

立法會
Legislative Council

LC Paper No. FC4/20-21
(These minutes have been
seen by the Administration)

Ref : FC/1/1(23)

Finance Committee of the Legislative Council

Minutes of the 24th meeting
held at Conference Room 1 of the Legislative Council Complex
on Saturday, 18 April 2020, from 1:01 pm to 2:32 pm

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP

Hon LEUNG Che-cheung, SBS, MH, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, GBS, 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 Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, BBS, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai, JP
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan, JP
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Vincent CHENG Wing-shun, MH, JP
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Public officers attending:

Mr James H. LAU Jr., JP	Secretary for Financial Services and the Treasury
Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Mr Raistlin LAU Chun, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) ¹
Mr Mike CHENG Wai-man	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Matthew CHEUNG Kin-chung, GBM, GBS, JP	Chief Secretary for Administration
Ms Angelina KWAN Yuen-ye, JP	Head, Human Resources Planning and Poverty Co-ordination Unit, Chief Secretary for Administration's Private Office
Miss Carrie CHANG Kar-wai	Administrative Assistant to Chief Secretary for Administration
Ms Teresa CHENG, GBS, SC, JP	Secretary for Justice
Mr Edward YAU Tang-wah, GBS, JP	Secretary for Commerce and Economic Development
Miss Eliza LEE Man-ching, JP	Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism)
Mr Joe WONG Chi-cho, JP	Commissioner for Tourism, Commerce and Economic Development Bureau
Mr Raymond LI Ling-cheung, JP	Executive Director and Chief Executive Officer, Hong Kong Mortgage Corporation Limited
Mr Joshua LAW Chi-kong, GBS, JP	Secretary for the Civil Service
Mr Hermes CHAN Shun-hee	Director of General Grades, Civil Service Bureau
Mr Michael WONG Wai-lun, JP	Secretary for Development
Mr Francis CHAU Siu-hei, JP	Deputy Secretary for Development (Works) (3)
Mr Kevin YEUNG Yun-hung, JP	Secretary for Education
Mr WONG Kam-sing, GBS, JP	Secretary for the Environment

Mrs Vicki KWOK WONG Wing-ki, JP	Deputy Director of Environmental Protection (2)
Prof Sophia CHAN Siu-chee, JP	Secretary for Food and Health
Miss Vivian LAU Lee-kwan, JP	Director of Food and Environmental Hygiene
Mr Andrew LAI Chi-wah, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)2
Mr Chris SUN Yuk-han, JP	Deputy Secretary for Financial Services and the Treasury (Financial Services)1
Mr LAU Kong-wah, JP	Secretary for Home Affairs
Mr YEUNG Tak-keung, JP	Commissioner for Sports, Home Affairs Bureau
Miss Vega WONG Sau-wai, JP	Deputy Director of Home Affairs (2)
Mr Nicholas YANG Wei-hsiung, GBS, JP	Secretary for Innovation and Technology
Dr David CHUNG Wai-keung	Under Secretary for Innovation and Technology
Ms Annie CHOI Suk-han, JP	Permanent Secretary for Innovation and Technology
Dr LAW Chi-kwong, GBS, JP	Secretary for Labour and Welfare
Mrs Helen KWOK LI Mung-ye	Assistant Director of Social Welfare (Youth and Corrections)
Mr Frank CHAN Fan, JP	Secretary for Transport and Housing
Mr Kevin CHOI, JP	Deputy Secretary for Transport and Housing (Transport)2

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Miss Bowie LAM	Council Secretary (1)1
Miss Queenie LAM	Senior Legislative Assistant (1)2
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Yannes HO	Legislative Assistant (1)7

Item 1 — FCR(2020-21)2

**HEAD 142 — GOVERNMENT SECRETARIAT : OFFICES OF
THE CHIEF SECRETARY FOR ADMINISTRATION
AND FINANCIAL SECRETARY**

Subhead 700 — General non-recurrent

Item 803 — Anti-epidemic Fund

HEAD 170 — SOCIAL WELFARE DEPARTMENT

Subhead 700 — General non-recurrent

New item — "Special Scheme of Assistance to the Unemployed"

**HEAD 152 — GOVERNMENT SECRETARIAT : COMMERCE
AND ECONOMIC DEVELOPMENT BUREAU
(COMMERCE, INDUSTRY AND TOURISM
BRANCH)**

Subhead 700 — General non-recurrent

**Item 833 — SME Financing Guarantee Scheme—Special
Concessionary Measures**

LOAN FUND

HEAD 252 — LOANS TO SCHOOLS/TEACHERS

Subhead 104 — Loans to non-profit-making international schools

Subhead 106 — Start-up loan for post-secondary education providers

HEAD 254 — LOANS TO STUDENTS

**Subhead 101 — Means-tested loan for tertiary students pursuing
publicly-funded programmes**

Subhead 102 — Non-means-tested loan scheme

Subhead 103 — Means-tested loan for post-secondary students

HEAD 262 — PRIMARY PRODUCTS

Subhead 101 — Fisheries Loans

Continuation of the discussion on agenda item FCR(2020-21)2

The Finance Committee ("FC") continued with the discussion on item FCR(2020-21)2.

Provision of one-off relief to specific sectors

Subsidy schemes for premises affected by COVID-19

2. Mr Jeremy TAM asked whether consideration could be given to converting temporary place of public entertainment licences ("TPPELs") held by operators to full licences if their businesses were being operated on a long-term basis. If the said arrangement could be made, the estimated total amount of subsidies to be disbursed might be affected as different amounts were provided for holders of place of public entertainment licences and TPPELs. In this connection, he enquired whether the Administration would adjust the estimated total amount accordingly; and if adjustment was required, whether it was necessary to re-submit the item to FC for consideration. Secretary for Home Affairs replied that there were different types of TPPELs, and holders of TPPELs were all entitled to a grant of \$20,000. Chief Secretary for Administration ("CS") supplemented that he was the Chairman of the Anti-epidemic Fund Steering Committee ("the Committee"), and relevant directors of bureaux were also members of the Committee. If any adjustment was required, the Committee could make decisions in a timely manner.

3. In case shops were directed to close part of their premises under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F) ("the Regulation"), Mr CHAN Chi-chuen asked how the affected businesses could apply for the subsidies and which departments were responsible for handling the applications. For example, if part of the premises of a physiotherapy centre was used as consultation rooms while fitness equipment was placed in other part of the premises, he asked whether the physiotherapy centre could apply for the subsidy for fitness centres. Separately, he asked whether a hair salon which also provided beauty services could apply for the subsidy for beauty salons.

4. In response, CS said that:

- (a) if businesses affected and unaffected by the Regulation were operating in the same premises, businesses which were affected by the Regulation would be dealt with separately; and
- (b) upon FC's approval of the present item, executive departments /organizations of various subsidy schemes would make public announcements and arrange publicity for the relevant application procedures.

Catering Business (Social Distancing) Subsidy Scheme

5. Dr Helena WONG noted that cooked food stalls at public markets managed by the Food and Environmental Hygiene Department ("FEHD") would be eligible for a subsidy of \$50,000. She asked how the case would be handled if the licensee and operator of a cooked food stall were not the same person.

6. In response, Director of Food and Environmental Hygiene said that:

- (a) cooked food stalls at cooked food centres or cooked food markets managed by FEHD were tenants of FEHD rather than licensees;
- (b) it was the Government's hope that the tenants, after receiving the subsidies, would use the resources suitably to maintain their business operation, including payment of wages to their employees;
- (c) under the terms and conditions of the tenancy agreements, FEHD's tenants were not allowed to sublet their stalls to other people. If breaches were found, the Administration would re-enter the stalls forthwith; and
- (d) the Government would not interfere in the business deals between the tenants and other people.

Relief grants for providers of catering services for schools and postsecondary education institutions and providers of interest group and school bus services for schools

7. Dr Helena WONG asked whether freelancers who provided training and counselling to students through games, dance and movement therapy, etc. could also apply for the relief grants if they could prove that they had entered into contracts with the schools concerned. Secretary for Education replied that if those freelancers had indeed organized learning programmes or interest classes to provide training for students which the schools deemed to be helpful in nurturing the students, the Administration could consider such applications in the light of their situations.

Support for the cross-boundary freight transport sector

8. Ms Alice MAK expressed support for the item. She pointed out that while the second round of the Anti-epidemic Fund ("the Fund") had

provided some support to tourism, transport and catering sectors, there was no measure to benefit cross-boundary goods vehicle drivers. Secretary for Transport and Housing ("STH") replied that the transport sector was relatively less hard-hit by the pandemic. That said, the Government was concerned about the livelihood of cross-boundary goods vehicle drivers and would closely monitor their operating condition. Appropriate measures would be taken to assist the sector if and when necessary. He said that the Government's current policy was to ensure the smooth operation of sea, land and air transportation.

Providing unemployment support under the Comprehensive Social Security Assistance framework

9. Mr WU Chi-wai noted that the Administration planned to implement a six-month unemployment support scheme under the Comprehensive Social Security Assistance ("CSSA") Scheme. He asked whether the Administration would instead set up a "Specific Unemployment Assistance Scheme" to provide the unemployed with a monthly grant of \$9,000 for six months.

10. In response, CS said that:

- (a) it was the Government's hope to assist the unemployed expeditiously through the existing hardware platform and complementary measures of the current CSSA Scheme; and
- (b) the amount of CSSA grants was calculated according to a specific formula, taking into account the needs of CSSA households. It was inappropriate to set a fixed amount of unemployment support at \$9,000, and a new gap in the CSSA Scheme might be created by doing so.

11. Expressing support for the item, Mr Vincent CHENG hoped that FC could approve the item as soon as possible. He said that the Administration should explain the application method and eligibility threshold of the unemployment support scheme to members of the public. He asked whether the Social Welfare Department ("SWD") would increase manpower to process the relevant applications, and whether a performance pledge, such as processing the applications within two to three weeks, would be adopted. CS replied that the Government would strive to launch the unemployment support scheme as soon as possible. Secretary for Labour and Welfare ("SLW") supplemented that SWD would recruit retired staff to assist in the processing of such applications, with a view to speeding up the vetting and approval process, so that the subsidies could be

disbursed to members of the public as soon as possible.

Public transport fare subsidy

12. Mr Michael TIEN said that according to his calculation, the provision of a 20% fare concession by the MTR Corporation Limited with government subsidies would mean an increase of 20% in the transport fare of passengers of non-rail public transport modes. Moreover, public transport modes not provided with financial assistance such as franchised buses would reduce service frequency, causing further inconvenience to the commuting public. He thus suggested that the Administration should extend the scope of financial assistance to cover all public transport modes for a period of six months. STH replied that he noted the views of Mr TIEN.

Measures on job retention, job creation and job advancement

Employment Support Scheme

13. Dr Fernando CHEUNG was worried that the Employment Support Scheme ("ESS") might be abused by the employers. Citing an example, Dr CHEUNG said that under ESS, an employer could use the amount of wages paid in January 2020 as the basis of calculating the subsidies to be disbursed. However, the number of his employees could be reduced from 10 in January 2020 to 5 in March 2020. If the number of employees was maintained at 5 in June 2020, ESS was effectively providing additional subsidies to the employer. He also expressed concern that an employer could arrange his relatives to work in the company to replace the original employees, thereby maintaining the same headcount of employees for the purpose of obtaining the government subsidies. He asked how the Administration would deal with the aforesaid situations. SLW replied that deception was a criminal offence, and the Administration would follow up and investigate any case which might involve deception.

14. Dr CHENG Chung-tai expressed concern that employees without Mandatory Provident Fund ("MPF") contributions would not benefit from ESS. The Chairman requested the Administration to provide supplementary information in response to the concerns raised by members at the meetings about ESS, so as to illustrate the Administration's method of calculating the subsidy, as well as the amount due under different scenarios, including but not limited to:

- (a) the case where the number and composition of employees were different from those in any one month from January to

March 2020 chosen by the employer; and/or

- (b) the case where the wages of employees were different from those in any one month from January to March 2020 chosen by the employer,

in relation to the subsidy applications made by employers. The Administration should also elaborate on the measures to be put in place to prevent abuse of the subsidies under ESS by employers, including adding relevant provisions to the undertaking so as to prevent employers from effecting de facto pay cuts and/or obtaining subsidies by deception through hiring their relatives and friends after laying off former employees.

[*Post-meeting note:* Supplementary information provided by the Administration was circulated to members via LC Paper No. FC166/19-20(01) on 4 May 2020.]

Overall views on the second round of the Anti-epidemic Fund

15. Mr Charles Peter MOK criticized that the Administration had failed to properly deal with the unfair allocation of resources under the second round of the Fund. CS replied that the second round of the Fund was launched by the Government after careful consideration. The proposed relief measures were all practicable and feasible. The Administration would further improve the second round of relief measures, taking into account the experience of implementing the first round of the Fund.

16. Mr MA Fung-kwok opined that the second round of the Fund could help many members of the public tide over the difficult times, even if not all needy persons were provided with support in an absolutely equitable manner. Ms CHAN Hoi-yan enquired about the urgency of implementing the second round of the Fund. CS replied that the second round of the Fund could provide members of the public with timely assistance and support in response to the pandemic.

Relief or support measures outside the second round of the Anti-epidemic Fund

Cash payout scheme

17. Mr KWONG Chun-yu sought information about the earliest possible date of receiving the cash payment of \$10,000 if Hong Kong permanent residents aged 18 or above were to register for the cash payout scheme ("the scheme") at the end of June 2020. CS replied that according

to the Government's latest implementation timetable, the scheme would be open for application at the end of June 2020, and it was expected that disbursement of the cash payment could start from July 2020.

A third round of the Anti-epidemic Fund

18. Ms Tanya CHAN expressed her hope that if a third round of the Fund was to be launched by the Administration, the relief measures could benefit those persons not covered by the first and second rounds of the Fund, for example, coaches with internationally recognized qualifications but without MPF contributions.

Statement made by the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region

19. Mr HUI Chi-fung referred to the statement made by the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region ("LOCPG") on 17 April 2020, saying that the claim made explicitly by members belonging to the pro-democracy camp to vote against item FCR(2020-21)2 was "a malicious act which totally disregarded the interests of Hong Kong", and that those members must "foot the bill" for their own acts. He sought a response from the Secretary for Justice as to whether members would violate the Basic Law or other laws if they voted against the item. Mr Alvin YEUNG asked a similar question. CS replied that members could vote according to their own will. Secretary for Justice said that she would not tender any legal advice to Members. She hoped that members could support the item, so as to provide members of the public with timely assistance. That said, members had the right to vote for or against the item or abstain from voting.

Motions proposed by members under paragraph 37A of the Finance Committee Procedure

20. At 1:54 pm, FC started to vote on whether the motions proposed by members under paragraph 37A of the Finance Committee Procedure ("FCP 37A motions") should be proceeded with forthwith. The Chairman put to vote the questions, one by one, that these FCP 37A motions should be proceeded with forthwith. At the request of members, the Chairman ordered a division for each of the questions put. Immediately after the Chairman announced that FC decided against proceeding with the first FCP 37A motion proposed by Mr SHIU Ka-chun, Mr CHAN Hak-kan moved without notice a motion under paragraph 47 of the Finance Committee Procedure that in the event of further divisions being claimed in respect of

any motions or questions under the same agenda item, FC should proceed to each of such divisions immediately after the division bell had been rung for one minute. At the request of members, the Chairman ordered a division, and the motion was carried.

21. The voting results on the questions on proceeding with the proposed FCP 37A motions were as follows:

Member proposing the motion	Serial numbers of motion	Motion be proceeded with forthwith
Mr SHIU Ka-chun	<u>0001</u>	<u>No</u>
Mr Dennis KWOK	<u>0002</u>	<u>No</u>
Prof Joseph LEE	<u>0003</u>	<u>No</u>
Mr CHAN Chi-chuen	<u>0004</u>	<u>No</u>
Mr Alvin YEUNG	<u>0005</u>	<u>No</u>
Ms Tanya CHAN	<u>0006</u>	<u>No</u>
Mr Jeremy TAM	<u>0007</u>	<u>No</u>
Dr KWOK Ka-ki	<u>0008</u>	<u>No</u>
Dr Fernando CHEUNG	<u>0009</u>	<u>No</u>
Mr James TO	<u>0010</u>	<u>No</u>
Mr KWONG Chun-yu	<u>0011</u>	<u>No</u>
Mr LAM Cheuk-ting	<u>0012</u>	<u>No</u>
Dr Helena WONG	<u>0013</u>	<u>No</u>
Mr HUI Chi-fung	<u>0014</u>	<u>No</u>
Mr Andrew WAN	<u>0015</u>	<u>No</u>
Mr WU Chi-wai	<u>0016</u>	<u>No</u>
Mr LEUNG Yiu-chung	<u>0017</u>	<u>No</u>
Mr Charles Peter MOK	<u>0018</u>	<u>No</u>
Mr CHU Hoi-dick	<u>0019</u>	<u>No</u>
Mr IP Kin-yuen	<u>0020</u>	<u>No</u>

22. When the proposed FCP 37A motions were being dealt with, Mr Steven HO, Mr CHAN Han-pan and Dr CHIANG Lai-wan sought an explanation from the Chairman on the procedures for dealing with FCP 37A motions. The Chairman advised that after members put forward their proposed FCP 37A motions, FC would first vote on whether there was agreement to proceed with such motions. If an agreement was reached to proceed with such a motion, each member could speak thereon for three minutes. Thereafter, the FCP 37A motion concerned would be put to vote. At the request of the aforesaid members, the Chairman further explained that there was no relation between whether members agreed to proceed with a specific FCP 37A motion and whether they agreed with the content of the motion.

Voting on FCR(2020-21)2

23. At 2:30 pm, the Chairman put item FCR(2020-21)2 to vote. At the request of members, the Chairman ordered a division. The Chairman declared that 41 members voted in favour of and 22 members voted against the item, and 2 members abstained from voting. The votes of individual members were as follows:

For:

Mr Abraham SHEK Lai-him	Mr Tommy CHEUNG Yu-yan
Mr Jeffrey LAM Kin-fung	Mr WONG Ting-kwong
Ms Starry LEE Wai-king	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr WONG Kwok-kin
Mrs Regina IP LAU Suk-yee	Mr Paul TSE Wai-chun
Mr Michael TIEN Puk-sun	Mr Steven HO Chun-yin
Mr Frankie YICK Chi-ming	Mr YIU Si-wing
Mr MA Fung-kwok	Mr CHAN Han-pan
Mr LEUNG Che-cheung	Ms Alice MAK Mei-kuen
Mr KWOK Wai-keung	Mr Christopher CHEUNG Wah-fung
Ms Elizabeth QUAT	Mr Martin LIAO Cheung-kong
Mr POON Siu-ping	Dr CHIANG Lai-wan
Ir Dr LO Wai-kwok	Mr CHUNG Kwok-pan
Mr Jimmy NG Wing-ka	Dr Junius HO Kwan-yiu
Mr HO Kai-ming	Mr Holden CHOW Ho-ding
Mr SHIU Ka-fai	Mr Wilson OR Chong-shing
Ms YUNG Hoi-yan	Mr CHAN Chun-ying
Mr CHEUNG Kwok-kwan	Mr LUK Chung-hung
Mr LAU Kwok-fan	Mr Kenneth LAU Ip-keung
Mr Vincent CHENG Wing-shun	Mr Tony TSE Wai-chuen
Ms CHAN Hoi-yan	
(41 members)	

Against:

Mr James TO Kun-sun	Mr LEUNG Yiu-chung
Prof Joseph LEE Kok-long	Ms Claudia MO
Mr WU Chi-wai	Mr Charles Peter MOK
Mr CHAN Chi-chuen	Mr Kenneth LEUNG
Dr KWOK Ka-ki	Mr Dennis KWOK Wing-hang
Dr Fernando CHEUNG Chiu-hung	Dr Helena WONG Pik-wan
Mr IP Kin-yuen	Mr Alvin YEUNG
Mr Andrew WAN Siu-kin	Mr CHU Hoi-dick
Mr LAM Cheuk-ting	Mr SHIU Ka-chun
Ms Tanya CHAN	Mr HUI Chi-fung
Mr KWONG Chun-yu	Mr Jeremy TAM Man-ho

(22 members)

Abstained:

Dr Pierre CHAN
(2 members)

Dr CHENG Chung-tai

24. The Chairman declared that the item was approved.
25. At 2:32 pm, the Chairman declared the meeting closed.

Legislative Council Secretariat
19 October 2020