations about adopting "personalized ticketing" in view of concerns over privacy and practical difficulties in implementation (such as transferability of the ticket purchased).
- The Chairman, Mr Michael TIEN and Dr Junius HO considered that 29. the adoption of "personalized ticketing" could be explored. Nevertheless, the Chairman considered that the adoption of "personalized ticketing" had to be supported by the application of technology. He further suggested that audience who were given tickets by others should still be admitted to the show but they had to declare the source of their tickets at the time of admission for onward submission to law enforcement departments when necessary for investigation of possible cases of ticket scalping. suggested that instead of issuing paper tickets, the Administration might consider the use of Octopus card as an e-ticket for admission and an identity proof of the ticket holder. Considering the practical difficulties in implementation of adopting "personalized ticketing" at a large venue such as HKC, Mr TIEN was of the view that pre-admission identity checks should be conducted on a random basis only. Mr TIEN added that it was observed

Action

that the implementation of pre-admission identity checks on randomly selected ticket holders in a couple of concerts held at AsiaWorld Expo earlier was basically smooth. For more flexibility, Mr TIEN also suggested that ticket holders might be allowed to transfer a certain number of their tickets to others. The Chairman was of the view that if it was not practicable to implement "personalized ticketing" at present, consideration might be given to sale of event tickets by way of balloting.

Admin

30. At the request of the Chairman, the Administration agreed to provide supplementary information regarding (a) the hire charges of venues of LCSD, including HKC and QES; and (b) whether the hire charges were set at market level and sufficient to recover the full cost of providing the venues concerned.

(<u>Post-meeting note</u>: the Administration's response was issued to members on 24 December 2018 vide LC Paper No. CB(2)507/18-19(01).)

- SHA said that LCSD had piloted a "personalized ticketing" cum 31. balloting system for the first time for a non-commercial music concert held at the Hong Kong Cultural Centre in May 2018. The Administration understood there were certain difficulties in adopting "personalized ticketing" at a large venue. LCSD would draw reference from the experience of the local market and those outside Hong Kong to work out feasible ticketing arrangements that would suit the needs of a certain programme in discussion with the organizers concerned. LCSD would also continue to study the issue in collaboration with the Office of the Government Chief Information Officer to explore technology solutions which could facilitate audience admission while safeguarding their privacy. SHA said that whether the suggested use of Octopus card for venue admission was technically feasible had to be further explored. However, consideration should also be given to the issue of privacy for suggestions involving the sharing of the personal information of audience/ticket holders with third parties.
- 32. Mr Holden CHOW said that according to media reports, some of the tickets of the Hong Kong Sevens ("HKS") allocated to rugby athletes had been put on the market for resale at a higher price. Mr CHOW said that such incidents would affect the reputation of Hong Kong and he urged the Hong Kong Rugby Union ("HKRU") to enhance the control over tickets allocated to its affiliated clubs and members. He requested the Administration to follow up the matter with HKRU.

Admin

(<u>Post-meeting note</u>: the Administration's response regarding the ticketing arrangements of HKS was issued to members on 17 December 2018 vide LC Paper No. CB(2)469/18-19(01).)

Increasing performance venues

33. The Deputy Chairman considered that the Administration should increase the number of large-scale performance venues to help combat ticket speculation in the long run. SHA responded that several arts and cultural facilities in the West Kowloon Cultural District would successively come on stream. Moreover, the Kai Tak Sports Park, which had a Main Stadium with a seating capacity of around 50 000 audience, was scheduled for construction in 2019.

Enforcement actions against ticket scalping activities

- 34. <u>Members</u> generally agreed that the current enforcement actions to combat ticket scalping activities were not effective and they urged the Administration to step up their enforcement actions. They considered that successful prosecution of such cases would have a great deterrent effect.
- 35. In response to Mr LAU Kwok-fan's enquiry, <u>SHA</u> said that information on the number of prosecutions against persons engaging in illegal ticket scalping activities was not available. <u>SHA</u> concluded that LCSD would continue to seek assistance from the Police and other relevant departments as and when necessary in combating ticket scalping activities. He added that despite various measures taken to prohibit ticket scalping activities, it was difficult to eradicate profiteering on ticket resale completely as long as there were still demands for tickets in a free market.

## V. Any other business

36. There being no other business, the meeting ended at 11:01 am.

Council Business Division 2 <u>Legislative Council Secretariat</u> 28 February 2019