

OFFICIAL RECORD OF PROCEEDINGS**Wednesday, 20 January 2021****The Council met at Eleven o'clock****MEMBERS PRESENT:**

THE PRESIDENT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THE HONOURABLE KWOK WAI-KEUNG, J.P.

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

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

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

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

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

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

THE HONOURABLE CHUNG KWOK-PAN

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

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

THE HONOURABLE HOLDEN CHOW HO-DING

THE HONOURABLE SHIU KA-FAI, J.P.

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

THE HONOURABLE YUNG HOI-YAN, J.P.

DR THE HONOURABLE PIERRE CHAN

THE HONOURABLE CHAN CHUN-YING, J.P.

THE HONOURABLE CHEUNG KWOK-KWAN, J.P.

THE HONOURABLE LUK CHUNG-HUNG, J.P.

THE HONOURABLE LAU KWOK-FAN, M.H.

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

DR THE HONOURABLE CHENG CHUNG-TAI

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

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

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE MATTHEW CHEUNG KIN-CHUNG, G.B.M., G.B.S., J.P.

CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE PAUL CHAN MO-PO, G.B.M., G.B.S., M.H., J.P.
FINANCIAL SECRETARY

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

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

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

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

THE HONOURABLE EDWARD YAU TANG-WAH, G.B.S., J.P.
SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT

THE HONOURABLE PATRICK NIP TAK-KUEN, J.P.
SECRETARY FOR THE CIVIL SERVICE

THE HONOURABLE ALFRED SIT WING-HANG, J.P.
SECRETARY FOR INNOVATION AND TECHNOLOGY

THE HONOURABLE ERICK TSANG KWOK-WAI, I.D.S.M., J.P.
SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS

THE HONOURABLE CHRISTOPHER HUI CHING-YU, J.P.
SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

MR SONNY AU CHI-KWONG, P.D.S.M., J.P.
UNDER SECRETARY FOR SECURITY

DR DAVID CHUNG WAI-KEUNG, J.P.
UNDER SECRETARY FOR INNOVATION AND TECHNOLOGY

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

MR ANDY CHAN SHUI-FU, J.P.
UNDER SECRETARY FOR CONSTITUTIONAL AND MAINLAND
AFFAIRS

DR CHUI TAK-YI, J.P.
UNDER SECRETARY FOR FOOD AND HEALTH

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

DR RAYMOND SO WAI-MAN, B.B.S., J.P.
UNDER SECRETARY FOR TRANSPORT AND HOUSING

CLERKS IN ATTENDANCE:

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

MISS ODELIA LEUNG HING-YEE, DEPUTY SECRETARY GENERAL

MISS FLORA TAI YIN-PING, ASSISTANT SECRETARY GENERAL

MS DORA WAI, ASSISTANT SECRETARY GENERAL

PRESIDENT (in Cantonese): Will the Clerk please ring the bell to summon Members to the Chamber.

(After the summoning bell had been rung, a number of Members entered the Chamber)

LAYING OF PAPERS ON THE TABLE OF THE COUNCIL

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

Subsidiary Legislation	<i>Legal Notice No.</i>
Insurance (Authorization and Annual Fees) (Amendment) Regulation 2021.....	2 of 2021
Prevention of Bribery Ordinance (Amendment of Schedule 1) Order 2021	3 of 2021
Inland Revenue (Profits Tax Concessions for Insurance-related Businesses) (Threshold Requirements) Notice	4 of 2021
Inland Revenue (Amendment) (Profits Tax Concessions for Insurance-related Businesses) Ordinance 2020 (Commencement) Notice	5 of 2021

Other Papers

Supplementary Legal Aid Fund
Annual Report 2019

Legal Aid Services Council
Annual Report 2019/2020

Report No. 9/20-21 of the House Committee on Consideration of
Subsidiary Legislation and Other Instruments

WRITTEN ANSWERS TO QUESTIONS**Making good use of technologies to prevent and combat epidemics**

1. **MR WONG TING-KWONG** (in Chinese): *President, on making good use of technologies to prevent and combat epidemics, will the Government inform this Council:*

- (1) *whether it has compiled statistics on the losses so far caused by the epidemic to the local economy; if so, of the amount of money; if not, the reasons for that;*
- (2) *how the Government has, since the outbreak of the epidemic, made use of technologies such as those in the areas of communications, testing and healthcare to help combat the epidemic;*
- (3) *whether clear policies are in place to provide guidance on how to make use of local scientific research achievements to assist in preventing and controlling diseases as well as addressing the livelihood needs amid epidemics; if so, of the details; if not, the reasons for that; and*
- (4) *whether it will formulate a set of comprehensive policies and relevant mechanisms in respect of the work of preventing and combating epidemics, and encourage scientific research institutes to further conduct applied research on areas such as communications, testing and healthcare, so as to assist the Government in enhancing its capability to cope with epidemics; if so, of the details; if not, the reasons for that?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): *President, in consultation with Innovation and Technology Bureau and Office of the Government Economist, my reply to the various parts of the question raised by Mr WONG Ting-kwong is as follows:*

- (1) *The COVID-19 epidemic evolved into a pandemic in early 2020 and severely hit global and local economic activities. It added pressures on the Hong Kong economy which had already fallen into recession,*

resulting in a sharp year-on-year contraction of 9% in the first half of last year. As the global economy recovered and the local epidemic situation stabilized in the latter part of the third quarter, the overall economic performance saw some improvement, with the year-on-year decline in real GDP narrowing visibly to 3.5% in the third quarter. However, the fourth wave of local infections since the latter part of November has led to the re-tightening of anti-epidemic measures and posed renewed pressures on domestic economic activities. Economic contraction for 2020 as a whole will likely be close to the official forecast of -6.1% as put out in mid-November, which would be the most severe recession on record. It would also be the first time for Hong Kong to register two consecutive years of negative growth.

The pandemic's impact on certain economic segments was particularly apparent. Inbound tourism came to a standstill since February last year, with total visitor arrivals falling by 93.6% for 2020 as a whole. Hotel room occupancy remained low for a long time last year. While the compulsory quarantine requirements in recent months and staycation activities by more local residents provided some cushion, the average hotel room occupancy in October and November combined was still at 55%, 12 percentage points lower than a year ago. The operating environment of restaurants was very difficult amid the stringent social distancing measures, with the total restaurant receipts falling by a record 34.6% in the third quarter. The retail sector was dealt a heavy blow as visitors virtually disappeared. In the first 11 months of 2020, retail sales volume fell drastically by 26.6% year-on-year, though the situation in October and November noted some relative improvements.

The austere economic conditions also led to a sharp deterioration in the labour market. The seasonally adjusted unemployment rate surged from 3.3% in the fourth quarter of 2019 to 6.6% in the fourth quarter of 2020, the highest in 16 years.

To address the significant impacts of the COVID-19 pandemic on the Hong Kong economy, the Government has rolled out relief measures of unprecedented scale since early 2020, involving over

\$300 billion in total or around 11% of GDP. These measures have gone some way in supporting the Hong Kong economy and relieving people's financial burdens. The Government will maintain a countercyclical fiscal policy to mitigate the downward pressure on the economy and the impact on people's livelihood.

(2) to (4)

The COVID-19 outbreak that has lasted for months has highlighted the importance of technology development and applications, and the potential in turning the "crisis" into "opportunities". Locally developed technology products and application solutions have all played an important role in the prevention and combat against this epidemic. As many large cities around the world are under lockdown, making good use of ecommerce and digitalizing public services have become even more important. It also creates new opportunities for the I&T industries and expedite digitalization.

Since the outbreak of the COVID-19 epidemic, the Government has endeavoured to make use of information and communications technologies to assist the public in the prevention from and fight against the epidemic. The relevant initiatives are as follows:

Support Mandatory Home Quarantine

To tie in with the mandatory home quarantine measures implemented in early February 2020 to prevent inbound travellers from outside Hong Kong spreading the virus in the community, we have successfully developed the "StayHomeSafe" system and electronic wristbands, which can effectively monitor whether a large number of persons under quarantine are staying at designated dwelling places while protecting their personal privacy. The system makes use of a Bluetooth Low Energy electronic wristband and a monitoring solution developed by a local research and development centre, complementing with the "StayHomeSafe" mobile app that adopts geo-fencing technology to detect electronic signals, including mobile communications, Wi-Fi and Bluetooth signals of electronic wristbands etc., around the dwelling places of persons under quarantine, and by means of artificial intelligence to

analyse changes in various signal strength to monitor whether the persons under quarantine are staying at their designated dwelling places. To date, about 430 000 persons under quarantine have used electronic wristbands.

"COVID-19 Dashboard"

To facilitate more comprehensive understanding of the latest situation of the COVID-19 epidemic by the public, the Government and the industry collaborated and with the use of relevant open data launched the "Interactive Map Dashboard on the Latest Situation of Coronavirus Disease in Hong Kong" ("the Dashboard") in early February 2020. The Dashboard has so far recorded over 45 million views.

"LeaveHomeSafe" mobile app

The Government launched the "LeaveHomeSafe" mobile app on 16 November 2020 to provide members of the public with a convenient digital tool that helps them form a habit of recording the time of their visits to different venues and taxi rides during the epidemic. The mobile app will notify a user if he or she is later identified to have visited the same venue that a confirmed patient has visited at about the same time or taken the same taxi that a confirmed patient has taken on the same day. In the unfortunate event of infection, the user's visit records can also assist the Centre for Health Protection in epidemiological investigations. At present, the number of downloads of the "LeaveHomeSafe" mobile app exceeds 440 000. Over 68 000 public and private venues have participated in the scheme to display the "LeaveHomeSafe" venue QR code for members of the public to scan and record their visits, of which about 14 000 are public venues and about 54 000 are private venues. Besides, the "LeaveHomeSafe" mobile app can also be used in about 18 000 taxis across the territory.

"Return2hk Scheme"

Starting from 23 November 2020, Hong Kong residents in Guangdong Province or Macao who fulfil specified conditions could be exempted from the 14-day compulsory quarantine requirement

when they return to Hong Kong under the "Return2hk Scheme". For completion of the electronic health declaration, residents returning to Hong Kong could transmit their valid negative nucleic acid test result to the electronic health declaration system of the Department of Health through "Yuekang Code" or "Macao Health Code". So far, about 30 000 Hong Kong residents have returned to Hong Kong under the Scheme.

The Government is committed to promoting research and development. In addition to funding Research and Development ("R&D") Centres, the Government also supports enterprises and universities with a variety of funding schemes to enable them to carry out more R&D work and technology transfer, or commercialize their R&D outcomes. The COVID-19 pandemic has highlighted the importance of developing and promoting technology application. Technology products and applications researched and developed locally have played important roles in the fight against the epidemic. A few examples are set out as follows.

With nanofibre technology, the Nano and Advanced Materials Institute ("NAMI") has worked with a local manufacturer to develop the world's first nanofibre N99 facemask—NASK. It is a super breathable facemask with bacteria killing property and manufactured in Hong Kong, compliant with the FFP2 standard of the European Union and effective in removing most of the airborne contaminants. In the recent combat of COVID-19 pandemic, NASK has been adopted by the Hospital Authority.

In addition, an all-in-one nanofibre HEPA (High Efficiency Particulate Air) filter—multiHEPA has also been developed with NAMI's functionalized nanofibres. It is not only capable of filtering 99.97% of particles at the most penetrating particle size of 300 nm, but also equipped with bacteria killing and volatile organic compound removal functions. MultiHEPA is integrated for trial onto a movable ventilation device specifically designed by the Electrical and Mechanical Services Department for the Hospital Authority.

Furthermore, in order to help members of the public combat the pandemic and to offer a more environment friendly alternative to disposable face masks, the Hong Kong Research Institute of Textiles and Apparel was tasked to develop the CuMask+™. Two of the functional layers of which CuMask+™ is made are specially made with small quantities of copper, capable of immobilizing bacteria, common viruses and other harmful substances. The mask reaches the American Society for Testing and Materials ("ASTM") F2100 Level 1 standard, and is effective for 60 washes.

We also introduced a special call under the Public Sector Trial Scheme in March 2020 to support product development and application of technologies for the prevention and control of the epidemic. A total of 63 projects out of 332 applications received have been approved with total funding of over \$102 million. The 63 approved projects fall under a number of categories, including COVID-19 virus detection or diagnosis methods, masks and other protective equipment, disinfection equipment and products, body temperature checking devices and virus transmission tracking devices. Fifty-seven public organizations are involved in the trials of the approved projects.

On the other hand, the Health and Medical Research Fund ("HMRF") administered by the Food and Health Bureau has approved a total funding of \$170 million to support the local universities to conduct 49 medical research studies on COVID-19 in order to combat the epidemic in April and August 2020. \$47 million was approved to support four local universities to conduct 11 studies relating to the testing methods, vaccines and antivirals for COVID-19.

HMRF has supported research on COVID-19 to address transmissibility and infectability of the virus, effective detection, surveillance and prevention strategies, as well as development of treatments and therapies through the use of technology. Some of these research studies can provide early results. For instance, sero-epidemiological studies will help identify the number of asymptomatic people with COVID-19, map the emergence of population immunity and develop a transmission model of

COVID-19; waste water surveillance from the sewage treatment facilities and housing estates can provide a complementary system to monitor virus activity in the community; genomic surveillance using whole virus sequence data can help identify the source of infection and untangle silent virus transmission in the community when combined with epidemiological investigations; and a Phase 1 clinical trial will determine the safety of a nasal spray COVID-19 vaccine developed by the Department of Microbiology, the University of Hong Kong in collaboration with researchers in Mainland of China.

HMRF will suitably allocate additional resources to support the use of technology to conduct related research in order to complement the Government's work in combating the epidemic. Also, the Research Fellowship Scheme under HMRF aims to cultivate local talents and healthcare professionals and to enhance their skills in research in their area of expertise.

Epidemic prevention in hospitals

2. **DR CHIANG LAI-WAN** (in Chinese): *President, recently, some patients of public hospitals have been confirmed, after discharge from the hospital, to have been infected with the Coronavirus Disease 2019 ("COVID-19"), and it is suspected that they were infected during their stay in the hospital. Besides, there were cluster outbreaks in two public hospitals, with a number of patients and healthcare personnel being infected. On the other hand, it has been reported that as the Hospital Authority ("HA") has limited stock of surgical masks reaching the Level 3 requirement of the America Society for Testing and Materials ("ASTM") F2100 Standard, healthcare personnel are normally provided with ASTM Level 1 or Level 2 surgical masks only, which have lower protection efficacy. Regarding epidemic prevention in hospitals, will the Government inform this Council:*

- (1) *of a breakdown of the up-to-date number of local COVID-19 confirmed patients by the place where they possibly contracted the disease (including hospital, residence, office, bar, restaurant, supermarket and beauty salon), as judged from epidemiological investigation results; if such information is unavailable, whether it will compile the relevant figures;*

- (2) *whether it knows if HA will conduct COVID-19 tests for all patients of public hospitals before they are discharged and allow them to be discharged only when their test results are negative, so as to cut the transmission chains as far as possible; if so, of the details; if not, the reasons for that;*
- (3) *as HA plans to conduct regular COVID-19 tests only for certain categories of healthcare personnel, whether it knows if HA will consider conducting regular tests for all healthcare personnel of public hospitals;*
- (4) *whether it knows the respective quantities of surgical masks of various protection levels and specifications currently kept in stock by HA, and the numbers of days for which the stock can last; the channels through which surgical masks are procured, as well as the criteria for allocating surgical masks of different protection levels to healthcare personnel; and*
- (5) *as certain private hospitals have stipulated that they only accept visits by persons wearing surgical masks but not those wearing CuMasks, whether it knows the relevant requirements of public hospitals at present?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, in consultation with the Hospital Authority ("HA"), my consolidated reply to the various parts of the question raised by Dr CHIANG Lai-wan is as follows:

- (1) The Centre for Health Protection ("CHP") of the Department of Health classifies confirmed cases of COVID-19 as follows: imported case, epidemiologically linked with imported case, possibly local case, epidemiologically linked with possibly local case, local case, epidemiologically linked with local case. Among the above, "local case" from unknown source includes locally infected sporadic case, i.e. with no travel history during the incubation period, or the first case to develop symptom in a local cluster, while "epidemiologically linked with local case" refers to case with epidemiological linkage with an existing local case.

For large clusters with 10 or more cases, CHP would release relevant information in due course via press conference and the "COVID-19 Thematic Website" launched by the Government. Small clusters mostly involve cases in family, friends or workplace.

CHP will continue to closely monitor the latest situation of COVID-19, including epidemiological investigations and contact tracing on the confirmed cases, etc. The latest local situation of COVID-19 has been updated to the "COVID-19 Thematic Website" launched by the Government <<https://www.coronavirus.gov.hk/eng/index.html>>, which includes the document "Latest local situation of COVID-19" <https://www.chp.gov.hk/files/pdf/local_situation_covid19_en.pdf>.

- (2) HA has arranged admission screening to all newly admitted patients as far as practicable since September 2020, and enhanced the admission screening in end December 2020. If a patient has respiratory symptoms upon admission, even if the patient is tested negative for COVID-19 for the first time, it is recommended that at least one more test should be conducted within two days, with a view to reducing the risks of transmission and outbreak in hospital. If an inpatient develops respiratory symptoms during his stay in the hospital, healthcare staff will provide test for COVID-19 according to clinical needs. Inpatients will only be discharged after they have been assessed by medical practitioners on their clinical conditions.
- (3) HA has been working on the provision of regular tests for targeted staff providing care for vulnerable patients on pilot basis since 11 January 2021. The target staff groups include those working in day centres providing chemotherapy for cancer patients; outreach teams visiting institutions, e.g. Community Geriatric Assessment Teams and Psycho-geriatric Outreach Teams; Palliative Care Outreach Teams; and staff of oncology wards and haemodialysis centres. HA will timely review the arrangement of regular tests having regard to the epidemic situation.
- (4) With the development of the COVID-19 outbreak, HA has expedited the procurement of personal protective equipment ("PPE") since January 2020 and increased the stockpiling target to six months.

Besides increasing the procurement from existing suppliers, HA proceeded with global procurement through the flexible approach of direct purchase, with a view to procuring the appropriate PPE soonest possible.

As for the procurement of surgical masks by HA, it has mainly made reference to the United States Food and Drug Administration's standards on surgical mask, ASTM F2100-11. HA also takes into consideration other international standards including European Standards, EN14683. The current stockpile of surgical masks amounts to approximately 79 million pieces, sufficient for use for more than six months.

HA has all along established stringent guidelines on infection control and training, allowing frontline healthcare staff of various positions to understand and get familiar with infection control measures required for different medical procedures. In accordance with guidelines, healthcare staff will put on suitable PPE depending on the type of infectious disease that the patient has, including whether it can be transmitted by droplets, by airborne or by contact. Under normal circumstances, healthcare staff should adopt standard protective measures. When undergoing procedures that may generate splashes of blood, body fluid, excretions and secretions, or droplets, healthcare staff would select and put on proper PPE based on risk assessment.

The surgical masks currently provided by HA has Bacteria Filtration Efficiency exceeding 99.9% and Particle Filtration Efficiency at 99.7%. The resistance to penetration by synthetic blood is 80 mmHg. The configurations are in compliance with the recommendations of infectious control guidelines of the World Health Organization, the Centres for Disease Control and Prevention of the United States and CHP.

Having regard to the development of the COVID-19 epidemic, HA has formulated recommendations on corresponding infection control measures and usage of PPE under the Serious or Emergency Response Level. Although COVID-19 is mainly transmitted through droplets and contact, HA has enhanced the relevant

protective measures as a precautionary measure. When handling confirmed or probable cases, healthcare staff must adopt preventive measures against transmission through contact, droplets and airborne, and put on appropriate PPE, including surgical respirators, eye protection (full face shield or goggles), protective gowns, gloves and cap. Furthermore, healthcare staff are also required to wear full PPE while performing aerosol-generating procedures.

- (5) Public hospitals are currently at Emergency Response Level and all persons entering public hospitals and clinics are required to put on masks. The hospitals will not impose any mandatory requirement on the model and standard of the masks.

"HKeMobility" mobile application

3. **MR CHAN HAN-PAN** (in Chinese): *President, the Transport Department ("TD") launched in July 2018 the "HKeMobility" mobile application ("app") to allow members of the public to search for real-time traffic and transport information anytime to facilitate their route planning. Regarding the app, will the Government inform this Council:*

- (1) *of the up-to-date number of downloads and daily user count of the app, and whether such figures meet the targets set when the app was launched;*
- (2) *given that quite a number of members of the public wish to obtain, via the app, the real-time arrival information of franchised buses and green minibuses to facilitate their route planning, of the measures put in place by the Government to spur all relevant public transport operators to provide the app with such information;*
- (3) *of the number of public car parks operated by the private sector the real-time parking vacancy information of which is currently available on the app; whether, in order to facilitate drivers' search for car parking spaces, the Government will consider spurring, by way of enacting legislation or other measures, the operators of such car parks to supply such information to the app;*

- (4) *of the (i) up-to-date development cost and (ii) annual operating expenditure of the app; and*
- (5) *whether TD will step up the promotion of the app and enhance the app's functions?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, the Transport Department ("TD") launched in July 2018 the "HKeMobility" mobile application, integrating three previous mobile applications, namely "HKeRouting", "Hong Kong eTransport" and "eTraffic News", to provide a one-stop platform for the public to conveniently search for information including routes of different transportation modes, journey time, transport fares, etc. for their planning of the most suitable travel arrangements (including walking, driving, taking public transport, etc.).

Having consulted TD, my reply to the various parts of Mr CHAN Han-pan's question is as follows:

- (1), (4) and (5)

TD developed the "HKeMobility" mobile application at an expenditure of approximately \$600,000. The operating expenditure incurred after its launch (including maintenance, system hosting services, enhancement of functions, etc.) is set out below:

<i>Financial Year</i>	<i>Operating Expenditure</i>
2018-2019	\$1,400,000 ^{Note}
2019-2020	\$3,320,000
2020-2021	\$3,250,000 (Estimate)

Note:

Excluding the expenditure for integrating three previous mobile applications.

As at end December 2020, "HKeMobility" recorded cumulative downloads of about 2.25 million, with an average daily hit rate of about 40 000. TD has not pre-set targets for the download and hit rates.

TD will continue to disseminate more real-time traffic information via "HKeMobility" and continue to promote "HKeMobility" through various channels to provide greater convenience to the public.

- (2) The Government has all along encouraged public transport operators to open up data. Since August 2019, real-time arrival information and data of the New World First Bus Services Limited, the Citybus Limited, the New Lantao Bus Company (1973) Limited and four Mass Transit Railway ("MTR") Lines (namely the Airport Express, Tung Chung Line, Tseung Kwan O Line and West Rail Line) have been disseminated to the public for free via "HKeMobility" and the Public Sector Information Portal (data.gov.hk).

Currently, the MTR Corporation Limited is exploring to extend the opening up of real-time arrival information to more MTR Lines, and is formulating details of implementation. The Kowloon Motor Bus Company (1933) Limited and the Long Win Bus Company Limited have also responded positively, and are ready to make available the raw data of real-time arrival information to the Government. TD is carrying out the preparatory work for disseminating the said data via "HKeMobility" and the Public Sector Information Portal (data.gov.hk) tentatively by mid-2021.

With regard to minibuses, TD has conducted a test-launch of the real-time arrival information system on Hong Kong Island green minibus ("GMB") route numbers 69, 69A and 69X since 31 December 2020. To facilitate passengers' trip planning, relevant real-time arrival information is now available at "HKeMobility" and the Public Sector Information Portal (data.gov.hk). Subject to the system performance, TD plans to disseminate the real-time arrival information of about 70 GMB routes in March 2021, followed by that of the remaining 500 or so GMB routes by phases, with a view to achieving full implementation in 2022.

- (3) TD has been encouraging operators of non-government car parks to release real-time parking vacancy information to the public via "HKeMobility" and the Public Sector Information Portal (data.gov.hk), so as to facilitate motorists in finding parking spaces and reduce traffic congestion caused by vehicles circulating on roads in search of such.

The number of car parks releasing parking vacancy information via "HKeMobility" has increased from about 220 in July 2018 to about 420 as at end December 2020, of which about 350 are non-government car parks.

Further, in response to TD's suggestion, the Lands Department has incorporated since mid-2018 provisions into new short-term tenancy agreements of fee-paying public car parks, requiring operators to provide TD with relevant real-time parking vacancy information. The Government will also incorporate provisions into new land leases as appropriate, requiring developers to provide TD with real-time parking vacancy information after completion of relevant new development projects.

Return2hk Scheme

4. **MR KWOK WAI-KEUNG** (in Chinese): *President, under the "Return2hk-Travel Scheme for Hong Kong Residents returning from Guangdong Province or Macao without being subject to quarantine under the Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (Cap. 599C)" ("Return2hk Scheme"), Hong Kong residents, upon fulfilment of specified conditions, will be exempted from the 14-day compulsory quarantine when returning to Hong Kong from Guangdong Province or Macao. In this connection, will the Government inform this Council:*

- (1) *of the total and daily average numbers of Hong Kong residents returning to Hong Kong under the Return2hk Scheme since its implementation on 23 November last year;*
- (2) *given that from February to November last year, about 2 000 person-times of Hong Kong residents in Fujian Province benefited from the "special scheme to deliver prescription medications to Hong Kong residents who are currently in Guangdong and Fujian Provinces with urgent need for medications", whether the Government will extend the scope of application of the Return2hk Scheme to those Hong Kong residents who are in Fujian Province; and*

- (3) *as the epidemic is under control in most provinces and municipalities on the Mainland, whether the Government will extend the scope of application of the Return2hk Scheme to those Hong Kong residents who are in such places?*

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Chinese): President, upon consulting the Food and Health Bureau, our reply to the question raised by Mr KWOK Wai-keung is as follows:

- (1) Since the implementation of the Return2HK scheme ("the Scheme") on 23 November 2020 until 18 January 2021, a total of 32 025 persons (about 560 persons per day on average) have returned to Hong Kong under the Scheme.

- (2) and (3)

Having considered the epidemic-control situation in Guangdong Province and Macao, the Secretary for Food and Health has specified Guangdong Province and Macao as Category 2 specified places in China with effect from 23 November 2020 and relevant conditions pursuant to the Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (Cap. 599C), thereby allowing Hong Kong residents who are located in Guangdong Province and Macao to be exempted from the 14-day compulsory quarantine requirement when they return to Hong Kong, upon fulfilment of the specified conditions under the Scheme.

The Scheme is the first step forward in the resumption of normal cross-boundary flow of people amongst Guangdong, Hong Kong and Macao in a gradual and orderly manner. Since the launch of the Scheme, the Hong Kong Special Administrative Region ("HKSAR") Government has continually reviewed the implementation of the Scheme, closely monitored the epidemic situation in Hong Kong, the Mainland and Macao, and maintained close liaison with the Mainland and Macao authorities to explore together the next step forward.

Having regard to the overall situation at present, the HKSAR Government considers that it is not an appropriate juncture to expand the scope of the Scheme now. The HKSAR Government will continue to closely monitor the epidemic situation in Guangdong, Hong Kong and Macao, as well as other relevant factors, and will make announcement at a suitable juncture if there is any adjustment to the scope of the Scheme.

Quality of coastal waters of the Victoria Harbour

5. **DR PRISCILLA LEUNG** (in Chinese): *President, some members of the public have complained to me that coastal waters (particularly in the vicinity of the Hung Hom Promenade) of the Victoria Harbour ("the Harbour") give off unbearable stench from time to time, causing nuisance to members of the public. It is learnt that one of the sources of the stench is the discharge of sewage into the Harbour from certain private buildings in the Kowloon West District as their foul water pipes have been wrongly connected to the storm drain systems ("misconnections of foul water pipes"). On the other hand, the Environmental Protection Department commenced a consultancy study in 2016 to further enhance the quality of coastal waters of the Harbour. In May 2019, the Government indicated that the consultant would submit a report of the entire study within that year. In this connection, will the Government inform this Council:*

- (1) of the annual Water Quality Objectives compliance rate of the Harbour water control zone in each of the past two years;*
- (2) of the number of cases of misconnections of foul water pipes which the Government followed up in each of the past three years and, among such cases, the number of those which have now been rectified, with a breakdown by District Council district;*
- (3) among the cases mentioned in (2), of the respective numbers of those in which (i) rectifications were made after the owners had been given warnings/advice, (ii) rectifications were made after the owners had received statutory repair/removal orders or had been prosecuted, (iii) rectifications were still not yet made after the Government had taken law enforcement actions, and*

(iv) rectification works were carried out by government contractors; whether it has reviewed the effectiveness of the relevant law enforcement actions; if so, of the outcome; and

- (4) *when it will publish the report of the aforesaid consultancy study; what measures the Government will take to follow up the recommendations put forward in that report for improving the quality of coastal waters of the Harbour and addressing the problem of near-shore stench, as well as the implementation timetable and estimated expenditure for such measures?*

SECRETARY FOR THE ENVIRONMENT (in Chinese): President, the Government has all along been attaching great importance to improving the water quality of Victoria Harbour and has devoted significant resources to improve the sewage collection and treatment systems through implementing the Harbour Area Treatment Scheme and works for enhancing the quality of coastal waters of Victoria Harbour, stepping up enforcement on misconnections of sewage pipes, and clearing sediment from the stormwater drainage systems. These efforts have brought noticeable improvement in the water quality of Victoria Harbour.

My reply to the question raised by Dr Priscilla LEUNG is as follows:

- (1) The overall Water Quality Objective ("WQO") compliance rates for the Victoria Harbour Water Control Zone ("WCZ") in the past two years are tabulated below:

<i>Year</i>	<i>Overall marine WQOs compliance rate for the Victoria Harbour WCZ</i>
2018	97%
2019	97%

Note:

The overall WQO compliance rate for 2020 is pending computation as the water samples collected in December 2020 are still under testing.

- (2) The statistics of Government's follow-up actions on foul sewer misconnection in various districts in the past three years are tabulated below:

Cases of foul sewer misconnection found in Victoria Harbour WCZ

<i>District</i>	<i>Number of foul sewer misconnection cases (Number of cases rectified)</i>		
	<i>2018</i>	<i>2019</i>	<i>2020</i>
Central and Western	7 (3 cases)	6 (2 cases)	3 (0 case)
Eastern	15 (6 cases)	11 (6 cases)	4 (3 cases)
Wan Chai	15 (13 cases)	7 (2 cases)	1 (All)
Kowloon City	15 (7 cases)	8 (0 case)	5 (1 case)
Kwun Tong	10 (8 cases)	0	1 (All)
Sham Shui Po	7 (4 cases)	1 (0 case)	4 (1 case)
Wong Tai Sin	7 (3 cases)	4 (3 cases)	2 (1 case)
Yau Tsim Mong	45 (31 cases)	63 (23 cases)	38 (8 cases)
Kwai Tsing	2 (All)	0	2 (1 case)
Tsuen Wan	7 (4 cases)	7 (5 cases)	3 (0 case)
Total	130 (81 cases)	107 (41 cases)	63 (17 cases)

- (3) Among the 300 cases mentioned in part (2) above, 118 cases were rectified by owners after issuance of warnings or advice, 21 cases were rectified by owners after the statutory repair or removal orders were served, while 57 cases have not been rectified after statutory repair or removal orders were served. There were no rectification works carried out by government contractors in the same period. We will continue to follow up on the remaining cases, urge or order the respective owners to fulfil their responsibility to rectify the pipe misconnection problems. For cases of non-compliance with the orders, the Buildings Department will take appropriate enforcement actions according to the circumstances, including consideration to initiate prosecution under the Buildings Ordinance.
- (4) The consultancy study on further enhancement of the near-shore water quality and the general environment of Victoria Harbour has been completed. The consultants are now working on the final collation and editing of the study report and the Government will publish the study report summary in the second quarter this year.

The findings of field surveys on pollution sources show that the near-shore pollution problems of Victoria Harbour are mainly caused by pollutants discharged from stormwater outfalls. This is probably

due to misconnection of sewage pipes to stormwater drains and non-point source pollution (e.g. leakage from ageing sewers, street activities and cleansing of public places).

The Government is gradually implementing a series of measures based on the study results and recommendations, including expediting the rectification of sewer misconnections; carrying out inspection, maintenance and desilting for public sewers and storm drainage systems on a regular basis; and expanding the application of "odour-control hydrogel" to mitigate the odour problem of stormwater outfalls etc.

At the same time, the Government is also progressively implementing targeted pollution control works projects, including construction and modification of dry weather flow interceptors ("DWFIs") and rehabilitation of ageing sewers. The Government is now executing works under two projects of a total value of \$1,000 million on the construction and modification of 52 DWFIs at various locations of West Kowloon and Tsuen Wan. Four of the DWFIs in Tsuen Wan had been completed in advance in October 2019, and the works are expected to be wholly completed in 2022. Another project with \$100 million approved by the Legislative Council in 2020 for the construction of DWFIs at eight locations in Tsuen Wan and Kwai Chung had started in the same year and is expected to be completed in 2023. Furthermore, the programme on installation of compact and high-efficiency DWFIs along Victoria Harbour has also commenced, with projects covering locations of Hung Hom, Wan Chai East, Causeway Bay Typhoon Shelter, Shau Kei Wan Typhoon Shelter and Tsuen Wan Bay included in the Public Works Programme in 2019 and 2020 and associated engineering studies progressively commenced. These projects, each of an initial cost estimate of about several hundred million dollars, are anticipated to be completed in the period from 2026 to 2028. On the other hand, sewage leakage from ageing sewers may also be a source of pollution to the coastal waters. Regarding the rehabilitation of ageing sewers, five works projects with total funding of \$3,600 million approved by the Legislative Council are in progress. 26 km of sewers be rehabilitated and 75 km will be

investigated within five years under these projects. The Government will continue to formulate works projects for rehabilitation of other ageing sewers.

The Government will continue to take enforcement actions, implement works projects for reducing the discharge of pollutants along Victoria Harbour and raise public awareness on reducing discharge of pollutants to stormwater drains at source, in order to improve the near-shore environmental and odour problems.

Anti-epidemic measures

6. **MS ALICE MAK** (in Chinese): *President, some members of the public have criticized that since the outbreak of the Coronavirus Disease 2019 ("COVID-19") epidemic, the anti-epidemic measures promulgated by the Government from time to time were of a great variety, with some of them even taking effect within a short period of time. As such, the general public failed to keep abreast of such measures and act accordingly. On the contrary, the Government of the United Kingdom ("UK") has put in place a four-tiered alert system for the COVID-19 epidemic and stipulated the anti-epidemic measures that the public and society must take under each tier of alert. For instance, when Tier 4 alert comes into force, the public are not allowed to go out unless necessary, all non-essential retail outlets must close, etc. In this connection, will the Government inform this Council:*

- (1) *whether it will, by following the practice of the UK Government, put in place a tiered alert system for the COVID-19 epidemic and stipulate the anti-epidemic measures that members of the public must take when different tiers of alert come into force; if so, of the details; if not, the reasons for that;*
- (2) *of the current maximum total number of COVID-19 tests that can be conducted daily by public and private laboratories; whether it has assessed if Hong Kong currently has enough testing capacity to implement universal compulsory testing; if it has assessed and the outcome is in the negative, whether it has plans to increase the testing capacity and the number of specimen collection points; and*

- (3) *given that the Government issues compulsory testing notices from time to time to require persons who were present on specified premises during specified periods to undergo COVID-19 tests, whether the Government will draw up clear guidelines and criteria for the relevant arrangements and improve the dissemination of information, so as to facilitate members of the public to understand in a more convenient and quicker manner (i) whether they are persons subject to compulsory testing, and (ii) the ways for undergoing testing; if so, of the details?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, Hong Kong has been extensively affected by COVID-19, a pandemic sweeping across the world. In view of the unstable situation of the epidemic, we should not let our guard down. Recently, there is a resurgence of confirmed cases and clusters of infection without a known source in the community. It is therefore essential for us to take all necessary measures to strengthen epidemic control by guarding against the importation of cases and the resurgence of domestic infections, and to further enhance the precision of the control measures to be taken in a bid to achieve the target of "zero infection" with the support and cooperation of the general public.

In consultation with the Home Affairs Bureau, my reply to the various parts of the question raised by Ms Alice MAK is as follows:

- (1) The Government launched the Preparedness and Response Plan for Novel Infectious Disease of Public Health Significance ("the Plan") on 4 January 2020. The Plan sets out the Government's preparedness and response plan in case of an outbreak of COVID-19 so that different government departments and organizations can respond according to the agreed and coordinated efforts with an aim to reducing the mortality and morbidity of the Hong Kong population due to novel infection. Furthermore, the Plan also serves as a tool for clear communication of the level of risk with the public. The Plan includes three response levels—Alert, Serious and Emergency. These response levels are based on risk assessment of COVID-19 that may affect Hong Kong and may be activated based on its health impact on the community.

On 25 January 2020, the Government raised the response level to the highest level of Emergency.

The Government will assess the risk from time to time in view of the latest scientific evidence and situation, activate or deactivate the response level and implement corresponding anti-epidemic measures.

- (2) We have been implementing anti-epidemic measures such as virus testing, contact tracing and social distancing in accordance with the principle of "early identification, early isolation and early treatment", with a view to preventing the spread of the virus in the community. The World Health Organization ("WHO") and health experts around the globe have pointed out that COVID-19 will not vanish without an effective treatment method and vaccine. In fact, even if we start vaccination this year, the vaccine will not be able to completely prevent the spread of the virus in a short period of time. Therefore, our current virus testing strategy is to continue and expand compulsory testing on a mandatory basis, targeted testing on an obligatory basis and testing on a voluntary basis. As such, specified persons of high risk are required to undergo compulsory testing on a mandatory basis, targeted groups are arranged to undergo testing on an obligatory basis, and we also encourage members of the public to undergo voluntary testing to achieve voluntary testing on a large scale.

To tie in with the above strategy, the Government has been stepping up surveillance and testing efforts in a multi-pronged approach. The current maximum daily testing capacity of public and private laboratories has been substantially increased to approximately 100 000 tests per day (without sample pooling). Through various channels of specimen collection, the Government can collect samples from a maximum of 80 000 members of the public for testing each day.

On whether universal compulsory testing should be conducted, if it were to be effectively implemented, it must be complemented by comprehensive lockdown. It is questionable whether local citizens

and businesses are willing to accept a comprehensive lockdown; and even so, the supply of daily necessities is another issue. We are of the view that the present precision-guided anti-epidemic measures which focus primarily on compulsory testing for people of high-risk groups, complemented by broadened and more convenient voluntary testing for the public, constitute a more appropriate strategy.

- (3) Since the Prevention and Control of Disease (Compulsory Testing for Certain Persons) Regulation (Cap. 599J) came into operation on 15 November 2020, the Government has exercised the power under the regulation multiple times to issue compulsory testing notices with a view to fully implementing the virus testing strategy of compulsory testing on a mandatory basis. This includes requiring persons who had been to specified premises (including dance clubs/venues, restaurants, residential buildings, construction sites, department store and hospitals); symptomatic persons; staff members of residential care homes for the elderly, residential care homes for persons with disabilities and nursing homes, day service units attached to the premises of residential care homes; and taxi drivers to undergo compulsory testing.

In order to cut the transmission chain in the community as soon as possible, the Government has also actively expanded the coverage of compulsory testing on a mandatory basis especially for residential buildings to achieve community clearing. With effect from 30 December 2020, if there are two or more units in a building with confirmed cases in the past 14 days and the units concerned are not epidemiologically linked to each other, the building would be included in the compulsory testing notice under Cap. 599J and persons who had been present at that building for more than two hours in the past 14 days are required to undergo compulsory testing.

To facilitate persons covered under the compulsory testing notices to undergo testing, the Government not only provides free testing services in 19 community testing centres but also arranges testing service providers to set up mobile specimen collection stations in the vicinity of these buildings to provide free and convenient testing services for them. Persons subject to compulsory testing can also

choose to undergo free COVID-19 testing through other channels, which include obtaining a deep throat saliva specimen collection pack from any of the 188 distribution points (i.e. 47 designated general outpatient clinics of the Hospital Authority, 121 post offices, and vending machines at 20 MTR stations), and return the specimen to one of the designated specimen collection points. The Government will announce information on compulsory testing notices, including the categories of persons subject to compulsory testing and testing channels, through press releases and upload the information onto the "COVID-19 Thematic Website": www.coronavirus.gov.hk/eng/compulsory-testing.html and www.coronavirus.gov.hk/eng/early-testing.html.

In addition, District Offices have maintained close contact with local residents in different areas of respective districts and provided them with relevant information and appropriate assistance on how to comply with the compulsory testing notices and undergo testing via different routes before the testing deadline. After the issue of compulsory testing notices, District Offices will contact testing contractors to help them set up mobile specimen collection stations at appropriate locations. District Offices will first distribute notices to affected households and display notices in the public areas of the buildings to remind them to visit the mobile specimen collection stations or nearby testing facilities to undergo testing within the specified period. District Offices will also set up counters at mobile specimen collection stations and/or the main entrance of buildings to register residents who have undergone or will undergo compulsory testing, and contact and urge those who have not yet registered to undergo testing as soon as possible. If necessary, with the assistance of the Housing Department, the Hong Kong Housing Society, relevant Owners' Corporations or property management companies, District Offices will conduct home visits to urge residents not yet tested to undergo testing as soon as possible, and contact the Department of Health or the Social Welfare Department to provide appropriate assistance to persons with special needs (such as the elderly and disabled persons with poor health or walking difficulties).

Property conveyancing procedures and related irregularities

7. **MR PAUL TSE** (in Chinese): *President, the Law Society of Hong Kong ("Law Society") has recently uncovered after an investigation that a former clerk (commonly known as "legal executive") of a law firm ("the firm") dishonestly misappropriated the money of the firm's clients, and the firm allegedly breached the provisions of the Solicitors' Accounts Rules (Cap. 159F), including overdrawing on clients' accounts and allowing unqualified persons to be signatories of clients' accounts. The Law Society has appointed another law firm as the Intervention Agent ("the Agent") to handle the follow-up work. It has been reported that as the firm was mainly engaged in the business of sale and purchase ("S&P") as well as mortgages of second-hand property units, quite a number of property buyers deposited money with the firm. As it takes time for the Agent to handle the follow-up work, such buyers may not be able to engage in time alternative solicitors to take over matters related to their S&P transactions, and get back the transaction money deposited with the firm, resulting in their failure to complete property transactions by the deadlines specified in the S&P agreements, and hence their suffering of huge losses. Besides, as the case may involve criminal offences committed by the partners of the firm, those clients who have suffered losses may not be able to receive compensation through the Solicitors' Professional Indemnity Fund. In this connection, will the Government inform this Council:*

- (1) *whether it knows the respective numbers of property buyers and sellers affected by the aforesaid case, and the total amount of money involved in the property transactions concerned;*
- (2) *of the measures in place to help expedite the work of the Agent, so that the affected clients may get back the transaction money deposited with the firm as early as possible so that they may complete the transactions in time and avoid huge losses;*
- (3) *whether it has studied the causes of the case, and if there are inadequacies in the relevant regulatory regime and execution work;*
- (4) *of the measures in place to assist those victims who have been unable to complete property transactions due to the aforesaid case in recovering their monetary losses expeditiously; and*

- (5) *as some members of the public have pointed out that the transaction of a second-hand property currently involves the procedures of checking all previous deeds of the property by the solicitors of the buyer and seller to verify the title (and also the preparation of a certified copy of the assignment in case the assignment has been lost), and such procedures are time-consuming and cumbersome, incurring additional transaction costs and indirectly creating opportunities for unscrupulous personnel of law firms to commit offences for gains, whether the Government will expedite the review of such procedures, and implement as soon as possible the Land Titles Ordinance (Cap. 585) which was enacted as early as in 2004, so as to streamline the property conveyancing procedures, and reduce the solicitors' fees payable and the risks to be borne by members of the public in buying and selling properties?*

SECRETARY FOR JUSTICE (in Chinese): President, the main purpose of implementing a self-regulatory regime for Hong Kong's legal profession is to ensure the professionalism and independence of Hong Kong legal practitioners. The profession itself is also best placed to respond to the ever-changing landscape of international and local legal practices. This regime is crucial to upholding the rule of law and at the same time maintaining Hong Kong's position as an international legal hub for deal-making and the provision of legal and dispute resolution services.

The Law Society of Hong Kong ("the Law Society") is the regulatory body of solicitors in Hong Kong and its power and functions are laid down in the Legal Practitioners Ordinance (Cap. 159) and its subsidiary legislation. Amongst others, section 26A of Cap. 159 specifies the circumstances under which the Council of the Law Society ("the Council") may pass a resolution to exercise its statutory power to intervene into a law firm's practice, including where there is reason to suspect dishonesty on the part of a solicitor or an employee of a solicitor. Upon intervention, the Council may exercise the powers set out in Schedule 2 to Cap. 159, including those relating to the handling of money, documents and mail of that law firm and appointing an intervention agent ("IA") to assist in the intervention, for the protection of the interests of the clients of that firm and the public.

With respect to the case mentioned in the question, the Law Society intervened into the practice of the relevant law firm ("the Intervened Firm") on 24 December 2020. Since then, the Department of Justice ("DoJ") has been in contact with the Law Society so as to be apprised of the developments. The Council considered that it had reason to suspect that a former clerk of the Intervened Firm had dishonestly misappropriated clients' money of the Intervened Firm, and was satisfied that there were serious breaches of the regulations of the Solicitors' Accounts Rules (Cap. 159F) by the Intervened Firm, including overdrawing on client accounts and allowing unqualified persons to be authorized signatories of client accounts. Taking into account the seriousness of the findings of the investigation against the Intervened Firm, the Council considered that it had no alternative but to exercise the statutory power pursuant to sections 26A(1)(a)(ii) and 26A(1)(c) of Cap. 159 to intervene into the practice of the Intervened Firm to protect the interests of its clients and the public.

With regard to the question raised by Mr Paul TSE, DoJ, having made enquiries with the Law Society and consulted the Development Bureau ("DEVB") and the Financial Services and the Treasury Bureau, replies as follows:

- (1) DoJ does not have any of the information requested in the question. The Law Society, having been enquired by us, agreed to disclose the following information.

The Law Society indicated that since the Intervened Firm does not have a proper filing system and the physical files located at its head office are very disorganized, it takes time for IA to acquire a full picture. The exact number of property buyers and sellers affected in the case, as well as the amount of clients' money being involved could only be ascertained after all the information has been obtained, collated and verified.

According to the information gathered by the Law Society as at 15 January 2021, it is estimated that there are around 935 conveyancing matters with imminent deadlines for the period between 24 December 2020 and 31 January 2021.

- (2) Section 2 of Schedule 2 to Cap. 159 provides that upon intervention, all sums of money of the Intervened Firm (including all sums of money deposited into the Intervened Firm's client account by its clients) shall vest in the Council and shall be held by the Council on trust for the persons beneficially entitled to them.

We understand that the Council has already appointed five other law firms to assist IA in order to handle the work related to the intervention as quickly as possible.

According to the Law Society, the urgent tasks for IA and the assisting law firms at the moment are to locate the files and title deeds from a large number of files, return the files with urgent deadlines to relevant clients, and index the files. As at 15 January 2021, the Intervened Firm's three branch offices in Prince Edward, Tsuen Wan and Yuen Long have already been vacated. IA is currently processing the remaining files and affairs of the Intervened Firm's head office at Central.

Upon completion of the urgent tasks, IA plans to launch the claim procedure in February 2021. IA would need to check the supporting documents with care to verify the claims.

In circumstances where dishonesty is involved or where records of the intervened law firm are incomplete, the release of clients' money has to be subject to authorization by a court order.

IA and all the assisting firms are doing their best to handle the process efficiently. The Law Society is also doing what it can within its capacity to provide the necessary manpower support to IA to facilitate its work. However, given the volume of files and that the records are disorganized, the process would take some time.

- (3) DoJ notes that the Law Society has already explained publicly about the said incident and its statutory powers in the exercise of its regulatory function. As the intervention of the Intervened Firm is still ongoing and involves uncompleted or possible civil or criminal proceedings, it is not appropriate for DoJ to comment at this stage.

As aforementioned, Hong Kong's legal profession implements a self-regulatory regime to ensure the professionalism and independence of Hong Kong legal practitioners. Cap. 159 and its subsidiary legislation stipulate that the Law Society is the only institution in Hong Kong authorized by law to regulate the professional branch of solicitors. The Law Society must

independently exercise its powers and discharge their functions and duties to regulate solicitors in accordance with the relevant enactment.

Where the Council considers that a solicitor or foreign lawyer may be unfit to practise, the Council may, if it considers it necessary for the purpose of investigating the matter, require the solicitor, the foreign lawyer or his/her firm to produce or deliver relevant documents to the Council. The Council may also appoint an inspector under section 8AA(1)(a) of Cap. 159 to conduct an inspection of a law firm on its relevant files, documents and accounting records for the purpose of verifying the firm's compliance with Cap. 159, its subsidiary legislation and other relevant professional conduct rules.

In relation to the power of intervention, according to section 26A(1)(a) of Cap. 159, the Council, before intervening into the practice of a law firm, must consider that the exercise of such statutory power is in the interests of the public or the clients of that firm. The Law Society indicated that, in deciding whether to exercise its statutory power to intervene into the practice of the Intervened Firm, the Council has already taken into account all relevant circumstances and the risks to clients' money being misappropriated. It exercised its statutory power to intervene in order to preserve the clients' money and to protect clients' interests.

The Law Society indicated that it would keep their operation under constant review and is always open to suggestion with a view to improving it.

- (4) As pointed out in its press release of 12 January 2021, the Law Society indicated that since the intervention, it has been working closely with different stakeholders to minimize its impact, including:
 - (a) calling for law firms to assist clients of the Intervened Firm and conducting a briefing session for them on how they could assist;

- (b) informing different government bureaux/departments and the Judiciary Administration of the intervention;
- (c) updating the Hong Kong Monetary Authority ("HKMA") on the intervention and written to the Hong Kong Association of Banks ("HKAB") to urge banks to consider support measures for clients of the Intervened Firm;
- (d) alerting the Consumer Council and the Estate Agents Authority of the intervention and urging licensed estate agents who have acted for the clients of the Intervened Firm to consider assistance for them; and
- (e) coordinating a list of mediators to provide mediation services to parties affected by the intervention and talking to a number of mediation service platforms to seek their assistance.

HKMA has been closely monitoring the impact on bank customers since it became aware of the incident, and has requested banks to proactively approach affected customers and provide appropriate assistance in a reasonable and accommodating manner. It is understood that banks concerned have already contacted customers who are imminently affected due to the freeze of their mortgage loans and offered assistance as appropriate including financial arrangements. Such include the granting of a mortgage loan of equivalent amount to customers whose mortgage loans have already been disbursed by the bank and yet now frozen, or the provision of an additional bridging loan to customers whose property purchase deposits have been frozen such that the property transactions in question can be completed. Besides, there are also cases involving mortgage refinancing where the new mortgage bank has granted payment holiday for affected customers such that they have time to make arrangements for the original mortgage loans. As cases differ in their circumstances, banks will examine each and every case in order to provide appropriate assistance. HKMA will continue to communicate with HKAB and the Law Society with a view to facilitating the offer of suitable protection and assistance to affected bank customers.

Besides, the Stamp Office of the Inland Revenue Department ("IRD") has announced the following arrangements to assist the affected duty payers:

- (a) if a duty payer concerned is unable to arrange stamping of a property transaction instrument before the time limit, the Stamp Office will consider remission of penalty for late stamping. The duty payer can make an application to the Stamp Office for remission of penalty directly or through the newly engaged solicitor;
- (b) if the duty payer is unable to raise funds to settle the stamp duty payable within a short period of time due to the freezing of relevant bank accounts of the law firm, an application can be made to the Stamp Office for payment by instalment; and
- (c) if a property transaction cannot be completed otherwise than by reason of re-sale or disposal of the property by the purchaser, the relevant agreement for sale is not chargeable with stamp duty. The duty payer can apply for refund of the stamp duty paid in respect of the relevant agreement within two years after the agreed date of completion of the transaction.

IRD issued a press release on the above arrangement on 12 January 2021, and the Stamp Office has also informed the Law Society and is proactively reaching out to its appointed IA and the affected duty payers to assist them in handling the relevant stamp duty matters.

- (5) According to DEVB, the Land Titles Ordinance (Cap. 585) ("LTO") aims to establish a new system under which the Title Register will be conclusive evidence as to the title of the property, to replace the present deeds registration system that gives no guarantee to title, with a view to providing greater assurance and certainty to property titles as well as simplifying the procedures of title checking in conveyancing. The Legislative Council, when passing LTO in July 2004, requested the Government to conduct a comprehensive review on a number of outstanding issues and consider making further amendments to LTO in consultation with the stakeholders before its implementation.

The land title registration system is inherently complicated. It involves complex legal issues and carries significant implications. Since the enactment of LTO, the Government has carried out a comprehensive review of LTO in full consultation with the major stakeholders, and put forth various proposals to address stakeholders' divergent views over the main issues, including the mechanism for bringing existing land and properties under the new system (i.e. conversion mechanism) and the rectification and indemnity arrangements. The Government has been making continuous efforts in engaging the major stakeholders, bridging their different expectations and addressing their concerns on implementing the title registration system.

In order to achieve early implementation of the title registration system, the Government is actively pursuing the proposal of implementing title registration on newly granted land first (i.e. land granted by the Government after the commencement of LTO) ("new land first" proposal) and has secured support in principle for the proposal from the major stakeholders. The Government will continue engaging the major stakeholders and strive to reach a consensus on the major issues including indemnity arrangements, verification of applications for registration and caution mechanism. Thereafter, the Government will prepare as soon as possible a more concrete timetable for the preparation of the Land Titles (Amendment) Bill and introduction of such amendment bill to the Legislative Council for scrutiny.

Heritage conservation work

8. **MR TONY TSE** (in Chinese): *President, earlier on, the Government decided, on grounds of safety, to demolish a disused underground cistern at Bishop Hill in Sham Shui Po. When the demolition works were in progress last month, some residents discovered that the cistern had distinctive architectural features, including an array of Romanesque stone pillars and red-brick arches inside the cistern. Subsequently, the Water Supplies Department ("WSD") halted the demolition works, and confirmed that the cistern had been completed as early as in 1904. Later on, the Government admitted that WSD had consulted the Antiquities and Monuments Office ("AMO") in 2017 on the proposed*

demolition works, but the latter had decided, on the understanding that the cistern was an ordinary water tank, that no grading exercise was required, thus leaving this heritage structure on the brink of complete destruction. In this connection, will the Government inform this Council:

- (1) whether WSD, in consulting AMO on the cistern in 2017, furnished AMO with information such as relevant building plans, photos, the year of construction and historical records;*
- (2) as a number of waterworks installations have been declared monuments, and the Red Brick Building (a pumping station in Yau Ma Tei which, same as the cistern, previously formed part of the water supply system of Kowloon) has also been accorded Grade 1 historic building status, why AMO, without making in-depth verification and conducting a site inspection, came to the understanding in 2017 that the cistern was an ordinary water tank;*
- (3) given that four stone pillars and part of the upper structure of the cistern have been demolished, whether the authorities have gathered and retained all the demolished materials for use in the restoration works as necessary;*
- (4) as the Secretary for Development has earlier on stated that experts will be arranged within three months to assess the historic value of the cistern so that the Antiquities Advisory Board may give a grading to the cistern in March this year, whether the relevant work can be expedited;*
- (5) whether it will conduct public consultation on the long-term conservation options for the cistern, and invite related professional bodies to give views on matters such as revitalization of the cistern and utilization of the space;*
- (6) whether it will consider opening up the cistern, upon completion of the necessary strengthening and maintenance works and before the implementation of the conservation option, with restrictions for visit by members of the public and tourists who have made appointments;*

- (7) *as WSD has, in response to media enquiries, advised that the two fresh water service reservoirs located at Magazine Gap Road in the Mid-level and Hatton Road at the Peak, both with a history of over a century, were demolished in 2010 and 2011 one after another, of the construction history and architectural features of these two service reservoirs, together with the details of as well as the vetting and approval procedures for the relevant demolition works;*
- (8) *whether it will ask various bureaux and government departments to draw up a list of all the pre-war buildings under their management and, for those buildings among them which are under planning for demolition and may have higher historic and architectural values, submit the relevant information expeditiously to AMO for detailed reviews; and*
- (9) *whether it has learnt a lesson from this incident and whether it will take improvement measures, including expanding the definition of "buildings" that need to be graded and reviewing the communication process between AMO and other government departments?*

SECRETARY FOR DEVELOPMENT (in Chinese): President, my reply to the various parts of Mr Tony TSE's question is as follows:

- (1) Pursuant to records, the waterworks installation at Bishop Hill at Sham Shui Po was built in 1904 and decommissioned in 1970. As cracks were observed at the roof slabs of the waterworks installation, it posed a potential safety hazard. In 2013, the Water Supplies Department ("WSD") engaged a reservoir safety expert to inspect and assess the condition of the waterworks installation. The reservoir expert confirmed that there was a safety problem at the roof structure. As there were records of frequent trespassing in the surrounding areas and on the roof top of the waterworks installation, to ensure public safety, WSD planned to demolish that installation and return the site to the Lands Department for other uses. In April 2017, WSD consulted the Antiquities and Monuments Office ("AMO") on the demolition works, pointing out that the waterworks installation was not stable and provided information about its structural safety.

- (2) The prevailing system for grading historic buildings is devised to assess the heritage value of usual buildings and structures. After deliberation at its meeting held in March 2017, the Antiquities Advisory Board ("AAB") decided to put those items that do not fall under the usual category of buildings/structures, such as cemetery and stone tablet, into the "List of Items Not Falling Under the Usual Category of Buildings/Structures". Grading assessment would not be conducted for items falling into this list for the time being such that AAB could focus on the study of other items. This list includes a water tank of an earlier period which is movable and not suitable for grading assessment. Since the March 2017 meeting, AAB and AMO have been handling items of the same nature as those on the list in the same manner in accordance with AAB's decision mentioned above.

In April 2017, WSD consulted AMO on the site works of the waterworks installation. AMO considered at the time that no follow-up action was required on the understanding that the water facilities in the site is a "water tank", based on the information provided then as well as its communication with WSD, and in accordance with AAB's decision in March 2017.

- (3) WSD commenced the temporary strengthening and tidying up works for the waterworks installation on 5 January. The works include sorting and protection of structural elements taken down earlier to facilitate future rehabilitation.
- (4) AMO has commenced an in-depth research on the heritage value of the waterworks installation, including carrying out the study of this item with reference to the six prevailing assessment criteria, namely historical interest, architectural merit, group value, social value and local interest, authenticity and rarity. To this end, AMO will conduct site inspections, photographic recording and an extensive sourcing and analysis of first-hand information, drawn from local and overseas archives as well as from WSD. It will also comprehensively review secondary sources such as the relevant researches, journal articles and publications. Upon completion of the in-depth research, AMO will submit the appraisal to the independent Historic Buildings Assessment Panel ("Assessment

Panel") for examination and recommendation of a proposed grading for the waterworks installation against the aforesaid six assessment criteria. AMO is striving submit the appraisal and the Assessment Panel's proposed grading to AAB for consideration and grading assessment in the first quarter of 2021. When AAB endorses the proposed grading of the waterworks installation, the relevant information and proposed grading of this item will be uploaded to the website of AAB for a one-month public consultation. AAB will take into account all information and views received during the public consultation before confirming the proposed grading.

(5) and (6)

The Development Bureau ("DEVB") will look into the options of conserving and revitalizing the waterworks installation, after WSD has completed the temporary strengthening works and the temporary tidying up works mentioned above, with a view to enabling the people of Hong Kong to enjoy this place. Before the long-term conservation plan is determined, DEVB will also explore the feasibility of restricted opening for public to visit the place, provided it is safe to do so.

(7) Pursuant to records, the Magazine Gap Road Fresh Water Service Reservoir was constructed in 1901, with a plan area of about 360 sq m (24 m x 15 m) and a storage capacity of about 1 800 cu m. The floor and peripheral wall of the service reservoir were constructed of concrete, with the internal face of the wall lined with brickwork. The arched roof and the supporting columns were also constructed of brick. After years of use, the service reservoir had experienced ageing and leakage, and might endanger the stability of the adjacent slopes and buildings under the slopes. As such, the service reservoir had not been in use since 1997.

Subsequently, in order to improve the salt water supply system in Wan Chai, Causeway Bay and Happy Valley and to extend the sea water flushing to Mid-Levels areas for achieving fresh water conservation, WSD awarded a works contract in 2010 for demolition of the Magazine Gap Road Fresh Water Service Reservoir and

construction of a new salt water service reservoir at the same site. WSD consulted AMO on the project and AMO had no objection against the project.

Regarding the old Hatton Road Fresh Water Service Reservoir, it was constructed in 1908 according to records. It had a plan area of about 540 sq m (36 m x 16 m) and a storage capacity of about 2 000 cu m. The floor and peripheral wall of the service reservoir were also constructed of concrete, with the internal face of the wall lined with brickwork. The arched roof and the supporting columns were also constructed of brick. After years of use, the service reservoir had experienced ageing and leakage, and might endanger the stability of the adjacent slopes, making it not suitable for long-term use.

To ensure a reliable supply of fresh water to residents of Mid-Levels, WSD awarded a works contract in 2007 to re-provision and expand the service reservoir in two stages. The first stage of the project was to construct a new service reservoir with a storage capacity 2 500 cu m adjacent to the old service reservoir in 2007. The new service reservoir was commissioned in 2011. The second stage of the project commenced in the same year and involved demolition of the old Hatton Road Fresh Water Service Reservoir and construction of a new service reservoir at the same site. The total storage capacity of two new service reservoirs was 7 000 cu m.

WSD consulted AMO on the project. AMO noted that the problems could not be solved by maintenance and that WSD proposed to preserve the brickworks of two columns and the connected arch. AMO did not object against the project.

(8) and (9)

The Government understands the public concerns on the incident. The Permanent Secretary for Development (Works) is leading a working group to review the handling of the case by relevant departments, and to put forward improvement measures to avoid recurrence of similar incidents.

Integrated Waste Management Facilities Phase 1

9. **MR CHAN HAK-KAN** (in Chinese): *President, regarding the Integrated Waste Management Facilities Phase 1 currently under construction, will the Government inform this Council:*

- (1) of the latest progress of the aforesaid works, including the percentage of completion;*
- (2) of the latest expenditure situation of the works, and the details of various expenditure items; whether any expenditure items have incurred cost overruns at present; if not, whether it expects such situation will occur;*
- (3) whether it has assessed if the target that the aforesaid facilities will be fully commissioned by 2025 as scheduled can be met; and*
- (4) whether it has formulated contingency plans to handle the situation where the works have to be suspended due to some construction workers having been confirmed to be infected with the Coronavirus Disease 2019; if so, of the details, including the measures in place to prevent works delays and cost overruns; if not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT (in Chinese): President, the Integrated Waste Management Facilities Phase 1 ("IWMF1"), which adopts advanced incineration treatment as the core technology, can reduce the volume of waste and generate electricity through heat recovery. Capable of handling 3 000 tonnes of municipal solid waste every day, IWMF1 is an important waste-to-energy infrastructure project in Hong Kong. Under the project, the contractor has to build an artificial island of about 16 hectares in the open sea to the southwest of Hong Kong adjacent to Shek Kwu Chau, and then construct the IWMF1 on the artificial island. The contractor has arranged for the prefabrication of some of the concrete structures as well as electrical and mechanical ("E&M") equipment of the project respectively in the Mainland and Europe, and the delivery of them to the artificial island subsequently for assembly. In so doing, the contractor can enhance quality control and speed up the progress for early completion of the project.

My reply to the various parts of the question raised by Mr CHAN Hak-kan is as follows:

- (1) IWMF1 project is now underway in compliance with contract requirements. We have completed the Deep Cement Mixing ground reinforcement of the seabed where IWMF1 is located and the construction works for the seawalls of the artificial island. The progress achieved to date accounts for some 30% of the whole project. The remaining items of the project mainly include earth filling for the artificial island, building of breakwaters, procurement and prefabrication of E&M equipment units, foundation for and construction of various plants, assembly of equipment and testing and commissioning of the facility, etc.

(2) to (4)

Under the contract of the IWMF1 project, the design and construction costs are estimated to be \$18 billion. As at December 2020, the total expenditure for the project was about \$5 billion. Based on present estimation, the unspent balance is sufficient to cover all the remaining project items.

We have been closely monitoring the progress of the project. Despite the impact of inclement weather and the COVID-19 epidemic, we have worked with the contractor proactively on various measures, including improving the supply of materials, making good use of works schedule and rearranging construction sequences to expedite the works concerned. We expect IWMF1 can be completed for commissioning in 2025 as scheduled and will keep the progress of the project under close supervision.

In line with the Government's efforts in epidemic prevention and infection control, we have required the contractor to implement strict epidemic prevention measures following the guidelines promulgated by the Centre for Health Protection; strengthen the cleaning and disinfection of work sites and related venues; and remind all personnel involved to observe personal hygiene. In order to step up epidemic prevention efforts with a view to achieving the objective of "early identification, early isolation and early treatment", we have arranged virus tests for the contractor's frontline staff and project personnel in mid-December 2020 and early this month. The test

results were all negative. However, one of the contractor's engineers felt sick later and sought medical advice on 17 January. He was tested positive subsequently. The contractor immediately cleaned and sterilized the construction site and the other relevant areas thoroughly. Virus testing for all relevant personnel was arranged and quarantine measures were undertaken to avoid spreading of virus in the construction site and the communities. We will continue to review the epidemic prevention measures needed for the project and arrange virus tests in line with the development of the epidemic.

Human papillomavirus vaccination programme

10. **MS ELIZABETH QUAT** (in Chinese): *President, the Government announced in 2018 the expansion of the Hong Kong Childhood Immunisation Programme ("HKCIP") to incorporate the human papillomavirus ("HPV") vaccination programme for the prevention of cervical cancer. Starting from the 2019-2020 school year, Primary Five and Primary Six female students may respectively receive the first dose and the second dose of HPV vaccine free of charge. It is learnt that as schools across the territory suspended classes on a number of occasions last year due to the epidemic, the implementation of the HPV vaccination programme has been affected, and not until October last year did the Department of Health complete the administration of the first dose of HPV vaccine to all female students. In this connection, will the Government inform this Council:*

- (1) *of the number of schools across the territory participating in the HPV vaccination programme, and the up-to-date number of Primary Five female students who have received such vaccination;*
- (2) *as it is learnt that the immunization coverage rate of primary school students under HKCIP has been as high as 97%, how such coverage rate compares to the relevant figure of HPV vaccination programme;*
- (3) *as it is learnt that some schools have requested students to return to school to receive HPV vaccination during the period of class suspension, whether it has assessed the impact of this arrangement on the HPV vaccination coverage rate;*

- (4) *as the Hong Kong Cancer Strategy 2019 announced by the Government has stated an interim target immunization coverage rate of 70% for completion of the administration of two doses of HPV vaccine to the first cohort of eligible female students, whether the present uptake rate has reached the target; and*
- (5) *as the US Food and Drug Administration has recently approved the use of nine-valent HPV vaccine for the prevention of oropharynx cancer as well as other head and neck cancers caused by HPV, whether the Government will expand the HPV vaccination programme to cover male students and other female students of suitable ages under 18, so as to reduce the incidence of the relevant cancers as soon as possible; if so, of the relevant plan; if not, the reasons for that?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, the Chief Executive announced in the 2018 Policy Address that according to the recommendations of the Scientific Committee on Vaccine Preventable Diseases ("SCVPD") and the Scientific Committee on AIDS and Sexually Transmitted Infections ("SCAS") in mid-2018, the Government would, starting from the 2019-2020 school year, introduce free human papillomavirus ("HPV") vaccination to school girls of particular age groups as a public health strategy for prevention of cervical cancer.

The Government promulgated the Hong Kong Cancer Strategy in July 2019 with a view to reducing the cancer burden of the local population and improving the quality of life and survivorship of cancer patients through setting work priorities and directions. Phased outcomes in the relevant aspects, including the interim target of 70% coverage for completion of two doses of HPV vaccination among the first cohort, are expected to be achieved by 2025. The target will be reviewed after the first two years of implementation.

In consultation with the Department of Health ("DH"), I provide a consolidated reply to the various parts of the question raised by Ms Elizabeth QUAT as follows:

(1), (2) and (4)

Starting from the 2019-2020 school year, DH has provided HPV vaccination to Primary Five and Six female students under the Hong Kong Childhood Immunisation Programme ("HKCIP") to prevent cervical cancer. The first dose of HPV vaccine will be given via outreach by DH's School Immunisation Teams ("SITs") to Primary Five female students at their schools, and a second dose will be given to the girls when they reach Primary Six in the following school year.

In the 2019-2020 school year, a total of 594 primary schools in the territory participated in DH's HPV vaccination programme. As at 31 December 2020, about 24 200 Primary Five female students of these primary schools have received the first dose of HPV vaccine and the uptake rate is 85%. The vaccination service is ongoing.

- (3) During the period of suspension of face-to-face classes, schools may arrange school activities for students according to the guidelines of the Education Bureau. SITs have been maintaining close liaison with school staff and arrange school outreach vaccination activities following the "Health Advice to Schools for the Prevention of Coronavirus Disease ("COVID-19") (Interim)" issued by the Centre for Health Protection ("CHP"). In case school outreach vaccination activities cannot be arranged or female students are unable to return to school due to suspension of face-to-face classes, the DH staff will contact the parents of the students concerned via the schools to make appointments for vaccination at SIT offices.
- (5) In general, incorporation of a new vaccine into HKCIP is based on scientific evidence taking into account a number of public health factors, including the overall disease burden on society, the efficacy and safety of the vaccine, the availability of other effective preventive measures, and the cost-effectiveness and public acceptance of the vaccine.

After reviewing the scientific evidence, recommendations from the World Health Organization and overseas experiences in relation to the efficacy and safety of HPV vaccines, as well as local studies on acceptability and cost-benefit analyses, SCVPD and SCAS ("the

Scientific Committees") under CHP of DH have reached a consensus and made a joint recommendation in September 2018 that HPV vaccination be included in HKCIP for girls of suitable ages before sexual debut as one of the public health strategies for prevention of cervical cancer.

The Scientific Committees under CHP will continue to keep abreast of local and overseas scientific developments and cost-benefit analyses in respect of HPV vaccines, and make recommendations regarding HKCIP from the public health perspective for CHP's reference in reviewing and updating HKCIP.

The New Territories cycle track network

11. **MR KENNETH LAU** (in Chinese): *President, the Government is developing a cycle track network in the New Territories with a total length of about 82 kilometres, comprising the Tuen Mun to Ma On Shan backbone section ("Tuen Ma Cycle Track") which was linked up last year, and the Tuen Mun to Tsuen Wan backbone section ("Tuen Tsuen Cycle Track") which is under construction. Some members of the public have complained that cyclists have to dismount at a number of sections along the Tuen Ma Cycle Track and some of the sections are even at the junctions with roads, leading to the dangerous situation of bicycles and vehicles competing for road space. Besides, as there are too many bollards installed at the junctions of the Tuen Ma Cycle Track and the various pedestrian crossings and the bollard spacing is too small, accidents are prone to occur. In this connection, will the Government inform this Council:*

- (1) *of the number of complaints about the ancillary facilities of the New Territories cycle track network received by the Government in each of the past three years, with a breakdown by type of facilities; what follow-up actions that the Government has taken (including whether it has carried out improvement works);*
- (2) *of the number of traffic accidents which occurred in the New Territories cycle track network and the resultant casualties in each of the past three years, with a breakdown by type of accidents; what follow-up actions that the Government has taken (including whether it has carried out improvement works); and*

- (3) *whether the cycle track section of the Tuen Tsuen Cycle Track from Tsing Tsuen Bridge to Bayview Garden in Tsuen Wan can be completed within this year on schedule, and of the latest implementation timetable of the cycle track section from Bayview Garden to Tuen Mun?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, it is the Government's policy to, where road safety considerations and circumstances permit, foster a "bicycle-friendly environment" by constructing cycle tracks and related facilities in new development areas and new towns, and improving existing facilities for the public to use bicycles for recreational or short-distance commuting purposes, thereby reducing the use of mechanized transport. Besides, the Government has been making effort in implementing the cycle track network in the New Territories to connect New Territories East with New Territories West for leisure and recreation purposes.

In consultation with relevant bureaux and departments, my reply to the various parts of the question is as follows:

- (1) and (2)

According to the records of the Transport Department ("TD"), the numbers of complaints about the ancillary facilities of cycle tracks in the New Territories in the past three years are set out at Annex 1; and the numbers of traffic accidents involving bicycles which occurred in cycle tracks in the New Territories and the resultant casualties in the past three years are set out at Annex 2. As we observe a significant increase in the number of cycling accidents last year, the Government will continue its commitment to improve the ancillary facilities for existing cycle tracks, closely monitor the situation, as well as promote and raise the safety awareness of citizens with a view to enhancing cycling safety.

On the planning and design of cycle tracks, the Government makes reference to relevant guidelines and duly considers the factors of curvature, gradient, width, sightline and continuity, etc. to minimize the need for cyclists to dismount while crossing road junctions and vehicular accesses, and provides appropriate traffic signs, road

markings and facilities for ensuring cycling safety. Moreover, the Government has been replacing metal speed reducing bollards with plastic ones at appropriate locations of cycle tracks throughout the territory to minimize accidental injuries to cyclists, and providing new bicycle parking areas at appropriate places.

On the promotion of cycling safety, TD has been working with the Road Safety Council and the Hong Kong Police Force ("the Police") to raise the safety awareness of cyclists through diversified publicity and education activities. In view of the increase in cycling accidents last year, the Police held a cycling safety press conference in collaboration with TD, the Auxiliary Medical Service ("AMS") and the Cycling Association of Hong Kong, China at the end of last year. In the press conference, the findings of a focus study conducted by the Police on cycling accidents involving fatalities and serious injuries in the first three quarters of last year, the data on cycling traffic accidents and the first aid services provided by AMS on cycle tracks were released to the public. Besides, the public were reminded not to overstretch themselves, and that they should take sufficient safety measures when riding bicycles and to maintain "attentive, patient, and law-abiding" attitude at all time. The Police will also step up law enforcement against cycling violations.

- (3) Under the cycle track network in the New Territories, the backbone section between Tsuen Wan and Tuen Mun is being implemented in stages. The section between Tsing Tsuen Bridge and Bayview Garden in Tsuen Wan will be completed in the middle of this year, providing an around two kilometre-long cycle track along the waterfront for public enjoyment. As for the section between Bayview Garden and Ting Kau, detailed design is underway and suitable design options to address the local views and site constraints are being formulated for further consultation with the public, tentatively by the end of this year.

As for the section between Tuen Mun and So Kwun Wat and the section between So Kwun Wat and Ting Kau, the former is now under detailed design, and the public consultation and statutory gazettal process is scheduled to proceed in this year. Upon completion of the statutory process, funding application from the

Legislative Council will follow to enable early commencement of construction works. The latter section has, however, encountered very challenging site constraints and strong local objections. The Civil Engineering and Development Department is endeavouring to explore feasible and cost effective alignment options, and to gain support from the relevant stakeholders.

Annex 1

Number of complaints about the ancillary facilities of cycle tracks in the New Territories in the past three years

<i>Type of complaint</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
Cycle track design/safety facilities	32	29	50
Design of pedestrian crossing points and cycle track/road junctions	11	17	17
Continuity of cycle tracks	4	2	6
Bicycle parking area	16	18	23
Others (including illegal parking of bicycles, bicycle direction signs, temporary traffic arrangements on cycle tracks, etc.)	28	23	17
Total	91	89	113

Annex 2

Number of traffic accidents and casualties involving bicycles in cycle tracks in the New Territories in the past three years

<i>Year</i>	<i>Number of accidents</i>	<i>Number of casualties</i>
2018	698	728
2019	666	687
2020*	1 144	1 189

Note:

* Provisional figures

Regulation and development of Chinese medicine

12. **MS ELIZABETH QUAT** (in Chinese): *President, regarding the regulation and development of Chinese medicine ("CM"), will the Government inform this Council:*

- (1) *as a study has pointed out that there are minimal differences in the requirements to be met and the documents to be submitted for the respective registration of new proprietary Chinese medicines ("pCms") in Hong Kong and on the Mainland, but due to the different registration systems for pCms in the two places, it takes about five years or more for Hong Kong-registered pCms to go through the Mainland's registration procedure afresh before they may be sold on the Mainland, and that the Government indicated last year that it would explore with the Mainland authorities matters on facilitating the use of Hong Kong-registered pCms on the Mainland, what progress has been made in the exploration;*
- (2) *whether, in the long term, it will consider afresh exploring with the Mainland authorities the setting up of a mutual recognition system for pCm registration between the two places; if so, of the details and timetable; if not, whether it will consider taking the first step of jointly setting a common standard for registration of new pCms in the Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area");*
- (3) *as the Mainland authorities announced in September last year that designated healthcare institutions operating in the nine Mainland cities of the Greater Bay Area would be allowed to use Hong Kong-registered drugs with urgent need clinically, subject to approval by the Guangdong provincial authorities, whether the Government will discuss with the Mainland authorities (i) the inclusion of Hong Kong-registered pCms in the relevant directory of drugs, and (ii) the designation as designated healthcare institutions of all high-quality hospitals in the Greater Bay Area, as well as those clinics of Hong Kong's Chinese medicine practitioners ("CMPs") practicing in the Greater Bay Area and clinics run by*

funds from Hong Kong; if so, of the details and timetable; if not, the reasons for that;

- (4) whether it will discuss with the authorities of Guangdong and Macao the collaboration in (i) establishing a clinical trial network for CM in the Greater Bay Area, (ii) drawing up a set of internationally recognized standards for clinical trials on CM, and (iii) establishing an international CM clinical research centre in the Greater Bay Area, so as to promote the research and development of CM in the Greater Bay Area; if so, of the details and timetable; if not, the reasons for that;*
- (5) given that single CM granules supplied to CMPs for dispensing a prescription to replace any regular herbal medicines are exempted from registration, but in recent years some single CM granules have been tested and found by overseas authorities to contain toxic substances, and there have been cases in Hong Kong in which such medicines were found to have an aerobic count exceeding the prescribed limit and a wholesaler suspected of having made false claims on the production standard, whether the Government will consider amending the legislation to stipulate that (i) all single CM granules must be registered, or (ii) only those single CM granules produced by those manufacturers which conform to the specified production standards may be exempted from registration; and*
- (6) whether the Government will discuss with the competent authorities of CM in the Greater Bay Area and other Mainland cities (i) the collaboration in developing a mechanism for CM teleconsultation and treatment, as well as making complementary arrangements in aspects such as electronic medical records and modes for diagnoses and treatments, and (ii) the joint development of diagnostic and treatment plans or expert consensus in integrated Chinese and Western medicines that have greater efficacy, as well as the clinical collaboration modes (including the modes of inspection of patients, consultation and case conferences to be jointly undertaken by Chinese and Western medicine practitioners)?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, in consultation with the Hospital Authority ("HA"), I provide a consolidated reply to the various parts of the question raised by Ms Elizabeth QUAT as follows:

(1) to (3)

At present, the Mainland and Hong Kong have in place different registration regimes for the regulation of Chinese Medicine ("CM") products. Applicants are required to submit applications for registration of proprietary CMs ("pCms") pursuant to the respective registration requirements in the Mainland and Hong Kong, before such pCms can be sold in that particular place. With the support of the Central Government, the National Medical Products Administration promulgated the Work Plan for Regulatory Innovation and Development of Pharmaceutical and Medical Device in the Guangdong-Hong Kong-Macao Greater Bay Area ("Work Plan") in November 2020, under which traditional pCm products for external use registered in Hong Kong will be allowed to be registered and sold in the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") through a streamlined approval process. The Government is proactively following up with the Guangdong Medical Products Administration to implement the relevant arrangement, with a view to enhancing the business exchanges in respect of pCms with the Mainland and fostering the development of pCms in Hong Kong, thereby creating favourable conditions for CM drugs to "go global".

Furthermore, according to the Work Plan, designated healthcare institutions operating in the nine Mainland cities of GBA may use Hong Kong-registered drugs with urgent clinical use, subject to the approval of Guangdong Province. The Government will implement the measure at the University of Hong Kong-Shenzhen Hospital on a trial basis. Preparatory work has been kick-started with the relevant Mainland authorities, which includes establishment of a collaborative platform and commencement of discussions with the relevant authorities to draw up the directory of drugs to be used in designated healthcare institutions in GBA in accordance with the

Work Plan, with the implementation details to be discussed. The Government will review the implementation in a timely manner to consider if the policy should be extended to cover CM drugs.

(4) and (6)

In response to the Construction Plan for the Chinese Medicine Highlands in the Guangdong-Hong Kong-Macao Greater Bay Area (2020-2025) promulgated by the National Administration of Traditional Chinese Medicine in November 2020, the Government, through the Chinese Medicine Development Fund, will further encourage local academies, research institutions and the CM trade to cooperate with their counterparts in GBA to carry out more research on the basic theories, clinical aspects and standards development of CM.

The Government is planning the development of the first Chinese medicine hospital ("CMH") in Hong Kong. The types of clinical services to be provided include pure CM services, services with CM playing the predominant role and integrated Chinese-Western medicine ("ICWM") services. ICWM services will be provided as regards specific patient types or diseases where CM and western medicine ("WM") would be integrated (with CM playing the predominant role) into the care protocols based on the respective strengths of both treatment types to achieve the desired patient outcome.

CMH will be equipped with teleconsultation facilities for joint consultations with local, Mainland or overseas partnering institutions and experts, and a Clinical Trial and Research Centre for Phases I and II clinical trials. This will help promote training and research development of the local CM and CM drugs (including pCms) sector, and foster multilateral collaboration. CMH will collaborate with local universities (including the three universities with Schools of CM) as well as local, Mainland or overseas institutions to promote and conduct evidence-based clinical scientific research (CM and ICWM), in-depth studies on CM theories, and research on the clinical application of pCms.

Furthermore, HA was commissioned by the Government to launch the ICWM Pilot Programme ("the Programme") in September 2014 to develop clinical protocols for three selected disease areas, namely stroke care, musculoskeletal pain management and cancer palliative care, with a view to gathering experiences in the operation of ICWM and CM inpatient services. Currently, ICWM inpatient services and CM outpatient follow-up services for inpatients of the above disease areas in seven hospitals of HA are provided to make use of the advantages of ICWM to provide appropriate medical treatment for local patients. Given that the Programme is still in its pilot stage, HA will continue to explore the development of ICWM services and examine the feasibility of expanding the Programme in a timely manner in response to and in line with the Government's planning and operational model of CMH.

- (5) "Single CM granules for prescription" are made from condensed extracts of single CM decoction pieces. "Single CM granules for prescription" sold by wholesalers of Chinese herbal medicines ("Chms") are regulated and monitored under the existing regime. "Single CM granules for prescription", when only supplied to CM practitioners for dispensing a prescription to replace common CM decoction pieces, fall into the category of Chms specified in Schedules 1 or 2 to the Chinese Medicine Ordinance ("CMO"), and are subject to the licensing regime for CM traders under CMO.

At present, the Chinese Medicines Board ("CMB") of the Chinese Medicine Council of Hong Kong ("CMCHK") and the Department of Health ("DH") have in place a stringent regulatory regime for the issue and renewal of licences as well as inspections in regard to four types of CM drug traders (namely retailers of Chms, wholesalers of Chms, wholesalers of pCms and manufacturers of pCms). The scope of inspection includes environmental hygiene of the premises, contamination risks, labelling and storage conditions of the CM drugs, transaction documents and records as well as test reports. CMB has also compiled practising guidelines for the trade stipulating requirements (such as safety standards) to be observed by Chm wholesalers in the sale of "single CM granules for

prescription".⁽¹⁾ If there is any violation of CMO or the practising guidelines, DH will initiate criminal prosecution or refer the case to CMB of CMCHK for disciplinary inquiries.

DH has also in place a market surveillance system to ensure the safety of CM drug products, including all registered pCms and the Chms listed in Schedules 1 and 2. Apart from conducting investigations and tests proactively, DH also takes samples of Chms and pCms (including CM granules) from wholesalers and retailers for testing.

(1) The following should be observed:

- Ensure that the "single CM granules for prescription" being sold complies with the three safety requirements prescribed for registration of pCms (i.e. limits of heavy metals or toxic elements, pesticides residue limits and microbial limits);
- Supply "single CM granules for prescription" only to CM practitioners, licensed retailers or wholesalers of Chms. If the "single CM granules for prescription" contain any Schedule 1 medicine, the said granules should be supplied only to registered CM practitioners, licensed retailers or wholesalers of Chms in respect of Schedule 1 medicines;
- Ensure that the label on the container or package of "single CM granules for prescription" includes the following particulars:
 - (i) name of the "single CM granules for prescription";
 - (ii) weight equivalence i.e. the amount of original processed herbal medicine that is equivalent to 1 g of the granules;
 - (iii) a statement containing the following Chinese text: "只供中醫處方配發使用";
 - (iv) packing specification of the "single CM granules for prescription";
 - (v) normal dosage or maximum dosage of the "single CM granules for prescription";
 - (vi) name of the manufacturer or distributor of the "single CM granules for prescription"; and
 - (vii) expiry date of the "single CM granules for prescription"; and
- Ensure that the relevant particulars in respect of every transaction whereby a "single CM granules for prescription" containing Schedule 1 medicine, is acquired, received, sold or distributed are recorded.

Treatment of food waste

13. **MR CHAN CHUN-YING** (in Chinese): *President, the quantity of food waste discarded by Hong Kong people each day exceeds 3 600 tonnes, accounting for some 30% of the total municipal solid waste volume. The Government has implemented the Pilot Scheme on Food Waste Collection ("the Pilot Scheme") since July 2018, with a view to devising the arrangements for the collection of food waste from the establishments in the commercial and industrial ("C&I") and the public sectors, as well as the delivery of such food waste to the Organic Resources Recovery Centre ("ORRC") at Siu Ho Wan, so as to tie in with the commissioning of the first phase of ORRC in the same month. Although ORRC has a food waste treatment capacity of 200 tonnes each day, the quantity of food waste collected each day on average through the Pilot Scheme in 2019 only amounted to about 100 tonnes, representing just half of the design treatment capacity of ORRC. In this connection, will the Government inform this Council:*

- (1) *whether it has conducted a review on the effectiveness of the Pilot Scheme in the collection of food waste; if so, of the details; if not, the reasons for that;*
- (2) *whether the Environmental Protection Department ("EPD") has assessed if the proportion of C&I establishments participating in the Pilot Scheme is on the low side; if EPD has assessed and the outcome is in the affirmative, whether EPD will introduce measures to raise the participation rate; if so, of the details; if not, the reasons for that; and*
- (3) *given that the second phase of the Pilot Scheme was rolled out at the end of last year, under which domestic food waste will also be progressively collected in addition to the collection of food waste from establishments in the C&I and the public sectors, and EPD will invite the participation of more stakeholders, including all private and public housing estates with experience in source separation of food waste, whether EPD has provided incentives to encourage the participation of more private and public housing estates; if so, of the details; if not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT (in Chinese): President, my reply to the various parts of the question raised by Mr CHAN Chun-ying is as follows:

(1) to (2)

The Chief Executive announced in her 2018 Policy Agenda that a pilot scheme would be introduced to examine the feasibility of implementing government-run food waste collection services in the long run.

The Environmental Protection Department ("EPD") has launched the first phase of the Pilot Scheme on Food Waste Collection ("the Pilot Scheme") since July 2018, focusing on food waste generated from the commercial and industrial ("C&I") and public sectors with a view to drawing up the major operation and logistics arrangements for the collection and delivery of food waste to the first phase ("O · PARK1") of the Organic Resources Recovery Centre which commenced operation in the same month. To date, the Pilot Scheme covers over 70 public venues, including venues under the Hospital Authority, the Hong Kong Housing Authority, the Agriculture, Fisheries and Conservation Department and the Food and Environmental Hygiene Department ("FEHD"). Since April 2019, EPD has also provided free food waste collection services for some primary and secondary schools through school lunch suppliers. In addition, about 120 establishments voluntarily collect, source-separate and deliver their food waste to O · PARK1 for recycling on a daily basis.

Local economic activities are significantly affected amid the COVID-19 pandemic, leading to a drop in the overall quantity of food waste generated in Hong Kong. However, under the Pilot Scheme, O · PARK1 still manages to receive around 90 to 100 tonnes of food waste each day, and the quantity rises to nearly 110 tonnes recently.

While taking forward the Pilot Scheme, we have been collecting the views of participants. Most of them give positive and active feedbacks and are willing to continue with their support. Some have suggested that food waste collection services of a larger scale will help encourage more establishments to practise food waste

separation and recycling. Experience gained from the Pilot Scheme also indicates that side-loader tanker trucks are preferred to traditional tail-lift vehicles for food waste collection as more food waste can be collected with a higher efficiency in its collection and delivery. Moreover, time schedules on food waste collection services have to be adjusted to meet the operational needs of different C&I establishments; and

- (3) With tender invitation started at the end of last year, we are going to roll out the second phase of the Pilot Scheme on a larger scale progressively this year to cover more areas. We will also extend the scope of collection to domestic food waste gradually. Some 150 more venues have expressed interest in joining the second phase, including catering facilities of community service organizations, shopping centres and wet markets in public housing estates, canteens in government and tertiary institution premises, more public markets and cooked food venues managed by FEHD and hospitals. Furthermore, we will invite all public and private housing estates with experience in source separation of food waste to participate in the second phase. To date, 21 housing estates have expressed interest in joining and we welcome more to join. We will also continue to solicit support from the C&I sector.

Learning from the experience of the first phase, we will use side-loader tanker trucks as far as practicable and choose the appropriate time for collecting food waste in a more flexible manner to cope with the specific constraints of individual venues. To enhance collection efficiency, we will also closely liaise with parties such as food waste generators and property management companies ("PMCs") to devise food waste collection arrangements that best suit service users' and residents' needs.

To invite participation from more public and private housing estates, the Recycling Fund ("the Fund") of EPD has launched solicitation theme for projects related to food waste to encourage the recycling sector to initiate business on food waste collection and delivery to food waste treatment facilities, as well as to adopt new technologies and equipment to enhance the efficiency in collecting and treating food waste. It also subsidizes projects in using smart recycling bins at housing estates, with a view to further enhancing the effectiveness

of food waste recycling. In 2020, two major private housing estates in the Tai Po and Eastern Districts and two villages in the Tai Po District were subsidized by the Fund to purchase a number of green facilities, including smart recycling bins to assist in the source separation of food waste and other recyclables.

EPD will assist PMCs of housing estates in publicizing the free Pilot Scheme to their residents and recruiting participants; providing guidelines to educate their residents on the proper separation of domestic food waste and sending them relevant information; and identifying suitable food waste collection methods as well as planning the collection procedures and arrangements.

Supply of public housing

14. **MR WILSON OR** (in Chinese): *President, the Hong Kong Housing Authority ("HA") publishes the updated public housing construction programme ("PHCP") on an annual basis, setting out the volumes of public housing production for the relevant financial year and the ensuing four years. Regarding the supply of public housing, will the Government inform this Council:*

- (1) *since a comparison of the PHCP published in 2020 with the one published in the preceding year shows that the estimated years of completion of the 11 public housing projects listed in Table 1 have been deferred for one year, (i) of the problems resulting in the need to defer the estimated years of completion of such projects, (ii) whether the problems have been solved, and (iii) (if they have not been solved) of the estimated time when the problems can be solved (set out in Table 1);*

Table 1

<i>Project</i>	<i>(i)</i>	<i>(ii)</i>	<i>(iii)</i>
<i>Northwest Kowloon Reclamation Site 6 Phase 1</i>			
<i>Pak Tin Phase 7</i>			
<i>Pak Tin Phase 8</i>			
<i>Diamond Hill Phase 1</i>			
<i>Northwest Kowloon Reclamation Site 1 (East)</i>			
<i>Pak Tin Phase 10</i>			
<i>Diamond Hill Phase 2</i>			

<i>Project</i>	<i>(i)</i>	<i>(ii)</i>	<i>(iii)</i>
<i>Fat Tseung Street West</i>			
<i>Tseung Kwan O Area 65C2 Phase 1</i>			
<i>Queen's Hill Phase 3</i>			
<i>Hang Fu Street, Tuen Mun Area 16</i>			

- (2) *given that the public housing projects estimated to be completed in the financial year of 2023-2024, as set out in the PHCP published in 2019, included the two projects listed in Table 2, of (i) the reasons for such projects no longer being included in the PHCP published in 2020, and (ii) the years of completion of such projects according to the latest estimate (set out in Table 2);*

Table 2

<i>Project</i>	<i>(i)</i>	<i>(ii)</i>
<i>San Kwai Street</i>		
<i>Tai Wo Hau Road Phase 2</i>		

- (3) *as the Secretary for Transport and Housing ("STH") indicated in a blog article he published on 10 October 2020 that HA had planned to put up about 4 700 units for sale under the Green Form Subsidised Home Ownership Scheme in the coming months, of the public housing projects from which those units are drawn and the expected dates on which those units will be open for applications;*
- (4) *given that STH indicated in the aforesaid blog article that an average number of about 26 000 public rental housing ("PRH") units (including about 14 000 new units and about 12 000 recovered units) had been allocated to PRH applicants in each of the past five years, but he indicated in his reply to a question raised by a Member of this Council on 13 May 2020 that the number of PRH units recovered by HA in each of the past five financial years which could be used for re-allocation ranged from 7 744 to 9 972, of the reasons for the inconsistency in such figures; and*
- (5) *of the specific measures in place to (i) shorten the procedure that need to be gone through for sites that are "not spade-ready" to become "spade-ready" and (ii) minimize the uncertainty of the outcome of such procedure, so as to ensure that public housing projects can be completed as scheduled?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, having consulted the Development Bureau ("DEVB"), my reply to the question raised by Mr Wilson OR is as follows:

- (1) Among the 11 public housing development projects under the Hong Kong Housing Authority ("HA") as mentioned in the question, five projects (Northwest Kowloon Reclamation Site 6 Phase 1, Pak Tin Phase 7, Pak Tin Phase 8, Fat Tseung Street West and Tseung Kwan O Area 65C2 Phase 1) can be completed in 2020-2021. HA will continue to monitor the progress of the remaining six projects with a view to completing them as soon as possible. Details of the above mentioned projects are set out in Annex.

Construction works may be affected by various factors, such as inclement weather, progress of works and unforeseeable site constraints, etc. which cause delays. The Coronavirus Disease 2019 ("COVID-19") pandemic had also caused impact on the delivery of construction materials and labour supply in 2020 which affected the work progress of certain projects. Although the situation has resumed normal, HA will continue to monitor closely the situation of COVID-19 and liaise closely with the contractors to prioritize work procedures taking into account actual circumstance so as to minimize project delays as far as practicable.

- (2) Both San Kwai Street and Tai Wo Hau Road public housing development projects are covered in the draft Kwai Chung Outline Zoning Plan ("OZP"), which are subject to judicial reviews. As the relevant legal procedures have not yet completed, OZP cannot be submitted to the Chief Executive-in-Council for approval. As a result, the Government cannot grant the land concerned to HA for development. According to HA's estimate, these two projects would be completed in 2025-2026 or beyond. Therefore, they have not been included in the five-year housing construction programme published in 2020. HA will continue to monitor the progress of these projects with a view to completing them as soon as possible.
- (3) According to the Chief Executive's 2020 Policy Address, around 4 700 flats under the Green Form Subsidised Home Ownership Scheme ("GSH") will be put up for sale in phases. The Strategic

Planning Committee of HA approved at its meeting on 11 January this year the conversion of the public rental housing ("PRH") development at Diamond Hill Comprehensive Development Area Phase 2 at Wong Tai Sin to a GSH project, providing 2 112 flats. Subject to smooth progress of the preparatory work, HA expects to launch the sale of flats of the project in around May this year. Sale of the remaining flats is subject to the sale response of the above mentioned project.

- (4) HA recovers PRH units for re-allocation based on different reasons, including voluntary surrender of units by tenants, tenants having purchased subsidized sale flats, tenants moving out in compliance with the requirements of HA as they breach the tenancy agreements, death of tenants and transfer of tenants to other PRH units, etc. In the past five years, an average of 12 000 units were recovered each year. As for Question 8 of the Legislative Council on 13 May 2020, we provided the number of recovered PRH units for re-allocation excluded units recovered due to transfer as per the question requested.
- (5) At present, a number of development processes are involved in transforming a piece of "primitive land" into a "spade-ready site" for building of flats and to the completion of public housing units. These processes include planning and feasibility studies, rezoning, engineering and architectural designs, funding applications, land resumption and clearance, reprovisioning of affected facilities, site formation, as well as infrastructural works and building of flats, etc. In order to expedite the land development process, DEVB will expand the composition and remit of the Steering Group on Streamlining Development Control established in 2018 to include vetting departments other than those under DEVB, with a view to reviewing more comprehensively the approval processes of development projects, and rationalizing the development-related requirements imposed by different bureaux, such as reviewing whether the technical assessment requirements are clear and suitable. The purpose is to compress development programme and expedite the implementation of public housing projects.

Progress of 11 Public Housing Development Projects under HA

<i>Project</i>	<i>Reasons resulting in the need to defer the estimated year of project completion</i>	<i>Whether the problems have been solved</i>	<i>Estimated time in solving the problems (if not yet solved)</i>
Northwest Kowloon Reclamation Site 6 Phase 1	Affected by COVID-19 pandemic, the fire services inspection and drainage connection technical audit were delayed.	The issues have been resolved.	The projects were completed in 2020-2021.
Fat Tseung Street West			
Tseung Kwan O Area 65C2 Phase 1			
Pak Tin Phase 7	Affected by COVID-19 pandemic and work progress of the contractors.		The projects are anticipated to be completed in 2020-2021.
Pak Tin Phase 8			
Queen's Hill Phase 3	The COVID-19 pandemic caused impact to the delivery of construction materials and labour in 2020 which affected the work progress of the projects.	The supply situation of construction materials and labour has resumed normal but HA will continue to monitor the situation of COVID-19 and liaise closely with the contractors to prioritize work procedures according to actual circumstance so as to minimize project delays as far as practicable.	The projects are anticipated to be completed in 2021-2022.
Diamond Hill Phase 1			
Diamond Hill Phase 2			The projects are anticipated to be completed in 2023-2024.
Pak Tin Phase 10			
Hang Fu Street, Tuen Mun Area 16	Additional land decontamination works is required.	To expedite the work progress, the land decontamination works have been included in the contract period of the foundation works which was commenced in 2020.	The project is anticipated to be completed in 2024-2025.

<i>Project</i>	<i>Reasons resulting in the need to defer the estimated year of project completion</i>	<i>Whether the problems have been solved</i>	<i>Estimated time in solving the problems (if not yet solved)</i>
Northwest Kowloon Reclamation Site 1 (East)	Foundation works has been delayed.	The project team of the Housing Department and the contractor are proactively exploring the solutions.	The project is anticipated to be completed in 2024-2025.

Hiring of taxis and other vehicles by the Government

15. **MR FRANKIE YICK** (in Chinese): *President, under the Use of Hourly-hired Taxis for Duty Journeys Scheme ("the Scheme"), government officers of various government departments may hire taxis on an hourly basis as a means of transport when they undertake duty journeys, provided that there are operational needs and it is cost effective to do so. Furthermore, the Government hires other types of commercial vehicles to meet operational needs. In this connection, will the Government inform this Council:*

- (1) *of the total number of hirings of taxis under the Scheme and the total expenditure so incurred by various government departments in each of the past five years, as well as the average expenditure and duration per hiring;*
- (2) *how the expenditure incurred in the provision of transport services under the Scheme in the past five years compares with the expenditure that would have been incurred had such services been provided by means of maintaining a government fleet;*
- (3) *whether the Government has reviewed and improved the Scheme since its introduction in 2003; if so, of the details; if not, the reasons for that; given that the Scheme is more cost-effective than maintaining a government fleet, whether the Government will encourage government officers to make more use of the Scheme; and*
- (4) *of the total number of hirings of other commercial vehicles and the total expenditure so incurred, by the Government for government officers' duty journeys in each of the past five years, together with a breakdown by type of vehicles?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Chinese): President, the "Use of Hourly-hired Taxis for Duty Journeys Scheme" ("the Scheme") was launched by the Government in 2003 to enable government officers to make use of hourly-hired taxis for duty journeys having regard to operational needs and cost effectiveness. My reply to the various parts of the question raised by Mr Frankie YICK is as follows:

- (1) The total number of hirings and total expenditure incurred by various government departments under the Scheme in the past five years from 2016 to 2020 are set out in Annex 1.
- (2) The Government implemented the Scheme mainly with the aim of providing government departments with an alternative mode of transport to meet their additional, short-term or ad hoc needs for transport service. Hence, it is not appropriate to compare the Scheme with the use of government fleet, through which regular transport services are provided, in terms of the expenditure involved and cost effectiveness.
- (3) Since the launch of the Scheme in 2003, various government departments have made use of hourly-hired taxis to meet their operational needs, which shows that the Scheme has achieved its intended purpose. Furthermore, the Government Logistics Department ("GLD") has from time to time kept government departments informed of the arrangements of the Scheme and reviewed relevant operational procedures with a view to facilitating departments in using the Scheme. According to GLD's guidelines, departments are required to choose the appropriate mode of transport, including public transport, government vehicles, hired vehicles and hourly-hired taxis, taking into account operational needs and cost effectiveness.
- (4) Regarding the hiring of saloon cars, buses and goods vehicles, the total number of hirings and total expenditure incurred by the Government each year in the past five years from 2016 to 2020 are set out in Annex 2.

Annex 1

Record of hiring of hourly-hired taxis by bureaux/departments from 2016 to 2020

Serial No.	Bureau/department	2016			2017			2018			2019			2020			Total			Average number of hours in each hiring	Average expenditure of each hiring (\$)
		Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)		
1	Buildings Department	899	2 374	427,410	807	2 157	388,260	843	2 252	422,790	914	2 342	515,020	903	2 434	560,651	4 366	11 559	2,314,131	3	530
2	Planning Department	213	888	139,075	210	952	142,890	186	844	133,410	232	927	179,290	144	506	98,460	985	4 117	693,125	4	704
3	Food and Environmental Hygiene Department	165	397	69,220	125	282	49,830	179	402	73,590	267	617	134,510	125	260	59,620	861	1 958	386,770	2	449
4	Home Affairs Department	114	1 166	197,460	30	86	12,760	81	533	91,470	198	1 660	346,360	36	116	20,880	459	3 561	668,930	8	1,457
5	Transport Department	11	30	5,400	2	7	1,260	4	11	1,890	1	2	440	-	-	-	18	50	8,990	3	499
6	Labour Department	100	450	79,040	38	165	27,800	48	209	36,200	62	214	41,460	6	23	5,060	254	1 061	189,560	4	746
7	Environmental Protection Department	-	-	-	9	27	4,860	14	48	8,900	23	91	19,910	12	49	10,670	58	215	44,340	4	764

Serial No.	Bureau/department	2016			2017			2018			2019			2020			Total			Average number of hours in each hiring	Average expenditure of each hiring (\$)
		Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)	Number of hirings	Number of hiring hours	Expenditure (\$)		
8	Development Bureau	-	-	-	1	3	540	4	8	1,600	6	14	3,080	-	-	-	11	25	5,220	2	475
9	Registration and Electoral Office	9	39	7,020	7	22	3,960	5	20	3,600	-	-	-	1	5	990	22	86	15,570	4	708
10	Lands Department	-	-	-	-	-	-	-	-	-	-	-	-	10	44	7,560	10	44	7,560	4	756
11	Social Welfare Department	-	-	-	-	-	-	1	3	540	-	-	-	-	-	-	1	3	540	3	540
12	Government Flying Service	-	-	-	-	-	-	1	2	360	-	-	-	-	-	-	1	2	360	2	360
Total		1 511	5 344	924,625	1 229	3 701	632,160	1 366	4 332	774,350	1 703	5 867	1,240,070	1 237	3 437	763,891	7 046	22 681	4,335,096		

Annex 2

Record of hiring of commercial vehicles by bureaux/departments
from 2016 to 2020

Type of vehicle	2016		2017		2018		2019		2020		Total	
	Number of hirings	Expenditure (\$)	Number of hirings	Expenditure (\$)	Number of hirings	Expenditure (\$)	Number of hirings	Expenditure (\$)	Number of hirings	Expenditure (\$)	Number of hirings	Expenditure (\$)
Saloon Car	439	973,944	415	885,859	760	1,463,846	728	1,367,870	343	1,147,122	2,685	5,838,641
Bus	26 736	43,465,057	28 254	42,540,709	29 184	47,112,167	27 034	50,238,137	46 367	84,035,243	157 575	267,391,313
Goods Vehicle	168 420	119,453,642	179 722	134,373,194	293 867	232,446,508	307 202	243,107,289	287 058	225,360,405	1 236 269	954,741,038

Conservation of waterworks installations of historic value

16. **MR VINCENT CHENG** (in Chinese): *President, earlier on, some members of the public protested against the demolition of a disused underground cistern at Bishop Hill in Sham Shui Po by the Water Supplies Department ("WSD"), causing wide public concern about this century-old cistern which is structurally intact and featured with Romanesque style architecture, and WSD has now halted the demolition works. Regarding conservation of waterworks installations of historic value, will the Government inform this Council:*

- (1) *given that four stone pillars and part of the upper structure of the cistern have been demolished, whether the authorities have examined the years of existence and origins of such demolished materials; if so, of the details, and whether the same or similar materials can be found for restoration purposes;*
- (2) *whether the preliminary strengthening and tidying up works for the cistern have been completed; if not, when such works will be completed; whether not until the completion of such works will the authorities allow experts to enter the cistern to conduct inspection for assessing its historic value;*
- (3) *given that the Antiquities Advisory Board ("AAB") will give a grading to the cistern in March this year, of the timetable for studying the conservation options and conducting the restoration works;*
- (4) *how the authorities will conduct consultation on the conservation options for the cistern, including the parties to be consulted and the consultation timetable; what channels through which members of the public may express their views;*
- (5) *if the authorities will conduct a study on whether or not other structures at Bishop Hill which are of historic value have to be conserved; if they will, of the details; if not, the reasons for that;*
- (6) *as it has been reported that the authorities are conducting a study on the historic building and heritage value of four service reservoirs which were completed before World War II, whether the study has been completed; if so, of the outcome; whether any parts of the*

structures concerned have been demolished, thereby making it difficult for them to be restored; if so, of the details;

- (7) *as the Commissioner for Heritage has indicated that a review has been conducted on the incident in which the staff of the Antiquities and Monuments Office mistook in 2017 this century-old cistern as an ordinary water tank and hence did not take follow up action, of the review outcome, including whether the mistake was attributable to insufficient manpower of conservation experts; if so, of the remedial measures; what measures are in place to regain public confidence in the conservation work of the Government; and*
- (8) *whether the authorities will, by making reference to overseas practices (e.g. the Sydney authorities' conversion of a disused reservoir into Paddington Reservoir Gardens), restore the cistern into a park and undertake to expedite the restoration works, so as to make this public space available for use by members of the public as early as possible; if so, of the additional public facilities to be provided by the authorities in this public space?*

SECRETARY FOR DEVELOPMENT (in Chinese): President, my reply to the eight parts of Mr Vincent CHENG's question is as follows:

- (1) and (2)

The Water Supplies Department ("WSD") commenced the temporary strengthening and tidying up works for the waterworks installation at Bishop Hill at Sham Shui Po (hereinafter referred to as the "waterworks installation") on 5 January. The works include sorting and protection of structural elements taken down earlier to facilitate future rehabilitation. The works also comprise local support for the concrete roof slabs which may have potential to loosen, brick arches and other elements with potential danger. This is to ensure structural integrity of the installation and to enhance site safety. In addition, in order to prevent flooding, WSD will also install temporary drainage facilities. Furthermore, temporary cover on the opening of the roof slab will be provided to prevent the internal structures from exposure to sunlight and other weathering effects. The above temporary strengthening and tidying up works

are expected to complete in about three months. According to records, the waterworks installation was built in 1904. To facilitate future rehabilitation and conservation works, WSD will maintain close communication with the Antiquities and Monuments Office ("AMO") while carrying out the above temporary strengthening and tidying up works to ensure the works could maintain the original appearance of the concerned structure as well as allow a safe access to staff for carrying out inspection and future rehabilitation works.

(3) and (4)

AMO has also commenced an in-depth research on the heritage value of the waterworks installation, including carrying out the study of this item with reference to the six prevailing assessment criteria, namely historical interest, architectural merit, group value, social value and local interest, authenticity and rarity. To this end, AMO will conduct site inspections, photographic recording and an extensive sourcing and analysis of first-hand information, drawn from local and overseas archives as well as from WSD. It will also comprehensively review secondary sources such as the relevant researches, journal articles and publications. Upon completion of the in-depth research, AMO will submit the appraisal to the independent Historic Buildings Assessment Panel ("Assessment Panel") for examination and recommendation of a proposed grading for the waterworks installation against the aforesaid six assessment criteria. AMO is striving submit the appraisal and the Assessment Panel's proposed grading to the Antiquities Advisory Board ("AAB") for consideration and grading assessment in the first quarter of 2021. When AAB endorses the proposed grading of the waterworks installation, the relevant information and proposed grading of this item will be uploaded to the website of AAB for a one-month public consultation. AAB will take into account all information and views received during the public consultation before confirming the proposed grading. The Development Bureau will look into the options of conserving and revitalizing the waterworks installation, after WSD has completed the temporary strengthening works and the temporary tidying up works mentioned above, with a view to enabling the people of Hong Kong to enjoy this place.

- (5) Besides the above mentioned waterworks installation at Sham Shui Po, AMO is examining the conservation of structures with historic values at and in the vicinity of Bishop Hill.
- (6) AMO continues to collaborate with WSD on a study of underground waterworks installations. According to the currently available information, at least four existing underground installations were built before the War, such as Yau Ma Tei Service Reservoir, Albany Fresh Water Service Reservoir, Mount Gough Fresh Water Service Reservoir, Peak Fresh Water Service Reservoir.

According to the annual report of the Public Works Department in 1894, the construction of Yau Ma Tei Service Reservoir was already completed at that time. However, this service reservoir is believed to have been taken out of service before the War and WSD does not have relevant as-built drawings and related operation records. This service reservoir still exists but its condition has yet to be ascertained.

Albany Fresh Water Service Reservoir, Mount Gough Fresh Water Service Reservoir and Peak Fresh Water Service Reservoir are still in normal operation, supplying fresh water to the Mid-Levels Central areas. The basic information of these three service reservoirs is tabled as follows:

<i>Name of Service Reservoir</i>	<i>Plan Area (sq m)</i>	<i>Storage Capacity (cu m)</i>	<i>Year of Completion</i>
Albany Fresh Water Service Reservoir	3 496 (76m x 46m)	21 250	1888/1889
Mount Gough Fresh Water Service Reservoir	200 (25m x 8 m)	960	1903
Peak Fresh Water Service Reservoir	360 (24m x 15m)	1 800	1897

The study of the above mentioned four service reservoirs is in progress.

- (7) The Government understands the public concerns on the incident. The Permanent Secretary for Development (Works) is leading a working group to review the handing of the case by relevant departments, and to put forward improvement measures to avoid recurrence of similar incidents.
- (8) The Government is open in relation to the conservation options. Before the long-term conservation plan is determined, the Government will explore the feasibility of restricted opening for public to visit the place, provided it is safe to do so.

Services provided to young people and the working youth

17. **MR LUK CHUNG-HUNG** (in Chinese): *President, regarding the services provided to young people and the working youth, will the Government inform this Council:*

- (1) *of the number of non-governmental organizations which provided social services with young people and the working youth as targets in each of the past three years, and set out by name of organization (i) the type of organization to which they belonged, (ii) the amount of subsidy by public funding received each year (if applicable), (iii) the number of relevant employees, and (iv) the number of service recipients (with a breakdown by age group);*
- (2) *whether the Home Affairs Bureau, the Labour and Welfare Bureau and the Education Bureau commissioned in the past three years any organizations to implement new service projects with young people and the working youth as targets; if so, set out by name of project (i) the number of organizations, (ii) the name of organizations, (iii) the amount of subsidy by public funding received each year, and (iv) the number of service recipients each year (with a breakdown by age group); and*
- (3) *given that the disturbances arising from the opposition to the proposed legislative amendments and the epidemic have dealt a heavy blow to society and the economy, seriously affecting the development and upward mobility of young people and the working*

youth, whether the aforesaid bureaux have plans to launch targeted service projects to help them face up to adversity and equip themselves so as to better meet the challenges ahead?

SECRETARY FOR HOME AFFAIRS (in Chinese): President, having consulted the Labour and Welfare Bureau ("LWB") and the Education Bureau ("EDB"), our consolidated reply to the question raised by Mr LUK is as follows:

(1) and (2)

Over the past three financial years, 47 welfare organizations were subvented by the Social Welfare Department ("SWD") to provide youth services. The average annual amount of total subvention allocated to these organizations was about \$2,029 million, with around 425 900 children and young people aged 6 to 24 receiving such services. In addition, over the past three financial years, 31 welfare organizations were allocated funding from the Child Development Fund to operate projects, which last three years each, throughout the territory. More than 8 000 children and young people aged 10 to 19 have benefited from joining the projects, and the average annual funding provision was about \$47.3 million. SWD does not have information on the organizations' number of employees providing relevant services. For new services, SWD subvents five welfare organizations in operating five Cyber Youth Support Teams which were set up in December 2018. In 2019-2020, the amount of subvention allocated for the service was around \$23.9 million, and the number of children and young people aged 6 to 24 receiving the service was 7 977.

Similarly, during the past three financial years, the Labour Department ("LD") commissioned 26 organizations to provide case management and employment support services for young people. The average amount of service fee per year is about \$12.9 million. Some 13 500 young people aged 15 to 29 were served each year on average. LD does not have information on the organizations' number of employees providing relevant services.

Besides, the Home Affairs Bureau ("HAB") introduced the Funding Scheme for Youth Life Planning Activities ("FSYLPA") since 2014 to subsidize non-governmental organizations ("NGOs") in providing time-limited service projects on youth life planning. In the most recent funding cycle from 2019-2020 to 2021-2022 school years, a total of 24 non-profit-making NGOs have been granted subvention to roll out relevant services. A total amount of funding at around \$115 million has been allocated, and an estimated number of around 318 000 people (including secondary school students, fresh graduates and school leavers, teachers and parents) will receive the services. HAB does not keep statistics on the number of staff providing the relevant services employed by the NGOs concerned.

As regards EDB, the Bureau allocated \$350,000 in 2020-2021 financial year to commission a social service organization to launch a pilot scheme in 10 selected secondary schools which provides consultancy services on vocational and professional education and training ("VPET") for school teachers. The subject pilot scheme has been rolled out in the 2020-2021 school year. It is estimated that about 2 200 senior secondary school students from the participating schools will be benefited. There will be 12 staff in the organization concerned responsible for providing the services.

- (3) The social unrest, unstable epidemic situation and prolonged class suspension over the past year have affected the lives and learning patterns of young people. Some of them feel confused about their future. In view of these situations, we should care more about young people's well-being, enable them to enjoy more diversified development opportunities and assist them in equipping themselves, achieving upward mobility and realizing their aspirations.

SWD has been in communication with the subvented NGOs to meet the young people's welfare needs. Starting from September of the 2019-2020 school year, SWD has implemented the "two social workers for each secondary school" measure in more than 460 secondary schools throughout the territory, with supervisory manpower strengthened correspondingly. During suspension of face-to-face classes for schools due to the pandemic as required, school social workers continue to maintain close liaison with

students and school personnel. Apart from maintaining contacts with students through telephone calls and online means, school social workers also provide timely counselling to students through interviews or visits in case of need or in urgent situation. To enhance contact with young people who are in need of emotional support, SWD has introduced cross-district overnight outreach services operated by an NGO to provide online platform support and counselling services and clinical psychological services, etc. for needy students and young people. In addition, SWD provides clinical psychological services for the young people in need via NGOs, and has conducted training workshops for school social workers, teachers and principals to enhance their skills in handling students' emotion. SWD has also provided psycho-education through radio broadcasting so as to strength parent-child relationship, and has worked with social workers in enhancing parent-child communication. SWD has uploaded to its web page the 2020 Psycho-education information Hub for Combatting the Novel Coronavirus, and has published the Psycho-education Resource Package on Combatting the Novel Coronavirus, with a view to providing psychological support information for members of the public including young people. During the pandemic, subvented NGOs, through the provision of additional resources from SWD, have strengthened cyber outreach and counselling for providing appropriate services and making service referrals for young people in need.

In respect of schools, in accordance with the development of the social incidents and the epidemic, EDB has been keeping in close contact with schools and has issued letters and guidelines to schools from time to time, reminding them to keep a close eye on students' behaviour and strengthen the communication with parents. Schools have been requested to enhance guidance and discipline as well as support for students so as to help them release their negative emotions, strengthen their resilience and nurture their positive values and attitude. Professionals of different disciplines in a school (including guidance personnel, school social workers and school-based educational psychologists) will provide students with appropriate support. Through the whole-school discipline and guidance approach, related professionals collaborate with teachers to

provide remedial, preventive and developmental counselling programs for student as necessary. Besides, EDB has been holding more workshops, thematic seminars and training courses for schools, and has also organized activities in collaboration with related non-governmental organizations to promote a positive and caring culture. For example, "Caring School in Adversity" was set as the theme of the grand prizes of the Caring School Award Scheme in 2020. Over 430 kindergartens, primary, secondary and special schools participated in the Scheme. In addition, EDB has been continuously promoting different student guidance projects, such as the Understanding Adolescent Project and the Enhanced Smart Teen Project, for primary and secondary students respectively, aiming at enhancing their resilience in facing adversity and future challenges.

As for universities, not only has the pandemic affected universities' modes of teaching and learning, and student support services, it has also caused stress and anxiety among university students as they face disruption to their studies and job search. The University Grants Committee ("UGC") thus made a one-off special allocation of \$50 million in November 2020 to encourage innovation among universities in developing a more diverse range of student support services through various delivery means. The eight UGC-funded universities will make use of the funding to take forward 75 initiatives in the 2020-2021 and 2021-2022 academic years through expanding existing services and launching new ones that cover the areas of psychological counselling, mental well-being, career planning and development, and physical fitness and healthy lifestyle, thereby supporting students to tide over difficult times during the pandemic.

Besides, HAB together with the Youth Development Commission ("YDC") have launched various measures to sponsor NGOs in providing relevant services for young people. Although most of the exchange, internship and physical training activities could not be held due to the outbreak of COVID-19, we have allocated additional resources to NGOs funded under FSYLPA to enable them to make use of technology to organize activities that would enhance young people's well-being and stress management, as well as provide life planning support and training to students during the epidemic. The

enhancement measures have met with positive response from the NGOs concerned. A total of more than 620 e-learning activities have been organized so far. Moreover, we have further enhanced FSYLPA by introducing the Individual Study and Career Support Service for Secondary School Students and Leavers under the scheme. Under the support service, the 24 currently funded NGOs were provided with one-off additional funding for a period of one year to provide comprehensive, in-depth and sustainable counselling services particularly for young people who have yet to have a clear progression or employment path.

In addition to creating a decent environment for growing up in Hong Kong, the Government has also been actively promoting opportunities for career development and entrepreneurship for Hong Kong young people in Hong Kong as well as the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"). The Government launched the Greater Bay Area Youth Employment Scheme in January 2021 to encourage enterprises with business in both Hong Kong and the Mainland cities of GBA to employ local university graduates and station them to work in the Mainland cities of GBA. The scheme provides 2 000 places, around 700 of which are designated for innovation and technology posts. Hong Kong residents who are legally employable in Hong Kong and hold bachelor's degrees or above awarded by institutions in or outside Hong Kong from 2019 to 2021 may participate in the scheme. Participating enterprises have to employ the target graduates in Hong Kong according to Hong Kong laws, offer them a monthly salary of not less than HK\$18,000, and station them in the Mainland cities of GBA to work and receive on-the-job training. The Government will pay the enterprises a monthly allowance of HK\$10,000 for each qualified graduate employed for up to 18 months.

Besides, the Government has introduced, under the Youth Development Fund, the Funding Scheme for Youth Entrepreneurship in the Guangdong-Hong Kong-Macao Greater Bay Area and the Funding Scheme for Experiential Programmes at Innovation and Entrepreneurial Bases in the Guangdong-Hong Kong-Macao Greater Bay Area, with a view to encouraging Hong Kong young people to make optimal use of the innovative and entrepreneurial ("I&E") bases in GBA and helping them develop their businesses in both

Hong Kong and Mainland GBA cities. The Chief Executive has announced in her 2020 Policy Address that funding under the current-round of the Funding Scheme for Youth Entrepreneurship in GBA would be raised, so that funded NGOs would have more resources to support and strengthen youth start-ups. After increasing the funding amount, it is estimated that over \$100 million will be granted by the aforesaid funding scheme to over 10 NGOs to implement youth entrepreneurship projects, under which subsidies will be provided for more than 200 youth start-ups (involving over 800 young people) who intend to start or have already started their businesses in Hong Kong and/or Mainland GBA cities, while start-up support and incubation services will be rendered to about 4 000 young people. As for the Funding Scheme for Experiential Programmes at Innovation and Entrepreneurial Bases in GBA, it is estimated that about \$5 million will be granted to over 10 NGOs to organize short-term experiential programmes at I&E bases in Mainland GBA cities, benefiting nearly 700 young people.

Retrofitting contactless payment systems to public car parks

18. **MR JIMMY NG** (in Chinese): *President, currently, most public car parks adopt contact payment systems, causing inconvenience to motorists. When entering the car parks, motorists have to stop their vehicles and validate an Octopus card by tapping it on an Octopus processor, or get a parking ticket by pressing a button on a ticket issuing machine. When leaving the car parks, they have to stop their vehicles to tap the same Octopus card, or insert into a ticket slot a parking ticket with parking fee settled earlier at a shroff counter, or insert an unpaid parking ticket into a ticket slot and then make payment with an Octopus card. If the motorists have stopped their vehicles at a distance too far from the ticket issuing machines, the ticket slots or the Octopus processors, they have to get out of their vehicles. If the entrance/exit of a car park is located on an incline, their vehicles may roll back when starting up, which may easily cause traffic accidents. Regarding the retrofitting of contactless payment systems to public car parks, will the Government inform this Council:*

- (1) *whether it will include the retrofitting of contactless payment systems to public car parks operated by the public and private sectors as one of the Smart Mobility measures being implemented by the Government;*

- (2) *given that the Government has earmarked \$1 billion in the Budget of this financial year to set up the Smart Traffic Fund to promote research and application of vehicle-related innovation and technology, whether the Government will allocate funding from the Fund to subsidize operators of private-sector public car parks to retrofit contactless payment systems to their car parks; and*
- (3) *given that the Transport Department is preparing to retrofit to government tolled tunnels and Tsing Sha Control Area a free-flow tolling system, which uses radio frequency identification readers to detect the toll tags affixed on the windscreens of vehicles for automatic toll collection, whether the Government will incorporate public car parks into the said tolling system to bring convenience to motorists; if so, of the details; if not, the reasons for that?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, having consulted the Transport Department ("TD"), my consolidated reply to the various parts of Mr Jimmy NG's question is as follows:

TD released the Smart Mobility Roadmap for Hong Kong ("the Roadmap") in July 2019, proposing, among others, the implementation of the free-flow tolling system ("FFTS") at government tolled tunnels by phases. Under FFTS, motorists can pay tunnel tolls remotely without stopping at toll booths through the use of toll tags (previously known as "in-vehicle units") which adopt the Radio Frequency Identification technology. We plan to introduce a bill into the Legislative Council in March this year for providing legal backing for the implementation of FFTS. Should the bill be passed within the current legislative session, we target to issue toll tags to registered vehicle owners starting from the first half of 2022 so as to tie in with the phased implementation of FFTS at government tolled tunnels and Tsing Sha Control Area from end 2022 onwards.

The Roadmap also raises the possibility of gradual extension of application of toll tags to other areas, such as payment of car park fees remotely without stopping of vehicles. The Government's plan is to make use of toll tags to implement FFTS as a start. With the growing popularity of toll tags, we may then consider and explore in due course extending the application of toll tags to other areas related to road transport (such as payment of government car park fees).

In respect of public car parks operated by the private sector, we believe that individual operators will have their own commercial and operational considerations as to whether or not to install contactless payment systems.

With regard to the Smart Traffic Fund ("the Fund"), we plan to accept applications for the Fund starting from March this year. The Fund is set up to promote research and application of vehicle-related innovation and technology so as to enhance convenience of motorists, increase transport efficiency and improve driving safety. As such, projects involving research and application of contactless payment system stand a chance of getting funding support under the Fund, while those involving only procurement of relevant system do not fall within the scope of the Fund.

Anti-epidemic efforts targeted at foreign domestic helpers

19. **MR WONG KWOK-KIN** (in Chinese): *President, the Government is currently implementing anti-epidemic stipulations such as prohibiting group gatherings ("no-gathering order") and requiring the wearing of a face mask ("mask order") in public places. However, during weekends and holidays, there are still quite a number of foreign domestic helpers ("FDHs") gathering in public places, which increases the risk of the Coronavirus Disease 2019 ("COVID-19") spreading. In this connection, will the Government inform this Council:*

- (1) *of the cumulative number of cases, as at the 19th of this month, in which FDHs were confirmed to have contracted COVID-19;*
- (2) *of the respective up-to-date numbers of FDHs issued with fixed penalty notices ("FPNs") by the law enforcement agencies for violating the (i) no-gathering order and (ii) mask order, and set out in the table below by law enforcement agencies (a) the number of FPNs and (b) the type of locations where law enforcement took place (e.g. park and restaurant);*

<i>Law enforcement agency</i>	<i>(a)</i>		<i>(b)</i>	
	<i>(i)</i>	<i>(ii)</i>	<i>(i)</i>	<i>(ii)</i>
<i>Hong Kong Police Force</i>				
<i>Food and Environmental Hygiene Department</i>				
<i>Department of Health</i>				

<i>Law enforcement agency</i>	<i>(a)</i>		<i>(b)</i>	
	<i>(i)</i>	<i>(ii)</i>	<i>(i)</i>	<i>(ii)</i>
<i>Agriculture, Fisheries and Conservation Department</i>				
<i>Leisure and Cultural Services Department</i>				
<i>Home Affairs Department</i>				
<i>Housing Department</i>				
<i>Total:</i>			<i>Park: ...</i>	<i>Park: ...</i>

- (3) *whether it will consider prohibiting any person from setting up tents in public places during the epidemic, so as to discourage FDHs from gathering and sharing meals in public places during weekends and holidays, thereby reducing the risks of the epidemic spreading; if so, of the details; if not, the reasons for that;*
- (4) *as the Government provides a one-off free COVID-19 test to all FDHs in Hong Kong from the 18th of last month to the 31st of this month, of the number of eligible FDHs, the number of FDHs who have undergone the tests so far, and whether it has assessed the effectiveness of the initiative; whether it will provide free COVID-19 tests for FDHs on a regular basis and designate FDHs as a targeted group subject to regular compulsory testing; if so, of the details; if not, the reasons for that; and*
- (5) *of the new measures put in place by the Labour Department to provide FDHs and their employers with comprehensive anti-epidemic information and support, so as to prevent the occurrence of cluster outbreaks among FDHs?*

SECRETARY FOR LABOUR AND WELFARE (in Chinese): President, having consulted the relevant bureaux and departments, my consolidated response to the Member's question is set out below:

- (1) As of 17 January 2021, there were 265 confirmed COVID-19 cases involving foreign domestic helpers ("FDHs") who newly arrived in Hong Kong and 245 cases involving those who were already in Hong Kong.

- (2) As of 10 January 2021, the statistics on fixed penalty notices issued by relevant departments to FDHs for contravening the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G) and the Prevention and Control of Disease (Wearing of Mask) Regulation (Cap. 599I) are set out at Annex.
- (3) The implementation of stringent and decisive social distancing was an effective measure in successfully containing the third wave of the epidemic. The social distancing measures in place at the current stage are similar to the arrangements implemented in response to the peak of the third wave of the epidemic during July and August last year, and are even more stringent in terms of the extent of the measures. In order to implement anti-epidemic measures effectively, it is essential that members of the public strictly comply with the various relevant measures. In this connection, the Government gazetted on 4 December 2020 amendments to Cap. 599G and Cap. 599I. For persons in breach of the requirements on mask-wearing and prohibition of group gatherings in public places under the regulations, the amount for discharging liability for the offence by paying a fixed penalty has been increased from \$2,000 to \$5,000 with effect from 11 December 2020, in order to increase deterrence such that the public would strictly comply with the relevant requirements.

The Labour Department ("LD") has all along been conducting mobile broadcasts in Chinese, English and major FDH languages in popular gathering places of FDHs and distributing promotional leaflets to FDHs on Saturdays and Sundays to call upon them to comply with the regulations on mask-wearing and prohibition of group gatherings in public places. During holidays when there would be a relatively large number of FDHs gathering, LD would collaborate with the relevant departments such as the Food and Environmental Hygiene Department, the Hong Kong Police Force ("the Police") and the Leisure and Cultural Services Department ("LCSD") to conduct joint operations against behaviour in contravention of social distancing measures and take appropriate enforcement action.

Same as other anti-epidemic work related to public health, solely relying on implementing restrictions through legislation or increasing penalties would not be sufficient for suppressing the epidemic. The Government appeals to the general public to cooperate and be self-disciplined, and to temporarily hold off social activities and avoid gathering during the crucial anti-epidemic period.

The Government will continue to review the effectiveness of the relevant measures from time to time in view of the development of the pandemic and will make adjustments as appropriate.

When members of the public engage in leisure activities on the amenity lawns in the parks under LCSD's purview, on the premise that it would not affect the operation of the venue and cause danger or obstruction to other venue users, members of the public may, during the daytime opening hours, use some light appliances for shade which are smaller in size and do not need to be specially constructed. However, when members of the public make use of LCSD's parks, they must comply with the requirements under the aforementioned Cap. 599G and Cap. 599I. LCSD has also taken targeted special measures in its parks, including putting up relevant notices at venue entrances or in conspicuous places, stepping up cleansing work at the venues, as well as deploying more manpower to inspect and give advice, in order to remind users of the relevant requirements and that offenders will be prosecuted.

- (4) The Government will continue with the three-pronged strategy of compulsory testing on a mandatory basis, targeted testing on an obligatory basis and testing on a voluntary basis, and implement various testing measures to achieve the objective of "early identification, early isolation and early treatment", with a view to cutting the transmission chains as soon as possible.

For targeted testing on an obligatory basis, the Government continues to arrange testing for various targeted groups based on risk assessment. Regarding FDHs, the Government is providing a free

one-off testing service for FDHs in Hong Kong from 18 December 2020 to 31 January 2021. From 18 December 2020 to 10 January 2021, more than 25 000 FDHs received free testing at community testing centres, of which seven samples were found to be positive and had been referred to the Centre for Health Protection for confirmatory tests and follow-up.

LD arranged in August 2020 a free one-off COVID-19 testing service for all FDHs who were staying in boarding facilities of employment agencies ("EAs"). In response to confirmed infection cases of FDHs who had stayed in boarding facilities which were not operated by EAs, the Government had expanded the scope of the testing service to cover FDHs whose previous employment contracts have expired or have been terminated and who are waiting to join the new employers' family (this group of FDHs are most likely to be staying in boarding facilities while waiting to change employers). LD had already provided a total of three rounds of free testing service to such FDHs from August to December 2020. In total, more than 9 000 FDHs benefited from the aforementioned testing services. LD would continue to provide free testing service from January to February 2021 for FDHs waiting to join their new employers' family.

The testing figures above show that quite a number of FDHs have received testing voluntarily. Also, it is understood that some employers would arrange FDHs to receive testing at private organizations on their own.

LD has all along been encouraging FDHs who are staying in boarding facilities while waiting to change employers to actively participate in the free testing to safeguard their health and the health of others. LD has appealed for EAs' active assistance in arranging these FDHs to undergo testing and strongly advised employers to check that their new FDHs have a valid negative test result before joining the family.

As to the suggestion to mandate FDHs to receive testing regularly, the Government has to carefully consider the justifications for implementing targeted mandatory measures, including objective justifications such as the development of the pandemic, infection cases, risk management, effective use of resources, etc. and to undertake detailed analysis. The Government will closely monitor the situation and examine and implement effective anti-epidemic measures.

- (5) To reduce the risk of transmission of COVID-19 in the community, apart from conducting the mobile broadcasts mentioned in part (3) above, LD has, at the same time, repeatedly provided anti-epidemic information to FDHs and their employers through channels such as press releases, the FDH Portal, FDH groups, employer groups and the consulates-general of FDH-sending countries in Hong Kong; encouraged FDHs to stay home for rest on their rest day as far as possible and avoid gathering when going out to safeguard their personal health; and appealed to employers and FDHs to have candid discussions on rest day arrangements as well as recommending employers to arrange their FDHs to take rest days on a weekday instead of during the weekend as far as possible, so as to minimize the health risk of participating in social activities.

In addition, LD approached EA associations multiple times to remind the industry to avoid arranging FDHs to stay in a crowded environment and remind FDHs to comply with personal and environmental hygiene and social distancing guidelines issued by the Centre for Health Protection, including performing hand hygiene frequently, regularly cleaning and disinfecting frequently touched surfaces, maintaining an appropriate social distance with other people, etc. In addition, LD also reminded EAs not to arrange FDHs to gather in boarding facilities and to register the record of FDHs who are staying at or have visited the boarding facilities to facilitate tracing of possible infection cases.

Annex

Statistics on Fixed Penalty Notices Issued to FDHs for Contravening the
Prevention and Control of Disease (Prohibition on Group Gathering) Regulation
(Cap. 599G) and the Prevention and Control of Disease (Wearing of Mask)
Regulation (Cap. 599I)
(as of 10 January 2021)

<i>Government department</i>	<i>Number of fixed penalty notices issued to FDHs</i>		<i>Number of fixed penalty notices issued to FDHs (by location)</i>	
	<i>Contravention of Cap. 599G</i>	<i>Contravention of Cap. 599I</i>	<i>Contravention of Cap. 599G</i>	<i>Contravention of Cap. 599I</i>
Police	54	2	Parks/gardens: 17 Footbridges: 23 Pedestrian precincts: 9 Hiking trails: 5	Hiking trails: 2
LCSD	27	16	Parks/gardens: 16 Cultural venues: 11	Parks/gardens: 16
Total	81	18	Parks/gardens: 33 Footbridges: 23 Cultural venues: 11 Pedestrian precincts: 9 Hiking trails: 5	Parks/gardens: 16 Hiking trails: 2

Smart Government

20. **MR JEFFREY LAM** (in Chinese): *President, in 2017, the Government released the Smart City Blueprint for Hong Kong, which listed "Smart Government" as one of the major areas and proposed a number of measures to make use of innovative technology to enhance public services. However, in recent years, whenever the Government introduced new schemes (such as the Caring and Sharing Scheme in 2018 which disbursed \$4,000 to eligible persons and last year's Employment Support Scheme), it still took quite a long time to*

establish related computer systems beforehand, and applicants were often required to fill in information repeatedly. In addition, it is learnt that the transmission of information on anti-epidemic work does not go smoothly among various government departments and public organizations. Some information is still transmitted through non-digital means (such as fax), rendering information processing labour-intensive, time-consuming and error-prone. In this connection, will the Government inform this Council:

- (1) of the government department(s) and their staffing establishments responsible for coordinating the efforts of various policy bureaux and government departments in implementing electronic services, and the relevant service indicators;*
- (2) of the process and average time taken for implementing electronic services in respect of existing public services;*
- (3) given that last month the Government launched "iAM Smart", a one-stop personalized digital services platform to enable members of the public to use various online services after logging in, with a single digital identity, the iAM Smart mobile application on their personal mobile phones, of the respective numbers of public services which can be provided through iAM Smart (i) at present and (ii) in future; whether it will set a target for the percentage of public services to be provided online; and*
- (4) whether it has specific plans for extensive application of artificial intelligence in the coming three years to enhance the efficiency in the provision of public services; if so, of the details?*

SECRETARY FOR INNOVATION AND TECHNOLOGY (in Chinese):
President, after consulting relevant bureaux and departments ("B/Ds"), our reply to various parts of the question is as follows:

- (1) and (2)

In respect of promoting e-Government, the Office of the Government Chief Information Officer ("OGCIO") has provided support for establishing infrastructure and standards, developing

common e-Government services, cyber security, management and funding arrangement for information technology ("IT") projects, and management of central IT infrastructure and services, etc. As at 31 December 2020, OGCIO deployed 1 371 Analyst/Programmer grade staff to various B/Ds to provide IT-related services. B/Ds formulate their e-Government services implementation plans, including targets and timetable, having regard to the nature and requirements of their operations and public services. At present, the implementation time of e-Government services among various B/Ds is 18 months on average. Depending on the complexity and urgency, the development, testing and rollout of individual systems and related services (such as the services in response to the epidemic) can also be completed in a few weeks at the earliest. The Next Generation Government Cloud platform launched by OGCIO in September 2020 could facilitate B/Ds expediting the implementation of their e-Government services. The Government has also developed an information management system to retain and facilitate the future use of information collected under the Cash Payout Scheme.

- (3) The one-stop personalized digital services platform, "iAM Smart", was launched at the end of December 2020 to facilitate the public to log in and use government and commercial online services with a single digital identity, using their mobile phones. "iAM Smart" currently can access 27 commonly used online services provided by the Government and public utilities such as the two electricity and the gas companies. It is expected that by mid-2021, there will be more than 110 government online services accessible through "iAM Smart". The "iAM Smart" platform also provides an auto form-filling service, "e-ME", which allows members of the public to choose to store commonly used personal data in advance, thereby obviating the need for filling in the same data for different application forms. We will take further steps to promote B/Ds to adopt IT to streamline processes and provide more convenient services to the public.

Under the "Be the Smart Regulator" Programme coordinated by the Efficiency Office ("EffO"), about 190 licences now support electronic submission of applications. The "Be the Smart

Regulator" Programme targets to enable electronic submission of applications for all (about 400) licences by mid-2022, saving the need for the public to visit government offices in person. In addition, EffO has also launched the "Streamlining of Government Services" Programme since mid-2019. Relevant B/Ds will continue to reform about 900 government services that involve applications and approvals, and about 450 of which have already supported electronic submission of applications. Under these two Programmes, B/Ds will adopt "iAM Smart" for suitable licence applications and government services to further enhance user experience.

- (4) Artificial intelligence ("AI") and big data are important technology areas underpinning smart city development. Their applications are conducive to delivery of quality and data-driven public services. OGCIO launched an AI chatbot ("Bonny") on the GovHK portal at the end of 2019 to facilitate the public to search more than 3 300 government forms and e-Government services. EffO also started piloting use of AI chatbot to handle 1823 public enquiries in December 2019. Through the "Pilot Partnership Programme for Cyber Security Information Sharing", OGCIO has, by using AI and big data technologies, categorized cyber security intelligence more promptly and accurately and disseminated the intelligence digest to different sectors since March 2020.

To promote application of big data more effectively in the Government, OGCIO launched a Big Data Analytics Platform in September 2020. The platform helps implement more AI and big data analytics projects through economy of scale and shared resources. Projects being implemented through this platform include:

- (i) OGCIO and the Transport Department are jointly developing a new "Traffic Data Analytics System" to analyse various traffic and transport data so as to more accurately assess traffic conditions, enhancing traffic management and improving efficiency;

- (ii) OGCIO is collaborating with the Architectural Services Department, the Electrical and Mechanical Services Department and the Food and Environmental Hygiene Department in analysing maintenance records and public complaints related to public toilets using big data analytics technology to strengthen public toilet management and maintenance measures;
- (iii) through analysing the usage and search history of GovHK portal, OGCIO can better understand user needs for enhancing the portal and user experience; and
- (iv) OGCIO analyses the questions collected by chatbot Bonny to better understand public needs in order to keep enhancing the GovHK services.

The data analytics team established under OGCIO will continue to provide data analytics advisory service to B/Ds, assist them in applying AI and big data analytics technologies (particularly in the areas of predictive maintenance and application assessment), and support them in implementing relevant projects.

Besides, through the Smart Government Innovation Lab set up in April 2019, OGCIO will continue to promote active participation by industry players to assist government departments in adopting IT, including AI and big data analytics, with a view to improving public services.

Relief proposals

21. **MR PAUL TSE** (in Chinese): *President, to cope with the wave of small and medium enterprises closing down and the surge in the number of unemployed persons, I have put forward for a number of times a total of nine relief proposals which have widely incorporated the views of the public, details of which are as follows: allowing members of the public to make early withdrawal of part of the accrued benefits from their Mandatory Provident Fund ("MPF") accounts ("accrued benefits"), allowing members of the public to use their accrued benefits for first-time home purchase, allowing members of the public to use their accrued*

benefits as collateral for taking out loans from banks, making contributions to MPF schemes by the Government on behalf of all employers and employees in Hong Kong for half a year, providing a universal full waiver or substantial reduction of salaries tax, paying government rent by the Government on behalf of all property owners for one year, providing a full one-year waiver of rates for self-occupied properties, granting flat owners who are unemployed exemption from paying the Special Stamp Duty when selling their properties, and handing out cash to members of the public again by making reference to the policy of the Macao Government. Nevertheless, the Government has rejected all of them. Some members of the public have criticized the Government for disregarding the plight of millions of members of the public from the middle and sandwich classes as well as the grassroots amid the epidemic, and they feel very indignant and disappointed. In this connection, will the Government inform this Council:

- (1) given that when taxpayers anticipate a decrease of more than 10% in their income for this financial year as compared with that of the previous financial year, they may apply to the Inland Revenue Department for the holding over of the payment of the whole or part of the provisional tax under the Inland Revenue Ordinance (Cap. 112), whether the Government will, by making reference to this practice, allow employers and employees of enterprises who have suffered substantial reduction of income to apply for the holding over of the payment of the whole or part of their MPF contributions for three or six months;*
- (2) whether it will consider allowing employers and employees to suspend making MPF contributions for six months, so as to respond to the demand of members of the public;*
- (3) whether it will reassess the feasibility of the aforesaid nine proposals put forward by me;*
- (4) as the Government has time and again turned down my proposals relating to MPF on grounds that such proposals will undermine the integrity of the MPF system, whether the Government has assessed if preserving the integrity of the MPF system (to which, as far as I know, the majority of Members of this Council object) immutably, and thus paying a lot of social costs for this, is tantamount to attending to trifles and neglecting essentials; and*

- (5) *as the Financial Secretary has earlier on called upon members of the public to express their views on the coming Budget, but the aforesaid nine proposals are, as far as I know, supported by most of the Members of this Council and quite a number of members of the public, and therefore are "people's aspirations", whether the Government will consider afresh such proposals; if not, whether it has assessed if the Government, by objecting to all my proposals without providing any compromise proposal, will give members of the public a perception that it is conducting "fake consultation", "determined to go its own way" and insisting on being "detached from reality", and will lose people's support?*

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

- (1), (2) and (4)

Under the Mandatory Provident Fund ("MPF") schemes, mandatory contributions are linked to the income of a scheme member. Generally speaking, the amount of contribution is calculated on the basis of monthly income, in which 5% will be deducted directly from the monthly income as employee's contributions, whereas the employers would make another 5% contribution for their part. If the relevant income of an employee drops, the amount of mandatory contribution payable by the employer and employee will be reduced correspondingly. Except for certain exempt persons as prescribed in the Mandatory Provident Fund Schemes Ordinance (Cap. 485) (e.g. employees or self-employed persons reaching retirement age, or whose relevant income is lower than the statutory minimum relevant income level), there are currently no provisions in the legislation providing for the suspension or deferral of part or all of the mandatory contributions. Such proposals would involve legislative amendments to exempt the obligations of employers and employees to make MPF contributions.

As explained by the Government at various meetings of the Legislative Council, the proposals relating to early withdrawal of MPF accrued benefits, exempting or suspending mandatory

contributions, using MPF as collateral for taking out loans, etc. will inevitably undermine the integrity of the MPF System as a long-term and steady retirement saving scheme for accumulation of benefits and value growth. The Government understands the good intention behind these proposals, but pursuing these proposals will not only reduce the retirement protection of employees, but also provide limited support and cannot address the fundamental plight of the economy and unemployment currently facing employees and employers. After analysing and weighing carefully the relevant proposals and their long-term implications, the Government considers it not appropriate to implement those proposals at this stage.

(3) and (5)

The Government has been fighting the epidemic together with the people, and listened carefully to different opinions from all sectors of society on the relief measures, etc. so as to ease the immense pressure on the people, industries and businesses through targeted, timely and effective support measures. Since early 2020, the Government has rolled out relief measures of unprecedented scale involving a total of more than \$300 billion, including the Anti-epidemic Fund which received its fourth injection as supported by the Finance Committee of the Legislative Council in December last year. Regarding Members' suggestions on the relief measures, the Government has on various occasions made detailed responses and explained the practicability, implications, policy considerations, etc. of the different proposals.

The consultation exercise for the 2021-2022 Budget commenced early last month. The Government will continue to listen and examine carefully the views from the public, and will strike a balance between different sectors' interests in addressing the imminent needs of the people while ensuring the stability of Hong Kong's public finance and financial system, as well as making preparations for the post-epidemic economic development.

Creation of time-limited jobs

22. **MR HOLDEN CHOW** (in Chinese): *President, with the economy of Hong Kong having been hard hit by social movements and the Coronavirus Disease 2019 epidemic, a wave of layoffs has emerged in recent months. With a view to mitigating the unemployment situation, the Government has earmarked \$6 billion to create a total of around 30 000 time-limited jobs in both the public and private sectors within two years. In this connection, will the Government inform this Council:*

- (1) *of the number of time-limited jobs that have been created so far, with a breakdown by industry; the number of applicants for such jobs, and the number of appointees who have reported duty;*
- (2) *whether it will consider organizing short-term training courses related to such jobs (e.g. courses related to landscaping and anti-epidemic work) through various channels, so as to assist the unemployed grassroots in applying for these jobs; and*
- (3) *whether the various government departments and (according to its understanding) the various public and private organizations will create more time-limited jobs in addition to such jobs?*

SECRETARY FOR THE CIVIL SERVICE (in Chinese): *President, to relieve the unemployment situation as a result of the epidemic and the anti-epidemic measures, the Government has earmarked funding under the Anti-epidemic Fund to create around 30 000 time-limited jobs in the public and private sectors within two years for people of different skill sets and academic qualifications. Under the Job Creation Scheme, in addition to bearing the salary of the jobs created in various government departments, the Government subsidizes part of the cost of the jobs created in the non-government sector. The Civil Service Bureau ("CSB") is responsible for coordinating with bureaux and departments the implementation of the Job Creation Scheme.*

Regarding the question raised by Mr Holden CHOW, having consulted the Labour and Welfare Bureau, our reply to respective parts is as follows:

- (1) As at end December 2020, around 31 000 jobs have already been created under the Job Creation Scheme. About half of the jobs are created in the Government while the other half are in the non-governmental sector. The detailed breakdown by job type is attached at Annex. Among these jobs, around 14 000 jobs have been filled while the recruitment of the remaining 17 000 jobs has already commenced or will commence shortly. CSB does not keep statistical record on the number of applicants for the jobs under the Job Creation Scheme.
- (2) Apart from the training services provided by the Employees Retraining Board and Vocational Training Council having regard to the needs of the employment market, bureaux and departments also provide industry-specific training or funding schemes for employees in specific industries to upgrade their job skills through various ways.

The Job Creation Scheme include various jobs that are suitable for people of different skill sets and academic qualifications. Some of them have added training elements. For example, CSB, in collaboration with the Hong Kong Jockey Club, implements a training-cum-job placement subsidy scheme for the first-time job seekers. Besides, the Government launched the Matching Grant Scheme for Skills Upgrading under the Anti-epidemic Fund on 15 July 2020. It provides training funds on a matching basis to eligible applicants, which are suitable organizations identified by Policy Bureaux, for organizing training programmes for employees in various sectors, in particular those hard-hit by the epidemic, so that they will be better equipped with enhanced skills to prepare for the economic turnaround. So far, a total of 37 applications, involving total matching grant of about \$15.4 million, have been approved. The approved training programmes will be launched gradually.

- (3) The Job Creation Scheme is one of the measures implemented by the Government to support employment and relieve the unemployment situation. We will continue to closely review the implementation progress of the Scheme, and will create more sector-specific job opportunities for those who are interested to work in the related industries.

Annex

Breakdown of jobs created

<i>Job Type</i>	<i>Number of jobs</i>
(A) Jobs in the Government	
Technical staff and non-skilled workers	5 200
Cleansing and supporting staff	2 800
Workers for carrying out anti-mosquito measures	680
Staff providing administrative, executive and clerical support	2 000
Staff for carrying out COVID-19 related duties	1 500
Venue helpers and horticultural helpers	1 100
Professional positions	700
Staff involved in environmental protection-related duties	500
Legal consultants and practitioners	250
Information technology staff	170
Others (such as transport services, customer services and research staff)	1 050
(B) Jobs in the Non-governmental Sector	
Jobs created in individual public bodies or organizations	3 600
Civil Service Bureau's and Hong Kong Association of Property Management Companies' Subsidy Scheme	3 000
Development Bureau's Subsidy Scheme for Enterprises to Employ Fresh Graduates and Assistant Professionals	2 200
Labour Department's and Hong Kong Chinese Enterprises Association's Subsidy Scheme to employ university graduates	2 000
Financial Industry Recruitment Scheme for Tomorrow	1 500
FinTech Anti-epidemic Scheme for Talent Development	1 000
Social Welfare Department's Subsidy Scheme for elderly and rehabilitation service units	1 000
Environment Bureau's Subsidy Scheme for Enterprises to Employ Fresh Graduates of Environmental-related Disciplines	550
Hong Kong Jockey Club's and Civil Service Bureau's Training-cum-Job Placement Scheme for First-time Job Seekers	500
Transport and Housing Bureau's Subsidy Scheme for the Logistics Industry	100
Total (A+B)	around 31 000

MEMBER'S MOTION

PRESIDENT (in Cantonese): Debate on motion with no legislative effect.

Motion of Thanks. Ms Starry LEE will move this motion.

I have accepted the recommendation of the House Committee on dividing the motion debate into two sessions. Each Member may only speak once in each session and is subject to a total speaking time limit of no more than 30 minutes for the two sessions. However, the speaking time of up to 15 minutes for moving the motion by Ms Starry LEE as the motion mover will not be counted towards that 30 minutes.

In each debate session, I will first call upon those Members who wish to speak to speak. After Members have spoken, if necessary, I will suspend the meeting for 10 minutes for public officers to prepare their responses. Only public officers may speak when the Council resumes.

If public officers consider the suspension of meeting not necessary, I will invite them to respond right after Members have spoken. Then, the debate session will come to a close.

After the two debate sessions have ended, Ms Starry LEE may reply. Finally, Members will vote on the motion.

The debate on this motion will last for three days. Today's debate will be suspended at about 7:00 pm. The debate for tomorrow will start at 9:00 am and be suspended at about 7:00 pm. The debate for the day after tomorrow will also start at 9:00 am. I will adjourn the Council after the conclusion of the motion.

I now call upon Ms Starry LEE to speak and move the motion.

MOTION OF THANKS

MS STARRY LEE (in Cantonese): President, in my capacity as Chairman of the House Committee, I move the motion "That this Council thanks the Chief Executive for her address". First of all, I would like to point out that the motion

itself does not take any direction, but is moved in accordance with the Rules of Procedure of the Legislative Council and the traditional practice, so that Members may debate the policy addresses of the Chief Executive.

Hong Kong has gone through the social turmoil and multiple waves of Coronavirus Disease 2019 outbreak ("the epidemic") in the past year or so, coupled with the continuous spread of the fourth wave of the epidemic and the repeated failure to achieve "zero infection", our economy has been hit hard and various trades and industries as well as the livelihood of Hong Kong people have been badly affected. The Hong Kong Government has all along emphasized that a "suppress and lift" strategy should be adopted in fighting the epidemic, but members of the public are generally disappointed with the Government's failure to demonstrate its utmost determination and capability in its fight against the epidemic and to set a timetable for achieving the target of "zero infection". People had high hope that the Chief Executive would demonstrate determination in the Policy Address to fight the virus on all fronts and promote economic recovery, and they also wished that the Legislative Council would urge the Government to do more practical work.

The Chief Executive has stated in the latest Policy Address that the Central Government will fully support whatever measure that is conducive to maintaining the long-term prosperity and stability of Hong Kong, and promoting greater integration of Hong Kong into the overall development of the country. It has also put forward a number of support measures in this respect, including initiatives to promote the development of the Guangdong-Hong Kong-Macao Greater Bay Area and enhance Hong Kong's status as an international financial centre. The Policy Address comes with over 200 new policy initiatives, covering such areas as fighting against the epidemic, innovation and technology, financial services, cross-boundary infrastructure and youth development. In the face of the sluggish economy of Hong Kong, as well as land and housing supply in the territory, a number of policy directions and concrete measures have also been proposed. However, when it comes to improving people's livelihood, I think the Government should implement more targeted relief measures.

The relationship between the executive and the legislature is an important subject which the Chairman of the House Committee will definitely raise when moving the Motion of Thanks every year. I am very glad to learn that as stated by the Chief Executive in the Policy Address, she has decided to withdraw all the

staff establishment proposals awaiting scrutiny and review them individually, thereby addressing the concern raised by Members of the Legislative Council. The Chief Executive has also indicated her wish to resume the practice of attending Chief Executive's Question Time on a monthly basis to answer Members' questions in a "short question, short answer" format. This is a gesture made by the Government to show its respect for the legislature and public opinion, as well as a concrete move to foster benign interaction between the executive and the legislature. Apart from facilitating the work of the legislature, a harmonious executive-legislature relationship can help to enhance the governance efficiency of the Government and promote economic and livelihood development. It is also my hope that Secretaries of Departments and Directors of Bureaux can strive to enhance the Government's accountability by communicating with Members from different political parties and groups when formulating various policies (especially when such policies are being contemplated), making good use of the remaining time of the current term of the Legislative Council to address the pressing needs of the public, implementing relevant policies to tackle economic and livelihood problems in an earnest manner, and attending more Legislative Council meetings and other committee meetings of the Legislative Council.

I and the Deputy Chairman of the House Committee continue to play a bridging role in the current legislative year and strive to promote the executive-legislature relationship. As always, I and the Deputy Chairman have conveyed Members' concerns expressed at meetings of the House Committee to the Chief Secretary for Administration. For example, Members were recently concerned about the failure on the part of some public officers to give clear and definite answers and their giving of repetitive answers to questions raised at Legislative Council meetings. Moreover, Members have also expressed concerns about the Government's delay in submitting papers to some Panels. I and the Deputy Chairman have already relayed Members' views truthfully, and I believe that the Chief Secretary for Administration has fully understood their concerns and will urge the relevant bureaux to respond accordingly.

President, scrutiny of bills is an important task of the Legislative Council. According to the legislative programme presented by the Administration to the Legislative Council in October last year for the current session, the Legislative Council will need to scrutinize 20 bills, including the Immigration (Amendment) Bill 2020 and the Securities and Futures and Companies Legislation

(Amendment) Bill. Furthermore, the Chief Executive has announced in the Policy Address that the Government would introduce a bill to amend the Oaths and Declarations Ordinance and the Legislative Council Ordinance in order to enhance the oath-taking arrangements and to deal with those who have engaged in conduct that breaches the oath after swearing-in as well as the legal consequences and the relevant statutory procedures involved. In her letter addressed to Legislative Council Members yesterday, the Chief Executive also pointed out that the Administration was working vigorously on enhancing the electoral system and arrangements and the legislative amendments to the National Flag and National Emblem Ordinance. The Legislative Council will also continue with its scrutiny of the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Bill 2018 and the Smoking (Public Health) (Amendment) Bill 2019. Many of these bills are very important to the economic and social development of Hong Kong, and they also involve livelihood issues of public concern. I hope public officers will try their best to provide Members and stakeholders with detailed explanations, so that the legislative process of these bills will go smoothly.

Legislative Council Members have always strived to convey the views and demands voiced by people from all walks of life and monitor the governance of the Government. Hence, I expect that during the three-day debate sessions, Members will actively express their views on various new policy initiatives and anti-epidemic and relief measures. I hope the Chief Executive, all Directors of Bureaux and relevant public officers will listen carefully to Members' views, and proactively and practically respond to and follow up on these views.

The title of the latest Policy Address is "Striving Ahead with Renewed Perseverance" and the Chief Executive has also made it clear in the address that the primary objective of this Policy Address is to look at ways to get Hong Kong out of the impasse and to restore people's confidence as soon as possible. As the top and urgent priority for Hong Kong now is to prevent and fight the epidemic, I hope the Government will map out more stringent measures for preventing and fighting the epidemic, and set a target and timetable for achieving "zero infection". As for vaccination, early preparation, deployment, planning and announcement should be made to disseminate more information about the vaccination arrangements to the public. Moreover, we should also adopt the policy of "walking on two legs" and get well prepared for conducting universal testing again, so as to achieve "zero infection" for the resumption of cross-border

and cross-boundary travel and a restart of the economy as soon as possible, which will help to rekindle people's hope for the future. I also believe that fellow Members will continue to play their role, join hands with all Hong Kong people to work as one to fight the virus, and help Hong Kong out of the present predicament.

With these remarks, President, I beg to move.

Ms Starry LEE moved the following motion: (Translation)

"That this Council thanks the Chief Executive for her address."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Ms Starry LEE be passed.

PRESIDENT (in Cantonese): The Council now proceeds to the first debate session.

Members who wish to speak in this session please press the "Request to speak" button.

The debate themes in this session include: "Full Support of the Central Government"; "Upholding 'One Country, Two Systems'"; "Navigating through the Epidemic"; and "New Impetus to the Economy".

The policy areas covered in this session have been set out on this page for Members' easy reference.

MS YUNG HOI-YAN (in Cantonese): President, we can say that Hong Kong has experienced the most turbulent time in 2019 and 2020. Looking back at the past year or so, Hong Kong has been under the impact of "black-clad riots" and the threats posed by the "mutual destruction camp", which has gone so far as to join hands with foreign forces in advocating "Hong Kong independence" and international sanctions, and stirring up trouble wantonly. When Hong Kong was hit by the epidemic, the "mutual destruction camp" stuck to their tactics by recklessly smearing the research and development of vaccines, obstructing anti-epidemic efforts, which has plunged Hong Kong into chaos and pushed Hong Kong's unemployment rate and poverty rate up to record highs over the years.

Financial Secretary Paul CHAN has pointed out earlier that the epidemic in Hong Kong, now in its fourth wave, remained rather volatile, and this had put the local labour market under increasing pressure. The latest unemployment rate announced yesterday has risen to 6.6%, a new high in 16 years. Under the double blow of "black-clad riots" and the epidemic, Hong Kong was once thrown into turmoil but fortunately, the Central Government stepped in and took timely action last year to enact the Hong Kong National Security Law, thereby plugging loopholes in the protection of national security in Hong Kong, and enabling Hong Kong to stop violence, curb disorder and recover from turmoil. In the light of the turmoil created by the "mutual destruction camp" in Hong Kong, the Central Government acted decisively in accordance with the law to disqualify Members who had been anti-China and stirring up trouble in Hong Kong, and hence restored Hong Kong's constitutional order.

In the face of the epidemic, the Central Government has also offered us generous assistance through the deployment of Mainland support teams to Hong Kong, and has promised without hesitation to reserve a certain amount of vaccines for use by Hong Kong people. With the full support of the Central Government, we have finally restored social stability in the territory, otherwise the situation would have gone out of control with endless "black-clad riots" and continuous attempts to effect "mutual destruction". Hence, while expressing our thanks for the Policy Address this year, we actually should first extend our most sincere gratitude to the Central Government. No matter what difficulties and grave challenges Hong Kong is facing, the Central Government is always unswervingly committed to rendering its most solid and strong support, as evidenced by the many policy initiatives put forward in the Policy Address this year which require the support of the Central Government. This is something obvious to the majority of Hong Kong people, and we are all very grateful to the Central Government for its unfailing support.

President, my speech today will consist of several parts, in which I will comment on different policies set out in the Policy Address and offer my suggestions. I will talk about policies concerning the implementation of "one country, two systems", national security, oath-taking by public officers, the rule of law and electoral arrangements in the first part; while the second part is about the fight against the epidemic; and the third part covers such policy areas as economic development, international financial centre, aviation, innovation and technology, Belt and Road Initiative, Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"), legal services, etc.

With regard to the first part, let me start with the implementation of "one country, two systems". Many problems which appear after Hong Kong's return to the Motherland, including the deteriorating problem of social chaos caused by a series of "black-clad riots" and "mutual destruction" activities, as well as the ensuing national security problem, have something to do with our failure to fully and accurately understand the "one country, two systems" principle. In fact, President XI Jinping pointed out in 2017 that the implementation of "one country, two systems" entailed an evolving process. He also mentioned that Hong Kong had encountered some new circumstances and issues in the process, and that the continued successful implementation of "one country, two systems" in Hong Kong hinged on "four imperatives", namely, it was imperative to have a correct understanding of the relationship between "one country" and "two systems"; it was imperative to always act in accordance with the Constitution of the People's Republic of China and the Basic Law; it was imperative to always focus on development as the top priority; and it was imperative to always maintain a harmonious and stable social environment. ZHANG Xiaoming, Deputy Director of the Hong Kong and Macao Affairs Office of the State Council, pointed out further that it was a political rule under "one country, two systems" and now a statutory requirement to have Hong Kong governed by people who loved the country and Hong Kong, and weed out those who were anti-China and stirred up trouble in the territory.

In its White Paper on "The Practice of the 'One Country, Two Systems' Policy in the Hong Kong Special Administrative Region" published in 2014, the State Council has pointed out that the Hong Kong people who govern Hong Kong should above all be patriotic, and that there are lines and criteria to be observed in implementing "Hong Kong people governing Hong Kong", because the then Chinese leader DENG Xiaoping stressed in June 1984 that Hong Kong must be governed by patriots, i.e. the Hong Kong people with patriots as the mainstay.

The Chief Executive also mentioned in the Policy Address that the Chief Executive was responsible to both the Hong Kong Special Administrative Region ("HKSAR") and the Central People's Government, and that under this constitutional function of "dual responsibility", the Chief Executive was required to comprehensively, accurately and firmly implement the "one country, two systems" principle and uphold the Basic Law. However, the crazy behaviour of those from the "mutual destruction camp" in this legislature in recent years has not only instigated "black-clad riots", stirred up trouble in Hong Kong, affected

the politics and economy of Hong Kong and people's livelihood, they have also blatantly colluded with foreign forces in advocating "Hong Kong independence" and "self-determination", thus seriously threatening national security and integrity, and breaching their oath to uphold the Basic Law and bear allegiance to HKSAR of the People's Republic of China. These utterly unlawful and rule-breaking acts can be attributed to the failure on the part of Hong Kong to fully and accurately understand and implement the "one country, two systems" policy, as well as the loopholes in the existing oath-taking arrangements and electoral system.

As I have always supported and advocated, people must be patriots before they are allowed to govern Hong Kong, and this is a very important guiding and legal principle. However, it has been 23 years since Hong Kong's return to the Motherland, but there is still room for improvement in the practice of having Hong Kong governed by patriots, and this has ultimately led to such chaotic situations as "black-clad riots", "mutual destruction" and collusions with foreign forces. In this connection, we ourselves are also to blame.

Regarding the oath-taking arrangements, the Government's requirement for civil servants appointed to the civil service before 1 July to take an oath or sign a declaration to pledge allegiance is, in my opinion, the practical embodiment of the principle of governing Hong Kong in accordance with the law. It complies fully with the provisions under both the Basic Law and the Hong Kong National Security Law, while at the same time serves to create certain guiding and binding effects on public officers, because only on the foundation of Hong Kong being governed by patriots can we ensure the smooth and long-term successful practice of the "one country, two systems" policy on the right track. However, some public officers, including District Council members, are currently not required to take an oath, and this obviously is a loophole. As District Council members receive public money, are responsible for handling public affairs and should be held accountable to the people of Hong Kong, they are in fact public officers. Moreover, given that among members of the Election Committee for the selection of the Chief Executive, 117 are representing the District Council subsectors, the SAR Government should expeditiously plug the above mentioned loophole by requiring District Council members to take an oath.

As for the electoral system, according to the Policy Address, the Constitutional and Mainland Affairs Bureau will introduce proposed amendments to the relevant legislation in due course so as to enhance the electoral system and

arrangements. In my opinion, there are loopholes in the existing electoral system of Hong Kong, which must be rectified without delay, so that those who are anti-China and stir up trouble in the territory will never be allowed to exploit their status as public officers by using the Legislative Council or the District Council as a platform to effect "mutual destruction" and create trouble. I suggest that in order to ensure that all election candidates are patriots, specific revisions should be made to their eligibility requirements, and the oath-taking requirements for them should be codified. Should there be a breach of oath, the SAR Government should handle it seriously and expeditiously. It should refine and implement the disqualification mechanism in accordance with the law, so as to put into practice the principle of Hong Kong being governed by people who love the country and Hong Kong in a more comprehensive and faithful manner, weed out those who are anti-China and stir up trouble in the territory, ensure the smooth and long-term successful practice of the "one country, two systems" policy, and safeguard national security and integrity.

President, I would then like to talk about the fight against the epidemic, which is actually a matter of grave public concern. Our anti-epidemic work has been going on for more than one year but the epidemic situation remains volatile, with the number of daily confirmed cases reaching once again over 100 this week. Members of the public are very worried and query the effectiveness of the anti-epidemic measures adopted by the Government and themselves. It is mentioned in the Policy Address that with regard to our fight against the epidemic, the Central Government supported and requested the HKSAR Government to adopt all necessary measures to guard against the importation of cases and resurgence of domestic infections, but in the opinion of the general public, the Government's anti-epidemic measures always lack precision, which can only achieve the effect of treating the symptoms rather than the disease. As its measures are inadequate in strength and magnitude and fail to keep abreast of the developing situation, it has resulted in the repeated outbreaks of the epidemic, causing hardship to the people and dealing heavy blows to the economy.

I have repeatedly urged the SAR Government to draw lesson from the successful experiences of the country in preventing and fighting against the epidemic, and conduct universal testing and vaccination with firm belief and sound strategies. It should also stringently implement the social gathering restrictions, lockdown measures and the "LeaveHomeSafe" programme, with a view to achieving "zero infection" and ultimately resuming cross-border and cross-boundary travel as soon as possible. Moreover, with the same ultimate

goal of resuming cross-border and cross-boundary travel as early as possible, the Government should solicit support from the Central Government when necessary in order to get the epidemic under control. I hope the Government will follow good advice, and listen more to the views expressed by Members and the public. Despite our repeated calls for the implementation of universal testing, we have not been given a definite answer. The authorities have not only failed to offer a full explanation but also alleged that such a move was unscientific. However, judging from the successful example of the Mainland, I hope Hong Kong will expeditiously conduct universal testing and do a good job in promoting vaccination.

Finally, I would like to make some suggestions on economic development and the development of GBA. The Policy Address this year has devoted much coverage to the development of GBA, including deepening mutual access between the Mainland and Hong Kong financial markets, the Greater Bay Area Youth Employment Scheme, the implementation of co-location arrangements at the new Huanggang control point, etc. I personally am in full support of these measures as they will facilitate Hong Kong and Macao residents to study, work and live in the Mainland cities of GBA on the one hand, and will set for Hong Kong a clear positioning and development direction on the other. In my opinion, being the world's freest and most open economy, Hong Kong has a solid foundation for economic development because apart from the unique advantages under "one country, two systems", we can widely establish connection with other economies across the world. We should therefore actively participate in higher level interactions under the "dual circulation" strategy and play a key role in this respect. We should further strengthen our cooperation with the Mainland, especially in such areas as innovation and technology, financial development, legal and professional services.

President, as far as the principle of "one country, two systems" is concerned, the country must take precedence and form its foundation, and this is also applicable to the development concept outlined in the Policy Address. Its policy objectives should be based on integration into the overall national development on multiple fronts and implemented on a pilot basis, instead of focusing our vision solely and narrowly on the development of Hong Kong with a feeling of complacency. The Policy Address this year, apart from putting forward measures to enhance the implementation of "one country, two systems", also elaborates on the direction for development in GBA, which will guide Hong Kong to catch the high-speed train of national development and boost our

economy and improve people's livelihood through our integration into the overall national development. This is not only a right direction but also of utmost importance to people's livelihood.

In fact, we will definitely be able to maintain the long-term prosperity and stability of Hong Kong as long as we do a good job in complementing the National 14th Five-Year Plan, integrating into the overall national development, seizing the opportunities presented by the development of GBA, giving full play to our advantages under "one country, two systems" by becoming a participant in domestic circulation and a facilitator in international circulation, and maintaining our position as the world's leading financial centre and a base of innovation and technology.

President, with the full support of the Central Government and the unity of all people of Hong Kong, we can certainly step out of the shadow of uncertainty, rekindle our hope and take strides towards a better tomorrow. I so submit.

IR DR LO WAI-KWOK (in Cantonese): President, in the latest Policy Address delivered by the Chief Executive, over 200 new policy initiatives have been proposed in such areas as housing, land supply, innovation and technology, cooperation between Hong Kong and Shenzhen, mutual access between financial markets and youth development in the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA").

The proposed initiatives in the Policy Address concerning innovation and technology, financial services, aviation industry and youth development have highlighted the care and support of the Central Government for the plight-stricken Hong Kong Special Administrative Region ("HKSAR"), which will be a shot in the arm for the future development of Hong Kong. The Policy Address has adopted about 110 suggestions made by the Business and Professionals Alliance for Hong Kong ("BPA"), including launching the Greater Bay Area Youth Employment Scheme, abolishing the "harsh measure" of the Doubled Ad Valorem Stamp Duty on non-residential property transactions, taking forward the redevelopment plan of Tai Hang Sai Estate, extending the measures of providing public transport fare subsidy and MTR fare discount, expediting the implementation of the cross-boundary wealth management connect scheme, releasing the Smart City Blueprint for Hong Kong 2.0, etc. The Chief Executive has also emphasized that the Government will continue to invest in infrastructure

with an estimated annual expenditure of over \$100 billion on average in the next few years, and will launch more district-based livelihood projects which can create jobs.

BPA is of the view that this Policy Address is pragmatic in its conception with targeted measures. While priority-setting is important, policy implementation is equally important. I think we all understand very clearly that as long as the epidemic involving the Coronavirus Disease 2019 ("COVID-19") is not contained, and travel between Hong Kong and the Mainland as well as overseas countries is not resumed, there will not be a genuine restart of our economy and people's normal life. We cannot be fed on illusions. Given the volatile COVID-19 epidemic situation in Hong Kong, the SAR Government must fight the epidemic with precision, break all invisible transmission chains and achieve "zero infection" as early as possible. Only by doing so can the Government meet the aspirations of most Hong Kong people and bring genuine hope to the general public. I would therefore like to summarize the situation by pointing out that while fighting the epidemic is the first priority, efforts should also be devoted to revitalizing the economy and improving people's livelihood, thereby instilling hope for tomorrow.

President, since mid-2019, Hong Kong has been impacted by "black-clad riots", followed by the COVID-19 epidemic, coupled with the downturn in overseas markets, our economy has continued its downward movement in the face of both internal and external pressure. Being committed to upholding "one country, two systems", the Central Government has enacted the Hong Kong National Security Law, and this has indeed helped Hong Kong stop violence and curb disorder, thereby restoring social order by returning to the rule of law. However, when it comes to the fight against the COVID-19 epidemic, all trades and sectors have plunged into dire straits because of the continued volatility of the epidemic situation in Hong Kong. Although the Finance Committee has earlier approved urgently the fourth round of \$6.4 billion funding commitment under the Anti-epidemic Fund, the sum is merely a drop in the bucket, let alone the fact that the problem is not with scarcity but with uneven distribution in providing such assistance. The businesses of some trades and sectors have been the victims of collateral damage caused by the epidemic even though they are not directly affected by the tightened restrictions imposed on social gathering in the fourth wave of the epidemic. Some trade practitioners have been left with zero income for quite some time and are desperately in need of help.

I, together with my fellow colleagues from BPA, have submitted to Financial Secretary Paul CHAN the other day our proposals for the 2021-2022 Budget ("the Budget"), and we have adopted "fighting against the epidemic and relieving people's hardship" and "revitalizing our economy" as the main axes for our submission. These two main axes are like the two sides of a coin, because a failure in our efforts to fight the epidemic and relieve people's hardship is bound to be followed by another failure to revitalize the economy. As the keeper of the public coffers, the "God of Wealth" is facing tremendous difficulties because the SAR Government has launched four rounds of Anti-epidemic Fund and other relief measures over the past year, resulting in a dramatic decline in the fiscal reserves to only about HK\$800 billion. Since a certain amount of fiscal reserves must be put aside for meeting various challenges in the future, it is inevitable for the Government to be financially stretched to the limit.

However, as a responsible Government, it should not turn a blind eye to the plight of the people, but should adopt counter-cyclical measures in times of difficulties and make appropriate financial investments, thereby achieving the goals of revitalizing our economy and improving people's livelihood amid the epidemic. In order to address the problem of tight public finances, we consider it necessary for the SAR Government to come up with innovative ideas and identify as many new sources of revenues as possible, so as to cope with this extraordinary time. On the one hand, the authorities should take the lead in launching an anti-epidemic bond programme to raise fund for meeting expenses on various epidemic prevention and control measures, as well as other support measures for promoting post-epidemic recovery in various trades and sectors, thus helping Hong Kong to tide over the difficulties brought about by the epidemic as soon as possible. This will not only make good use of the money in the hands of members of the public but also provide them with a sound investment option.

On the other hand, in addition to the General Revenue Account, the SAR Government has set up eight Funds which constitute part of its fiscal reserves. Although the scope and use of these Funds, such as the Capital Investment Fund, Capital Works Reserve Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, etc., are subject to the statutory provisions which formed the basis for their establishment at the outset, to meet urgent needs, the Government could make special arrangements under special circumstances by allocating a portion of these Funds to cater to social needs in the current economic conditions, and replenish these Funds later when the economy recovers. If the SAR

Government can adopt such measures to relieve the immense pressure on public finance, it will have greater flexibility in stepping up its efforts to provide relief to the public and various trades and sectors with greater precision.

Relief proposals put forward by BPA include holding over provisional tax for the coming year; reducing profits tax, salaries tax and tax under personal assessment by 100%, subject to a higher ceiling of \$40,000; increasing allowances and reducing rates to genuinely alleviate the living burden of the public. Besides, BPA suggests that employers and employees should be allowed to suspend making MPF contributions for six months, so that there will be an increase in their cashflow. It is also our expectation that the Budget will put forward more measures to stimulate consumption and boost the economy.

President, regarding revitalizing the economy to inject new impetus into Hong Kong, the SAR Government should seriously review the global political and economic environment as well as development trend, make good use of the unique role of Hong Kong under "one country, two systems", rely on the support of GBA and the Belt and Road Initiative, actively participate in the domestic and international dual circulation as well as the National 14th Five-Year Plan, and open up greater opportunities for Hong Kong.

President, moving into the 21st century, the whole world has entered a new economic era driven by innovation and technology. In the face of the unprecedented challenges posed by the COVID-19 epidemic, we have to rely on technology in epidemic prevention and control, including promoting the research and development of vaccines, and this is the reason why the Central Government has strongly supported the cooperation between Hong Kong and Shenzhen in promoting development of innovation and technology in GBA. In this connection, the Policy Address has put forward many initiatives concerning innovation and technology, including launching a Global STEM Professorship Scheme at a cost of \$2 billion to attract research and development talents working overseas to come to Hong Kong. However, we should allocate additional resources in such areas as investment in research and development, industrialization of technologies and demand for technology talents, so as to vigorously attract more TechNet enterprises to come to Hong Kong and enhance our competitiveness, thereby developing an international innovation and technology hub in GBA.

As for the development of the Shenzhen/Hong Kong Innovation and Technology Co-operation Zone, the Government introduces the concept of "one zone, two parks" for synergistic development with Shenzhen. I consider that apart from expeditiously developing the Hong Kong-Shenzhen Innovation and Technology Park, the SAR Government should also make an early decision on the long-term planning of land for innovation and technological development, including formulating as early as possible the land use plan for the industrial estate near the Heung Yuen Wai Boundary Control Point.

Moreover, regarding the Innovation and Technology Fund, its Technology Voucher Programme should be enhanced by increasing the funding ceiling per enterprise to \$800,000, relaxing the maximum number of approved projects to 10, and raising the Government's funding ratio to 90%. There should be a marked increase in the proportion of Hong Kong businessmen who receive funding support for conducting research and development activities in the Mainland, and efforts should be made to promote cross-boundary cooperation in research and development between talents in Guangdong and Hong Kong. The Government should also allocate funding for the establishment of a college of innovation and technology, which will focus on the training for talents in the innovation and technology industries.

President, the SAR Government should, in a timely manner, appropriately respond to the keen demand for professional services brought about by the Belt and Road Initiative and the development in GBA, and make good use of the international experience and network of Hong Kong to draw up supporting policy measures for developing the territory into a regional centre for professional services. A pragmatic and feasible option is to proactively implement the Agreement Concerning Amendment to the Agreement on Trade in Services ("the Amendment Agreement") under the framework of the Mainland/Hong Kong Closer Economic Partnership Arrangement (i.e. CEPA), and promote its implementation in GBA on an early and pilot basis.

At the end of April 2018, Mr Tony TSE and I jointly wrote to the State Ministry of Housing and Urban-Rural Development, expressing the views of the relevant sectors in Hong Kong, and proposing that the restrictions on Hong Kong-funded construction and engineering enterprises participating in construction and development projects in the Mainland be further relaxed. The Ministry has positively replied to our views by agreeing to lift the restrictions gradually and implement the specific arrangements in accordance with the

procedures prescribed under the framework of CEPA. Deliberations have then been going on between the concerned departments of the two places, and I have attended the discussion held in Hong Kong between our Trade and Industry Department and the State Ministry of Commerce.

President, please excuse me, for coughing occasionally, as speaking with a mask on has made my throat uncomfortable. The Amendment Agreement was signed in November 2019 under the framework of CEPA to give Hong Kong enterprises and professional sectors more preferential treatment to tap into business opportunities in the Mainland market, and it came into effect on 1 June 2020. The Development Bureau subsequently drew up two lists of related companies in HKSAR, namely the list of architectural consultants and the list of engineering consultants, so that professionals registered with relevant registration boards in Hong Kong may directly provide services in GBA through a registration system.

Furthermore, approved contractors and professional civil engineering personnel of Hong Kong have been allowed to start business in Hengqin and Qianhai. In a further development, on 29 November last year, the Department of Housing and Urban-Rural Development of Guangdong Province promulgated new measures on the specific arrangements and details for construction engineering companies and personnel of Hong Kong to start businesses and practise in the Mainland cities of GBA. Trade practitioners of Hong Kong have attached great importance to and greatly welcome such measures. As I have proposed to the Chief Executive, the SAR Government should set up a dedicated fund on top of the existing ones to strengthen support for the engineering sector and other professional sectors in developing and starting businesses in GBA. In the meantime, the SAR Government has also cooperated with the relevant government departments and sectors in GBA to expedite the promotion of mutual recognition of professional qualifications between the two places, strive for the provision of the relevant policy and funding support to Hong Kong enterprises, and encourage enterprises of the two places to jointly tender for large-scale national and multinational projects under the Belt and Road Initiative, with a view to enabling various types of professionals and small and medium enterprises ("SMEs") in Hong Kong to obtain more experience and opportunities.

President, development of a smart city is another theme in the promotion of innovation and technology. In this connection, Hong Kong is lagging behind some Mainland cities like Hangzhou. In my opinion, the SAR Government

should set up a dedicated fund of \$5 billion on smart city, so as to expedite the implementation of the Smart City Blueprint for Hong Kong 2.0 released on the 10th of last month, improve network infrastructure and promote the widespread application of 5G network, tie in with the trend of big data, and meet the social needs arising from the rise of the work-from-home trend and the development of the stay-at-home economy. The Government should also draw reference from operational experiences acquired during epidemic outbreaks, and allocate additional resources to optimize the processing of engineering workflow. It should also vigorously promote paperless e-government services by rolling out pilot programmes in selected professional sectors like the engineering sector.

Meanwhile, it should plan and implement the development of new development zones with foresight by incorporating smart and green elements, making forward planning for various software and hardware infrastructure like communication systems, pipe networks, intelligent home systems, green building design, and using innovative technologies and big data to draw up proper planning for transportation, medical care, environmental protection and elderly services, thereby striving to create green and low-carbon smart communities all over Hong Kong. Moreover, the authorities should promote the interconnection and intercommunication of "iAM Smart", the one-stop personalized digital services platform in Hong Kong, with the corresponding personal information systems in GBA, so as to facilitate Hong Kong residents who live in the Mainland.

With regard to the support for SMEs, the Government should launch an enhanced version of the interest-free loan scheme for SMEs, increase the maximum amount of loan granted under the Special 100% Loan Guarantee to \$8 million, and extend the period of repayment deferment under the Pre-approved Principal Payment Holiday Scheme. In the meantime, the BUD Fund, which is a dedicated fund on branding, upgrading and domestic sales, should be enhanced and its funding ceiling should also be increased.

President, as I have stressed earlier, a failure in our efforts to fight the epidemic and relieve people's hardship is bound to be followed by another failure to revitalize the economy. As emphasized by the Chief Executive in her letter dated yesterday (i.e. 19 January) to Members of the Legislative Council, it remains the top priority of the SAR Government to make an all-out effort to fight against the epidemic. I consider it necessary for the SAR Government to prevent the importation of cases and the spreading of domestic infections with

greater commitment and determination. The Government should extend the coverage of mandatory testing in a decisive manner and solicit support and cooperation from members of the general public, so as to achieve the goal of "zero infection". Proper arrangements should also be made for conducting the vaccination programme.

BPA proposes the introduction of a mandatory "Hong Kong Health Code" with tracking function, and it should be made compulsory for people to produce a "Hong Kong Health Code" before they are allowed to enter certain public places like shopping malls and restaurants. Through mutual recognition of the "Hong Kong Health Code" and the health code issued in GBA, all inbound and outbound travellers can in the future be exempted from observing the 14-day compulsory quarantine requirements if they have already received vaccination, and this will facilitate the early and full resumption of cross-border and cross-boundary travel. Only by doing so can we genuinely take forward various relief initiatives proposed in the Policy Address, and revitalize the economy and improve people's livelihood as soon as possible.

With these remarks, President, I support the Motion of Thanks moved by Ms Starry LEE in her capacity as Chairman of the House Committee.

MS STARRY LEE (in Cantonese): President, the year 2020 was a difficult year for everyone. Following the controversies of the 2019 anti-extradition legislation in our society, the already hard-hit economy has taken a worse turn. Unfortunately, when order in society has not been recovered, the COVID-19 outbreak which started early last year, coupled with the conflicts between the two super powers—China and the USA, have dealt a further blow to Hong Kong's economy, resulting in a recession, with zero visitors and a stagnant consumer market. The hardest-hit sectors have virtually no business at all. The job security of wage earners is in jeopardy, with pay cuts, layoffs and employees having to take no-pay leaves becoming a new normal. The Government has spent \$300 billion on relief measures. Besides handing out cash, it has been striving to bail businesses out and safeguard jobs. After launching a host of measures, our fiscal reserves have dropped to \$800 billion. In spite of strenuous efforts by the Government to fight the pandemic, we have not yet achieved "zero infection". The unemployment rate has gone up to 6.6%, with 245 000 people being out of job. Members of the public generally hope that the forthcoming vaccination programmes can bring a ray of hope to Hong Kong's economy.

On the other hand, the wide repercussions in society, internal rifts and even the violent riots as a result of the proposed amendments to the anti-extradition legislation had destroyed the social stability in Hong Kong, it was inevitably for the Central Government to seriously consider rectifying the legal foundations and civic awareness in respect of safeguarding our national security, so as to prevent the opposition camp, Hong Kong independence elements and anti-China powers from taking the opportunity to undermine Hong Kong's rule of law, economy and livelihood of the people, and thereby victimizing the general public. In order to deal with the protection of national security in Hong Kong, the Standing Committee of the National People's Congress ("NPCSC") enacted the National Security Law, which subsequently took effect from the evening of 30 June. Since the implementation of the National Security Law, serious violent incidents have become things of the past. Hong Kong has generally restored stability. However, the deep-seated conflicts and problems exposed during the anti-extradition saga remain to be taken seriously, to be sorted out and to be resolved by the Government.

President, Hong Kong has suffered many blows in 2020, including social turmoil and the pandemic. In the face of various new normals, Hong Kong people are very eager to see the light at the end of the tunnel. Against this background, members of the public hope that through the Chief Executive's Policy Address they can see a determined Chief Executive and her team lead them to overcome the adversity. And at the same time, people also hope that in the face of certain imbalances and conflicts in our social system, they will think out of the box and launch social reform, so as to lead Hong Kong out of the current predicament and to bring chaos into order.

President, this Policy Address consisting of 167 paragraphs and more than 30 000 words has proposed more than 200 new measures. Overall speaking, the Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB") considers the Policy Address a comprehensive and detailed one. On the political front, the Chief Executive's arguments can help the public to correctly understand the relationship between the SAR and the Central Government in a positive manner. On the promotion of the economic development of Hong Kong, the Policy Address further advocates the integration of Hong Kong into the overall development of our country. Through the efforts of the SAR Government, Hong Kong has been striving for the Central Government's support in various policy areas. It is believed that after the pandemic has subsided, these measures can

help the recovery of the economy and the livelihood of the people, even though the improvement of the people's livelihood and the reform of policy implementation still need to be further strengthened.

President, it is worth noting that this time around, the Policy Address devoted a large portion to an account of the determination and confidence of the SAR Government to uphold "one country, two systems" and to strive ahead with perseverance, which was rarely seen in past policy addresses. First, the Policy Address quoted President XI Jinping's keynote address delivered at the meeting celebrating the 20th Anniversary of Hong Kong's Return to the Motherland and the Inaugural Ceremony of the Fifth-term Government of the SAR held on 1 July 2017, in which he mentioned that the continued successful implementation of "one country, two systems" in Hong Kong hinged on "four imperatives", namely, it was imperative to have a correct understanding of the relationship between "one country" and "two systems"; it was imperative to always act in accordance with the Constitution and the Basic Law; it was imperative to always focus on development as the top priority; and it was imperative to always maintain a harmonious and stable social environment. It was openly stated in the Policy Address that the SAR Government should stay true to its original aspiration, to improve the implementation of "one country, two systems", which was a steadfast and positive approach with solid constitutional authorities.

It was also emphasized in the Policy Address that NPCSC's decisions had the highest legal effect, NPCSC had the power to interpret the Basic Law and the power to supervise the implementation of the Basic Law. It was also explicitly stated that it was incumbent upon NPCSC to have a legitimate interest in putting these provisions in place for the sake of the constitutional order of the Hong Kong SAR, and that the core elements for the enhancement of the SAR Government's governance was to respect the constitutional status and the overall jurisdiction of the Central Government as well as to straighten out the positioning and relationship of "one country, two systems". In fact, many problems have cropped up in society since the reunification of Hong Kong to China, which are in essence related to the lack of a comprehensive and accurate understanding of the "one country, two systems" principle and its implementation. Some people even think that "one country, two systems" means that the Central Government is not allowed to do anything. They are of the view that any action taken by the Central Government towards Hong Kong means the death of the principle of "one country, two systems".

As a matter of fact, according to the Constitution and the Basic Law, the Central Government has the authority to directly exercise a host of powers relating to the governance of the Hong Kong SAR, and at the same time it confers the Hong Kong SAR with a "high degree of autonomy" under its supervision. For that reason, the Central Government has the overall jurisdiction over Hong Kong. The Central Government's overall jurisdiction and the SAR's "high degree of autonomy" are the two major elements under the "one country, two systems" framework, they are indispensable. We should not put one against the other, and we should not even misinterpret that the Central Government's overall jurisdiction is totally excluded, otherwise, the "one country, two systems" framework will have no room to exist and there is no way to talk about "high degree of autonomy".

President, without "one country, two systems", Hong Kong will not have long-term political stability. Once the "one country, two systems" is misinterpreted, the implementation of "one country, two systems" is bound to be distorted and deformed. All of these are the insufferable pains of Hong Kong. It has also been proven that the exercise of its overall jurisdiction by the Central Government can help Hong Kong to get away from its predicament and crisis, to get back to the right track and to ensure the accurate implementation of the "one country, two systems" principle. For that reason, the Central Government's overall jurisdiction and the SAR's "high degree of autonomy" are the most fundamental guarantee. Today, all sectors in society should seek to grasp and understand "one country, two systems", the relationship between the Central Government and SAR, the political ethics and constitutional order of the overall jurisdiction and "high degree of autonomy". The relevant chapters in the Policy Address are conducive to uniting all sectors and pooling all the efforts in putting Hong Kong's "one country, two systems" back on the right track, which deserve our recognition.

President, another focal point of the Policy Address is on the full support given by the Central Government to invigorate Hong Kong's economy, to improve the people's livelihood so that Hong Kong can start afresh. Members should remember that the policy address is publicized in October every year. But in view of this year's ongoing efforts to fight the pandemic, to promote the recuperation of the economy, to alleviate the hardship of the people and a host of other problems, the delivery of the Policy Address was delayed by one month. In the meantime, the Chief Executive had also travelled to Beijing to seek communication with ministries and commissions of the Central Government as

well as to meet up with the Shenzhen Municipal Government of the Guangdong Province. The Policy Address was publicized in November, and the results achieved in the Chief Executive's visits are fully reflected in the Policy Address. More than 200 livelihood-oriented initiatives covering anti-epidemic, innovation, financial services, cross-boundary infrastructure construction and youth development and so on are introduced, and the Central Government gives genuine support and expresses concern to many of them. They are injecting impetus into the recovery and long-term sustainable development of Hong Kong's economy and the livelihood of the people.

President, I am going to expound on DAB's concerns in the following areas. Namely anti-epidemic strategies, allowing the business sector to resume business, supporting unemployed people and promoting reform in governance. President, the most imminent and important issue of Hong Kong is the efforts to fight the pandemic. If we cannot cut the virus transmission chain in the community and cannot achieve "zero infection", it will be rather difficult for Hong Kong to restart its economy, and it is also hard to solve the livelihood problems. For that reason, it is of utmost importance to expeditiously achieve "zero infection" if we are to restart our economy.

I have pointed out in various meetings that the "suppress and lift" approach adopted by the Government in the past to fight the pandemic was only a responsive approach which lacked farsightedness. Since the adoption of the approach, the Government has failed to stop the pandemic, we have been unable to break away from the predicament and could not see any way out for the economy. Furthermore, it is already the fourth wave of the pandemic, but the anti-pandemic measures adopted by the Government are still loosely coordinated and errors are not uncommon in their execution. The Chinese New Year is approaching, there is still no hope of achieving "zero infection", it is therefore understandable that people are not satisfied with the Government. Especially in view of the composition of the Legislative Council in the new situation, the public are having high hopes for us the constructive power. People expect us in the Legislative Council in the new situation to be more determined to push the Government to implement anti-pandemic measures in a more accurate and effective manner, thereby promoting the implementation of more burden relieving initiatives which could address the pressing needs of the public and resolve social problems.

As far as the Legislative Council in the new situation is concerned, the Government and political parties should have more communications and discussions. However, as far as anti-pandemic strategies are concerned, I believe that the Government should publicize the measures once they are ready for launching regardless of the time constraint factor. I understand that there is room for improvement in the communication between the Government and various political parties as well as Members of the Legislative Council. In particular, prior to the announcement of some anti-pandemic measures recently, political parties were unable to get wind of them beforehand, therefore we were unable to bring our more down-to-earth advantage as political parties into full play. Today, as a number of Secretaries are present in this Chamber, we Members of the constructive power eagerly want to make use of the Legislative Council in the new situation to get the people's opinion across to the Government directly, and we also hope that before launching any anti-pandemic measures, the Government should communicate and discuss with us on a more frequent basis, so as to allow our anti-pandemic efforts to be more focused.

President, in yesterday's letter to the Legislative Council, the Chief Executive pointed out that as far as anti-pandemic efforts were concerned, the Government had scrapped the "suppress and lift" approach. As a matter of fact, after publicizing the Policy Address, the Government has been tightening a host of anti-pandemic measures, including designating quarantine hotels and conducting tests in micro-districts. All of these are positive moves and deserve our approval.

We believe that the increase in the number of confirmed cases in recent days was related to the compulsory tests being conducted in micro-districts. It also proves that we can identify the invisible virus transmission chain through testing, universal testing or compulsory testing. President, even though the Government is tightening anti-pandemic measures as it stated in the letter that it was striving to achieve "zero infection" by endeavouring to secure the support and cooperation of the general public; if we ask a member of the public if the current initiatives taken by the Government can achieve "zero infection", I think members of the public generally do not have sufficient confidence in the Government. What are the reasons for that?

First, lax enforcement is one of them. If we look at the current situation, every weekend large crowds of people and domestic helpers will get together in various districts. Markets and shopping malls are crowded with people. Even popular hiking destinations are extremely jam-packed with hikers. Second, the

social gathering ban and certain anti-pandemic measures have not advanced with time and they often missed the targets. I hope the SAR Government can consolidate the experience and learn from the lesson by communicating more with Legislative Council Members and the business sector and adjusting the relevant measures with a view to making them more effective.

President, people hold high expectations for the vaccines, as we hope the Government will expedite the coordination, deployment, announcement and prudent implementation of the vaccination arrangement as early as possible with a view to avoiding any chaos, mistakes or blunders. A group of experts endorsed the use of a certain vaccine yesterday, but as to whether or not the vaccine is suitable for people with chronic illness, and whether the Government has sufficient manpower to carry out the vaccination programme for a large number of people within a short period, how to ensure a stable supply of Mainland or overseas vaccines to Hong Kong, as well as how it should further consolidate expert views and publicize these views in a uniform manner, much remains to be done. I believe all of the above critical factors are decisive to the success of the vaccination programme. I hope the Government will keep on working hard by making public more messages concerning the vaccination programme with a view to enhancing public confidence and ensuring a high vaccination rate.

President, I need to emphasize that the injection of vaccines does not equal to the achievement of "zero infection". For that reason, the SAR Government cannot and should not put all the hopes on the vaccination programme. It should walk on two legs. It should not spare any resources in conducting the universal testing programme if necessary. President, the results and capabilities in anti-pandemic efforts of China are there for all to see. One should not cast doubt on its mobilizing and coordinating capabilities in view of the recent universal testing programme which was conducted twice for the 13 million residents in Shijiazhuang within one week, with a testing programme being conducted three times for a specified group of people. The Central Government has already stated that it would support Hong Kong in taking all necessary measures to fight the pandemic. It shows that the Central Government attaches great importance to the anti-pandemic efforts of Hong Kong. If the SAR Government has needs for more manpower, resources or technical support in the course of implementing the anti-pandemic measures, I urge the SAR Government not to be shy to ask for the Central Government's help, and I believe the Central Government will definitely give its full support to Hong Kong's anti-pandemic work.

President, Hong Kong's pandemic situation in recent days has remained serious, thus the Government has decided to further extend the social distancing measures. The sectors suffering the hardest hit include retailing, tourism, hotel, food and beverages and so on, they have been barely able to survive for almost one year. Many have told us that if the situation persists before and after the Chinese New Year, they feared that another round of business closures would occur after the Chinese New Year holidays. We can see that in order to stay afloat, the business sector hopes the authorities will change the past "across the board" approach or the "overkill strategy" in the ongoing new normal and adopt a surgical precision anti-pandemic strategy which would allow the business sector to resume business as long as they comply with certain conditions.

President, the operation of different industries varied, and the risk of infection is very different. At the early stage of the pandemic, it was understandable for the Government to adopt the "across the board" approach. However, after obtaining a year's experience in combating the pandemic, the Government is duty-bound to consolidate the experience and discuss with various sectors in order to formulate a new set of anti-pandemic arrangements which are suitable for different industries. On the other hand, some hard-hit trades have put forward different proposals in the hope of staying afloat. For example, the beauty industry has proposed the "closed-loop management" approach, that is, only one beautician will contact one client directly and services will only be provided to members only, with a view to minimizing the risk of infection. They hope that the Government will allow them to resume business. In my opinion, the proposed measures put forward by the industries are worthy of the Government's consideration.

Moreover, we can see that the Government has imposed a dine-in services ban on restaurants after 6:00 pm. But the public cannot grasp the scientific rationale behind this measure, which was believed to be a random decision. Many members of the public also question why the Government does not make good use of the "LeaveHomeSafe" app? If a restaurant has joined the "LeaveHomeSafe" programme, will the Government slightly relax the ban and allow the public to enjoy dine-in services in the restaurant concerned as long as the customers have used this App to keep their visit records? I know some people in the industry indicate that they could conduct the rapid virus tests for their customers, in order that they will open for businesses only after the customers who enter the premises or restaurants concerned have been tested negative in the rapid virus tests.

President, I consider that the industry's proposal is worthy of further consideration, and I urge the Government to take the initiative to discuss more with various hard-hit sectors before a new tide of closures comes, with a view to allowing them to resume business in a reasonable way as long as they have taken the necessary safety measures.

Recently I have met with those in charge of local small and medium enterprises ("SMEs"); many of them aired their grievances to me and they felt pessimistic about the prospect. Some business operators said that they might not be able to survive after the Chinese New year. I hope that the Secretaries understand that SMEs have always been the pillars of our society. If a large number of SMEs are in dire straits, in addition to triggering waves of layoffs or further increase of the unemployment rate, it will produce a domino effect. If the waves of business closures persist, it will put pressure on social stability.

I wish to urge the Government to communicate more with the trade, in particular SMEs, with a view to resolving their problems with cash flow and rents. DAB recommends that the Government should extend the Special 100% Loan Guarantee for another 24 months, introduce rent holidays by drawing reference from the Singapore Government through the enactment of provisional legislation which will waive the rental payment obligations of commercial tenants affected by the pandemic for 6 months, so that commercial tenants may notify their landlords that they will cease to pay part or all their rents during the period. The Government may provide incentives such as tax concessions for landlords who are willing to accept the rent holiday arrangement.

Furthermore, the more practical approach in the new normal of the pandemic for the Government or the Commerce and Economic Development Bureau is to be more proactive role in assisting businesses to expand their mode of operation, including conducting research in the setting up of the e-commerce development centre; setting up a cross-boundary e-commerce service platform to allow Hong Kong and its SMEs to open an e-commerce market targeting the Mainland and other overseas markets. Moreover, apart from those trades which are ordered to suspend operation, many other businesses such as the tourism industry and cross-boundary transportation industry have virtually closed down even though the Government has not official imposed a ban on their operation as a result of the shutdown of cross-boundary movement. For that reason, the Government should take their plight into account when considering offering financial assistance.

President, as the economic chill has shown no sign of an end, it is definitely a big challenge for the SAR Government to prevent another tide of business closures and the spread of unemployment, which would produce a domino effect and plunge Hong Kong's economy into greater difficulties.

President, during the pandemic, enterprises are in dire straits. Nevertheless, unemployed people are the most vulnerable ones. The SAR Government is duty-bound to assist unemployed people to tide over this economic downturn. Let me repeat the three points DAB has all along been advocating. First, to create more temporary jobs in order to ease the worsening unemployment situation; second, to set up a temporary unemployment fund to provide a one-off safety net for the unemployed; third, to allow those who have genuine need when the pandemic persists to save themselves, that is, to allow them to withdraw their portion of Mandatory Provident Fund ("MPF") schemes contributions.

President, first, the Government pledged earlier that it would create 30 000 temporary posts, and half of them had been filled. It was also stated in the Policy Address that in tandem with the rapid development of the Greater Bay Area, the Government had launched the Greater Bay Area Youth Employment Scheme. We agree with that move and consider it a correct direction. We certainly support the Government's effort to create jobs for young people. But we also wish to urge the Government that the ones who are in most need of help are the middle-age people. They are the pillars of their families, particularly those who are working in the hardest-hit sectors. They are very likely to have lost their jobs or suffered pay cuts due to the difficulties in business operation. The Government should be more considerate towards these people by creating more jobs in order to address their urgent needs. We consider the temporary posts created by the Government should be increased from 30 000 to 40 000.

Second, we also urge the Government to set up a temporary unemployment fund. As a matter of fact, regarding this issue, actually there is already a consensus in society. With regards to the legislature, basically, I also consider a consensus has already been reached. The crux is whether or not the Government is willing to open the door and launch the unemployment assistance by making a breakthrough in the face of this pandemic of the century. What DAB has repeatedly proposed is unemployment assistance of a temporary nature to assist the unemployed and underemployed people for a minimum period of three months. During this period, unemployed workers can receive no less than

\$6,000. If the Government is willing to open that door, the details and other arrangements can be discussed. Based on the 245 000 unemployed people according to the latest unemployment rate, I have done the calculation and the financial commitment will be around \$10 billion. Since we still have financial reserves of \$800 billion, I consider we still have the means to support these unemployed people. I beg the Government not to close this door. It should discuss more with different political parties and camps so that we can do something constructive for our society and address the pressing needs of the public.

Third, it is the MPF. At present, the total assets of MPF are over \$1 trillion, with the average balance of each employee at more than \$245,000, which is actually not a small amount. Of course, we understand MPF is meant for retirement protection. But as more and more people are unemployed, they are facing ever-growing financial pressure. With regards to MPF, everyone knows that it is there but we cannot make use of it. To the middle-class people, most of them are not eligible to receive payments under the Comprehensive Social Security Assistance ("CSSA") Scheme. In that case, where can they find the money to tide over the difficult time? Therefore, they certainly wish to have some funds to keep themselves alive. Everyone knows that it is impossible for unemployed middle-class people to immediately find a job. Perhaps they need to switch to part-time jobs or even have to rethink how to join the job market once again. For that reason, in view of this pandemic of the century that we have never seen such a grim epidemic situation—I hope that the Government will consider taking this urgent approach which would allow the middle class or those in need to make use of their own MPF contributions to keep themselves afloat and tide over the difficult time.

President, in 2019, Hong Kong encountered an unprecedented anti-extradition law saga which shook the cornerstone of Hong Kong's rule of law, endangered the safety of the public, devastated Hong Kong's economy and people's livelihood, challenged the bottom line of the "one country, two systems" framework, and seriously threatened our national sovereignty and its development interests. The public generally hope that Hong Kong can fundamentally get rid of the chaos and riots and to bring chaos into order. One of the key points is that Hong Kong should be ruled by those who love both the country and Hong Kong, this is the bottom line of the "one country, two systems" principle.

President, over the past year, we have seen the outrageous behaviour of the District Council ("DC") members from the "mutual destruction camp". They cared not about the people's livelihood. They made use of the District Council as a platform to undermine "one country, two systems". Some even insulted the nation. Some others discriminated against people who hold different political views and openly stated that no service would be provided to these people. Some kept on participating in unlawful riots, and some others opposed the National Security Law. They made use of the District Council as a platform to sabotage the "one country, two systems" principle. Moreover, some echoed the "the ten steps to real 'laam chau' (mutual destruction)" advocated by Benny TAI in an attempt to paralyse the SAR Government and seize power. The authorities should learn from this painful lesson by reviewing its failures in supervising DC members. After the implementation of the National Security Law, the SAR Government needs to bring order out of chaos. The Government is duty-bound to amend the Oaths and Declarations Ordinance by including DC members into the Ordinance as public officers—the Chief Executive has not pointed out that in yesterday's letter, but I hope the Secretary will explicitly point that out later on in his reply—as to DC members, this is nothing new at all. Members also agree that DC members are definitely public officers. We are not changing the rules. We just want to clarify matters and get to the bottom of things.

President, the above proposals are just policy initiatives in certain areas. But if Hong Kong wants long period of political stability and to ensure the smooth and long-term successful practice of the "one country, two systems" policy, the most fundamental condition is for the SAR Government to improve its governing efficacy and level of policy implementation so as to effectively address the deep-seated conflicts in society. Besides, it should also promote social equality and development strength, so as to let the public see the sincerity, determination and capability of the Government in its governance. We have repeatedly pointed out that Hong Kong actually has many deep-seated problems which hampered our economic vitality, slowed down social mobility, and as a result, the public, in particular young people, lack development opportunity and see no prospect, and harbour grievances incessantly, which are not effectively addressed. It has become a time bomb hidden deep in society. When triggered by a social incident, it will become the vent for discharging the long suppressed grievances. Once triggered, it will be unmanageable. In fact, over the past decade, we have seen a lot of examples. From the national education incident in 2012 to the Occupy Central movement in 2014, to the anti-extradition law saga in 2019, or even violent riots which took place in society, they all exposed the

deep-seated conflicts in society behind such incidents. Just like the pandemic situation in Hong Kong, if we are unable to resolve the root cause, another outbreak is bound to happen even if we can have a moment of peace. It will be an infinite reincarnation; social unrest will continue and Hong Kong people will keep on suffering. In the final analysis, the merits and otherwise of a political system depend on the effectiveness of governance. In order to resolve major social crisis, including confrontations, riots and pandemic, the Government needs strong governance capabilities. In my opinion, apart from anti-pandemic efforts, the most urgent task for the SAR Government is to keep abreast with the time, to promote reform, to get rid of obsolete constraints, to erect a bold, resolute and new attitude to deal with problems, to enhance governance means and capabilities, with a view to resolving social problems in a more practical manner. The priority task for the Government is to promote administrative reform within the Government, including its structure, the management approach and the civil service system with a view to ensuring smooth governance. It should also eliminate the rigid bureaucracy within the civil service, and the bad habits including the superfluous and cumbersome decision making and administrative process. It should also address the issue of high costs of government projects. It should establish a proactive civil service culture which seeks to resolve problems for the public. It also needs to strengthen its ability to use new media and innovative technologies to explain and publicize government policies.

President, as for how to address the deep-seated problems in Hong Kong, I urge the Government to adopt a multi-pronged approach to open up more land, with a view to breaking through the bottleneck which constrains our livelihood and economic development. We should not forsake the long-term target of reclamation due to the fluctuation in the economic cycle. The Government should be bold enough to make use of its public power to touch vested interests with a view to ensuring that the use of existing land resources is in the best interest of the public. Besides, the Government should embrace the new thinking in the redistribution of resources in society. It should reform the tax system. To make use of the surplus to make up for the deficiency by supporting the grass roots and underprivileged. It should ensure that the fruits of economic development can be shared among people from all walks of life. For example, it should formulate a proactive industry facilitation policy, to support economic diversity and innovative technologies, avoid the homogeneity of industries, to provide more development opportunities for the public and to create a fair society with great vitality together with the public.

President, at the inaugural speech on 1 July 2017, the Chief Executive said "hope propels a society forward, and confidence is the foundation of hope." I believe that if the Government is going to rebuild confidence among Hong Kong people so that they can have hopes for the future and to work as one to push Hong Kong forward, on the premise of safeguarding our national sovereignty and its development interests as well as social stability, the SAR Government should promote administrative reform and enhance governance efficiency, to promote economic reform, promote the diversity of industries, actively participate in the Greater Bay Area construction, integrate into the country's general development plan, promote social reform, resolve deep-seated and institutional conflicts, to streamline the development flow, to increase land supply and to narrow the wealth gap.

I wholeheartedly hope that the Policy Address will be the starting point of these reforms. We will keep on urging the Government to honour all of its policy commitments, to continue to listen to public views in a humble manner, and to introduce relevant policies so as to help Hong Kong to get over the hurdles and rise from the bottom of the downturn to restore its glory.

President, with these remarks, I support the Motion of Thanks.

MR JIMMY NG (in Cantonese): President, today we are having a debate on the 2020 Policy Address, more than two full months behind schedule. As the saying goes, good things never come easy. Back in 2019, as the Legislative Council Complex had been severely stormed, the Chief Executive was left with no choice but to resignedly deliver the policy address by video from the Government House, setting a precedent, as it were. In addition, as we all certainly know, the subsequent motion of thanks debate on the policy address fell through as a result of the repeated failures to elect the Chairman of the House Committee. It is hence evident that the policy addresses of the last two years have both encountered unexpected circumstances. In the days to come, as this Council brings order out of chaos, I believe that the executive-legislative relationship will surely get back onto the right track. The 2020 Policy Address, entitled "Striving Ahead with Renewed Perseverance", is a whopping 64 pages long with a total of 167 paragraphs, compared to only 22 pages and 53 paragraphs in the 2019 Policy Address. Arguably all-encompassing, this year's Policy Address has given careful thought to all aspects of society. What deserves special appreciation is that the Chief Executive has devoted two chapters of the Policy Address to

detailing the full support of the Central Government and the upholding of "one country, two systems" as efforts seeking to restore Hong Kong's constitutional order and thus further consolidate the unique advantages of Hong Kong as a special administrative region under one country. All in all, the new Policy Address is comprehensive and pragmatic in that it comprises both long- and short-term measures. It has not just put forward a series of concrete measures around the pressing priorities for Hong Kong, such as the battle against the pandemic, creation of jobs and improvement of people's livelihood, but also set out the strategic direction and deployment in relation to such strategies as integrating Hong Kong into the national development, taking forward the development of the Greater Bay Area and ramping up land supply, as well as such key areas as the nurture of talent and youth development. They will help Hong Kong get out of the woods and start afresh to scale up its long-term competitiveness. However, there are still some omissions in the Policy Address. For example, there is still room for further strengthening of policy in such areas as outward development of re-industrialization, tax support for the development of innovation and technology, withdrawal of all the harsh measures imposed on the property market and enhancement of support for small and medium enterprises ("SMEs").

Up next, I am going to share my personal views on these several aspects. To start with, as an industry representative from The Chinese Manufacturers' Association of Hong Kong ("CMA"), I am naturally very concerned about the Government's industrial policy and especially the progress of re-industrialization. However, this Policy Address contains, quite arguably, very few measures to assist in the transformation of traditional industries and development of advanced manufacturing industries. It also lacks a blueprint of re-industrialization policies, which we have long been asking for, and the word "re-industrialization" has even completely vanished from the Policy Address. In preparation for the restructuring and evolution of the international industrial division and supply chain systems in the post-pandemic era, the industry has been longing for the Government to formulate a macro-industrial policy that provides targeted support to specific traditional and emerging industries, breaking away from the past mentality of positive non-intervention. However, over the years, the Government's high-level committees on economic and industrial development, such as the Council of Advisers on Innovation and Strategic Development and the Committee on Innovation, Technology and Re-industrialisation, have not come up with any clearer way forward and vision in this regard. It remains in question how Hong Kong can create wealth in the post-pandemic era.

Have a long-established tradition of outward development, Hong Kong manufacturers are known for their flexibility. Last year, CMA commissioned Lingnan University to conduct a consultancy study on the Hong Kong-invested manufacturing industry in the Greater Bay Area. The study report found that nearly 90% of the interviewed Hong Kong-invested manufacturers in the Greater Bay Area had set up their headquarters in Hong Kong as their centres for operation and control. The study report also pointed out that the Hong Kong-invested manufacturers operating in the nine cities of the Greater Bay Area were still using Hong Kong services that cost significant amounts of money, including about HK\$1.9 billion in accounting and finance, about HK\$1.3 billion in insurance, about HK\$11.7 billion in financing and loans, about HK\$11.4 billion in logistics and warehousing, about HK\$1 billion in information technology and about HK\$2.3 billion in production machinery. Therefore, the Government should recognize and value the important role that the manufacturers' outward development plays in the development of Hong Kong's local economy, and particularly in the promotion of re-industrialization. Certainly, the Government also needs to support and push forward the transformation, upgrade and sustainable development of Hong Kong-invested enterprises in the Mainland and overseas. While our country is currently launching a strategy with domestic circulation as the mainstay and domestic and international circulations reinforcing each other, I consider that the focus is actually on the domestic circulation. Business is business. It makes much sense for Hong Kong businesses to choose the Mainland market, and the Greater Bay Area will be the best entry point for Hong Kong businesses to take part in the domestic circulation. The Policy Address has mentioned that the Central Government supports Guangdong Province to launch a one-stop "GoGBA" platform in collaboration with the Hong Kong Trade Development Council, among others, to provide enquiry service on government policies, training and business matching services for Hong Kong enterprises. The industry deeply welcomes it. I also hope that the Government will step up promotion of the "Made in Hong Kong" brand and discuss thematic projects with the Ministry of Commerce to help Hong Kong-made brands enter the Mainland market.

Secondly, the Policy Address also proposes to develop Hong Kong into an international innovation and technology hub, and reiterates the need to implement the eight major directions set out in the Chief Executive's 2017 Policy Address, including to double the Gross Domestic Expenditure on research and development ("R&D") as a percentage of the Gross Domestic Product to about \$45 billion a year (i.e. from 0.73% to 1.5%) by the end of the current

Government's five-year term of office. However, a review of the Government's statistics shows that although the Gross Domestic Expenditure on R&D as a percentage of the Gross Domestic Product has increased year by year, from 0.8% in 2017 to 0.86% in 2018 and then to 0.92% in 2019, it is still a long way from the 1.5% target set by the Chief Executive. Members of the industry are beginning to worry whether the Chief Executive can achieve this policy target within her remaining term. Will her promise fail to materialize? The only solution now is for the Government to increase its funding commitment so as to play a leading and catalytic role in stimulating the growth of R&D expenditure in the industrial and commercial sectors. At the same time, the Government may also consider further increasing the percentage of tax deduction for expenditures on qualifying R&D activities from 300% for the first \$2 million of the aggregate amount and 200% for the remaining amount to 400% and 300% respectively?

In addition, one point that needs to be stressed is related to the expenditure incurred by enterprises on contracted-out R&D. According to the strict interpretation currently adopted by the Inland Revenue Department under the legislation on tax deduction for R&D expenditure, if a taxpayer contracts out R&D activities to other parties, such as any that is not a designated local research institution, university or college, for the conduct of such activities in Hong Kong or overseas, the expenditure on such contracted-out R&D is not eligible for enhanced tax deduction. Even if in fact the taxpayer owns all the interests in the outcomes of the contracted-out R&D activities and can therefore generate profits taxable in Hong Kong by commercializing such outcomes, the relevant expenditure on contracted-out R&D is not eligible for enhanced tax deduction. In fact, it is common for multinational conglomerates to have R&D activities conducted by one of the group companies and apportion the R&D costs and benefits through cost-sharing agreements. In other tax jurisdictions where enhanced tax deduction for R&D expenditure is implemented, such as the Mainland of China, Singapore and the United Kingdom, the governments there grant tax deductions to taxpayers for expenditures on contracted-out R&D or cost-sharing agreements. Data show that more and more enterprises have contracted out their R&D activities to parties outside Hong Kong in recent years. In 2018, for example, the expenditure on R&D contracted out to parties outside Hong Kong amounted to \$3.4 billion, accounting for 75% of the total expenditure on contracted-out R&D. If the Government cannot allow these R&D expenditures to be covered by the tax deduction measure, the attractiveness of the new tax measure will definitely be diminished.

The last point I would like to make is that the Chief Executive has, in the current Policy Address, partly responded to the aspirations of the business sector by, for example, taking the lead to abolish the Doubled Ad Valorem Stamp Duty imposed on non-residential property transactions. While it is believed that this measure will enable SMEs to deploy their capital more flexibly, the Government has not yet let up its tight grip in the face of the concurrent demand from the community for withdrawal of the harsh measures imposed on residential properties. We have to understand that the blows dealt to Hong Kong's economy by the pandemic are each a link in a casual chain. It comes with the territory that commercial and industrial property transactions remain in the doldrums, but second-hand residential property transactions are ever shrinking as well. Amid this prolonged battle against the pandemic, not only do SMEs need to free up cash to raise capital, but many members of the public may also need to sell their properties to survive. If the Government must wait until the economy has deteriorated to its worst before considering to withdraw all the harsh measures imposed on the property market, I am afraid it will be too late. May I ask when, if not now, is the best time to withdraw all the harsh measures? Let us presume that I am helping the Government to devise a prudent and sure-fire solution. At this stage, can it consider a partial reduction of the stamp duty on residential properties? For example, can the withdrawal of harsh measures be extended to cover residential properties over \$10 million, which are hardly affordable to Hong Kong people, so as to encourage more people to come and invest in Hong Kong? At the same time, both the Business and Professionals Alliance for Hong Kong and I suggest that the Government should change the principle of paying ad valorem stamp duty at 15% first and getting refund later, and instead allow owners to pay the duty only if they are unable to sell their property within the time limit for property replacement, so as to ease the burden of cash flow on enterprises [sic]. In addition, the Government should consider whether the stress test criteria should be appropriately adjusted in line with the rise in mortgage rates, and whether the loan-to-value ratio should be suitably relaxed to address the cash flow problems of property owners. Lastly, the Government may also consider further raising the loan-to-value ratio for commercial and industrial properties so that enterprises who need to purchase properties for operational purposes can reduce their costs and cash needs. This move may also make it easier for enterprises to sell their properties to free up their cash flow.

At some time in the past, there was a saying in the community that Hong Kong would never be the same again. The reason for the difference was simply that there were changes. What mattered was whether the changes were for better or for worse. In the past two years, Hong Kong has been slammed and challenged by the Sino-US trade war, violent clashes and the shadow cast by the pandemic. The Policy Address is by far not the only thing that is not the same again. Even this Council has experienced earth-shaking changes over the last year. Simply put, Hong Kong people have to embrace a new era while getting used to various changes. I wish to emphasize that one thing about Hong Kong has never changed and that is the backing from our country, which is the foundation for Hong Kong people's confidence. In particular, the enactment of the National Security Law for Hong Kong and a series of vigorous political actions by the Central Government have served as the anchor for Hong Kong's stability. In addition, I believe that when the big gear of the country's economy drives the small gear of Hong Kong's economy to move in synchrony with it, there are no difficulties whatsoever that cannot be overcome.

President, with these remarks, I support the Motion of Thanks for the 2020 Policy Address.

MR LAU KWOK-FAN (in Cantonese): President, today marks the beginning of the three-day debate on the Motion of Thanks regarding the Policy Address. The Policy Address is very rich in contents, and last night, we received the Chief Executive's letter to us with a detailed account of certain follow-ups on the Policy Address after its announcement. I myself also find this commendable because around two months after the delivery of the Policy Address, the Government has undertaken follow-up work and strengthened communication. All this is worth our recognition.

But apart from sustaining communication, I also hope that in the future, the Government can hold discussions with Members more frequently before announcing or implementing any policies. When implementing a policy, government officials may have various considerations, and we will also get in touch with many people and industry practitioners in communities to listen to their inner thoughts. If we can put our views across to the Government in time when the Government implements its policies, so that the policies it announces can fully absorb people's opinions, its policy implementation can probably become smoother. So, I encourage the Chief Executive and officials to enhance

their efforts to ascertain from us how it should materialize a policy before its implementation or do so more often, in addition to sustaining their close communication with us. One important thing is that we must stand united.

Speaking of unity, I must thank the Central Government for its timely and full support which has enabled Hong Kong to walk out of the shadow of "black-clad violence" and in turn restore social order. As Members can see, with the Hong Kong National Security Law or the Oaths and Declarations Ordinance ("ODO"), for example, we have been able to right the wrong in the legislature and reduce meaningless verbal exchanges and also political struggles. That way, we are able to focus our energy on putting forth our opinions on various policies and communicating with the Government. Such unity is very important, as it has enabled the Legislative Council to right the wrong. What is equally important is the unity of the civil service, the unity of the Government and the legislature, and also the unity of district administration and the whole community.

But regrettably, we have seen that since the changeover to a new term, District Councils ("DCs") have focused on politicization or even put up hindrance in many cases. One particular point to note is that it is now a critical moment in our fight against the epidemic. Apart from the support of the Legislative Council, people's support in the community is also needed for implementing various measures announced by the Government in the community. But as we have seen, it looks like DCs have instead hindered the Government's efforts in this regard, with the result that its anti-epidemic measures have been ineffective.

DC members championing "mutual destruction" have used the DC platform and their capacity to deliberately resist the Central Authorities and the SAR Government. As far as we can see, many DC motions are actually irrelevant to district affairs at all. They merely use the relevant motions to smear the country or the SAR Government in every possible way. They have even disseminated information that is untruthful or against the Central Authorities at places that are supposed to be used for displaying banners promoting district work or government services. They hurl insults at officials or prevent them from leaving at DC meetings, while also rejecting the attendance of a certain public officer. They have even given a difficult time to organizations that are long-standing applicants of district resources and rejected their applications one after another for organizing any activities for celebrating the National Day and the reunification. All this shows that district administration seems to have lost

its balance. Besides, they seemingly want to turn this platform into a base for opposing China and stirring up trouble in Hong Kong. Their conduct has seemingly failed to show that they uphold the Basic Law and bear allegiance to the Hong Kong Special Administrative Region.

As the Central Government has already done a lot for us, should the SAR Government take corresponding measures to unite the communities at large, so that they can focus on combating the epidemic and resuming economic development after social order is restored? I hope the authorities can expeditiously amend ODO and also the District Councils Ordinance ("DCO"), so as to prohibit anyone who oppose China and seek to stir up trouble in Hong Kong from holding public offices.

Certainly, much to our delight, the Chief Executive mentioned to us in her letter that she hoped to proceed with the task of legislative amendment after Chinese Lunar New Year. This is a timely move. As far as I know, the authorities are now determining the targets to be covered by the legislation. And as I am aware, the Secretary and also the Government think that DC members should be regarded as public officers and given priority treatment. I agree with this judgment of the Secretary and the Government. The reason is that while DCs are not entities with real political power in the political system, they have nonetheless served as effective and important advisory bodies on district administration over all these years and are vested with the responsibility of handling public affairs at the district level. Besides, DC members also receive public money as their salaries and remunerations, and they also pay for their offices' operational expenses with public money, so they should be regarded as public officers under the law. For these reasons, the relevant arrangement is more than reasonable, and this is why we have urged the SAR Government to expeditiously implement the oath-taking arrangement concerned, so as to enable the Hong Kong community to understand that DC members must also uphold the Basic Law and bear allegiance to the Hong Kong Special Administrative Region. We hope that after the Legislative Council has been set to rights, DCs can likewise be set to rights with the refinement of ODO and also DCO, so that they can diligently perform their function as district advisory bodies under guidance. This point is very important. Certainly, I also hope that after setting DCs to the rights, the Government should examine how to rebuild our DCs that are now plagued by an imbalance, so as to restore DCs as an executor of district administration work. This is likewise very important.

When the Government, the Legislative Council and DCs in the whole community can work with one heart, I also hope that the SAR Government can undertake institutional reform. The various policies and systems that have proven to be effective over the years may have presented Hong Kong with many advantages. But the point is that anything good actually warrants a timely review following the changes in circumstances in order to adapt to the trend and the times. As we can see, many good ordinances in Hong Kong (including various different ordinances such as the planning ordinance and those relating to development and construction) have become overloaded with unnecessary contents after years of accumulation. Or, they have grown thicker and thicker due to the continued addition of new guidelines without any deletion of those outdated parts. All such advantages have nonetheless turned into a shackle barring accountability officials or civil servants from implementing policies flexibly and conceiving targeted solutions to problems. As a result, they are unable to resolve Hong Kong's problems in a timely fashion. In my view, the Government's reform of the legislation and institutions will be very important in the days ahead.

I wish to discuss the land and housing problem on the basis of this point. Even though it is within the scope of the second debate session, it is actually related to the question of how to undertake reform and inject a new economic impetus.

As we can see, one of the selling points in this elaborate Policy Address is land and housing, and I also believe the authorities will likewise think that this is another bright spot or achievement in the Policy Address because it is the first government announcement that the target figure concerned can be fulfilled with the successful identification of 330 hectares of land for housing construction purpose. Nevertheless, I wish to bring up another figure. Actually, a number of land development projects already commenced as early as some 10 years ago, and actually, the development of those areas that constitute the majority of the 330 hectares of land (such as Kwu Tung North or Fanling North) already began as early as 2008 under the North East New Territories development plan. It will take five more years to actualize the 60 000 units in that New Development Area, and the entire development project will not be completed until 2031. That means the whole process will take 20 years to complete. I wonder if it is a delight or a regret to see its gradual completion over a span of 20 years. This is absolutely related to the need for the Government's reform (of its mentality or the relevant ordinances) I mentioned earlier.

Speaking of land, the Government, whether of the current or the previous term, has talked about land shortage. However, is there really a shortage of land in reality? Of course, land shortage is an objective reality, but how to make good use of existing sites and how to make timely use of available sites are important questions in my view. As far as we can see, when it comes to the use of existing sites and housing construction, the Government will first conduct studies and put them aside afterwards. So, when the time comes, it will have to conduct studies all over again. Since the Government tends to conduct studies one after another before land development, much time is wasted.

One example is the North East New Territories development plan I mentioned earlier. If Members pay attention to the details, they will notice that this was one of the Ten Major Infrastructure Projects mentioned in the 2007 Policy Address, and the commencement of the relevant planning study can even date back to the 1990s before the reunification. But the plan has been kept in the refrigerator for quite some time until 2008 when the Government proposed a concrete plan for developing North East New Territories and proceeded with consultation and promotion. In my view, all this is absolutely undesirable.

When it comes to wasting our land or time, I wish to bring up a more important point. The 2 400 hectares of frontier areas is the most classic of all classic examples as the size of land involved even exceeds the combined size of three or four North East New Territories New Development Areas. In September 2006, the Government announced the outcomes of the review on the coverage of Frontier Closed Areas ("FCAs"), and the review proposed that the FCA coverage be reduced from 2 800 hectares to 800 hectares, and further to 400 hectares. I believe that the Security Bureau is well aware of this proposal. Later in 2007, the Planning Department commissioned a consultant to conduct a study and provide conservation and development guidelines for the vast area of land released from FCAs. In 2011, the Government formally reduced the FCA coverage from 2 800 hectares to 400 hectares, thereby releasing as much as 2 400 hectares of land.

The Government should have undertaken proper planning for the land in question and made good use of it. But after completing this FCA planning study, the Government has seemingly failed to undertake any follow-up. While the area of land is nominally no longer a closed area, but it seems to remain as a closed area at the planning level as it cannot be utilized and is still a barren area. Only a small portion of the land is included in the first phase of the New

Territories North study, and afterwards, it may be brought up for study. So, when will a formal decision be made on proceeding with its development? I hope that we do not need to wait another 10 years after waiting a decade already.

I have been very concerned about the development of the North East New Territories, Hung Shui Kiu or Yuen Long South all this time, and I am particularly concerned about land development in the New Territories at present owing to—the several Bureau Directors and Department Secretaries are now present—the development of the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") with long-standing support and emphasis from the Central Government. Undoubtedly, GBA will provide us with extensive room and space, but the question lies in whether we have embarked on restructuring or formulated proper support measures in Hong Kong at the same time when GBA offers Hong Kong or Macao people with certain policies. I am talking about the land in the New Territories because it is precisely in the closest proximity to Mainland cities such as Shenzhen, Dongguan, and Huizhou. We now have central as a core commercial district. Speaking of the future development of GBA, I actually hope very much that the Government can make good use of the land in the New Territories.

Hong Kong has set up a number of boundary crossings ... Let us take a look at the boundary crossings in Shenzhen. Initially, Shenzhen was relatively backward, but the area around Luohu became prosperous after the Luohu Port was set up. With the development of the Luohu Commercial City, Luohu transformed itself into an urban area. At the time, Luohu even became the core area of Shenzhen. Following the completion of the Huanggang Port, the Shenzhen Government immediately proceeded with the development of Futian District—its development was of course very prosperous—followed by Nanshan District. Located behind the Shenzhen Bay Port, Nanshan District is now a key urban area in Shenzhen. The Yuehai Sub-district Office, large corporations or innovation and technology ("I&T") enterprises have been set up in that district with satisfactory development. I know that after the completion of the Liantang Port, its local government will likewise undertake development in the Yantian or Longgang area.

Now, let me turn to discuss the case of Hong Kong. After the Lo Wu Control Point was set up, we have failed to make good use of the area around Lo Wu, with the result that its nearby area has remained barren. While the Mainland Government has introduced certain initiatives (such as the Individual

Visit Scheme ("IVS")), we have nonetheless failed to set up any auxiliary facilities as a means to increase commercial activities. What is the result? The result is that we have to cope with the influx of IVS visitors, inbound tourists or even "parallel traders" with our initial infrastructure or space. As a result, areas that are supposed to serve residential purpose have become congested and packed with "parallel traders". This is how conflicts have ensued. Actually, all such conflicts could have been avoided. I say so because no problem would have arisen if the authorities had properly developed the area near Lo Wu. We can also see the Futian District in Huanggang. But what do we have? Honestly, we can only see some fish ponds and barren land. I am not aware of any government planning for the area, except the development of Fairview Park or Palm Springs. Only low-density housing can be found in the area, without any commercial development even just the slightest bit. The case of Shenzhen Bay is even worse as there is literally nothing at all, not even low-density housing.

Why are other places able to develop a port economy, commercial centres and I&T centres following their construction of boundary crossings? The 2 400 hectares of land that have been released, together with the existing land in the New Territories, can provide a new economic impetus and create huge room for the future development of GBA, local housing and Hong Kong. I vigorously put forth my viewpoints today because of my hope that the Government can start to play catch-up today or make remedies, in a strenuous attempt to make up for our loss. In our view, it is honestly a pity to allow the land in question to remain idle.

Actually, I have raised a number of proposals with the Government, and I also wish to reiterate my hope for their actualization by the Government. First, the authorities have conducted many studies on the development of areas such as the North East New Territories and Hung Shui Kiu, and they have also established the Lantau Development Advisory Committee for Lantau's development. Since the land in question is vast in coverage, and its development scale can be two or three times that of Lantau Island, why does the Government refuse to give active consideration to the setting up of a dedicated committee or task force to coordinate land development in the New Territories and examine ways to promote a port economy, develop more new towns or interface with GBA? A port economy is actually of huge significance, and speaking of many arrangements, successful experiences are also available for our reference. We may draw reference from Shenzhen's experience and, of course, add in our own features.

The second point—even though the opportunity has already passed—is site selection for the relocation of several government buildings such as the Revenue Tower and the Immigration Tower. Actually, I would recommend North District in New Territories North or Yuen Long. Is it possible for the Government to relocate certain government facilities or government departments to the New Territories and turn the region into another centre? The reason is that in the course of developing the region, sometimes the Government needs to take the lead or the first step by relocating government facilities or government departments to the area concerned. In particular, I actually think that it may be more suitable to set up offices in the New Territories for certain Policy Bureaux or departments, such as the Immigration Department in charge of immigration matters, or departments involved in the development of GBA. When it comes to I&T development, we already have the Lok Ma Chau Loop. All such initiatives can facilitate or enhance people flows and save some time in the future. I think the New Territories is a good area that can be used effectively by the Government in the future.

I have just discussed the previous experience of Shenzhen, and I now want to discuss its latest experience. Today, I urge the Government to stop any delays as Shenzhen still wants to further its development despite its successful experience. Let me cite an example. Shenzhen is minded to further upgrade the planning layout of its port economic belt on the basis of its established foundation. In 2019, Futian District activated in-situ redevelopment for the Huanggang Port, and the project is expected to complete at the end of 2022. After redevelopment, it will serve as a pure visitor clearance facility, and by that time, 500 000 sq m of land will be released for the purpose of developing a Shenzhen-Hong Kong Innovation and Technology Co-operation Zone. When the Mainland has already conceived this idea, isn't it right to say that we should also consider how best to use the land that will be released at the Huanggang Port on Hong Kong side following the implementation of co-location arrangements in order to dovetail with their plan? As the Mainland seeks to upgrade its facility, we must also draw up planning.

Second, Shenzhen has also taken forward 24-hour customs clearance at its Shenzhen Bay Port. True, this arrangement has yet to be formally implemented due to the epidemic; but then its purpose is to interface with the development of the Qianhai and Shekou Free Trade Zone Area. Line 13 of the Shenzhen Metro, whose construction already commenced in 2018, will be connected to the Shenzhen Bay Port in two or three years' time. The current alignment of our

Northern Link rail line is actually not much different from the proposal under the North East New Territories development plan some 10 years ago. Over all this time, my family has kept saying: "They have already extended their rail lines to various ports such as the Shenzhen Bay Port, and they are even connected to the Liantang Port. As Hong Kong will also develop the Northern Link, why isn't it connected to the Shenzhen Bay Port and the Liantang Port/Heung Yuen Wai Boundary Control Points at its western and eastern ends respectively?" In fact, we should also implement this idea.

Rail lines aside, they will also connect their carriageways near the Liantang Port to various expressways in Shenzhen for linkage to eastern Guangdong, so as to realize the overall layout of "West in West out" and "East in East out" and turn it into a landmark port in eastern Shenzhen.

While Shenzhen has engaged full throttle in undertaking development on all fronts and upgrading its ports, Hong Kong's boundary area actually has not shown much difference when compared to a few decades ago, in the sense that it has still remained barren. What is the reason? The old mentality that has lingered in the Government all along. Whether speaking of the time before or after the reunification, the Government's development focus is always on both sides of the Victoria Harbour. As land development on both sides of the Victoria Harbour has become saturated, it has resorted to reclamation, beginning from the nearby Kwun Tong, followed by Sha Tin and Tsuen Wan away from it. In the case of the boundary area adjoining the Mainland, it has always adopted an attitude of safeguarding it against any possible uses. After the reunification, the Government has left the area idle on the ground of security or conservation or merely used the area to house unwelcome facilities, such as landfills and columbaria. We cannot see any government thoughts on the strategic importance of the area in the future and its significance to the direction of Hong Kong's future development. Such a vast area of land—I now put aside its use for interfacing with GBA—is already very important to the development of new towns alone for Hong Kong people, or even the promotion of a more diversified development of the economy.

I hope our Department Secretaries and also Bureau Directors can pay heed to my proposal of setting up a committee. In particular, a Department Secretary was once in charge of North District. If he visits North District again, he will notice that it is no different from the past, except that several new shopping arcades have been built. He has been to Sha Tau Kok before. If he visits Sha

Tau Kok again today, he may be surprised to see the preservation of its environment as it has not undergone any changes despite the passage of a few decades. On the one hand, good conservation work may be the reason. But at the same time of conservation, development is actually also needed. I hope the Department Secretary concerned can examine the situation.

I personally hope that the Government ... Of course, mere discussions here always seem to be easy. But then, when it comes to actual implementation, I think that apart from changing the mindset, it has been quite difficult to find ways to get around the amendment of development-related ordinances or the release of conserved sites under our planning ordinances, such as agricultural land, green belts and fish ponds. But today, the legislature has been put to rights. Everybody invariably hopes that Members can work with one heart among themselves and together with the Government, in a bid to resume economic development and board the same train by seizing the opportunity presented by the Mainland's rapid development. Over the past 10 years, it looks like we have kept brushing off the opportunities presented by the Mainland's rapid development due to the political atmosphere, and we have developed a sense of blind resistance to anything associated with "China". All this is regrettable.

Now that the legislature has been set to rights, is it possible for the Government to undertake a timely review or even amendment of those ordinances that have become out of date, hindered our development or obstructed us in seizing opportunities? I believe that if the Government says that the relevant laws have become redundant or out of date and therefore warrant amendment in the legislature, we will certainly engage full throttle or even hold additional meetings to clear the way for the Government, and we will support any such amendments in order to accomplish what we should do. I wish to assure our Department Secretaries and various Bureau Directors that they may proceed with a bold reform and an expeditious amendment of those ordinances that have become out of date or warranted improvement since long ago.

As in the case of ODO, the authorities should proceed with what should be done. I believe ODO is merely one of the many laws in this regard. ODO is one of the many examples, in the sense that despite the passage of many years, the Government has never conducted any review of it. It is only after serious problems compelling the Central Authorities to take action and show support have occurred that the Government has moved to deal with it. This time around, I hope the SAR Government can rummage through all drawers to find out which

ordinances have become out of date and initiate a review of such ordinances and a reform, instead of waiting for others to take action or put forth the idea. I believe that Hong Kong people expect the SAR Government to undertake a major reform or revamp, so as to inject a greater impetus into the betterment of people's livelihood and the economy with more proactive and concrete actions on the part of the civil service, the team of accountability officials, and also the Hong Kong community.

I have already exhausted my 30-minute speaking time to discuss all problems in this session. As to the question of how to deal with the relevant problems at the technical level through planning ordinances, I do not intend to say too much here. As I said at the beginning of my speech, I hope that the Chief Executive can undertake timely follow-ups, give Members regular reports on the work progress relating to the Policy Address or important policies or ordinances in the days to come, and hold more discussions with Members. Once again, I hope that the Government can engage in discussions with Legislative Council Members more often before finalizing or launching any policies, and implement a policy only after agreement is forged.

With these remarks, I support the Motion of Thanks. (*The buzzer sounded*)

PRESIDENT (in Cantonese): Mr LAU Kwok-fan, please stop speaking.

DR CHENG CHUNG-TAI (in Cantonese): Carrie LAM has used a few words to highlight her Policy Address, which are "Striving Ahead with Renewed Perseverance". I believe most people think that the most important word is "Renewed", meaning that she wants to reset certain matters in Hong Kong.

If you use the overall policy to assess or interpret this so-called "reset", it is hard to find a standpoint. But if you further ask whether Hong Kong people, or the general public, are included when she strives ahead, my honest answer is that superficially this Policy Address may not show any major direction in policies. But in fact, it is a Hong Kong version of "emptying the cage for new birds".

What is a Hong Kong version of "emptying the cage for new birds"? It is to reset Hong Kong. She wants to kick Hong Kong people out and reset certain political and economic sectors in Hong Kong. Her interpretation of "emptying

the cage for new birds" is that as long as Hong Kong people leave, our acute housing problem will be solved. As for our economic problems, such as unemployment or the wealth gap, she thinks that as long as a certain stratum of Hong Kong people leave, that is, when the relatively richer people leave, all the rest will be poor and there will be no poverty problem. As for the political problems in Hong Kong, many people are dissatisfied with the Government and their confidence has been completely blown away. If you hold a BNO (British National Overseas) passport, you had better leave and do not come back. When these Hongkongers leave, there will be no more human problems, and no more Hong Kong problems. This is the Hong Kong version of "emptying the cage for new birds".

Of course, you may question whether my remark is a little subjective. I will divide my speech into three parts to briefly examine this issue. I hope that those with breadth of vision in our country, or in Beijing, or those with ability and power in Hong Kong, can understand what I mean. What I am going to say ... I believe ... I wonder whether I will say this in the future. But I will try to speak out my mind in an orderly manner.

First, politically speaking, this Policy Address is one that summarizes the 25 years since the transfer of sovereignty, that is from 1997 to the coming 2022. It signifies the halfway milestone of the Hong Kong SAR Government and the "one country, two systems" of Hong Kong. In other words, it raises the question of whether, at the juncture of 2021 or 2022, the promise of "50-year status quo for Hong Kong" will be valid for the remaining 25 years. Therefore, first of all, we need to clearly grasp the present difficult situation, which is this political blind alley. The constitutional development of Hong Kong has reached the current stage. And Annex III of the Basic Law says that Hong Kong will progress orderly and progressively forward after 2016 or 2017.

Nowadays, it seems rather absurd to say this to the people of Hong Kong. Of course, this Policy Address does not talk about this political blind alley because the Government has made its position clear. It says that it will put aside political matters and take care of livelihood issues first. But is this true? Judging from the policy details, it is not. At the end of the day, this political deadlock raises the question of whether there are still another 25 years for Hongkongers to settle down on this piece of land and to prepare for rainy days in peacetime. People of my social stratum are not in a position to think about this political blind alley. From day one, Beijing has been the one to tackle the problems of Hong Kong.

Second, economically speaking, I believe the pro-establishment camp, or most of Hong Kong people, should be aware of the current economic problem in Hong Kong. Roughly speaking, there are at least three parts of it. First, on the surface, the unemployment rate will continue to increase; but the key hinges on whether Hong Kong will experience stagflation in the coming two years. Okay, it means whether we will find that the money we earn is losing its value. Why would Hong Kong experience stagflation? This is related to the economic structure of Hong Kong. In particular, we can see this in the property market. This is rather obvious at the moment. Our livelihood and employment are completely detached from the performance of the stock market and property prices. We should know this too well.

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

Second, it is the wealth gap in Hong Kong. Will the relief measures against the "plague" further widen the wealth gap in Hong Kong? Actually, at this juncture, we already have some clue. I will later share some data with Members.

Third, when the border was closed, the shock was yet to be felt on the market; but the Hong Kong brand, or the so-called "Made in Hong Kong", was already shattered. Talking about massive withdrawal of investment from Hong Kong, just now, another major fund house announced its withdrawal from Hong Kong. This is the second fund house pulling out of Hong Kong. In fact, international enterprises intending to relocate to Singapore or Shanghai have already done so. This is the economic situation we now face.

This is most directly felt in society. The confidence of Hong Kong people has collapsed. This is more than a confidence crisis. It is a hard fact that our confidence has collapsed. When people feel unsettled, their morale dissipates. My such assessment is closely linked to the political and economic situation I said. From where can this be seen? It is simple. It is manifested in the massive emigration and school withdrawals. People with the ability or those have a family have already had their children withdrawn from schools in Hong Kong. Even Diocesan Girls' School, a traditional Band One school, will have places available for late admissions in its Secondary One to Secondary Four grades. I believe Chief Secretary and Members know this school. Who would have thought something like this could happen?

According to unofficial statistics on emigration ... of course, I hope Chief Secretary also has the related data ... in the half year since last summer, Hong Kong, as well as the whole world, has been in a lockdown. What Members do not know is that according to unofficial statistics, more than 100 000 Hong Kong people have emigrated. Then, a question comes to my mind. When global transport and the flow of people and goods are expected to return to normal in 2023, will the number of emigrated Hong Kong people surpass 1 million? I can tell you that this is an underestimated number. A precondition is how the political blind alley and the economy of Hong Kong will unfold in the coming year. And based on this Policy Address, I can tell Members in advance that we will face an emigration wave of people in their millions.

Let me make one more point here. Why do I say that at society level, people's anxiety is closely linked to the political blind alley? Deputy President, we only need to consider one point. Just now, some pro-establishment Members said that the Government should amend the Oaths and Declarations Ordinance. My position is that at such a time, the Government should avoid any political reform as far as possible; otherwise, some events that Hong Kong people would regard as political dark humour will be bound to happen.

The Political Assistant to the Secretary for Home Affairs of the Government who had taken an oath of allegiance before Carrie LAM the week before tendered her resignation two weeks later. Deputy President, certainly, this is her personal choice. But this example is just too obvious. Is it impossible that she did not know she would leave Hong Kong when she took the oath, is it not? The point is not whether an individual is willing to pledge allegiance. The point is this example reflects the reality in Hong Kong. Even the Senior Assistant Director of Public Prosecutions resigned yesterday. Certainly, the Secretary for Justice would say that it is not a bad thing that these people leave the Government. This is what it means by "emptying the cage for new birds". But is it possible that a senior official who stood before Carrie LAM to pledge allegiance this week would leave the Government two weeks later? This is what the Chief Secretary for Administration needs to sort out. The Civil Service is more direct in expressing its confidence in the Government than members of the public.

I have spent 10 minutes on the first part. Actually, it only drives to one conclusion. And that is, no matter how much she brags about or praises herself in the Policy Address, what I am going to say is what truly deserves to be praised.

My assistant has jotted it down for me. The Short-term Food Assistance Service Projects, which concern food banks, will finally have the chance to be regularized. This will help the underprivileged and non-profit making organizations to tide over this difficult time. Another one is using hotels with less business due to the substantial drop in the number of tourists coming under the Individual Visits Scheme as temporary housing for Hong Kong people. These are the policies in the Policy Address that deserve our applause. But these are the few policies that can benefit the grassroots in Hong Kong. The regularization of food banks is long overdue, but I will not dwell on this point any further. I just want to say something positive in my criticism.

What I want to say in the first part of my speech is that the Policy Address has not dealt with the most important issue facing Hong Kong now, and that is how to win people's heart. Historically, Hong Kong has experienced a few confidence crises in the past decades. The crises took place in the time before 1990s, during 1989 to 1992 and 1978 to 1983, or even at an earlier period. Anyone with basic historical knowledge about Hong Kong should know what the Hong Kong Government should do now. But what has it chosen to do in the present situation? We can summarize its actions with a few words. The Government is vengeful. It haggles over every penny. It will take revenge when slightly provoked, and it haggles over every ounce. Rumour has it that the Government will revise the current \$2 transport fair concession to a \$3 one. Let me tell you something. The five-year review mechanism will become a formula. Like my description above, the Government is narrow-minded, and it takes revenge. So, to reset means to take revenge.

Now, let me go into the details of the Policy Address. As I just said, from a political point of view, most of the actions taken by the Government should not have been taken. When the world declares the death of "one country, two systems", what should the Government, who possesses the largest amount of resources, and political talents, if any, do is to convince Hongkongers that this branding is still alive? In other words, if the Government possesses any political wisdom, it should have come up with some new ideas this year to re-establish a new balance.

What I am going to say will sound like coming from the pro-establishment camp. If Hong Kong wishes to play a supporting role in the planning of the Greater Bay Area and the repositioning of Shenzhen after 40 years, have we ever thought about repositioning ourselves? In the past 25 years, Hong Kong acted

as an intermediary between China and the United Kingdom under the principle of "one country, two systems" like a duck to water. The international sanctions imposed on Hong Kong have resulted in the fall of the Hong Kong branding and the shrinkage of local businesses and business opportunities. The political talents in Hong Kong, if any, should offer ideas for a way out. Disappointingly, the pro-establishment members, who are the elected representatives in this Council and as stakeholders, have said nothing. In the end, the Bauhinia Party came forth and proposed to extend the principle of "one country, two systems" for another 50 years after 2047.

Buddy, how disappointing this is! And then, an irrelevant person said that amid the chaos in Hong Kong, the Chief Executive should be selected through consultation rather than election. In fact, Chief Executives have been selected through consultation. That person is talking nonsense. When the Government can do nothing politically, they, being part of the establishment, should offer some ideas to at least fool their supporters. But they have not done so. All that they have focused on saying is the fight against the pandemic. When a matter fell into their area of concern, such as the sale of Chinese New Year plants in Victoria Park, they made so much noise about it. I will not talk about politics because this is not something I can handle.

Economically, Hong Kong is destined to stagflation. Structurally, our stagflation is due to the Government's high land price policy. Moreover, there is too much "hot money" in the global economy. People do not have much choice on what to buy. They cannot buy gold. They do not trust currencies because other countries do not have much money. They are all poor. So, what can they do? They launch QE (quantitative easing). Members should have noticed this phenomenon in the past few years. Given that Hong Kong does not have its own monetary policy, we have to maintain Hong Kong dollars at a very low value. People end up finding that the money they earn is not even enough for paying a trip ... if they can still travel.

However, given that Hong Kong is an externally oriented economy, "hot money" that enters Hong Kong will push up prices. As a result, people have to spend one-third of the money they earn on paying rents. What should the Government do to tackle stagflation? The Government should ... Certainly, I should not offer such a proposal to a government that is not elected by the people ... The Government should boldly drive the "hot money" out of the Hong Kong market.

Deputy President, let me provide some data for you. No one would read this information. There is a very interesting figure in a research paper provided by the Research Office of the Legislative Council three weeks ago. It compares the external merchandise trade in 2019 and 2020 between Mainland China and Hong Kong. There was a positive trade balance of \$150 billion in 2019 ... I repeat. It was \$150 billion ... and the positive trade balance doubled up to \$360 billion in 2020. In other words, many Mainlanders came to Hong Kong to spend money. What did they buy? Our trade balance with the United States was \$90 billion in 2019 and it further dropped to \$7.7 billion in 2020. The data simply shows that there has been a large inflow of money into the economy of Hong Kong, but we do not know where the money has gone. I mean we cannot tell from the data, and I hope that Secretary YAU can give us a breakdown to show where they have spent the money.

So, let me be frank with you. The Government should deal with the stagflation. Just making a casual effort on the anti-pandemic front will do. What matters is to leave some leeway for our local economy. But the Government has failed to do so. It failed to curb the inflow of money. When it became a problem, the Government chose to curb our local small business operators and did not drive the "hot money" out of the market. In the end, all the money was invested in the property market and the stock market. We do not know what stocks they bought. All that we know is that the daily turnover in the stock market made a record high yesterday, amounting to some \$300-odd billion. This is a crazy world.

Let me come back to the data I just mentioned. The data shows a massive outflow of capital from international enterprises, such as those from the United States and Japan. We have slightly lowered our negative trade balance with Japan. Perhaps the Japanese still find trading with us profitable. However, the capital investment from Mainland China in 2020 has increased by \$150 billion as compared with that in 2019. This is an issue that small and medium enterprises in Hong Kong, Hongkongers and even local consortia should think about. Deputy President, when the future is discouraging, the "new birds" for the emptied cage shall include not only people, but also the political and economic enterprises in Hong Kong, and Hong Kong is now experiencing drastic changes both politically and economically.

Take a local catering consortium which many people refused to go as an example. Although the consortium has employed many local people, people want to throttle the consortium because of anger. The statistics tell us that ...

when we want to throttle a local enterprise ... certainly I am not saying that all local enterprises operate their business in a reasonable way. All capitalists have their evil side in one way or another. The point is when the global politico-social arena is experiencing a chemical change, why would Hong Kong people ... I do not want to sound like criticizing Hongkongers ... why would they blindly throttle something of their own and then let other people take over it? The outcome is that two years later, we saw massive outflow of capitals from Hong Kong. The economic outcome is that the shops in the city are taken up by all sorts of unfamiliar chain stores. Do you think this is good? I do not know. But at that moment, the new city look makes me feel like being in the Luo Hu Commercial City. I think that Deputy President knows what I mean.

Third, this Policy Address is not without something positive. When people's morale is low, what can we learn from history? You may find my answer absurd. I suggest constructing parks, or even allowing gambling businesses, though I am not encouraging gambling. In the past eras, Hongkongers felt anxious twice. Take MACLEHOSE as an example. In his 10 years of governance, he made achievements in two areas, education and housing, as well as cultural and recreational development. Carrie LAM's Policy Address gives me the impression that she has no talents in her cabinet. She cannot change, or touch, the constitutional system. Fine. She can leave it alone. Just let people say what they wish to say. But economically, she should have come up with some ideas to help local enterprises. But she has not done so. Which government in the world would pay to have its young generation and workforce sent to another place to work? I am talking about the subsidy scheme on the Greater Bay Area. Besides, enterprises can only apply for the subsidy for two years. What should the enterprises do two years later after setting foot in the Greater Bay Area? Should they close their business there? Sorry, I may be frank, but I truly think that this is a stupid arrangement.

Besides, Deputy President, the most absurd thing about this arrangement is that it allows Mainlanders to come and study in Hong Kong and then go back to the Mainland to work with subsidies offered by the Government. That is why I say we cannot tell from the overall policy that she is "emptying the cage for the new birds". However, when we put all the pieces of the puzzles together, it makes up the reason why Hongkongers hate her. Why does she hate Hongkongers so much? Those Mainlanders who come here to study already receive many scholarships. They do not need to pay any college fee, nor do they need to stay behind to work here.

Because of the international situation, a group of people will have to come back from the United States. She thus launched family office business and relaxed the Listing Rules for companies to be listed in the Hong Kong Exchanges and Clearing Limited. Worse still, LI Xiaojia chose to step down at this juncture. But this is another subject and I will not expound on it. We can see from this measure that she wants to take these "Hong Kong drifters" back because of their international connections ... or rather, I should say they are Mainlanders who have gone overseas ... whether they are allegiant to the country is another issue. Now that they can no longer stay there, the Chief Executive thus adds this item in this Policy Address to encourage them to come to Hong Kong. I am quite sure about this because Carrie LAM would not have thought of these matters, so the only thing she can do is to encourage them to come to Hong Kong.

The Greater Bay Area scheme will pay Mainlanders to study in Hong Kong free of charge and then pay them again to return to the Mainland to work for two to three years. The purpose is to wait for the Shenzhen plan in 2025. Is this the way we want Hong Kong and the country to develop? So, has the Government assisted local enterprises on the economic front, so that they can have an opportunity to go global when the "Hong Kong branding" loses its glister? Why do people say that the biggest problem of the Policy Address is its failure to make the best of the opportunity? One wonders whether it is out of genuine ignorance or out of bureaucracy that the Government does not do so.

I suggest that the Government should be more drastic in formulating its economic and cultural and recreational policies. I am not talking about political blame games, but in the past few days, the pro-establishment camp ... I truly do not understand. They have been talking about the problems with the universities since yesterday. But this is not a pressing issue in Hong Kong now. If they want to suppress this part as well, they will totally lose people's faith in them. Let me tell you how to save Hong Kong through education at this moment. It is simple. It is small class education. When is the best time to launch small class education if not now? The pandemic has made face-to-face teaching impossible. A large number of students have withdrawn from schools in Hong Kong. Private schools under the Direct Subsidy Scheme are on the brink of closure. All these events tell us that the entire education industry is going to collapse. But the Government has done nothing.

I add one more point. What should be done to pacify the people? The Government should unconditionally support local-born Hong Kong residents. For example, it can establish a fund to help them learn one more foreign

language. In other words, the Government should set aside a sum of money for people to learn, before the age of 18, Russian, Spanish, Japanese, or whatever foreign languages. The Government only needs to make up a reason, say, for the sake of giving Hong Kong people an opportunity to excel in the Greater Bay Area; and it is by means of each person learning a foreign language. When I studied in Beijing, all the classmates living in the dormitory knew at least three or four foreign languages. It was a policy of the Country. But the Hong Kong Government has abandoned Hong Kong people, so that it can "empty the cage for new birds".

On cultural and recreational front, it is also very simple. The Government should use the land intended for housing construction on improving the living environment as far as feasible. How should I put it? Hongkongers are satisfied as long as they have a good living environment. Take the Ocean Park for an example. It is now proposed a spin off of the Ocean Park. Although the Park will not be able to avoid its eventuality, the proposal will provide some space for people to walk around, rather than using it for housing. A few years later, Hongkongers will ask the Government to use it for housing anyway because we ... I should not say so, but the general public do not have much of a vision, or imagination, of the future. They only care about the matters at present.

And what matters to them at present is to feel comfortable. Why did they feel uncomfortable in the past? It was because their parks had been occupied by public square dancers. There is nothing wrong with public square dancing, just that it is a matter of how space should be used. In the past, we used to see pharmacies and goldsmith shops on the streets of Hong Kong and nothing else. In this time of unrest, the Government should provide more cultural and recreational facilities. I am sure Matthew CHEUNG understands what I am saying. It was at the time when Donald TSANG was at the helm, and what did he do? It was the construction of civic centres and the City Hall. What do Hongkongers need? It is impossible that the officials do not know the answer for all these years.

Certainly, the two parts that I just said will only serve as a transition. So, in this interim, I do not understand what the Government has been doing. In its fight against the pandemic, the Government has dished out money to restaurants. I am not saying that restaurants do not need the subsidy. They do. But the Government should provide subsidy to the culture, arts, education, sports and music sectors as well. These sectors are ... If I may say from a rather pathetic

perspective, these are our intangible heritage. This body of ours is our tangible heritage, and those are the intangible heritage. In the past, the Government insisted on giving it a new branding and repackaging it, such that we were able to have a smooth transition in 1997. However, at this juncture, we still have 25 years to go, but this Policy Address has made no planning at all. However, I can understand it because this is a weak and laissez-faire Government in a state of zero governance. But does the SAR Government truly have no talents working for it? If this is true, I can only say that this is the misfortune of Hong Kong.

I will oppose the Motion of Thanks. I so submit.

MR CHAN KIN-POR (in Cantonese): Deputy President, Hong Kong's society and economy have been hard hit by the double whammy of social unrest followed by the new pandemic, leaving many devastated industries waiting for revitalization.

In order to prevent and combat the pandemic, the Government has spent an aggregate amount of over \$300 billion on relief efforts, which inevitably has a huge impact on the public coffers. As of the end of December last year, the current fiscal year has seen a deficit of \$310 billion and the fiscal reserves have plummeted to just more than \$840 billion, which is indeed unprecedented in history. In the face of such an adverse environment, the Policy Address has to respond to the aspirations of society and at the same time make good preparations to rev up the economy. This will be accompanied by great difficulties and constraints in actual practice. However, I consider the current Policy Address to be a dedicated, high-quality piece of work because it has also offered some concrete proposals on people's livelihood and the economy. The biggest question now is how to implement the proposals and rebuild the public's confidence in Hong Kong.

In my view, the first thing worthy of recognition in the current Policy Address is that it is receptive to good advice. As Deputy President said just now, it has adopted the proposal of the pro-establishment Members to shelve the applications to the Finance Committee ("FC") for the creation of directorate posts at the current time when the Hong Kong Government is financially stretched, so that FC can spare more time to attend to details when vetting and approving works projects of public concern and thus expedite the construction work in Hong Kong. To be honest, under the current circumstances where many people are

unemployed or underemployed, if the Government still indicates a wish to create high-ranking official posts, how can Members support it? Therefore, now that the Government has quickly halted the creation of directorate posts, FC will have more time to vet and approve works projects. It is absolutely necessary to create jobs for the grass roots. The Chief Executive deserves recognition for being receptive to good advice.

In addition, the Policy Address mentions public sector reform and the requirement to streamline administrative procedures, including making concrete efforts to streamline land development approval processes, as well as expedite the approval processes for lease modifications and other applications, so that the current bureaucratic mechanism for land approval will be streamlined to greatly speed up the availability of land. While noticing that this point has not been discussed much in the community, I find it to be almost the biggest highlight in the entire Policy Address. Why is Hong Kong so slow now in implementing whatever measures? It is because we have been doing everything in a bureaucratic manner. We have added new regulations and procedures, but never streamlined the processes so that we can work faster. In the past, one could not expect the Legislative Council to ask the Government to change. Only the Government knew internally what needed to be changed. I consider this point most important throughout the Policy Address and having the greatest impact on Hong Kong, but it is a shame that there is actually no discussion in the community about such a fundamental change and no one sees it as a good thing. I think it will be helpful only if Hong Kong people really see the crux of the problem and are willing to push the Government to do these concrete things.

In fact, it takes dogged determination to make reform succeed. Eliminating or streamlining outdated approval procedures will enhance the Government's efficiency, reduce manpower requirement and induce a feeling among the public that government services have improved, which is actually a multi-win situation. I believe that, to achieve anything now, the Government needs to convince civil servants at all levels to break with conventional work practices and accept new reforms, because reforms can hardly succeed without their support. Reform is never easy, but if we can achieve it in its true sense, it will definitely do Hong Kong a great favour by enhancing our competitiveness, which is currently the most pressing task for Hong Kong because we have wasted more than a decade in long-lasting infighting. Now that the political situation is more stable, I believe it is time for us to look at ways to strengthen our competitiveness and this is ultimately a blessing to the public.

The Policy Address has other highlights as well. The Chief Executive has announced that 330 hectares of land have been identified for providing 316 000 public housing units to meet the demand in the coming 10 years, a significant increase of 44 000 units over the 2019 estimate. This is the first time since the Government announced the Long Term Housing Strategy in 2014 that the public housing supply has reached the target. In fact, despite going through the big debate on land supply in 2018, the community has been struggling to find a solution. This time, against all odds, the Government has finally identified sufficient land. This is no mean feat at all. Unfortunately, however, there is not much applause from the community either.

Although it will take five years of time-consuming construction before there is a significant increase in supply, the news is great, after all, for those on the Waiting List for public housing. Meanwhile, it has sent a positive message to the community that the Government is capable of providing sufficient land. If the Government receives no encouragement and hears nothing but constant criticisms even for carrying out such a major reform and advancing efforts that will bring great changes to the social landscape, I think that even ordinary people, let alone the Government, will lack motivation to work. Therefore, in my view, the people of Hong Kong should really think it over. In the future, if the Government has wrongdoings or inadequacies at work, such as doing a bad job in epidemic prevention, we have to criticize it. On the contrary, if it has done a good job, there should be some applause to bring about more fairness and afford sufficient encouragement to those officials who are willing to work in the "hot kitchen". Otherwise, who would be willing to work there? They are all elites, who will not worry about not being able to find a job, and yet they are still willing to stay in this "kitchen", so they must have a great heart for service. We must support these outstanding officials.

I believe that this is the first step in reversing the long-term shortage of land supply. The Government will soon press ahead with a number of measures, including the development of brownfield sites, land sharing, the study on Lantau Tomorrow, near-shore reclamation and rock cavern development. If all these measures are successfully implemented, the housing difficulties in Hong Kong will gradually be resolved. The Hong Kong community must understand that the prerequisite for stability and prosperity in society and a hopeful future for Hong Kong is that people enjoy peace in life and find contentment at work. I believe that the Government has moved heaven and earth to achieve the target this time, but the ultimate solution to Hong Kong's housing problem indeed relies on the full support of the community as a whole.

The current Policy Address has adopted my long-standing suggestion that when the pandemic situation stabilizes, the Government should roll out large-scale publicity and promotion strategies to promote Hong Kong to businessmen, investors, entrepreneurs, researchers and talents around the world. In fact, in recent years, Hong Kong has become piggy in the middle of the Sino-US arm wrestling and, for good measure, suffered from social turmoil due to the occurrence of large-scale unrest. It was not until the Central Authorities enacted the National Security Law for Hong Kong that calm returned to Hong Kong. However, some foreign governments and political organizations have been wantonly smearing Hong Kong, and the international community is extremely concerned about the rule of law and the business environment in Hong Kong. Therefore, I suggest that the Government should go on the attack by drawing up a detailed explanation plan and promoting it to the international community so as to consolidate Hong Kong's status as an international financial and business centre.

In fact, attracting and retaining international investors is very important if Hong Kong is to maintain its status as an international metropolis and financial centre. According to the latest data from the Census and Statistics Department, the number of business operations in Hong Kong with parent companies located outside Hong Kong has dropped from 9 040 two years ago to 9 025, among which the number of regional headquarters has dropped from 1 541 two years ago to 1 504, and the total number of persons employed has fallen from 490 000 to 480 000. The overall decline, though not considered significant, has sounded an alarm. The number of foreign companies doing business in Hong Kong had been rising over the past few years until last year when the upward trend reversed. Besides, the survey shows that 4% of the companies have expressed an intention to relocate outside Hong Kong and 21% have indicated that they remain undecided about whether to stay in Hong Kong for business development. This situation is concerning. Therefore, I hope that the Government will proactively explain to international investors the real situation in Hong Kong, considering that most of the information they receive about Hong Kong is actually very one-sided or incorrect. If possible, the Government should give the international business community a clear explanation face to face so as to possibly dispel their misunderstandings. At the same time, apart from explanation, it is also advisable to promote headquarters economy, for example by following in Singapore's footsteps to provide personalized services to those interested in investing in Hong Kong, with a view to attracting investors to Hong Kong, in exchange for their recruitment of more local staff.

Deputy President, next, I would like to focus on issues of concern to the insurance industry. The insurance industry has long been striving to make inroads into the Greater Bay Area in order to push forward the sustainable development of the insurance industry. In the Policy Address, the Chief Executive has brought the good news that, with her total support, we have secured explicit support from the Mainland Government for Hong Kong's insurance industry to establish after-sales service centres to provide Hong Kong, Macao and Mainland residents holding Hong Kong policies with comprehensive support in different areas including enquiries, claims and renewal of policies. In addition, Hong Kong private cars will also be allowed to enter the Greater Bay Area and Hong Kong vehicles will be granted "unilateral recognition". The industry greatly welcomes these initiatives and will make use of this opportunity to press for the opening up of a wide market in the Greater Bay Area. At the same time, it will continue to strive for other schemes to be rolled out in the Greater Bay Area, including Health Insurance Connect, Life Insurance Connect and the possibility for Hong Kong and Mainland residents to purchase insurance products from each other's sides. In fact, such schemes are well worth striving for because they will enable long-term development of the insurance industry, thus contributing to Hong Kong's economy while creating a large number of quality jobs. As the two sides are currently discussing the details, which involve rather complex regulations, provisions and daily operational routines, I hope that the Government will allow the representative of the industry, i.e. the Hong Kong Federation of Insurers, to participate directly in the formulation work to ensure practicability of the relevant rules. In fact, as there will be more insurance products in the Greater Bay Area covering both the Mainland and Hong Kong in the future, it is indeed necessary to have a professional body representing the industry to take part in various discussion channels. I urge the Government to implement this proposal.

In addition, Hong Kong's economy has been brought to its knees by the pandemic and the insurance industry is hardly an exception. The current fact that Mainland customers are unable to come to Hong Kong to take out insurance has a huge impact on the industry. Given the deep economic ties between Hong Kong and the Mainland, the prolonged boundary closures on both sides definitely have a bearing on the economy of Hong Kong. Since Hong Kong's local market is limited, Mainland customers are an important source of customers for various sectors. Resumption of cross-boundary activities is of paramount importance to the economy. While certainly understanding that it is impossible to resume

cross-border activities at this time when the outbreaks persist, the industry hopes that the Government will, with concerted efforts of the public, do a good job of preventing and combating the pandemic, with a view to achieving "zero infection" as soon as possible when the pandemic abates, so that it will not take long for the economic exchanges between the two places to be resumed. I also hope that the Government will make all the preparations for the recovery of the economy. More than that, I hope that the Government will discuss with the relevant Mainland authorities to explore ways to facilitate the purchase of Hong Kong's insurance products by Mainland customers. Do they definitely need to come to Hong Kong to take out insurance? Or is there a better way, such as taking out insurance on an electronic platform?

The current pandemic has dealt a severe blow to the insurance industry, particularly in the case of long-term insurance business, where new office premiums in the first three quarters of 2020 fell by 29.4% over the corresponding period in 2019, amounting to a decrease of \$41 billion. This is not only because Mainland people are unable to come to Hong Kong to take out insurance, but also, more pointedly, because the insurance industry has traditionally adopted a face-to-face sales approach, with which sales are difficult to come by when people avoid contact with each other amid the pandemic. In the face of these operational difficulties, the industry has worked very hard to turn the crisis into an opportunity. With the approval and assistance of the Insurance Authority, the industry has launched online or remote sales platforms to sell some approved products, including health insurance and deferred annuities. They have received an excellent market response. The industry wishes to continue with this sales approach in the future while being able to work in parallel with the traditional sales approach, but this also entails amendment to many compliance conditions, as well as huge capital. Therefore, I urge the Government to offer support in terms of legislation as well as vetting and approval procedures.

The Policy Address has also mentioned that the Government should be visionary, improve existing policies and measures, and remove barriers for our industries. To be honest, removal of barriers is highly essential to the insurance industry. As the business environment in Hong Kong has shown signs of deterioration in recent years, the insurance industry is struggling to stay afloat. In recent years, the regulatory bodies have increased the number of compliance conditions, which are ever increasing in harshness. In addition to being required to pay a high compliance cost, the insurance industry is stymied by these

conditions, which have a direct impact on our operation. I hope that the Government will take a cue from the practice of our competitor Singapore. That is to say, on the one hand, we basically comply with international requirements, but on the other hand, what the Government can hopefully do is contemplate how to maintain a more relaxed environment under this framework to suit the local situation, for example by extending the time for compliance to afford us more time for adaptation, or by taking other flexible measures in the light of the local situation. Only in this way can the industry be given more room to compete with its international rivals.

Lastly, I would like to mention that a large group of self-employed insurance intermediaries are bearing a heavy brunt from the pandemic and even the various measures under the Anti-epidemic Fund may not be able to help them. Many of them were originally middle-class people rarely entitled to social welfare despite paying quite a lot of tax in normal times. As the pandemic persists, the Government has given priority to the grass roots and frontline employees, so this group of self-employed people are not much benefited and have now been plunged into financial difficulties and crisis. Having repeatedly reflected the plight of the industry, I hope that the Government will respond with compassion to the situation of the industry by taking relief measures for this group of self-employed people, as well as a huge number of self-employed people engaged in other industries in Hong Kong. Thank you, Deputy President.

MR CHAN CHUN-YING (in Cantonese): Deputy President, Chief Executive Carrie LAM delivered her fourth Policy Address in her term of office at the difficult time for Hong Kong when we need to restore our confidence to strive ahead.

Over the past one-odd year, Hong Kong with an open economy which heavily relies on service industries has been hard hit by the Coronavirus Disease 2019 ("COVID-19") pandemic with drastic deterioration in its economic condition and a rapid increase in its unemployment rate. In the first half of last year, Hong Kong's GDP shrunk by 9% in real terms, recording the largest decline for a six-month period. Given a comparatively low base number in the previous period, the year-on-year economic decline in the latter half of the year has narrowed, but according the latest estimation by the Chief Executive, the decline will still be 6.1% for the whole year.

Amid the pandemic, business is slack in all trades and industries. The quarterly unemployment rate of Hong Kong has risen from 3.3% in late 2019 to 6.6% in last December. At present, the actual number of unemployed people stands at 245 000 which is actually more than a double of the 124 000 in late 2019 as mentioned by the Deputy President just now. What comes as quite a relief is that Hong Kong's merchandise trade has benefited from the strong external trade of the Mainland and started picking up since the latter half of last year. According to the statistics of the Census and Statistics Department, Hong Kong's import and export of goods have reverted to an increase in the third quarter of last year. In comparison, the pandemic has relatively minor impacts on Hong Kong's financial and property markets. The linked exchange rate remains stable while the banking system and the market basically operate in a smooth manner.

The disturbances arising from the opposition to the proposed legislative amendments and the COVID-19 pandemic have seriously undermined the social stability and economic development of Hong Kong. Fortunately, subsequent to the promulgation and implementation of The Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region ("the National Security Law") on 30 June last year, stability has been gradually restored in our society. That said, there is a difficult road ahead to control the pandemic and revive the economy, given the widespread anxiety among the public and the urgent need to rebuild market confidence. In order to enhance the community's confidence in Hong Kong, the Chief Executive specifically postponed the delivery of her Policy Address and personally led a government delegation to Beijing, Guangzhou and Shenzhen, which succeeded in securing support from the Central Government in the form of some new policies that are beneficial to Hong Kong. These policies offer us some substantive assistance in respect of promoting the development of the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"), consolidating Hong Kong's status as an international financial centre and international aviation hub, and the development of an international innovation and technology ("I&T") hub. I believe that the support from the Central Government will help Hong Kong emerge from the present predicament more speedily.

Deputy President, divided into 167 paragraphs in 10 chapters, this Policy Address of some 30 000 words focuses mainly on areas such as navigating through the epidemic, adding new impetus to the economy, increasing housing and land, building a liveable city, improving people's livelihood, and nurturing

talents, and all the relevant policy initiatives aim at resolving the perennial and thorny problems in Hong Kong. If they can be implemented expeditiously, there will definitely be improvements in people's living. As regards the details of other policy areas of the Government, they have been set out in the second Policy Address Supplement ("Supplement"). In the Supplement, each policy area is presented in two parts, namely "Progress Made" and "New Initiatives", and as compared with the Supplement published last year—actually the year before last—the part of "Challenges Ahead" has been cut out from each chapter.

Media practitioners in the community are of the view that the Supplement is essentially the self-appraisals of the 13 Policy Bureau Directors. According to the statistics of various policy areas covered in the Supplement, the Chief Executive has announced a total of 791 initiatives since taking office, of which 90 have been taken up by the Development Bureau: 60 with progress made while 30 are new assignments. Among the 13 Policy Bureaux, the Development Bureau ranks first in terms of the number of initiatives assigned. Ranking next to it as the busiest Policy Bureau is the Food and Health Bureau. This is particularly the case at present when it is charged with the heavy and crucial responsibility of preventing and controlling the pandemic. Of the 791 initiatives, 70 have been tasked to the Food and Health Bureau and it has also been assigned 30 new ones. Among the four Policy Bureaux which have been assigned more than 50 initiatives, the Education Bureau has achieved a completion rate of 86%, whereas the remaining Policy Bureaux, including the Financial Services and the Treasury Bureau which is the most closely related to me, appear to have just performed so-so. This Bureau is responsible for 25 of the 791 initiatives. Among them, 18 have made progress, i.e. a completion rate of 72%, and 7 are new ones.

Deputy President, apart from the Policy Address and its Supplement being considered as a self-appraisal, some in the community have also commented that the Policy Address this year has overemphasized our integration into GBA. But I do not quite agree with this view, because when it comes to Hong Kong's future development, we must take proactive actions to integrate into the overall national development by extensively participating in the development of GBA. It is only in this way that we can find a new engine for the development of Hong Kong's economy. With a population of 7.2 million, a GDP of US\$1.7 trillion, and vibrant impetus and potential for economic development, GBA will definitely be able to provide new impetus for the further development of Hong Kong's economy.

The Policy Address contains a series of important initiatives in relation to the deepening of Hong Kong-Mainland cooperation which are worth looking forward to. First, it concerns the mutual access between the Mainland and Hong Kong financial markets. Last March, the Z/Yen Partners in the United Kingdom and the China Development Institute in Shenzhen jointly published the Global Financial Centres Index Report in which Hong Kong fell out of the first three places for the first time, ranking merely the sixth. Then, in the latest report published in September, Hong Kong has slightly moved up one place to the fifth. I hope that the Government will continue to play a proactive role in deepening the mutual access between the financial markets of the two places, so as to push Hong Kong back to the first three places.

In my view, there are three major opportunities presented by the mutual access between financial markets. Firstly, it is the opportunity for cross-boundary financial management. The Mainland is one of the world's fastest growing markets where people rapidly accumulate wealth. With their increasing demand for asset allocation services, the Mainland market has become increasingly important to the private wealth management industry of Hong Kong. Deputy President, according to the survey cited in the Hong Kong Private Wealth Management Report 2020, the responding institutions stated that among the assets under their management, the percentage from the Mainland had increased from 35% in 2019 to 40% last year. It is estimated that the percentage will further increase to 54% in the next five years, considering especially the fact that GBA ranks first in the country in terms of wealth growth potential, and one fifth of the high-net-worth households with assets amounting to RMB10 million or above are from Mainland cities in GBA.

Last June, the People's Bank of China ("PBoC"), the Hong Kong Monetary Authority ("HKMA") and the Monetary Authority of Macao jointly announced the launch of the cross-boundary wealth management connect pilot scheme ("Wealth Management Connect"). Since then, the local banking industry has actively made preparations to launch this business, and I have also invited the Secretary for Financial Services and the Treasury Christopher HUI to attend seminars held by the industry to listen to the views and suggestions of members of the industry. Later, the authorities announced that the Northbound and Southbound Wealth Management Connect are respectively subject to a unilateral aggregate quota of RMB150 billion and a quota of RMB1 million for individuals.

The Policy Address has proposed expediting the implementation of Wealth Management Connect. This will open up a wider market for the private wealth management industry of Hong Kong, and bring to it a new round of development opportunities. Under Wealth Management Connect, settlement will be carried out in Renminbi ("RMB"), with currency conversion conducted in the offshore markets. The relevant funds can be remitted and managed in a closed-loop through the bundling of designated remittance and investment accounts. This mechanism can encourage more RMB remittance and settlement to be conducted in Hong Kong, and help our offshore RMB business to further develop and prosper. Moreover, to make it convenient for Mainland residents to open investment accounts in Hong Kong, I really hope that the Government will strive for the Mainland authorities' consent to allow Hong Kong incorporated banks' branches, subsidiaries, holding companies and designated banking partners in GBA to provide service such as cross-boundary attestation for account opening and remote product presentation for Mainland residents intending to make investment in Hong Kong, while, conversely, allowing banks in Hong Kong to carry out the attestation required of Hong Kong residents for their Mainland banking partners.

Secondly, it is the opportunity for development of green finance. PBoC, China Banking and Insurance Regulatory Commission, China Securities Regulatory Commission and State Administration of Foreign Exchange have jointly issued the "Opinion on Providing Financial Support for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area" which proposes promoting cooperation in green finance in GBA through supporting Hong Kong to develop a green finance hub in GBA and establish an internationally recognized green bond certification institution, encouraging more enterprises in GBA to use Hong Kong as the platform for green project financing and certification, and supporting Guangdong's financial institutions to issue green financial bonds and other financial products in Hong Kong. In the future, Hong Kong can develop GBA into the most important green finance centre in Asia and provide sufficient financial support for the development of a low-carbon bay area by such ways as issuing benchmark green bonds, hosting global conferences on green finance and investment, establishing a green labelling scheme, and endeavouring to train the relevant finance talents.

In 2019, the cumulative green bond issuance in Hong Kong reached US\$7.1 billion, among which low-carbon buildings dominated use of proceeds at

a record high of 61% of the annual issuance. Last May, HKMA and the Securities and Futures Commission initiated the establishment of the Green and Sustainable Finance Cross-Agency Steering Group which focuses on the two aspects of regulatory policy and market development to bolster Hong Kong's position as a green finance centre in Asia and globally. In fact, with our unique advantages, Hong Kong can really play a significant role in Mainland's development of green bonds and green finance. I believe it is just the opportune moment for Hong Kong to foster the development of green finance and this will offer us a promising prospect.

The third opportunity is presented by digital RMB. PBoC is making strenuous effort to take forward the pilot work of digital RMB, i.e. Digital Currency Electronic Payment ("DCEP"), in the Mainland. Currently, the trial sites include the Beijing-Tianjin-Hebei region, the Yangtze River Delta region, GBA, and the central and western regions where the right conditions exist. If cross-boundary use of digital RMB is made possible, it will certainly be of great help to RMB internalization. In my written question last October, I already urged the Government to lobby PBoC to designate Hong Kong as a trial city outside the Mainland for digital RMB. In his Article in *inSight* last month, the Chief Executive of HKMA, Eddie YUE, also stated that HKMA and the Institute of Digital Currency of PBoC are discussing the technical pilot testing of using digital RMB for making cross-boundary payments, and are making the corresponding technical preparations. While there is not yet a timetable for the launch of digital RMB, it will certainly offer an additional electronic payment option to those in Hong Kong and the Mainland who need to make cross-boundary consumption.

Deputy President, the second major initiative relating to the interconnectivity between the two places is the joint development of the Shenzhen/Hong Kong Innovation and Technology Co-operation Zone ("SITZ"). During the latter part of the last century, Hong Kong and the other three Asian dragons similarly experienced a constant exodus of low-end manufacturing industries. But different from the other three dragons which underwent restructuring towards high-end technology industries, Hong Kong restructured its industries to focus on finance and real estate, thus resulting in the lagged development of our technology industries. Compared with the Mainland and the major economies in our surrounding area, our expenditure on research and development ("R&D") accounts for a far lower proportion of our GDP owing to

reasons including our shortage of land, our inadequate ability to commercialize R&D results, and the lack of support from the Government's industrial policies in the past. All these have constrained Hong Kong's technological development.

The Proposal on Formulating the National 14th Five-Year Plan has listed innovation-driven development as the top priority among the 12 key tasks, it also supports the cooperation between Hong Kong and Shenzhen in developing an international innovation and technology ("I&T") hub in GBA, and agrees to the joint development of SITZ by the governments of Hong Kong and Shenzhen. I dare say our complementarities with Shenzhen, which is representative of the Mainland cities in GBA, in terms of technology, industries, institutions and professional talents can provide the solution to our long-existing weaknesses in technology and bring unprecedented opportunities. With regard to size, the Hong Kong-Shenzhen Innovation and Technology Park ("HSITP") of SITZ covers an area which is four times that of Hong Kong Science Park, while the total area of the whole SITZ is 17 times that of it, thus providing plenty of space for Hong Kong's I&T industry to develop.

As mentioned in the Policy Address, the governments of Hong Kong and Shenzhen are exploring the feasibility of allowing the Hong Kong Science and Technology Parks Corporation ("HKSTPC") to lease and manage certain areas of the Innovation and Technology Zone in Futian, Shenzhen, so that institutes and enterprises which are interested in starting their business in GBA can establish a presence in the Shenzhen Innovation and Technology Zone before the completion of the first batch of buildings in HSITP. At present, the construction of these two zones has already commenced. It is believed that in the future, the collaborative projects between Shenzhen and Hong Kong will be able to facilitate the integration of various elements to achieve mutual complementarity and bring some new impetus to Hong Kong's strategic technology industry.

The third initiative about the cooperation between the two places concerns further expansion of our business cooperation. Deputy President, previously, the Chinese Manufacturers' Association of Hong Kong released a consultancy study report. According to the report, the Hong Kong-owned manufacturing enterprises in the nine Mainland cities within GBA alone already have an aggregate turnover of HK\$900 billion, pay HK\$28 billion in tax annually, and employ 2.7 million people. But China-United States trade disputes in recent years, the pandemic outbreak which led to a decrease in overseas demand etc.,

have impacted Hong Kong enterprises which have set up factories in the Mainland for manufacturing goods for export in various ways. These Hong Kong-owned enterprises are in the predicament caused by the sluggish United States and European markets, and the Mainland has become an important market for them. The Policy Address has stated that the Central Government supports Hong Kong enterprises to tap into the Mainland market. This refers to not only the sale of goods to the Mainland domestic market, but also exporting Hong Kong's professional services to the Mainland. I believe that this initiative will be beneficial to Hong Kong enterprises and our development, and will also enable Hong Kong enterprises to make contribution to the country's new development pattern of "dual circulation" with their strengths in domestic and international connections.

As proposed in the Policy Address, a Mainland Enterprises Partnership Exchange and Interface Programme will be launched in the coming year to facilitate exchanges and networking that foster cooperation between Hong Kong's professional services sector and Mainland enterprises, strengthen the capacity building of both sides, and enhance the international outlook, market orientation and professional standards of various projects. Professional services industry is one of the pillar industries of Hong Kong and enjoys a competitive advantage. This well-thought-out programme should be implemented expeditiously to enable it to achieve its effect sooner.

Deputy President, in addition to fostering our integration into GBA, the SAR Government should also keep strengthening our infrastructure (including the financial infrastructure) so that we can consolidate our status as an international financial centre.

In fact, the International Monetary Fund ("IMF") stated in last October's issue of Fiscal Monitor Report that having taken a severe hit from the COVID-19 pandemic, governments of different countries should seize the opportunity of low interest rate to invest in infrastructure, so as to drive economic recovery from the COVID-19 pandemic. According to IMF's calculation, if advanced and developing economies increase their public investments by an amount equivalent to 1% of their GDP, the overall GDP will increase by 2.7% and the growth of private investments will increase by 10%, creating 7 million jobs directly. Also, 20 million to 33 million jobs will be created on the whole, when considering the indirect macroeconomic effects.

In light of this, the SAR Government should, on the one hand, carry out its anti-epidemic work properly and, on the other hand, continue to invest in infrastructure. It is encouraging that the Policy Address has made it clear the Government will continue to invest in local infrastructure with an estimated annual expenditure of HK\$100 billion on average in the next few years. What is more, in her letter addressed to Legislative Council Members last night, the Chief Executive revealed that the funding for works projects which the Government is going to seek approval will amount to HK\$180 billion in 2021. Meanwhile, Guangdong and Hong Kong will continue to deepen cooperation in the aspect of infrastructure. Examples include the Airport Authority Hong Kong investing in the Zhuhai Airport by way of share acquisition; and improvement being made to the infrastructure of land boundary control points. I believe the cooperation will stimulate the economy and create considerable employment opportunities.

In addition, I think financial infrastructure should also tie in with financial development in the future. While HKMA has gradually introduced a number of initiatives such as virtual banking, Stored Value Facility, Faster Payment System and Open Application Programming Interface ("API") over the past few years, some financial infrastructure is beyond the purview of HKMA. I hope that the Government can adopt the following two proposals which have been repeatedly raised by me.

First, the resources allocated to the Financial Services Development Council ("FSDC") by the Government has all along been fairly limited. Its manpower and resources are not sufficient for it to fully perform its role in areas such as conducting strategic research and formulating recommendations, promoting market development and nurturing talents. I hope that the Government will continuously increase the resources devoted to FSDC, so that it can constantly offer advice and suggestions for Hong Kong's financial development.

Second, in order to enhance the efficiency in carrying out due diligence regarding individual customers' credibility, banks have kept exploring the enhancement of their platforms of customer credit information, and the Government has also introduced electronic identity authentication for members of the public. If a personal information database, i.e. what is referred to as Know-your-customer Utility ("KYCU"), can be concurrently established, financial institutions like banks, insurance companies, securities firms will then be able to make use of this Government platform to collect account openers'

information which is in standardized format, saving customers the trouble of providing the information repeatedly themselves and making the account opening process much smoother. Not only is this in line with the international regulatory standards, but also able to achieve the objective of inclusive finance. The SAR Government should draw reference from the approach adopted by the Singaporean Government and take up the role as a proactive leader to meet this need of society as soon as possible.

Deputy President, next, I wish to remind the SAR Government that it should expeditiously review its philosophy about the deployment of its fiscal reserves. Around the world, I believe, not many economies can consistently run budget surpluses without fiscal liabilities—to be more precise, with no net liabilities or, to put it simply, having only net assets—and possess huge fiscal reserves. Also, governments around the world generally will not disclose the size of their fiscal reserves, unlike Hong Kong where there is high transparency. Currently, the wealthiest economies in the world can be divided into two major types. The first type consists of such countries as Norway, the United Arab Emirates, Kuwait, Saudi Arabia and Qatar which accumulate their financial resources with their rich oil resources. Another type—for example, Hong Kong and Singapore—is comprised of places which lack natural resources and rely mainly on their fiscal discipline to preserve the financial resources accumulated through economic development. What these countries and places are in common is that they do not have a standard for measuring what is "the optimal level of fiscal reserves". Most of them just limit their annual disposable fiscal reserves to less than a certain percentage, or require their governments to strive for a balanced annual budget with no deficit while being able to promote economic stability and sustainable development.

Deputy President, now, all trades and industries in Hong Kong are anxious for a rebound, and many enterprises and individuals are in desperate need of assistance. As regards how the Government should make effective use of the remaining fiscal reserves which now stand at some HK\$800 billion, there are actually many different views and demands in society. Regrettably, the Policy Address has failed to give any response. As the leader of the SAR, the Chief Executive should reveal her most updated financial management philosophy in response to the latest situation to indicate the direction in which our fiscal reserves should be used, so that the fiscal surplus can be ploughed back into society to revitalize our economy and invest in our future.

Deputy President, the Government's procurement of vaccines has undoubtedly brought new hope for pandemic control, but the Government must not slack off in its arrangements for ancillary facilities and implementation. Its foremost task is to encourage members of the public to receive vaccination. Regarding the untrue rumours on the Internet, the Government should not just keep expressing regret and then leave it at that. Instead, it should address this problem at root by coming up with more effective ways to eradicate false information on the Internet. The Government should also require members of high-risk groups to be vaccinated, and arrange for people who engage in industries involving frequent close contact with the public to receive vaccination and regular compulsory testing, so as to ensure that our society will return to normal operation expeditiously.

Titled "Strive Ahead with Renewed Perseverance", the Policy Address has responded to all the issues of public concern and proposed some 200 new initiatives to bring hope to Hong Kong. Therefore, I will definitely support the Motion of Thanks. But if the pandemic persists, it will be impossible for any of the work to start, and our hope may be dashed. The inconsistent stringency of the Government's anti-epidemic measures and the fluctuating pandemic situation have already left the public physically and emotionally drained. I strongly urge the Government to take decisive actions to achieve the target of "zero infection" stated in the Policy Address, so as to enable Hong Kong to start afresh sooner.

I so submit. Thank you, Deputy President.

MR KENNETH LAU (in Cantonese): Deputy President, I speak in support of the Motion of Thanks on the Policy Address delivered by the Chief Executive.

This year's Policy Address is rich and comprehensive in content with a number of long-term development blueprints. The ideas put forward are practical and target-oriented. Overall, it helps restore Hong Kong's constitutional order politically and is on the right direction of development economically. I hope the Government will explain its policies more to the general public in the future so as to strengthen communications with them and get the economy back on track as soon as possible.

The "black-clad riots" in 2019 have posed the most severe political challenge to Hong Kong since the handover. One of the reasons leading to the riots is that some people do not fully grasp the "one country, two systems"

principle, resulting in serious social dissension. In fact, since the handover, a small group of people have been trying to damage the relationship between the Central Government and HKSAR by politicizing various issues, including the legislation on Article 23 of the Basic Law, the implementation of national education, constitutional reform and the implementation of the Fugitive Offenders Ordinance. Whoever is the Chief Executive, there is polarization of two groups of different political stances in society. Some even think that Hong Kong should be allowed independence and self-determination. They damage the relationship between the Central Authorities and Hong Kong through international pressure many times. All these incidents and behaviour are some of the reasons for social dissension. Therefore, I am happy to see that "one country, two systems" is treated as a stand-alone chapter in the Chief Executive's Policy Address to let the general public have a full picture of the original intention of the "one country, two systems" principle.

The governance of the HKSAR Government must strictly adhere to the "one country" principle and the awareness of this principle must be enhanced so as to restore constitutional order and political system from chaos. The National Security Law has been remarkably effective since its implementation on 30 June last year. Street violence is significantly on a decline, advocacies of "Hong Kong independence" and collusion with foreign forces have progressively subsided. Hong Kong is gradually regaining stability, this is what the general public want to see. However, to safeguard national security comprehensively, the HKSAR Government must strengthen education and publicity to enhance people's understanding of national security and law-abiding awareness. Starting from primary and secondary school education, the Government should make good use of the annual Constitution Day and National Security Education Day to conduct more comprehensive and effective public education, so as to effectively prevent, suppress and punish acts and activities that endanger national security.

Deputy President, although the "black-clad riots" have subsided, Hong Kong is facing another serious challenge: the coronavirus pandemic. In face of the persistent pandemic, I hope the Government will be determined to combat the virus precisely and save the plunging economy. With the availability of vaccines, the authorities should come up with a vaccine programme as soon as possible and improve the coordination and dissemination of anti-pandemic messages in the community in order to achieve quick, accurate and comprehensive anti-pandemic results. At present, the number of infected cases in the fourth wave of the pandemic is going down slowly. With Lunar New

Year approaching, we are all worried that there may be family cluster outbreak. I suggest that the Government should adopt more effective measures to guard against importation of case and achieve "zero case" as soon as possible. In the long run, the Government should encourage the public to keep a precise record of their whereabouts so as to lower the chance of spreading the virus further. Nonetheless, we need to strike a balance in this respect out of concern for privacy protection so that the public can use the "LeaveHomeSafe" mobile app with ease and confidence.

In the economic aspect, the Government must strengthen support for industries hit hard by the pandemic. Additional subsidies should be provided to bars or pubs, restaurants and other premises that have been ordered to close due to social distancing measures.

Next, I would like to talk about the land and housing problem. First, I must make a declaration, that my family members and I own some land in the New Territories. Deputy President, the shortage of land and housing supply in the short term is regarded as the crux of social dissension. The Government has finally responded to society's acute demand for housing supply by announcing in this year's Policy Address that 330 hectares of land required for providing 316 000 public housing units have been identified. Being able to meet the 10-year public housing supply target for the first time, the Government's perseverance in this respect all these years is gradually paying off. We should give credit to the Government's efforts in identifying land to increase housing supply. However, the land that the Government is going to develop mainly comes from reclamation in Tung Chung, the agricultural land and brownfield sites in New Development Areas such as Kwu Tung North/Fanling North and Hung Shui Kiu/Ha Tsuen. I am just worried if the process of turning them from "primitive land" into "spade-ready" sites will be smooth, as once land resumption is involved, the situation will be full of uncertainties and will put the Government's political wisdom to test.

I have repeatedly indicated in this Council before that a balance must be struck between increasing land supply in response to public interest and the interest of land owners, operators and villagers. If the Government, adhering to its old mindset, attempts to resume agriculture land at a very low price and forcibly resumes brownfield sites by invoking the Lands Resumption Ordinance, ignoring the interests of land owners, not only will such practice go against the principle of protecting private property rights as set out in the Basic Law, but it

will also make it harder for the Government to persuade land owners to hand over their land. Should land resumption work encounter lengthy lawsuits, the process of land development will be obstructed, aggravating the problem of housing supply shortage. It may then cause public grievances and even social dissension. I believe that no one wants to see this.

Therefore, the transparency of the compensation mechanism and the compensation rate must be increased in order to provide reasonable compensation to land owners; sufficient land should also be reserved for proper rehousing arrangement for the affected stakeholders, so as to acquire land for housing promptly and speed up the completion of residential developments. The New Territories Heung Yee Kuk ("Heung Yee Kuk") has always been willing to cooperate and communicate with the Government to address the predicament of land shortage together. Regrettably, the rights of the indigenous inhabitants of the New Territories have been repeatedly challenged and their small house concessionary rights were under judicial review with the relevant lawsuits lasting for a few years. Fortunately, the Court of Appeal handed down a fair judgment last week. It ruled that small house developments under Free Building Licence, Private Treaty Grant and Land Exchange, are lawful traditional rights and interests of the indigenous inhabitants of the New Territories as set out in Article 40 of the Basic Law. The judgment is constitutionally lawful, proper and reasonable, and shows clearly that the Basic Law is effectively implemented in Hong Kong.

In order to use land resources more effectively, Heung Yee Kuk urges the Government to expeditiously resume examination of a backlog of over 10 000 small house applications, especially those involving Private Treaty Grant and Land Exchange. The construction of village expansion areas which was suspended before due to lawsuits should also be handled promptly, especially Pai Tau and Sheung Wo Che in Sha Tin and Ha Mei San Tsuen in Yuen Long where the land resumption process has already completed. The Heung Yee Kuk has all along suggested that the Government should make reference to the "villages in towns" development in the Mainland so that land owners can truly share the benefits brought by economic development. Besides, the development density of "Village Type Development" sites can be relaxed and the possibility of developing "small house buildings" can be explored with a certain percentage of land being designated as public housing or Starter Homes for Hong Kong Residents pilot project, so as to alleviate the housing shortage problem in Hong Kong and meet the housing needs of the indigenous inhabitants.

With the development of the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"), the Government must develop the boundary area with a new mindset, open up the Sha Tau Kok frontier closed area as soon as possible, utilize the boundary area for housing and commercial development, release the development potential of the New Territories, and strengthen the connection with GBA.

Deputy President, the Heung Yee Kuk has all along supported using multi-pronged approaches to expand land resources. The main source of housing supply in the long run must be the Lantau Tomorrow Vision project awaited by society. Not only can this project alleviate the shortage of land supply in Hong Kong in the medium to long term and promote economic development in the long run, but it can also provide impetus for growth in Lantau Island and New Territories West. Yet, in the face of the pandemic, the community and I are worried that if the Government can afford the project from a financial point of view. The Chief Executive mentioned in the Policy Address that the Government would proactively explore new financing options for the project, so we will wait and see, and hope that the relevant details will be announced as early as possible to allay public concern.

I reiterate the Heung Yee Kuk's support for the Lantau Tomorrow Vision project. But the Government must reconsider the construction of a north-south link-up road between Mui Wo and Tung Chung and a coastal road connecting Tai O and Tung Chung North; improve Tung Chung Road and South Lantau Road so as to enhance the overall transportation network of North and South Lantau. Not only can these measures benefit local residents, but they are also important supporting facilities for Lantau Island as the "double gateway" of Hong Kong.

I do not agree with and support the Lung Kwu Tan reclamation plan forcibly pushed by the Government, and I am very disappointed to see the Government ride roughshod over the opinions of local residents and forcibly reclaim land at Lung Kwu Tan. I have repeatedly pointed out in this Council that for decades, the residents of Lung Kwu Tan have been seriously affected by obnoxious problems such as air and noise pollution, as well as traffic congestion. I have lobbied really hard, but the Government turned a deaf ear to what I have said. They simply ignore our advice, listen to our advice without taking action, make mistakes in their action, and fail to correct their mistakes. Under the development strategy of GBA, is it the most effective option of utilizing land resources by having highly polluting industrial facilities in Tuen Mun that is just

a short hop from the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone? The HKSAR Government needs to re-examine the development blueprint of the New Territories and conduct a study on the reclamation area in Lung Kwu Tan. I must make a declaration, that I am the representative for indigenous inhabitants of Lung Kwu Tan Village, and I own some land in Lung Kwu Tan.

Lastly, I would like to talk about the traffic problem that has plagued Hong Kong for years. The Policy Address takes a bold approach regarding railway network by putting forward four railway lines all at once. Among them, Tung Chung Line Extension and Tuen Mun South Extension, the South Island Line (West) are the extensions of the existing railway lines. They are expected to be commissioned 10 years later at the earliest, lagging far behind the completion time as suggested in Railway Development Strategy 2014. The construction progress is too slow to be acceptable, but better late than never. I will be delighted if the Government can speed up the construction progress.

However, extending railway lines represents an increase in the number of passengers. The carrying capacity of Tung Chung Line has reached 95% while that of the West Rail Line is as high as 101%. These two extended railway lines will very likely aggravate the crowdedness problem.

Northern Link is a railway line connecting the east and the west of the New Territories. Since the Government put forward this construction project in the 1990s, residents in the New Territories have looked forward to an improvement in outbound traffic and living quality through railway. Yet, we have only heard some noise but no progress for over 20 years. Now the Government finally rolls out a schedule long awaited by the residents. In addition to providing impetus for growth in areas along the railway and releasing the potential of land there, one of the important functions of the Northern Link is that it can divert passengers from the West Rail line to the East Rail line, thereby alleviating pressure on the former. Yet, we take a careful look at the schedule and will find that the Northern Link will not be commissioned until 2034. This has demonstrated that our railway construction often lags far behind population intake and railway development often fails to keep pace with population increase. The Government must face up to this problem squarely.

In addition to wide coverage, connectivity and carrying capacity are also important for good railway services, and the three elements must complement one another. Now that the Government has completed the planning for railway

network, I think it should take the next step by urging the Mass Transit Railway Corporation Limited to enhance its overall service quality, or all the railway lines will be overloaded sooner or later.

Deputy President, railway is part of the transportation backbone of Hong Kong. Yet, road traffic cannot be ignored in order to improve the overall transportation. The road traffic in New Territories West has all along been a subject of criticism, especially Tuen Mun Road that came into service in the 1970s. While its capacity almost reaches saturation point, its poor road design has made it prone to accidents which would often result in vehicles queuing back to Tuen Mun Town Centre, paralysing the entire Northwest New Territories.

This year's Policy Address unveils Route 11 that will link up Lam Tei and North Lantau, providing an alternative to connect Tuen Mun with the urban areas. If this link can complement the extension of railway network, I believe it will be a good solution to the traffic problem in the New Territories.

Transportation must keep abreast of the times. The rapid advance in technology and the maturing of the fifth generation mobile communications ("5G") technology in recent years have provided favourable conditions for "smart city" development. I agree that it is the right time to promote "smart mobility" now.

In fact, the Heung Yee Kuk has all along advocated the new concept of "smart rural area" with the rural areas taking the lead in using technologies such as "smart car park", "smart traffic light" and "smart push notification on pedestrian flow" for the purpose of improving transportation service through technology. I am happy to see that Smart City Blueprint for Hong Kong 2.0 has adopted the Heung Yee Kuk's proposal by putting forward the smart village pilot initiatives so as to examine the use of "intelligent transport system" to improve road conditions.

Hong Kong is obviously lagging behind nearby regions in the area of "smart city" development. For instance, Singapore has been in the leading position in the use of traffic data, while Shenzhen has started testing autonomous taxis. Hong Kong must work very hard to catch up if we do not want to lag behind. I hope that "smart village" can serve as valuable experience for the promotion of "smart mobility" in a comprehensive manner, thereby preparing our society for the implementation of "smart city" initiatives.

Deputy President, I do not think 2021 will be easy in the face of the pandemic outbreak and the hard-hit economy. I hope the Chief Executive can implement the proposals announced in the Policy Address and lead Hong Kong out of the rock bottom; think twice before implementing certain measures and avoid changing its measures in an unpredictable and capricious manner. For example, the change in the arrangement of the daily press briefing on the latest Coronavirus Disease 2019 situation, the ban on lunch-hour dine-in services, and the recent arrangement of Lunar New Year Fairs, etc. All of these have arisen from the wrong measures taken by the relevant bureaux due to their failure in understanding public concerns, which have made the general public the ultimate sufferers. The Government should be responsive to the aspirations, sentiments and opinions of the community, in order to make its governance and administration down to earth, thereby re-igniting the hopes of the public. These are my sincere advice to the HKSAR Government.

With these remarks, I support the Motion of Thanks. Thank you, Deputy President.

MR JEFFREY LAM (in Cantonese): Deputy President, Hong Kong has experienced social unrest and the COVID-19 pandemic over the past year, which has plunged the local economy into an unprecedented recession. We hope that with the implementation of "The Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region" ("the National Security Law") and that local people will gradually be given vaccines from next month onwards, social harmony and stability can be restored, while the economy can be put back on track again.

I remember that after the National People's Congress announced the enactment of the National Security Law in May last year, Donald TRUMP (the then President of the United States ("US")) immediately expressed his intention to impose sanctions on Hong Kong, including the revocation of a series of special treatments for Hong Kong under the US-Hong Kong Policy Act. Rumours were rife outside Hong Kong back then and some international commentaries were rather negative, suggesting that Hong Kong could no longer maintain its status as an international financial centre, that there would be a capital flight, that the Hong Kong dollar would depreciate, that its property and stock markets would plummet, and that even the linked exchange rate system was in jeopardy.

Yet, time is always the best testimony to truth. Having stood the test of time for more than half a year of testing, Hong Kong's financial system has shown remarkable resilience with a capital inflow of tens of billions of US dollars recorded instead of massive capital flight. The exchange rate of the Hong Kong dollar continued to hold firm, repeatedly hitting the strong-side Convertibility Undertaking. The stock market was buoyant, with the Stock Exchange of Hong Kong Limited ranking second in the world in terms of capital raised last year after the NASDAQ stock exchange in the US. Moreover, property prices in Hong Kong did not drop significantly either, and the property market was generally stable. All such facts serve to prove that the National Security Law has not only restored social stability but also given overseas capital confidence in the long-term development of Hong Kong.

As a matter of fact, the National Security Law is an important cornerstone of "one country, two systems" and Hong Kong's prosperity and stability. Looking back on the past year, Hong Kong was devastated as never before. The entire community was filled with hatred and violence, shops and streets were set on fire and vandalized, and people were living in fear back then. Such acts of "black-clad violence" and "mutual destruction" have not only dealt a blow to Hong Kong's business environment, seriously affected Hong Kong's economy and livelihood, undermined the personal safety and basic human rights of the public, but have also posed a serious challenge to the bottom line of "one country, two systems" and a threat to the State's sovereignty. In addition, while openly advocating "independence of Hong Kong", some people have also proceeded to take actions accordingly. Foreign forces have even taken the opportunity to interfere blatantly in Hong Kong's affairs. Besides, some people have also gone abroad and openly asked governments of foreign countries to impose sanctions on the State and Hong Kong. From this, we can see that national security has been threatened and undermined by both internal and external forces. Which country in the world would allow such a situation to go on, may I ask?

Actually, the Central Authorities have been upholding the principles of "one country, two systems" and "a high degree of autonomy" since reunification, and the various freedoms (i.e. freedom of speech, assembly, association and the press) enjoyed by Hong Kong people are even greater than those enjoyed during the British Hong Kong era. Over the years, however, Members belonging to the opposition camp have been talking about "two systems" only while ignoring "one country"; talking only about "rights" in disregard of "responsibilities". They have long been demonizing the enactment of legislation on Article 23 of the

Basic Law of the Hong Kong Special Administrative Region (the "Basic Law") and inciting conflicts between Hong Kong and the Mainland, lest the world will not be chaotic. On 30 June last year, the Standing Committee of the National People's Congress ("NPCSC") unanimously passed the National Security Law and listed the legislation in Annex III to the Basic Law. We are of the view that the legislation can plug the loopholes in Hong Kong's national security while taking into account the differences between the two systems in that it expressly safeguards the rights and freedoms enjoyed by Hong Kong people under the relevant provisions of the Basic Law and international conventions applicable to Hong Kong. Hence, we should support and uphold the National Security Law, which marks an important milestone in the implementation of "one country, two systems" in Hong Kong.

In fact, Hong Kong has long been in lack of national security laws. This has not only endangered national security and sovereignty of the State but also posed a threat to Hong Kong's prosperity and stability. Under the impact of "black-clad violence", "mutual destruction (sought by certain people)" and the COVID-19 pandemic, Hong Kong's economic performance in the first half last year was the worst ever, with the unemployment rate rising to a 10-year high. Under such critical circumstances, some politicians had, unexpectedly, taken the initiative to request the US Government to impose economic sanctions on Hong Kong. Therefore, the Central Authorities had no choice but to take appropriate actions, and to act for the sake of Hong Kong was also a matter of urgency. I hope that all people of Hong Kong can keep a clear head and see which people genuinely seek to do good to Hong Kong and which are just using Hong Kong as a political pawn.

The recent situation in the US is the best illustration: the Capitol Building in the US was violently stormed, resulting in multiple deaths and injuries. The US Government officials condemned the storming of Congress by supporters of US President Donald TRUMP. Alleging that those supporters were thugs, they said that the Police must take resolute action against the riot. The same scene appeared in the Legislative Council in Hong Kong more than a year ago, but those Hong Kong people taking part in the incident were called peaceful protesters by the same politicians. How come the same act in Hong Kong was regarded as a peaceful protest, whereas it became a riot in the US? Is this not a double standard?

Deputy President, the National Security Law has been implemented for more than half a year. Although members of the public generally agree that the legislation is conducive to social stability, many people do not quite understand the contents of its provisions. In fact, the Government, the Police and those in the legal profession should, as the National Security Law is new to us, explain its contents to the public more often. In particular, the SAR Government should expeditiously step up publicity of the National Security Law and assisting schools in promoting national education, so as to enhance the public's—particularly the young people's—recognition and sense of responsibility of defending national security as well as sense of belonging to the country. As for those with relevant professional knowledge, they should explain in greater length the key points and details of the National Security Law so that the public can have an accurate understanding of the provisions. This way, misunderstanding will be minimized.

Next, I would like to talk about the issue of oath-taking by public officers. Article 6 of the National Security Law stipulates that a "resident of the [HKSAR] who stands for election or assumes public office shall confirm in writing or take an oath to uphold the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China and swear allegiance to the Hong Kong Special Administrative Region of the People's Republic of China in accordance with the law", where the definition of public office is more demanding than that set out in Article 104 of the Basic Law. The Chief Executive has made it clear that apart from civil servants and government officials, members of the Chief Executive Election Committee ("CEEC") and District Councils ("DCs") are also required to take the oath and confirm in writing their allegiance in accordance with the law.

At present, there are 180 000 civil servants whose salaries are paid from the public purse. Members of DCs and CEEC must, regardless of their personal political views, understand that they are part of the establishment and must not commit any act that jeopardizes "one country, two systems" or violates the Basic Law. Taking the oath of office is a basic requirement of the regime and is a matter of course.

In fact, the requirement for civil servants to take an oath upon assuming office is also present in Germany, Japan and numerous other countries. This shows that it has become an international practice for public officers to take an oath to show their accountability to the country and community alike, and so the

civil service of HKSAR should be no exception. Therefore, all those who joined the civil service of the SAR Government must uphold the Basic Law and swear allegiance to the SAR Government. Through enactment of legislation, the improper practices of the civil service can be duly rectified to encourage proactivity as well as productivity of the Government. Thus, I hope that the Government will implement expeditiously the requirement of oath-taking by public officers in order to set things right.

Next, I would like to talk about the parts on how Hong Kong can overcome adversity and inject new impetus into the economy. Well, who could have been able to predict that Hong Kong would be "invaded" by virus once again after the SARS outbreak in 2003, and that the COVID-19 outbreak would be severe enough to bring down almost the entire economy? Hong Kong people have had a pretty unusual year in 2020, with radical changes both in terms of social structure and people's way of life. Since the onset of the COVID-19 pandemic, people have been checking their mobile phones and watching TV every day to keep an eye on the latest number of confirmed cases of coronavirus disease apart from snapping up facial masks and antiseptics/disinfectants. Neither can they go out at will nor invite friends to dinner on the spur of the moment, and sometimes they cannot even meet their family members easily due to the restrictions on group gatherings. Leading such a monotonous routine life, Hong Kong people have already grown tired of fighting the virus.

People's wish is actually very humble: Hong Kong will soon achieve "zero infection" so that they can travel out of the territory and dine out as before. The wish of the industrial and commercial sector is equally simple and straightforward: cross-boundary travel between Hong Kong and Guangdong/Macao can be resumed and business operation will return to normal as early as possible. Unfortunately, the situation is still unstable with fluctuations in the numbers of confirmed cases and deaths over the past year—while the number of confirmed cases has dropped slightly at one time, it may then rise to over 100 cases. We all feel so exhausted indeed. Fortunately, the industrial and commercial sector and the small and medium enterprises ("SMEs") are tough enough to cope with these sudden changes in the short term. Hong Kong people have become very flexible in that a lot of retail outlets have turned into online shops, and restaurants now focus on takeaway business. Of course, most businesses are not doing as well as they did before. We are all struggling hard, hoping that the pandemic will soon be over.

Deputy President, the fight against COVID-19 has been going on for more than a year. That the coronavirus pandemic has not spread further today is definitely the result of the public's concerted efforts and patience given the fact that Hong Kong is an externally oriented economy. "Together, we fight the virus" is not just a slogan but also a manifestation of personal commitment. Each and every one of us deserves our own applause. To put it in our own peculiar way, the "spirit of the Lion Rock" has once again been demonstrated in Hong Kong people's perseverance and self-reliance in the face of suffering, which has paid off. Let there be light—the vaccine is available at last and we can say goodbye to COVID-19 early. We are now able to see a ray of hope at the bitter end of the uphill battle against the pandemic.

The achievements of the Central Government in the fight against the pandemic are evident to all. In addition to sending experts to Hong Kong earlier on to assist and guide the establishment of the "mobile cabin hospital" here to enhance local medical and treatment capabilities in the fight against the pandemic, vaccines are now available and are being produced worldwide. The State also continues to support Hong Kong in times of crisis by reserving a sufficient amount of vaccine doses for use by Hong Kong people. And so, we ought to be grateful and always remember the goodness of those who have done us favours, for nothing is supposed to be taken for granted. The State is concerned about Hong Kong all the time precisely because it has confidence in the potential of our city's future development.

For the time being, we are relying on vaccination alone which, at the end of the day, is only a stop-gap measure that treats the symptoms but not the root cause. People's normal life will not resume unless the pandemic is completely brought under control. I do not need to tell you how hard it is for people from all walks of life to make a living, and naturally, those who are down to earth do understand the plight of the people. In the long run, the Government cannot rely on making concessionary offers (such as handing out sweeteners) as a relief measure against the pandemic as this will not make a long-term solution. Meanwhile, the Government has to take care of the developments on various fronts as well, including land and infrastructure. Therefore, even if we have abundant fiscal reserves, the Government should not spend money indiscriminately.

As I have said before, the industrial and commercial sector and SMEs can still hold on for the time being, but this will not last for long. I believe that after the Lunar New Year, many shops will not be able to survive and may have to

close down. Instead of not being alarmed until their closures, I think that completely bringing the pandemic under control as early as possible is what can really save Hong Kong because people's normal way of life can be resumed then, including that the restrictions on group gatherings be lifted and cross-boundary travel be allowed as soon as possible, so that the local business and logistics sectors can move on again and respond to Hong Kong's expectations of taking part in the development of the Greater Bay Area.

Deputy President, the development of the Greater Bay Area is mentioned in the Policy Address more than 40 times. No matter be it the blueprint for Hong Kong's development in connection with the Mainland or young people's heading northward to the Greater Bay Area seeking career development, they have something to do with the planning of the Greater Bay Area and the State's strategy of "dual circulation". However, if we have to, due to the COVID-19 pandemic, stop at where we are now despite the myriad ambitious plans we got, the Greater Bay Area will only be a dream that is "so close and yet so far away" as long as restrictions are still imposed on cross-boundary travel. In my opinion, if Hong Kong wants to make up for and recoup the progress lost in the past two years due to social unrest and the pandemic, it must actively participate in the development of the Greater Bay Area. The place, where we, a group of Hong Kong businessmen going northward to set up factories on the Mainland many years ago, has now become a "blue ocean" sought by those professionals heading for the Mainland. Upon taking a close look at the planning of the Greater Bay Area, one will find that Mainland is actually better than Hong Kong in terms of both its hardware and software in the domains of finance, infrastructure and technology.

Over the years, we have missed so many opportunities. What are Hong Kong's inherent strengths? They are the talents and international outlook that we still have. As an international financial centre and a talent pool in the region, Hong Kong should make good use of its ascendancy to fuel the future development of the Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta, and Beijing, Tianjin and Hebei, where economic development will be most intensive. This will help boost the development of the entire region.

Deputy President, it takes time to make preparation but it will pay off in the end. I always say that the most important thing in the development of the Greater Bay Area is the "link-ups on four fronts", namely the link-ups of money,

people, policies and information. Now, I would add one more front, that is, the link-up of places, meaning the early resumption of cross-boundary travel between Hong Kong and Guangdong/Macao. Once the pandemic is successfully brought under control, we have to take proper preventive measures against epidemic recurrence. Besides, the Government should take the lead to be our young people's guide in the Greater Bay Area, and provide legal consultation, accounting, surveying, environmental protection and arbitration services to our young people who wish to seek career development in the Greater Bay Area or even other parts of the Mainland. By doing so, local professionals can find new outlets for their diversified thinking through taking part in the development of the Greater Bay Area on the one hand, and help with bringing the Mainland's development in alignment with the rest of the world. This will be a win-win situation for both sides.

Thank you, Deputy President.

MR TONY TSE (in Cantonese): Deputy President, I speak in support of the Motion of Thanks proposed for the Chief Executive's 2020 Policy Address.

This Policy Address was originally scheduled to be delivered in October last year, but as the Chief Executive wished to first pay a visit to Beijing to finalize with the relevant Central authorities as well as the Guangdong Provincial Government the various supportive measures for Hong Kong, the delivery of this Policy Address was postponed to the end of November. I think the postponement is worth it because apart from announcing the consensus reached with the Mainland on how to provide further support for economic, financial and innovation and technological developments in Hong Kong, more importantly, judging by the contents and initiatives put forward in the Policy Address after consultation and communication with the relevant Central authorities as well as the Guangdong Provincial Government, the SAR Government has finally broken away from its long-standing narrow and conservative mindset of "using Hong Kong as the only base without looking beyond the Shenzhen River". The Policy Address stressed that Hong Kong should grasp its unique advantages under "One Country, Two Systems" and its proximity to the Mainland, capitalize on its strengths to serve the country's needs, proactively participate in the domestic and international dual circulation as well as better integrate into the overall national development, and these are the ideas which many people and I have always been advocating. In particular, against the background of the insane suppression

against China and Hong Kong by the United States and the global outbreak of the Coronavirus Disease 2019 ("COVID-19"), in order to overcome the epidemic, revitalize the economy and scale yet another new height, Hong Kong must further enhance its integration with the Mainland, including seizing the huge opportunities generated from the planning and development of the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA").

The Policy Address has proposed quite a number of policy initiatives to help Hong Kong people and local enterprises to grasp the opportunities in GBA, and these include introducing the new Greater Bay Area Youth Employment Scheme and enhancing the existing Funding Scheme for Youth Entrepreneurship in the Guangdong-Hong Kong-Macao Greater Bay Area; setting up a one-stop support platform named "GoGBA"; expediting the development of the Hong Kong-Shenzhen Innovation and Technology Park at the Lok Ma Chau Loop; introducing the "Quota-free scheme for Hong Kong private cars travelling to Guangdong via the Hong Kong-Zhuhai-Macao Bridge"; implementing co-location arrangements at the Huanggang/Lok Ma Chau control point; etc. Many trade practitioners and I put forward such proposals in the past, and the Government has finally taken concrete actions now to implement them. However, what the people and trade practitioner worry the most is that with regard to the many initiatives mentioned above, can the Government really put its words into actions? How long will it take to implement them? Are these pure lip services? Or will they be implemented silently or without any effect? As revealed by the results of an earlier survey, although young people in Hong Kong have in recent years known more about GBA, the proportion of those who are interested in pursuing career development in GBA is still very low; and even though some of them are interested in doing so, they simply do not know how to do it. In this connection, what assistance will the Government offer to them?

Deputy President, compared with other professions, the construction sector of Hong Kong has all along been taking the lead in developing the Mainland market and seizing the development opportunities presented by the country. For example, the arrangements for mutual recognition of professional qualifications of surveyors in the Mainland and Hong Kong were first implemented as early as in 2004 when I was the President of the Hong Kong Institute of Surveyors. In the middle of last year, despite the "black-clad riots" and then the COVID-19 epidemic, with the support from the Development Bureau and the relevant Central authorities, I and fellow trade practitioners managed to secure the promulgation of the Interim Guidelines by the Mainland authorities to allow

eligible professionals and enterprises in the construction sector of Hong Kong to obtain equivalent qualifications in the Mainland through a simple registration system, thereby directly practising and doing business in Qianhai and even the entire GBA. Such measures are worth commending as they have helped opening up both the big and small doors for trade practitioners. However, most regrettably, due to inadequate promotion and publicity efforts on the part of the SAR Government, many trade practitioners know very little about such supportive measures for Hong Kong. For those who wish to make an application under the registration system, those who have queries or those who are looking for information in this regard, the Government's web page is of no help at all because apart from the press release issued on the day when the relevant measures were announced, it seems that no other information is available, and many trade practitioners have thus turn to my office for help. I will of course try my best to offer assistance by referring their cases to the relevant Mainland authorities, and liaising with the relevant government departments in both places to hold briefing sessions for trade practitioners. It is therefore my hope that the Government will enhance its promotion and publicity efforts and do a better job in this respect.

In his speech delivered earlier in the celebration ceremony on the 40th anniversary of the establishment of the Shenzhen Special Economic Zone, President XI Jinping has made six requests concerning the directions for future development of Shenzhen. I consider his remarks applicable to and even more relevant to the situation of Hong Kong as well. For example, public officers are expected to take active moves to further promote the development of GBA; efforts should be made to synergize economic rules and mechanisms in the three regions; the construction of Inter-city Railway Links in GBA should be speeded up; the level of market integration should be enhanced; and measures should be put in place to attract more young people in Hong Kong and Macao to come to study, work and live in the Mainland. Although the Policy Address has proposed quite a number of initiatives to encourage young people to pursue development in the Greater Bay Area, I can see no brilliant or new ideas as far as synergizing economic rules and mechanisms is concerned, especially in such areas as policy decisions by the Government and overall town planning. The Guangdong-Hong Kong-Macao Greater Bay Area Development Office was established last year, but what has it done so far? The Steering Committee for the Development of the Greater Bay Area chaired by the Chief Executive was set up over two years ago, but again, what has it done so far? How can we change the established mindset of "using Hong Kong as the only base without looking

beyond the Shenzhen River" in the entire Government, including various Policy Bureaux, government departments and civil servants at all levels? I, together with many people and trade practitioners, would very much like to see more concrete results.

Deputy President, the idea to launch public sector reform is another eye-catching feature in the Policy Address. The Chief Executive emphasized that the Government should take up the roles of a facilitator and a promoter on top of a regulator and a service provider, and should remove barriers for our industries, including streamlining land development control and approval processes. These are also the common aspirations shared by myself and fellow members of the architectural, surveying, planning and landscape sector all these years, and I greatly welcome the express inclusion of these proposals as the Government's guiding policies.

The civil service system of Hong Kong was once widely commended and held in high esteem, especially in maintaining its probity and ensuring compliance with legal and regulatory requirements. However, in the face of rapid changes, increasingly politicized and complicated economic and social environment as well as increasingly higher demands and expectations of the general public after reunification, it may not be possible for the system which has proved effective in the past to operate equally well and produce the desired results today. Particularly, there is obviously much room for improvement when it comes to serving with foresight, enthusiasm, decisiveness, creativity and accountability.

As a matter of fact, when giving an address to the SAR Government of the current term in July 2017, President XI Jinping has already pointed out the crux of the governance problem of Hong Kong, and "a government official who shirks his responsibilities will live a shameful life" and "an army with officers and soldiers incited by the same spirit will win" were two of the points raised then. Most regrettably, after the community of Hong Kong has gone through one and a half years of first the "black-clad riots" and then the epidemic outbreaks, more and more people have got the feeling that some public officers and government departments tend to shirk their responsibilities when faced with difficulties, muddle through their jobs, work without coordination among themselves, and only do things by the book. I hope that the SAR Government would take proactive actions to improve the situation.

Regarding "a government official who shirks his responsibilities will live a shameful life", as well as the issue concerning the enthusiasm, creativity and accountability of civil servants, it is also worth drawing reference from the address given by President XI in Shenzhen last year. He emphasized that persons holding public office must firmly uphold their ideals and beliefs, equip themselves with latest knowledge and concepts, have perfect mastery of various skills, and consciously think and act with the overall picture of the country in mind. According to President XI, there is also a need to establish and improve the incentive mechanism, steering it towards the right direction of promoting the capable and demoting the incapable, and rewarding the outstanding and eliminating the underperforming. However, the office culture and civil service system of Hong Kong have been criticized as overburdening the capable, discouraging the outstanding, and pardoning the incapable and the underperforming. It is therefore my hope that there will be more public officers in Hong Kong who have firm beliefs, updated knowledge, outstanding skills, and who will always bear the overall picture of the country in mind. Many policy measures and development plans of the Government have given us the impression that there is no specific target, no timetable and no performance indicator; and it is not uncommon that no one will be held responsible for failure to complete tasks, cost overruns, project delays or mishandled cases. There is a lack of continuity in the work of public officers in certain grades as they are subject to job transfer once every few years; they may not be willing to proactively follow up on the work left behind by their predecessors and bring it to perfection; and difficult tasks will normally be left to their successors. I do hope that all the above criticisms are mere exaggerations.

Furthermore, there are many criticisms against the performance appraisal system for civil servants, which is said to have fostered the bureaucratic culture of "work less, err less; work not, err not". When no reward is offered to those who have done well, and no punishment is imposed on those who have underperformed, work enthusiasm and creativity will only be stifled. There are even rumours that for public officers who are exceptionally diligent and who have performed exceptionally well, their supervisors will only give moderate comments on their performance, so as to delay their promotion and transfer. Conversely, for lazy officers who have underperformed or sought no improvement, their supervisors may make an overrated appraisal, thereby misleading officers in other government departments and having the incapable transferred as early as possible. I do not know whether this is the truth or a common phenomenon, but I hope the Chief Secretary present here and the Civil Service Bureau will face the issue squarely.

In response to the development of the COVID-19 epidemic, the Government has on a number of occasions implemented special work arrangements for government employees, requiring those who are not involved in the provision of emergency services and essential public services to work from home, thereby reducing social contacts to stop the virus from spreading in the community, and I concur that there is in fact no ground for blame. However, when the arrangements were first implemented, many trade practitioners in the private sector have told me that due to the absence of instructions and facilities, civil servants of many government departments have utterly failed to perform their duties effectively when working from home. There was no way to get through their telephone lines, their voice mailboxes were full; while no physical meeting could take place, relevant facilities or guidelines were not available to facilitate the conduct of video conference, thus delaying and even suspending the vetting and approval work concerning land and housing development projects, and adversely affecting the livelihood of trade practitioners and the development and construction progress of Hong Kong.

After numerous attempts to relay the views of trade practitioners and repeated appeals for stepping up the follow-up actions taken by the Development Bureau, improvements have already been made to the situation mentioned above, but a service gap still exists when compared with the work efficiency under normal circumstances. Trade practitioners have proposed to replace certain conventional inspections and acceptance tests conducted physically at construction sites with new technologies and methods, such as real-time video footages, three-dimensional scanning, etc., but the Government has so far accepted only very few of these proposals. Is "Smart Government" just a mere slogan? I hope that the officials like the Chief Secretary for Administration, the Secretary for the Civil Service and the Secretary for Innovation and Technology will follow up on and take forward the relevant proposals.

Finally, let me talk about "an army with officers and soldiers incited by the same spirit will win". When Hong Kong was haunted by "black-clad riots" in the year before last, the Police and the Security Bureau were busy trying to stop violence and curb disorder as soon as possible, but have other Policy Bureaux and government departments been "incited by the same spirit" and made their best endeavour to offer assistance? When "black-clad riots" were going on, various types of fake news and false information were found everywhere, and there were teachers publicly advocating "Hong Kong independence" in schools. They stirred up hatred towards the Police, encouraged doxxing behaviour, incited students to participate in illegal and violent acts, but the Information Services

Department ("ISD") and the Education Bureau turned a blind eye to the situation, while Radio Television Hong Kong even stood in the opposite side. Government bureaux and departments like the Education Bureau and ISD have obviously tried to handle the related matters in a more active manner recently, but I think their performance still falls short of the expectations of many people.

In the face of this epidemic of the century, many people have criticized the Government for failing to demonstrate the determination that it is "an army with officers and soldiers incited by the same spirit". In some earlier cases, those with close contacts with confirmed patients had been waiting for several days but arrangements had still not been made for them to undergo testing. The Department of Health explained that this was due to the shortage of manpower, and the Chief Secretary also said that the problem did not lie with testing facilities but with manpower. There are over 190 000 civil servants in Hong Kong, is that right? As I can see, Secretary Patrick NIP has already been trying his very best, and arrangements have recently been made to deploy a group of disciplined services staff to assist in contact tracing and the provision of delivery services. However, is it true that staff members of other grades in other departments are so busy that they are not able to support the Government's epidemic prevention and control work?

Deputy President, the Government announced yesterday that the latest unemployment rate had risen to 6.6%, a new high in 16 years. It is estimated that with the continuation of the epidemic both globally and locally, more and more enterprises will be unable to sustain their business. They will be forced to close down and lay off their staff, and the unemployment rate will soon hit another new high of over 7%, or even break the all-time high recorded during SARS in 2003. Overcoming the epidemic is of the first importance if we wish to revitalize the economy and resume cross-border and cross-boundary travel; and in order to overcome the epidemic, all of the 190 000-strong civil servants and each one of us in Hong Kong must be "incited by the same spirit", and the Government should never shirk its responsibilities when faced with difficulties.

Deputy President, the above is what I would like to say about some of the policy initiatives in the Policy Address. I will later express my views as well as the comments of the architectural, surveying, planning and landscape sector on such areas as identifying land for housing development, development and conservation, urban development, etc. I so submit.

MR LEUNG CHE-CHEUNG (in Cantonese): Deputy President, following the release of the Policy Address, actually everyone hopes that the economy of Hong Kong can be improved with the initiatives announced in the Policy Address. However, the pandemic is getting more serious and the whole community has come to a very critical situation. We have to find ways to win this pandemic battle.

Under the impact of the pandemic, we have to give more consideration to various aspects. At present, the unemployment rate has already climbed to 6.6%, and the Financial Secretary always says that there is only \$800 billion left in our fiscal reserves, meaning that our reserves are limited. If we are to support those people affected by the pandemic through fiscal means, it will be full of difficulties. Under the circumstances, how do we move forward? We believe that the whole community can have its way out only after winning the pandemic fight.

Everyone has been talking about vaccination lately, and we think that through vaccination, we can gradually improve the situation and can even win this pandemic battle. Some countries in Europe are leading the way in COVID-19 inoculations, even though without the availability of sufficient data. This strongly proves that the whole world hopes to win this pandemic fight through vaccination. But on the contrary, the SAR Government has yet to give a very clear indication as to how many citizens need to be vaccinated in order to alleviate the impact of this pandemic. Many experts say that 70% of the population have to be vaccinated in order to alleviate the impact of the pandemic. Nevertheless, we have yet to see any specific measures from the Government in this aspect for encouraging vaccination among the public. I notice from the findings of a recent survey that roughly 90% of the respondents were in support of mandatory vaccination. If this is really so, the Government may just as well launch a mandatory vaccination programme.

(THE PRESIDENT resumed the Chair)

What will the post-pandemic situation be? In fact, many people, including the Government, are currently pondering this question. If we are still considering how to revive the tourism industry and how to enhance the financial industry or the maritime industry, how helpful will this be to the Hong Kong

economy? I can say that if we have strengthened or revived the original industries, we will only be restoring the old economy of Hong Kong, but cannot help much in injecting new impetus or power into our economy.

As we are cognizant, the country has lately confirmed Hong Kong's positioning in the development. It has proposed an innovation and technology development plan under which the cooperation between Hong Kong and Shenzhen as well as between Hong Kong and the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") will be enhanced. This is a very significant concept proposed by the country for the development of GBA. However, how is Hong Kong going to improve and revive our economy after the pandemic? In this respect, it seems that our efforts are reduced to a mere procedure. For instance, we now have a Commissioner for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area, but this Commissioner is dedicated to only some liaison work. Whenever we encounter any difficulties, we can ask him for help and he will provide us with some relevant information. What really is our relationship with GBA? Are we supposed to attract some investors to Hong Kong for development or to find some investors to invest there?

In my view, if the SAR Government is to revive our economy after the pandemic, it must make use of the important development opportunity in GBA, and must particularly consider how to attract some capital from GBA for development in Hong Kong. Nonetheless, the biggest problem now is the shortage of land in Hong Kong. A lot of enterprises in GBA want to come to Hong Kong for development, but is there enough land for them? The answer is in the negative. We now talk about the development project of Lantau Tomorrow Vision, but the land to be reclaimed will not be available until after 2030. And the land from the Lok Ma Chau Loop can only be formally and gradually available for use by our society from 2026 onwards. This can sufficiently prove that while it actually is not easy for Hong Kong to develop new economy, Hong Kong is also not readily prepared. Hence, I think what is most important is to have a new mode of development.

I recently read a piece of information which says that the globe is now walking towards the direction of biomedicine. The annual growth rate in the sales of pharmaceutical products in the world has reached 6.5%, and it is expected that the value of sales can be as much as US\$1,000 billion in 2022, which is a very appealing figure. In my view, this can also be a very important development direction of Hong Kong towards a new economy after the pandemic,

because all people need the help of medicine. Especially with the emergence of this COVID-19 pandemic, people has attached great importance to the help of medicine to human beings. Medicine development is a highly significant industry which may not require vast pieces of land or the building of mega factories that take up a lot of space. Hence, concerning the future economic development, I hope that the Government can identify a new path of development which will enable the future generation of Hong Kong to create wealth through innovation and technology.

President, in the neighbourhoods, I always hear some elderly persons say that they are about to retire or have already retired. Even though some of them are 65 years old and have reached the Government's threshold for welfare provision, they still cannot obtain a bit more of welfare. The Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB") supports the introduction of the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities ("the \$2 Scheme"). However, when promoting this policy, the Government has been procrastinating and overcautious, and this is very disappointing.

In January 2020, the Chief Executive announced 10 new livelihood initiatives, which include expanding the \$2 Scheme by lowering the eligible age of the Scheme from the current 65 to 60. According to the document, the details of the implementation timetable will be announced upon completion of the review of the Scheme by the Labour and Welfare Bureau and the Transport Department in the first half of this year. Nevertheless, the reply from the authorities is that this expanded concession cannot be provided for the moment. Apart from procrastinating the implementation of the \$2 Scheme to the silver-age group between 60 and 64 years old, the Government, getting cold feet, also calls for a regular review on it, possibly for fear that this elderly concessionary measure will render the fiscal burden much heavier. Recently, Secretary Dr LAW Chi-kwong even said that the concessionary fare of \$2 per trip might be increased to \$3 per trip. This is tantamount to cutting the concession as well as slashing the welfare for the elderly.

The \$2 Scheme launched in 2012 is an achievement made after a long period of endeavours in the community. It mainly aims to encourage the elderly persons aged 65 or above to maintain a healthy lifestyle after retirement, with more contact with family members and more participation in social activities, as well as to express our gratitude to the elderly persons for their contributions to

society. However, in the remark made by Secretary Dr LAW Chi-kwong, he seems to be going back on his word, and I wish that the Secretary can make a clarification or withdraw his remark. In order to address the fiscal burden issue, the Government should quickly resolve the COVID-19 problem and provide more elderly welfare when the community is back to normal, instead of slashing elderly welfare at this moment.

Besides, the Government also says that on the premise of being able to combat and prevent abuse effectively, the measure concerned will be implemented progressively. President, it is an undeniable fact that Hong Kong has an ageing population, we also understand that the \$2 Scheme will increase the fiscal burden of the Government in the long run. But what is meant by a drastic increase in fiscal burden in the long run? Is the Government afraid that with an increasing number of elderly persons, the fiscal burden of the Government will be getting heavier and thus this policy has to be withdrawn? Given that the Government is overcautious and in lack of sincerity in this measure, why did the Government and the Chief Executive introduce it with great fanfare last year? People would think that the Government was making an undertaking arbitrarily before a detailed study on the feasibility of the policy had been conducted. This kind of procrastinating approach is really unacceptable to the public.

The Government has brought up the issue of some Elder Octopus cards being abused. But I would like to ask whether this abuse problem only exists at this moment. In 2019, the authorities already found out that there were only 1.32 million eligible elderly persons, but as many as 3.6 million anonymous Elder Octopus cards and merely 400 000 personalized Elder Octopus cards had been issued. In other words, the authorities learnt long ago about the problem with the unusual number of some Elder Octopus cards. Why has the Government been oblivious to this issue? Why does it take this issue as an excuse to hamper the implementation of the policy only at this moment when the community wishes that the eligible age of the Scheme can be lowered from 65 to 60? The Government's approach is outrageous.

If the authorities announced the policy in January last year and then issued personalized Octopus cards to the elderly persons aged between 60 and 64 within a period of 13 months, this silver-age group could enjoy the benefit next month. However, it is very unfortunate that the Government is slow to act. After spending a lot of time looking for a consultant and discussing with the Octopus Cards Limited, it is not until now that the Government announces that the soonest

possible time for implementing this measure is 13 months later. May I ask whether the government departments concerned have no capability to do the calculations themselves and have no ideas whatsoever but must deal with the matters through a consultancy firm? This is a mere expansion of an established public policy. How come the period from the announcement to the implementation of the policy will be as long as two to three years? It is necessary for the Government to explain the reasons to the public.

President, this ridiculous situation does not only happen to the \$2 Scheme. Early last year, the Chief Executive proposed 10 livelihood policies, but among them, two policies for supporting the unemployed and the underemployed fell through long ago. As regards other initiatives, such as combining the normal allowance and higher allowance under the Old Age Living Allowance Scheme with a standard monthly payment rate, paying the Mandatory Provident Fund contributions of those on low incomes by the Government and increasing the number of statutory holidays progressively, there is still not the slightest sign of anything happening. We wish that the authorities can deliver on their promises very soon and will not pay lip service anymore.

President, apart from having long-term planning in administration, the Government also needs planning on the services to cope with emergencies in the community. This year, under the impact of COVID-19, many welfare service institutions are unable to provide services and thus the responsibility of taking care of those in need has to be shifted to family members. Last year, family tragedies happened from time to time, and most of them involved families that need to take care of children with disabilities. In fact, these families are under tremendous pressure. Some families need institutional services because they live in cramped conditions or their family members are in lack of caring skills. If they are excessively stressed out, unpleasant incidents will easily happen. I hope that the Labour and Welfare Bureau can discuss with the sector and has a good planning on the provision of services for special circumstances.

President, the Government has been emphasizing ageing in the community and continuum of care as the basic principles of elderly services. This means elderly persons should be assisted as much as possible in enjoying their twilight years in the community, whereas those who are physically weaker and need care from other people, having no other alternatives, will have to stay in residential care homes. As far as I know, many elderly persons prefer ageing in the community to staying in residential care homes, unless it is really necessary.

Hence, I very much agree with the principles and direction of the Government. Nevertheless, these policies were already introduced by the Government some time ago and many flaws have been detected during implementation. This is somewhat frustrating.

First of all, since the Government encourages the elderly to age in the community, the community care and support services should be comprehensively provided. It is regrettable that the various community care services, which are constantly provided by carers at the residence of the elderly persons, are not up to standard in both quality and quantity. According to the information of the Social Welfare Department ("SWD"), as at the end of last year, 8 082 elderly persons were waiting for subsidized community care services for the elderly and the average waiting time was 12 months. They may only need some simple caring services, such as some help with showers or meal delivery, but they need to wait for one year. Basically, the elderly cannot wait that long. We are all cognizant of the fast changing physical conditions of the elderly. With any inadvertent negligence, their health conditions may deteriorate very rapidly. In some cases, an elderly person might only need a simple item of supporting service, but he could not receive the service within a short period of time during which an accident happened and his health condition thus deteriorated more rapidly. For instance, an elderly person might only need a carer's service of helping him to take a shower, but when this service could not be provided and he had to do it himself, he carelessly slipped on the floor in the bathroom and broke his leg. As a result, he needed to be admitted to a residential care home and be under the round-the-clock care of carers. The above case tells that the elderly try to avoid being admitted to residential care homes too early, but due to the gaps in the provision of community services, accidents such as tripping over which have happened earlier to them, resulting in more expensive caring resources and higher costs in long-term care services.

President, it is mainly due to insufficient service units that many elderly persons, though willing to age in the community, are unable to receive community services after waiting for a very long time. As at the end of last year, there are only 60 Integrated Home Care Services Teams throughout the territory. In terms of service places, even though the authorities have a plan to increase the number of places for frail cases within this year, the total number of home care service places is just over 13 000, when there are approximately 350 000 elderly persons aged 80 or above in the whole territory. The service provision rate, roughly calculated, is only 3.7%. May I ask the Government whether it is satisfied with this rate?

At present, under the Pilot Scheme on Community Care Service Voucher for the Elderly introduced by the Government, eligible elderly persons may use community care service vouchers ("CCS vouchers") to choose the services that suit their individual needs under the "money-following-the-user" mode. This measure has been launched for seven-odd years with as many as 227 recognized service units and 6 700 CCS voucher holders. However, the services concerned have actually been controversial. Some organizations point out that not a few CCS voucher holders basically cannot receive the services that they ask for. Some people also say that the co-payment model will deter the elderly from using the vouchers, and the quality supervision of the Scheme is also far from satisfactory.

Given that Hong Kong has a swelling elderly population, there should be diversified modes of community care to cope with the needs of different people. Although the intention of the Government in providing various modes of care is good, there is ambiguity in the execution of its policies. First of all, the introduction of CCS vouchers is based on the co-payment principle. Therefore, the elderly persons who use CCS vouchers may have better financial capacity, and will thus expect to have better service quality and other categories of subsidized services. In other words, no matter in terms of service targets or service providing units, they should be brand new and different from the categories of the existing mechanism. Hence, CCS vouchers should not be developed into a substitute to subvented services.

In reality, the elderly persons have to go through a standardized assessment mechanism before they can wait for the general subsidized community care services. At the same time, if the elderly persons are assessed to be eligible and invited by the institution, they can also choose to use CCS vouchers. Of course, they can only choose one out of two kinds of services concerned. As regards service providers, they can provide the home care services subsidized by SWD as well as the services related to CCS vouchers. It is learnt that owing to manpower shortage in the service providing units, the service teams always have to take care of both sides of the services. In brief, no matter service users or service providers, they are also involved in both sides of the services. In that case, how can the community clearly grasp the original intention and concept behind the policy, and how can the policy develop nicely?

Another important item under community care service is the Residential Respite Service for Elderly Persons. It serves the main objective of supporting the family members living together with elderly persons so that the former can

have some breathing space and time. But sadly, the current facilities for supporting carers are rather insufficient, with only 44 day care centres for the elderly providing respite service and a total of 192 subvented respite service places. Even with the addition of 341 respite service places of residential care homes under the Enhanced Bought Place Scheme, the total number of places is merely 533, which is not enough for serving a single Yuen Long district, let alone serving the entire Hong Kong.

Not a few carers are willing to sacrifice their own time and career in order to take up the responsibility of taking care of the elderly persons at home. But owing to insufficient social resources and supporting facilities, they find it hard to make ends meet. Although some carers can receive a living allowance from the Community Care Fund at present, the amount of allowance is only \$2,400 per month. Due to the low level of allowance, these families have been living under the basic living level. DAB thinks that the authorities should set up a comprehensive living allowance system for carers. Apart from raising the allowance level to meet the existing minimum wage level, the authorities should also provide more holistic and systematic one-stop supporting services for carers so that they can enjoy a balanced lifestyle and avoid any accidents when they are burned out. We have already raised this proposal earlier in the hope that the Government will study it in detail and move a step forward for carers and the disadvantaged social groups.

I so submit.

MR MICHAEL TIEN (in Cantonese): President, for the sake of completeness and coherence of my entire speech, I would like to voice my views in one go. I believe that the Chief Secretary for Administration will convey my views to the Policy Bureaux concerned.

Hong Kong is constantly facing many challenges. We like to say that Hong Kong is facing how many big mountains, and usually there are three big mountains, but these three big mountains will change year after year. Today, the three big mountains in my mind are first, the epidemic; second, how "one country, two systems" is going to move forward; and third, how the Government is going to mend the relationship with the public. In terms of priorities, fighting against the epidemic is certainly of the utmost importance. However, I believe that the Chief Executive, Secretaries of Departments and Directors of Bureaux know very well that the questions of the second and the third big mountains can

also not be avoided in the long run and we still have to face them squarely after the epidemic. If someone tells them that they can achieve peace of mind after the enactment of the Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region, I hope that they can be very cautious, because faithful admonitions are unpleasant to hear. Those who always remind them of the issues that they should be worried about are friends indeed. I believe this is also how they teach children. If Hong Kong people cannot get over the hard feeling over political contradictions, the way forward will still be full of obstacles for the Government.

There are many occasions where I can discuss some anti-epidemic issues. In the following, I will focus my discussion on other policies under the epidemic. This Policy Address has mentioned many initiatives related to the Greater Bay Area. In my view, our most rational option is to leverage the resources of the strength of the country to heal our severe wounds, thus capitalizing on the greatest edge of Hong Kong. Nevertheless, as the saying goes, "good fortune follows upon disaster, disaster lurks within good fortune". As I recall, back then after SARS was gone, we also recovered by leveraging the consumption power of the country and could quickly and successfully get out of the predicament. But looking back, it seemed that the seeds of many other problems had also been planted. For instance, the influx of Mainland tourists to Hong Kong rendered some districts and tourist spots overburdened, leaving some Hong Kong people with a worsened impression of their Mainland counterparts. Besides, the upswing in the retail market was coupled with the drastic increase in rents and commodity prices. In fact, many people's lives were harder. At the end, the rich reaped a lot of profits while the poor got nothing. Does the Government want to see this scenario again? Besides, let us look at the mega facilities like Hong Kong Disneyland and Ocean Park. Did they rely too much on the consumption of Mainland visitors? Hence, when the number of Mainland visitors dropped, they lost support immediately. Was that a healthy scenario?

Concerning the above questions, it is difficult to explain clearly no matter in prior analysis or in advice with hindsight. But I just want to remind the Government that any policy or measure has to be implemented appropriately with the proper amount of efforts. If our financial and tourism industries rely too much on Mainland capital in the future, there may be other side effects. But overall speaking, I highly support the integration and complementarity among cities inside the Greater Bay Area. In my view, Hong Kong's plan in increasing its stake in the Zhuhai Airport, for example, is a nice step. With the transport facilities getting better, it is only an hour's drive between two airports. In fact,

other major cities also have two airports, one mainly for domestic flights while the other one mainly for international flights. For example, there are Heathrow Airport and Gatwick Airport in London, and also Narita International Airport and Haneda Airport in Tokyo. With the cooperation between two airports in two places, we can have some more time to consider whether Hong Kong needs another airport. Admittedly, the cooperation between two airports is beneficial to Hong Kong citizens, Mainland residents as well as foreign visitors. Why do we need to acquire an equity stake in Zhuhai Airport? Through equity investment, we can consolidate our absolute supremacy in logistical support and air transportation of some valuable goods, because people find such situations like slow customs clearance and loss of goods most annoying. If the management personnel of the Airport Authority Hong Kong have a part to play in the management of Zhuhai Airport and the customs clearance procedures can be done there in one go, we can surely secure a lot of air cargo and logistics business relating to high value commodities from southern China.

Another initiative that I highly support is the Greater Bay Area Youth Employment Scheme. Three or four years ago, I raise this issue to the Hong Kong Government, and I, in the capacity of the Hong Kong deputy to the National People's Congress, also put this forward to the country, highlighting that the salary level of Mainland university graduates was far below that of Hong Kong university graduates, and thus incentives should be provided in order to attract young people in Hong Kong to work in the Mainland, especially during the first two to three years after graduation. Frankly speaking, back then the Government gave me an impression that it was not much interested, whereas the response from the Mainland was more proactive. They solicited my views on how to resolve certain problems and I told them what should be done. And then in 2019, this issue was mentioned in the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area, and today, the Government is also working rather hard in this aspect. I am not sure whether my opinions did count for something, but just take me as one of those who have a part to play in striving for it. I believe that it is never wrong to invest in youths.

As regards other initiatives of Hong Kong, one of the initiatives that I fully support is the recruitment freeze for some civil service positions. Over these three years, the expenditure of the Government has increased by 35%, while the number of civil servants has increased by 11%. Honestly, even without the epidemic, this situation would not be quite desirable. Now under the epidemic, the Government should put more efforts in cutting expenditure.

In terms of broadening sources of income, I remember that every year, I would ask the Financial Secretary to reform the tax regime, and I said the same to him yesterday. In fact, right from the outset, I just wanted the Government to commence its study and discussion about this issue, as it could never wait for the best moment to reform the tax regime. When the Government's coffers are flooded with money, how can it introduce new taxes? When the community is in dire straits, the Government will be fearful of criticism from the public if it introduces new taxes. Then the Government does not have to introduce new taxes for centuries and there will be only those few taxes with a very narrow tax base forever.

The tax regime is the core of all problems in society, and wealth gap is also related to it. Apart from facilitating economic growth, the tax regime is also responsible for wealth redistribution to reflect certain values. The Hong Kong tax regime is widely criticized for favouring the wealthiest people as they pay the least taxes, and this question can only be resolved with a reasoning-based approach to be applied to sentiment analysis. The Government can neither deal with it behind closed doors and then force the public to accept the solution, nor completely follow the views of the public. At present, the Government should explain more about the pros and cons of the tax regime to the public. By making use of the residents network of my district, I have conducted a preliminary survey through over 10 000 SMS messages. But weird enough, half of the respondents think that it is now time to commence study on the introduction of new taxes. I am also very surprised and find it strange, because citizens usually do not wish to have any increase in tax rates or types of taxes.

Apart from tax regime, another thing that the public do not want to hear is increase in fares. In respect of the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities ("the \$2 Scheme"), Members have aired a lot of views on how to improve it. I believe I am one of the few people who have reminded the Government of conducting a long-term planning in addition to considering how to improve the Scheme. If the concessionary fare is always \$2 but the transport fares are getting higher, what will happen in the future? This is not feasible in the long run. Therefore, at the Panel on Financial Affairs meeting in July last year, I reminded the Financial Secretary that he should have the courage to face the fare adjustment need concerning this benevolent measure. I heard that the Secretary has finally heeded the advice, and I believe he would have expected criticisms from the public. But this is what rational governance is like.

Finally, I would like to highlight a few points which I find relatively disappointing. Secretary Frank CHAN may need to pay attention that the railways department is not mentioned in the Policy Address at all. If not for the social unrest arising from the opposition to the proposed legislative amendments to the Fugitive Offenders Ordinance and the epidemic, this would have been one of the big mountains facing Hong Kong, but I feel that the Government seems to have temporarily shelved this issue. Concerning our railways, the signalling system will need to be upgraded and the East Rail Line will have to be extended to Hong Kong Island in future. I personally do not believe that the existing government structure can do well in the monitoring work.

Secretary, as far as I know, over 100 colleagues in the Electrical and Mechanical Services Department ("EMSD") are responsible for monitoring the operation of railways. However, an incident of a train almost taking the wrong route happened in May during the internal testing of the new signalling system for the route of the Sha Tin to Central Link and surprisingly, they were not aware of it. When the MTR Corporation Limited ("MTRCL") asked the software developer to write some special programmes, had EMSD conducted any risk assessment? Is that completely unrelated to EMSD? If so, how does the Government monitor MTRCL? MTRCL has many items of investment. As the major shareholder of MTRCL, the Government, while delegating certain powers and duties, sometimes also need to make strategic consideration at the highest level. MTRCL's choice of software developer is not related to the Government. But if it has to develop a special programme, a certain level of risk will be involved. And if the risk triggers a major incident in Hong Kong, what shall we do? Should the Government or MTRCL be responsible for that? Will MTRCL shift the responsibility onto the engineering department and then also put the blame on the software developer?

In my view, the above various questions should be under the purview of the railways department, whose staff will be truly knowledgeable in railways and capable of dealing with various issues concerning software, hardware, signalling systems, electricity supply and risk assessment. All these can only be handled by experts who have knowledge in this area, and certain staff from other government departments can be deployed to deal with different items. But I think overall speaking, we should not solely rely on MTRCL. The major source of income of MTRCL comes from real estate projects and it also has overseas business. How much time will it spend on this area?

President, the other aspect is education. I totally understand and acknowledge that national education is pivotal, and it is certainly important to know and identify with the country. But is it what we only need to do? This Policy Address does not mention language in education at all. One of the questions facing Hong Kong is how the future manpower training can meet the needs in a new human era. Nevertheless, the curriculum reform in Hong Kong is just business as usual. I have read a book which says that the jobs that will appear 15 years later do not exist today, and Members may have also heard of this. What can students actually learn from basic education? Nowadays, teaching of knowledge can be unidirectional. Simply by touching my mobile phone, I can have access to any knowledge, and the only thing it cannot tell me is how to make a decision. Whatever I ask, I can always get an answer. We have to know how to search for information, and most importantly, we have to know how to utilize the information of different fields and areas to resolve problems. Problem solving is of the utmost importance in our education and is also the focal point in the entire curriculum reform. It is not about how much knowledge you know, but about how to resolve problems.

Problem solving involves conflicts of interests, the most difficult area to deal with in human nature. Problem solving must involve reaching compromises, and the interests of certain stakeholders will either negatively or positively affected. When we teach students how to resolve problems, we have to let them know that we have to make choices in everything in this world. One example is the question of environmental protection. People switch on air conditioners for comfort, but what about global warming?

Communication is another significant aspect in education. Today, we are facing two situations. Firstly, in problem solving, we need to know how to make rectification every time we fail. Secondly, it is the lack of communication, especially when a major incident has happened. In my view, the saga related to the opposition to the proposed legislative amendments to the Fugitive Offenders Ordinance was also attributed to the lack of communication. Curriculum reform in education involves a lot of work, but not a word about it is mentioned in the Policy Address. And I also have no idea how matters in each meeting of the Education Commission will always be politicized. I sincerely want to know how the young people in Hong Kong will adapt to the new jobs in the new era when they grow up. But there is no mentioning of that at all in the Policy Address, and I really do not know what to say.

Finally, I personally am sceptical of a sentence in the Policy Address. It says, "Some even describe it as the dawn of a golden era for I&T ('innovation and technology') development". I do not know who said this to the Government, and I wonder if the Government really believes that. As I said earlier, when someone says something pleasing to the ear, sometimes he may be doing harm to the Government. Let us look at the payment system today. We know that many shops in the markets at present do not accept payments by Octopus cards and thus a piece of wet banknote will be circulating among different people. What do you think of touching that piece of banknote under the current epidemic? When the payment system of Hong Kong is lagging so far behind, are we not ashamed to mention any "golden era"?

I mentioned the growth in the number of civil servants earlier. I&T should not be taken merely as a slogan, but should be a tool for achieving the greatest effectiveness with the least resources. But when the government structure seems to be getting more and more bloated, where can we find the "golden era"? During a meeting with the Financial Secretary and his colleagues yesterday, I made a suggestion. I said that the epidemic would last for a while and could only be contained in the second or third quarter of this year. We surely need to rely on popularization of vaccination against the virus to contain the epidemic. But afterwards, how are we going to stimulate the economy? I said that on the basis of the technology today, I have come up with a suggestion. I hope that the Government can study the introduction of "multiple electronic consumption vouchers" for interested citizens to purchase. After a person has paid \$2,000, the Government will then top up \$8,000 so that the consumption voucher can have a value of \$10,000. The traditional printing method cannot achieve that effect, as after the consumption vouchers are printed, many problems like counterfeit vouchers will appear. I have consulted an expert and he says that this can be done by smart phones. Then can those elderly persons without any smart phones also use these consumption vouchers? As long as you give an elderly person an electronic card, he can also do shopping by merely scanning the QR code and the amount of money spent will be deducted. After he has spent a certain amount of money, the Government will top up the voucher to the value of \$10,000. When he wants to do shopping in any place, what he needs to do is to scan the QR code. The merit of this scheme is that the citizens concerned really want to spend money and the Government can stimulate consumption by providing them with an incentive. In that case, the Government does not need to consider any employment supporting measures. Public consumption can support enterprises, which will then employ more manpower. When they have

more manpower, they will need shops and will have to pay rents, thus bringing circulation to the economy. It is not the right way for the Government to only inject resources into society.

Therefore, I am currently more concerned about whether our measures and our efforts can stimulate the economy after the epidemic. Do we still expect that the post-epidemic situation will be similar to that of 2003 when Mainland people flocked to Hong Kong for shopping through the Individual Visit Scheme with the opening of the boundary? I can tell Members about the condition of my business in Macao where I have some branches. Even though the cross-boundary travel between Macao and the Mainland is now resumed, my business in Macao has, compared to the same period last year, recorded a drop of 20% to 30% and is unable to recover. Nowadays, the Mainland has access to everything. The Ocean Park in Hong Kong will undergo a reform and I do not know what the outcome will be. What will Mainland people do in Hong Kong? In terms of shopping, people can find more variety of commodities in the Mainland than Hong Kong. I also feel worried after looking at the situation in Macao. When the boundary reopens, will Mainland people really flock to Hong Kong, and can the past glory be restored in Hong Kong? I do not believe that this will happen. This time, we have to rely on local consumption, and rely on the novel ideas of the next generation of Hong Kong nurtured under our education. The endless new apps designed by young people will be coupled with advertisements, which will entice consumption, and this is where economic growth comes from. I believe that Secretary Edward YAU knows very well that economic growth stems from the community. How can this be driven by the Government alone?

I thus wish that the Government can always have the feeling of not being good enough and having to catch up, instead of thinking that it is in a "golden era". If the Government can get its job done by introducing the "multiple electronic consumption vouchers", the "gold content" of this "golden era" will be very high. If it fails to do so, I really do not know what will happen. Lastly, my advice is: stay hungry, stay foolish. This should be the attitude in dealing with I&T, in fighting the epidemic and in handling the relationship with the public.

President, I so submit.

DR PRISCILLA LEUNG (in Cantonese): The Motion of Thanks debate on the Policy Address is something we should cherish because I have suddenly realized that there was nothing for 2019 among the last 10 years' policy address speeches. It was because our legislature itself was also in turmoil, so much so that we did not even have the opportunity to express our views on the motion of thanks for the policy address. Therefore, President, my theme today is "cherishment".

The Policy Address has mentioned a lot of future prospects, but I agree that Hong Kong's current problems are like this heart-shaped box. Hong Kong people have to deal with a lock in their heart. If this lock cannot be opened, many problems will repeat themselves again and again. They cannot be resolved simply by handing out money.

First of all, President, today's subject matter is "one country, two systems". Why do we need "one country, two systems"? "One country, two systems" is for the sake of peace. It serves to resolve the issue of Hong Kong's reunification with the Motherland in a peaceful manner. If we do not want peace, then it is not a must to have "one country, two systems". To resolve the issue of Hong Kong peacefully with "one country, two systems", we need the unification of sovereignty. If sovereignty is unified, we can share the fruits of success. If sovereignty is divided, there will only be an endless internal war of attrition, with no peace, no sharing and no development in sight. Therefore, what "one country, two systems" requires of Hong Kong is very simple, namely to "maintain the status quo of prosperity and stability". If Hong Kong's situation does not meet this description, it will be impossible to have "one country, two systems". Therefore, President, my theme today is "cherishment". If we can open this lock in our heart, "one country, two systems" can well surpass 50 years of existence and an extra 50 years is absolutely not a problem. Why could Hong Kong make State authorities shed their wariness towards us back in those years as though we had opened the lock in their heart? It was because we were at that time highly attractive in three aspects, namely governance, rule-of-law civilization and the economic system. Today, almost 24 years into the reunification, let us take a fresh look at the past. We had these three advantages to attract and convince the State to take back Hong Kong by means of "one country, two systems", but what sort of a report card have we delivered?

As the saying goes, there are no effects without causes. Of course, it is because there is a difference in system between the Mainland and Hong Kong that we have "one country, two systems". Many people in Hong Kong do not

accept "one country", so they often take pot shots at the Mainland's system, but in fact it is because of the difference that there is "one country, two systems". However, "one country, two systems", by the very nature of the term, is premised on shared sovereignty, unity of sovereignty and solidarity. Without these, how can there be "one country, two systems"?

I believe that if any Members of the opposition camp remain in this Council today, they should remember, as I do, that in June of the year before last, I asked them clearly whether they still cherished the inclusion of Article 23 in the Basic Law, and I repeated the question twice. Today, they understand that Hong Kong people have not cherished the high degree of autonomy granted to Hong Kong under the Basic Law. Hong Kong people could have enacted laws relating to national security on their own but they did not cherish this power. They did not just keep stalling for time, but even constantly denigrated it, hence ushering in the National Security Law for Hong Kong. Like it or not, we have to ensure the unity of sovereignty because of "one country", which is a premise. "One country" and "two systems" are equally important in "one country, two systems". Another example is the taking of oaths or affirmations. I remember that in 2016 two of our Members insulted Chinese people when taking an oath and an affirmation respectively, and the Court later ruled in our favour in the case. I remember asking the then Secretary for Constitutional and Mainland Affairs if legislation would be enacted in Hong Kong to clarify the requirements for the taking of oaths and affirmations so that all those who wanted to enter politics, including, in my mind back then, many young people who did not know what politics was all about but wanted to enter politics, would clearly know the rules of the game, all of which would have legal effect also because the Standing Committee of the National People's Congress had interpreted the law. However, what I want to say is that I think the Government was evading the issue at that time. As a result, serious problems emerged as more and more candidates and elected candidates went totally beyond the framework of "one country, two systems" in their words, platforms and even subsequent behaviour, to the extent of breaching their oaths or affirmations. It is already late now for the Government to say that legislation is needed.

In fact, the Government also has a very important role to play in preventing some so-called conflicts. It does not have to wait until they cannot be disentangled and then cut them as the last resort. Which part of the world is devoid of conflicts? Speaking of conflicts, we are all witnessing them in the United States now. All those who are very familiar with the United States and

who have studied there know that there are just as many conflicts. Where in the world are there no conflicts, may I ask? Whenever there is a conflict, we have to disentangle it. Why do we who have studied law hope for the rule of law and firmly uphold it? At that time, we told the State that the rule of law was the very crown jewel of Hong Kong because we wanted peaceful solutions to disputes in our society. So, what sort of people have now forced everything to be spelt out? In fact, the National Security Law for Hong Kong has been enacted specially for Hong Kong. It is not the national security law that is applicable across the whole country. Hong Kong has been pampered to the hilt. Ninety percent of the cases involving national security are expected to be handled by Hong Kong courts. It is very special.

Having said so today, I know that the opposition camp, the "mutual destruction camp" or some people who are very anti-government would get angry upon hearing about the National Security Law for Hong Kong. They would feel that it is the end of the world and "one country, two systems" is gone. But in fact, we should look at this issue from the opposite perspective. We can see that although the National Security Law for Hong Kong might be just a painkiller, it has instantly stabilized our society. In my view, if we want to maintain "one country, two systems", the first order of business is to stabilize society, and only then can we have prosperity. Without the National Security Law for Hong Kong, Hong Kong will continue to be in chaos. Therefore, we have to look the other way around. We have to cherish the National Security Law for Hong Kong, namely by enabling Hong Kong people to truly understand it, just as they had to understand the substantial meaning of Article 23 back in those days, so that they would not get entangled in that knot and eventually have to cut it. Today, with the spirit of our own rule of law and the legal system of Hong Kong as a firm basis, we have to properly explain to the public what the National Security Law for Hong Kong is, what the rule of law is, and that they should abide by the law. In so doing, we can gradually resolve the fallout of those chaotic events that took place in society last year and the year before.

Therefore, I disagree with Dr CHENG Chung-tai that the Government does not need to care about anything now, as long as it builds parks. I do not concur with this view, nor do I think that handing out money is the perfect solution under the current circumstances. Now that some Members are calling for cash handout, we really have to keep a close watch on this matter because there is not enough money in the piggy bank for handing out money that can easily run into the high tens of billions of dollars. However, under certain circumstances where the Government has to hand out money in order to ensure political stability, we

will also agree to such a move. In addition, I will advise in the next session that we should not change our mind on our promises. It has something to do with governance.

What does it mean by not to change our mind on our promises? Speaking of governance, Hong Kong used to be always effective and efficient in governance. Governance, the rule of law and institutionalization used to be what Hong Kong excelled at, but why do the public have so little confidence in the Government today? Why do I hold the view that, compared with the past, so many good things offered by the Policy Address for the future development ... We have to really start thinking about how we should develop in 10 or 15 years' time, which is a good thing, and I believe Hong Kong will be able to make achievement in 10 years' time, but today the general public are in dire straits and even faced with a one-two punch. I recall that three years ago we began to give a heads up on "Economy-killer Mangkhut"—there is not just Typhoon Mangkhut, but also "Economy-killer Mangkhut". Because of the international economic cycle, we had to shut windows to keep out the rain, but it turned out that we were subsequently devastated again by civil unrest, followed by the pandemic. Therefore, under such circumstances, I consider that the people of Hong Kong are already of a high quality.

Last year, the Government, especially the Chief Executive, publicly promised 10 major policies on people's livelihood, which would allow those aged 60 to 64, who were born in the baby boom and have contributed a lot to Hong Kong, to travel on public transport across the territory at a fare of \$2. A few months later, it was suddenly said that there would be a change of policy. Who will be hit by this change? The ones to bear the brunt are those good members of the public who deeply trust the Government and have never questioned it. They will really question why the Government does not keep its word. Such behaviour is a no-no. The annual expenditure of \$1.7 billion, which should be paid if promised, pales in comparison with the aggregate amount of the \$300 billion spent on fighting the pandemic plus other expenses. Besides, this cohort of people will be 65 years old in four years, so why should it be so calculating? This is a no-no based on political consideration. However, there are things on which the Government can change its mind. There is no harm in changing our mind for the better. Changing our mind is not a bad thing. I think business people often ... In the past, when we worked as legal advisors to joint ventures, we often encouraged our clients to change their mind. A change of mind would bring about consensus. President, this also holds true for the Government, because we have to solve problems.

As always, I have to ask: how much can we hand out if we are to rely on it? Even if you cannot do all that is expected of you, you can still show the public that you have made an effort. Take the population-wide compulsory testing as an example. We do not blindly believe in population-wide compulsory testing. I have also just completed my isolation and enjoyed the benefits of the Return2hk Scheme. That is why I witnessed, on my way back from Guangdong, that they really did their best to take care of those requiring isolation or testing, no matter which. But why are they able to do so? I have to also raise the point that it is because they have enough staffing capacity. I understand that Hong Kong is short on manpower. There is a shortage of healthcare personnel. At present, even staff of the Immigration Department, the Fire Services Department and so on are required to do what they are capable of doing, but at the end of the day, they are not healthcare professionals. During our isolation, we were called twice a day asking if we were happy that day. They were worried that we would feel depressed for being isolated for 14 days. However, when some relatives I know were isolated in hotels upon their return to Hong Kong, no one paid any attention to them. Even though they were close contacts of a confirmed case which was also reported on television, no one paid any attention to them either. What is the reason for this? This is an issue of coordination. If I accept the Government's explanation that it is because of a shortage of manpower, then it is an issue of management.

If Hong Kong is really in need of healthcare personnel, I am sure the Mainland authorities will offer their full support. In addition to their willingness to support us, there are common benefits for all of us. That is to say, if Hong Kong's economy recovers and cross-border activities are resumed, it will be good for our country as well. Therefore, we should not say that they are just unilaterally supporting us. Actually, they will be pleased to see Hong Kong's borders reopened as soon as possible so that all can benefit. Even busy people like us have to be isolated for 14 days upon return to the Mainland, and now the word is that it takes even 21 or 28 days. So, the thing is, we have to change ourselves by adopting a flexible mindset. As some members of the public have said to me, why has Hong Kong not done any lobbying to secure at least one abstention on the issue of sanctions by the United States? This will invite grievances. I would like to further ask Secretary YAU: how exactly does he coordinate the efforts to let people voluntarily express their views and explain that Hong Kong is not how it is portrayed? So, we cannot simply let that country do whatever it wants. That just does not happen. In actual fact,

politics is dynamic. If you say a few more words to secure one more abstention vote, you can still be seen as having made an effort, right? Therefore, what is at issue is governance and determination.

There is no reason for the Government to give the public an impression of being perfunctory. Even if you cannot do enough in respect of population-wide compulsory testing ... I have raised an idea before. I am not sure if it is feasible—the Under Secretary is in attendance. I have said that, for those people who are psychologically worried about being bumped in the street in the Mainland, I cannot treat them; can they go to a "yellow ribbon" doctor or visit a "yellow ribbon" clinic for testing? And for those of us who trust the Government and are willing to take the main road, there is no problem. What matters most is that the total number of people is around 5 million, right? Your professionals say that 5 million people is about right. The public will have trust only if this number is reached. This is a very important economic prerequisite. The inability to distinguish between economics and politics has culminated in the fight against the pandemic today being linked to both economics and politics. This is my personal opinion, but I have many friends who share this view.

Why did Donald TRUMP lose? He had made such radical remarks and still 70 million people supported him. Many folks primarily liked his low-tax policy, but why did he lose? It was exactly because he did a poor job of fighting the pandemic. Bragging is useless, because nothing will come true before tomorrow, but how do we go about today? This is the public's intuitive thought. Therefore, they do not have any feeling about the Government's proposed 15- or 10-year plan, because tomorrow they will have to go through the trouble of renting shops to sell flowers.

I have another idea. Members of the public have a lot of wisdom. For example, in the case of flower markets, when so many people rented shops, would the Government consider helping them? Now that the Government has changed its mind, what matters is doing a better job of implementation. However, it turns out that many shops in shopping centres are lying vacant and unoccupied. Will the Government assist them in operating in scattered shops? Besides, I also agree that everything is nowadays technologicalized. Is online ordering possible? Alternatively, before considering a cancellation, can the Government do a favour by thinking twice about how distraught the affected people are as they might lose their jobs or even have to fork out a lot of money to underwrite a loss, and how they can sell the flowers that they have grown for a

year? I enjoy strolling around flower markets. I asked right away if it was possible to order online, which was what Chinese people would ... but would we go one step further in our consideration?

When it comes to the rule of law and "one country, two systems", the sense of identity is a very important issue, which involves education as well as our general atmosphere and culture. However, to begin with, I would like to say, whether Members want to listen or not, that actually anyone holding an SAR passport is a citizen of the People's Republic of China. Even when I talked about the Nationality Law of China at university, I found that it was directly applicable to Hong Kong without any amendments, not even in a single word, and was fully based on the interpretation by the Mainland. The SAR passport is marked "PEOPLE'S REPUBLIC OF CHINA", but I note that many students neither see it nor have awareness of it, and even many media folks have not noticed it. What is the point I want to make? My point is that, as far as the sense of identity is concerned, ever since day one of the reunification, many people have been mistakenly thinking that holding an SAR passport means that they are nationals of another country. No, they are not. "One country, two systems" requires the clear utterance of "one country" from our mouths. It has long been stated that dual nationality is not allowed. What is at issue is whether it will be dealt with in a lenient manner or not. In all honesty, the State has always been lenient with Hong Kong. Even if we have poor performance, it will not act on emotional impulse. For example, in September last year, the Central Authorities sent manpower to Hong Kong to assist in conducting population-wide testing, but less than one third of Hong Kong's population took part in it. However, if Hong Kong made a request today, I believe that the Central Authorities would also lend us a helping hand. Therefore, on this issue, I consider that governance and the rule of law should be linked together.

Speaking of the rule of law, when I debated with Benny TAI in 2013 before the Occupy Central movement, I said to him, "In doing so, you will kill Hong Kong", because the first thing he would damage was the rule of law, the crown jewel of Hong Kong. He put in doubt the rule of law, making young people feel that they could challenge it. This was most tragic. Unfortunately, I was right about all my predictions. I told him: "The political reform you talk about will take 10 or 20 years to materialize. Now you are holding a knife to someone's neck, threatening to perish together by "mutual destruction" if they refuse to roll over. They will not budge an inch."

Businessmen and professionals who had business dealings with the Mainland 30 years ago knew early on that they could not communicate with the Central Authorities in this way. How can you push for your demands by holding a knife and saying, "If you refuse to roll over, I will hack you," only to end up hacking even yourself? This move will only inflict damage on Hong Kong. Worst of all is that he has hurt not only himself, but also several generations of young people. I think it will take a few generations to get back onto the right track, but this requires concerted efforts.

In my opinion, the 180 000 employees in the civil service are paid to help the Government solve problems. They should all be of one mind. This is why, as far as oath taking is concerned, it is simply required all over the world as an international practice. An article says that in common-law countries like Australia, Canada, the United Kingdom and the United States, all civil servants are required to take an oath. It is just that taking an oath or affirmation was not required in Hong Kong in the past, and now it is even described as a big deal, which I really cannot bring myself to say. Those joining the Government as civil servants to enjoy the "iron rice bowl" privilege should all be of one mind. I consider that this is the most basic requirement. Therefore, when Dr CHENG Chung-tai said earlier that there was no universal suffrage in 2017, Members and I knew what he meant. I think that they should self-reflect on why there was no universal suffrage in 2017. Frankly speaking, even though they are like monkeys scurrying away from a falling tree, they should ask themselves why they have got everyone so tangled up, leaving no room for compromise. A challenge is a test of strength. They must tell young people to abandon such foolish—it is justified to say "foolish"—radical, malevolent thinking, because adults should know what the political consequences will be.

It is even more malevolent for those who study and teach law to tell the public to break the law. Back in the day when we said that they would be held legally responsible for doing such things, the young people did not listen to us, but today all our predictions have come true. We are indeed heartbroken. We cannot give up on these young people. I absolutely agree that in front of the young people, we should encourage them to look at the world, look at our country and look at the generation.

It is easy to look at the world. Listen to BIDEN's 8 January speech: "They weren't protestors. They were a riotous mob. They were domestic terrorists." That means these people were not protestors, but domestic terrorists,

insurrectionists and mobs. When these people stormed Capitol Hill in the same way, the American politicians immediately came out to stop them. In contrast, in the case of Hong Kong, the opposition, especially the veteran opposition Members, should have spoken out and not allowed the protesters to storm the Legislative Council Complex at that time. From this international situation, we see this double standard around the world. However, there are many new developments in the international community. We see a friendly relationship with the European Union and China, and now Brexit. We need to be aware of these major international changes and understand the positioning of our country and ourselves.

As for looking at the country, I think people used to say "ABC", that is, "anything but China". Some young people in Hong Kong have made such remarks on the Internet. Today, I have to tell them that it should be "ERC", that is, "everyone relies on China". It is particularly the case when we are now in crisis. What does it mean? It means that we will do well only when China does well. I do not mean that we have to rely on it for everything, but rather that we have to look farther ahead at the economic and political landscapes in the next 10 or 20 years, and then see the ongoing rapid development of China accentuated by its long history. How the 7 million people of Hong Kong can integrate with a market of 1.4 billion people to create unlimited opportunities is determined by the mindset. They should open up their mindset instead of listening to those "yellow economic circle" theories, which are insane!

Hong Kong people have always relied on their own survival capabilities and adaptability. Today, the world is changing. I agree that we have to look at the generation. We are at the cusp of a new generation. Technological development makes it possible for robots to replace human beings in many jobs in the future. Even the legal community is discussing "law, ethics and artificial intelligence". The law is simply not keeping up with today's technological development, so I am also worried in this regard. We need to move forward.

Therefore, President, some people in Hong Kong today have asked whether we should consider pushing for another 50 years of "one country, two systems". I agree. Whether it will succeed depends on ourselves. We have to look far ahead, not just at the immediate future. The entire grand era is changing. Should we refrain from discussing it until 2047? Of course not. When I attended a seminar on the Greater Bay Area and the Belt and Road Initiative in the Mainland in 2016, the experts there already started to discuss this issue. It is

because Hong Kong must integrate into the Greater Bay Area and see how the outflow and inflow of capital is achieved under the Belt and Road Initiative in the overall matrix, as well as what role we can play therein.

As always, I believe that Hong Kong, with its strength, is the Pearl of the Orient and the apple of the eye of the State, and we should not harm it with a knife. As long as we have a right mindset, we can bring hope to the public. President, opportunities are for those who are prepared. In my view, during the last 40 years of our country's take-off, many people of Hong Kong have been at the front line, engaging themselves ever since the implementation of the "three-plus-one" trading mix. In the next 50 years, and further 50 years, when our country takes off, Hong Kong should be able to play an even bigger role. Therefore, we need sharing, co-existence, peace, development, and cherishment of "one country, two systems". I very much hope that our Education Bureau, the 180 000 civil servants and the Hong Kong SAR Government have the leadership, aspiration, determination and commitment to lead Hong Kong out of the current economic doldrums and our social predicament, and guide our young people and future generations of Hong Kong people towards a happier direction.

President, I so submit.

MR YIU SI-WING (in Cantonese): President, in the past one and a half years, as the Chief Executive said in the Policy Address, Hong Kong experienced multiple blows which were unprecedented. These included the social unrest arising from the opposition to the proposed legislative amendments to the Fugitive Offenders Ordinance and other anti-government acts; and the shrinking economy and rising unemployment rate caused by the COVID-19 pandemic. Hong Kong is now facing an unprecedented challenge since its return to the Motherland.

Tourism is an important pillar of the economy in Hong Kong. It directly and indirectly employs almost 800 000 people, though it only accounts for 5% of the GDP. The disturbances arising from the opposition to the proposed legislative amendments in the year before last already dealt a blow to the tourism industry. The COVID-19 pandemic, apart from threatening people's lives and safety, has halted inbound and outbound travel, as well as local tours, for almost one year. The tourism industry has been frozen and the associated sectors, such as travel agents, hotels, guesthouses, land/sea/air transport, conventions and exhibitions, retails and catering, have also been hit to different degrees. The impact has been widespread.

As warned by Financial Secretary Mr Paul CHAN the day before yesterday, the fourth wave of the pandemic will further drag down the economy. The unemployment rate is expected to surpass the previous peak 16 years ago, meaning that this quarter's unemployment rate may climb to 7%; and the total unemployment rate on the consumer sector and tourism-related segment (i.e. retail trades, accommodation and food services sectors) may pass 10%, much higher than our average unemployment rate.

In view of the global pandemic situation, even if we manage to put our pandemic under control, we estimate that the global will not be optimistic in the short run and it will take a long time to recover. The International Air Transport Association forecasts that aviation recovery will be slower than expected. It is estimated that the pre-COVID travel volume in 2019 will not be regained until 2024. So, the tourism industry in Hong Kong is the earliest to be hit, the hardest and the latest to recover. Yesterday, another tour agency trimmed down 120 tour guides, which is a very worrying sign.

Before the delivery of the Policy Address, I, together with those from the industry I represent, went to see the Chief Executive and the related bureau officials to convey the plight of the tourism industry, which was met with understanding and sympathy. With the majority of the pro-establishment Members signing their support, together with the joint signature of the tourism associations in the tourism sector of the Election Committee, we hope that the Government can continue to provide additional resources to help the tourism industry. Thanks to the Chief Executive who, after listening to our words has made a timely response in the Policy Address with a commitment of \$600 million to support the tourism industry and the associated practitioners.

Certainly, the four rounds of relief measures launched by the Government can only act as a temporary relief for the most pressing needs. If we are to revive the economy of Hong Kong, address the livelihood issues of the people and the problems of our industry, the border and boundary crossings must be reopened for tourists, and we are allowed to freely travel. Hence, the most important task of the Government in the future is its anti-pandemic fight. Only when we manage to keep the infection cases at a low level, or even achieve zero case, can there be hope of reopening the border and boundary crossings and reviving the tourism industry.

President, the pandemic in Hong Kong has fluctuated since the end of January last year. As compared with the measures adopted in the Mainland and Macao, our measures are obviously inadequate. The main reason is that the "suppress and lift" strategy adopted by the Government failed to work. As a result, the anti-pandemic policies taken by the related departments appeared too stringent or too relaxed at times, thus contributed to a fluctuation of the pandemic situation. On the other hand, some measures which should have been effective have failed to work due to various reasons. For instance, only 1.78 million people participated in the Universal Community Testing Programme last September. The participation rate was lower than expected. Although the Programme failed to achieve a satisfactory participation rate, it found 32 asymptomatic cases. If the Government had remained alert at that time and immediately took targeted and decisive actions, we would not have been left in such a passive situation now.

Another example is the "LeaveHomeSafe" app. The app may help track the whereabouts of new COVID-19 patients. However, the Government does not have any mandatory supporting measures; and people are allowed to download the app on a voluntary basis. Besides, there is not any arrangement for helping elderly on its usage. As a result, not many people have used the app even though some consumer premises are required by the Government to install the QR code, with limited effect. The successful experience in the Mainland in fighting COVID-19 tells us that apart from using technology, there must also be compulsory supporting measures to trace the source of the virus and prevent the spread of the pandemic.

Regarding virus testing, the Government has established a number of Community Testing Centres to subsidize people to take the COVID-19 nucleic acid test. However, taking into account the booking and laboratory testing, people usually have to wait until the next day, or even a longer time, before obtaining the test result; and the scope of compulsory testing is limited, all of these have failed to achieve extensive virus tracking. A company has developed a speed testing kit for COVID-19. It is reported that the result can be obtained in 20 minutes and the testing kit is not expensive. Singapore has been testing it. The Singaporean Government requires its people to take the test immediately before entering the venues of large-scale activities to prevent the spread of the virus. In fact, Hong Kong can learn from this experience. When the pandemic is under control in Hong Kong, the Government can require people to take the

speed test before entering scenic spots, hotels or boarding a flight. People can even take the test in advance before joining local tours or organizing exhibitions and conventions, so as to minimize the risk.

President, based on the current pandemic situation, the tourism industry is unlikely to recover in the short term. Taking into account the content of the Policy Address, I have the following suggestions. First, I hope the Government can continue to support the tourism industry. If the industry will remain frozen in the coming period of time, it is hopeless that the industry can have any rebound in their income, and I certainly do not wish to see this happen. I hope the Government will continue to help us tide over this difficult time. It may, among others, consider launching a new round of subsidy scheme to safeguard jobs and support enterprises; continue to exempt the licence fees for travel agents, hotels and airline companies; and extend three programmes for one more year, namely the Travel Agents Incentive Scheme (Inbound), the Travel Agents Incentive Scheme (Outbound) and the Green Lifestyle Local Tour Incentive Scheme. The last one will expire in March. We hope that it can be extended for one more year. Apart from extending the allocation, we hope that the allocation can be increased by \$100 million to benefit all travel agents.

Second, it should encourage spending. I hope the Government can reconsider the proposal to hand out shopping vouchers ... Mr Michael TIEN made this suggestion just now and I support it, so as to stimulate spending. In fact, the Mainland Government and many local governments have handed out digital shopping vouchers to expedite the recovery of their economy. People can directly use the vouchers in restaurants and retail shops. For example, Japan has launched a \$4.6 billion dine-out scheme for four months to save its hard-hit catering industry. Taiwan has the Taiwan Triple Stimulus Vouchers to stimulate its economy. South Korea will implement a \$3.5 billion shopping voucher scheme in its budget 2021 (i.e. this year) to stimulate spending among its people. Singapore has a similar strategy. Each eligible Singaporean citizen will be given \$580 shopping vouchers for hotel staying, buying scenic spot tickets or joining local tours.

The SAR Government handed out \$10,000 for each eligible citizen earlier. However, due to the uncertain economic situation, many people have kept the money instead of spending it. The measure failed to stimulate spending. So, if the Government wishes to stimulate spending and help local retail trades, the

catering and tourism industries, I hold that it should hand out shopping vouchers when the pandemic is under control. I notice that many Members echo this view.

Third, we should explore more local tourism resources. In the past year, outbound tours have been halted by the pandemic. Since inbound and outbound tours were no longer feasible, the Mainland, Taiwan, Macao and Japan changed to promote their local tours. They hope that with the help of local tours, local spending can be boosted and travel agents, catering business, local transport and retail trades can also directly benefit from it. Although the sales and revenues generated from local tourists are incomparable to those from the inbound tourists, they can bring in some business and cash for the hard-hit sector.

In fact, Hong Kong has been in a similar situation. The Government launched the Green Lifestyle Local Tour Incentive Scheme in the year before last. The Scheme was subsequently extended due to the severity of the pandemic. Whenever the prohibition on group gathering was relaxed, the industry made use of the subsidy from the Scheme to organize local tours. Local tour participants were very happy. They have stayed at home for so long and now they have the opportunity to come out and walk around. And the tour fee already covered expenses for food and transport. The participants could go to different scenic spots in Hong Kong that they had heard of but had never been to and learn more about these places, and they had found that Hong Kong had lots of natural scenic spots and historic and cultural heritage. So, organizing local tours not only benefits the people, but also the tourism industry because the latter can know more about the different tourism resources in Hong Kong and develop different tour routes, so as to better prepare for the inbound tours in the future.

Actually, I think the industry organized similar activities in the past few years. The Hong Kong Tourism Board ("HKTB") also launched similar products, such as the "Old Town Central" and "The Hong Kong Neighbours: Sham Shui Po", which offered participants an enriched experience of culture and natural scenery. And the Tourism Commission also launched a green tourism programme on Yim Tin Tsai, Sai Kung, which was well-received by the public. So, they have all organized similar activities in the past. However, given that HKTB has focused its overseas promotion on shopping, food and traditional scenic spots in Hong Kong, travel agents are thus used to focusing on traditional itineraries when they design their tours.

Amid competition from similar facilities in the region, such as the Water World in Zhuhai and the Shanghai Disneyland, Hong Kong will gradually lose its edge if we still maintain the old mindset in promoting our traditional tourism resources. I believe that after the pandemic ... Just now, I said that many industry players had started organizing local tours. They should have accumulated some experience in terms of local tour products. I thus hope that when the pandemic subsides, the Government and HKTB will encourage the tourism industry to promote tour products with local characteristics from a strategic point of view, so that our Hong Kong tour products will no longer be as traditional as in the past.

Certainly, like I just said, when the restrictions on group gathering are relaxed, I hope that the Government can expeditiously resume the arrangement of local tours, just like the way the Government handled the consumer sectors. Given that travel agents have stopped organizing local tours for quite a while, if the arrangement can be resumed, travel agents can at least have some business. HKTB launched the Free Tour Programme. The response has been overwhelming. I hope that HKTB will launch this activity again, so that Hong Kong people can benefit from and enjoy a tour while spending, and the industry can make some money through the activity.

Fourth, it is to expeditiously join the internal circulation of the Mainland economy. Recently, President XI Jinping talked about a new development model which emphasizes the internal circulation as the mainstay, with the dual circulation of the domestic and international markets which complement each other. It is an important strategic task in the 14th Five Year Plan of China. The pandemic, which has been spreading worldwide, has resulted drastic changes in the global economic structure and people's way of living. Invigorating domestic demand and stimulating internal spending are a major strategy at this time of economic downturn. Our country needs both internal circulation and dual circulation of domestic and international market. However, with a population of only 7.5 million, the spending power is very limited if Hong Kong relies on its internal circulation. Joining the internal circulation of the Mainland will be our only prospect.

I am grateful to the Chief Executive for responding to my question at the Chief Executive's Question and Answer Session, and she has already fulfilled her promise. I notice from her answer to Legislative Council questions last week that she has already convened a high-level interdepartmental meeting to review

the position of the tourism industry in Hong Kong in the current new normal. They have also outlined the follow-up actions to be taken for the future. In this connection, the Chief Executive is rather efficient as she has immediately proposed the follow-up actions in this regard. At present, business people in both Hong Kong and the Greater Bay Area have huge demand in respect of commerce, business travel, family visit and tour. In fact, Hong Kong can establish close economic cooperation with the cities in the Greater Bay Area first, and then jointly develop the industries with competitive edge in Guangdong, Hong Kong and Macao.

Regarding tourism, we notice that the Ministry of Culture and Tourism recently promulgated after conducting a research the Culture and Tourism Development Plan for Guangdong-Hong Kong-Macao Greater Bay Area ("the Plan"). The Plan provides a major guiding view on the culture and tourism development of the whole Greater Bay Area, and it will help consolidate Hong Kong's role as an international cultural metropolis and travel hub. The Government should take this opportunity to propose joint tourism projects and put them to test in the Guangdong-Hong Kong-Macao Greater Bay Area, so that Hong Kong can take a leading role in the internal circulation of the Mainland and in the Greater Bay Area cooperation. The project, among others, that we often propose is multi-destination tourism. So, we can put more effort on the marketing of multi-destination tourism. Besides, we can also consider whether we can offer travel concessions for people living in the three places or provide mutual concessionary packages to facilitate people visiting tourist spots in the three places. I hope the Chief Executive, or the SAR Government, will create more favourable conditions for Hong Kong to join the internal circulation of the Mainland. We can start from the Greater Bay Area.

(THE PRESIDENT'S DEPUTY, MR MA FUNG-KWOK, took the Chair)

Next, I wish to talk about the pandemic in Hong Kong. This involves the Health Code of Guangdong and that of Hong Kong. If we are to have more interaction with the Greater Bay Area, we must have an effective means first. We very much hope that the Government will not shelve the Health Code because the pandemic in Hong Kong is now out of control. But rather, it should proactively continue the foundation work in this respect. Once our pandemic is under control and the Mainland agrees to open the boundary crossings again, we

can immediately launch our Health Code. In this connection, I hope the SAR Government, including Secretary Patrick NIP who is here, will continue the work, so that when the boundary crossings reopens, we can launch the Health Code. And our tourism industry and the economy can quickly recover.

Fifth, we should continue to discuss with overseas countries and places on establishing travel bubbles. Although the Hong Kong-Singapore Air Travel Bubble arrangement is deferred due to the fourth wave of the pandemic, the Government should proactively maintain connection with those countries which are suitable for such arrangements. The Government should not feel discouraged by the postponement of its arrangement with Singapore. We hope that the Government can restart studies on whether we can establish travel bubbles with other countries and places in addition to Singapore. If so, I hope the Government can make good preparation as soon as practicable.

HKTB has considerable resources left idle. Now is January. After the delivery of the Policy Address, the Budget will soon follow. I hope HKTB will be well prepared for promoting our tourism. Apart from proposing expenditures on tourism promotion, more importantly, it should directly use the resources for the industry so that it has the funds and energy to promote the tourism industry while it is in the course of recovery, with a view to enabling the early recovery of the tourism industry in Hong Kong.

Deputy President, I so submit.

MR TOMMY CHEUNG (in Cantonese): Deputy President, I rise to speak in support of today's motion. The Policy Address delivered at the end of November came more than a month later than the originally scheduled date of delivery in mid-October. However, I am grateful to the Chief Executive ("CE") for fighting for us more policies favourable to Hong Kong from the Central Government because this Policy Address is the most visionary and ambitious one I have seen in recent years. Hence, the Liberal Party considers that it is worthy of the wait.

First of all, I would like to discuss the anti-pandemic efforts in the first session. Last year, the Government launched four rounds of Anti-epidemic Fund ("AEF") respectively in response to the coronavirus outbreak. The catering sector received \$3.7 billion in the first round, \$9.5 billion in the second,

\$1,672 million in the third, and \$3.4 billion in the fourth, together with the subsidy disbursed in two tranches under the Employment Support Scheme ("ESS"). Of course, the \$81-billion scheme is not meant to subsidize only the catering sector—the Bureau used this sum of subsidy not on implementing social distancing measures but on providing employment support, which was given more subsidies. I am also grateful to the Government for providing such timely support to certain sectors.

Originally, by the way, a few types of businesses in the catering sector did not get any subsidy from the \$3.7 billion of AEF disbursed in the first round, including bakeries, fresh provision shops and licensed food factories. However, after I fought for it—I am grateful to CE and the Financial Secretary ("FS") for their willingness to act on my advice of including them in the scope of assistance under AEF. Of course, many such licensees were later found to be not the shop operators and they did not help the operators pay their staff and the rent upon receipt of subsidies in the first round. Conversely, some unscrupulous licensees did not reduce the rents even after pocketing the money. Therefore, the Government subsequently required the licensees (non-operators) to first seek the consent of the operators before they could apply for the subsidies granted under ESS. The imposition of this condition could help the operators obtain the relevant subsidies meant for them later on.

I am very grateful to the Secretary for attending the meeting now because I have been waiting painstakingly for her to attend the meeting. I do not mean the Under Secretary is no good but—I would also like to say a few words about certain matters concerning the fourth round of AEF. I have repeatedly conveyed to FS and the Secretary this: we understand that the Government launched the fourth round of AEF in hopes of helping those restaurants that provide dine-in service, and I did agree to this back then.

Nevertheless, a lot of people have since informed us of the actual situation. For example, even though some eateries hold food factory licences, they only offer takeaway services and deliveries. Moreover, many of the tables and seats in front of the eateries inside shopping arcades are not provided by the eateries themselves, and so they need not apply for light refreshment restaurant licences or "big licences" (i.e. restaurant licences). They are also affected by the Government's current measure of banning dine-in service in the evening. They feel rather helpless since customers are not allowed to use the tables and seats in the shopping arcades, and their business turnover has dropped significantly as a result. In light of this, I have been fighting unceasingly for the inclusion of

these food courts in the scope of the fourth round of AEF. Although it is not indicated in their food business licences that they will provide dine-in service, this kind of service is what they actually rely on to keep their business going. In reality, they are also affected by the current restrictions on group gatherings. I hope that the Secretary can give a hand in order that they can get subsidies under AEF.

As the COVID-19 pandemic prevails, the catering sector has been struggling hard to survive. This morning, Secretary, I had my breakfast in Austin Road, Tsim Sha Tsui and the owner of the restaurant thanked me because he had received a subsidy of \$1.2 million. Then I said to him, "Sir, another \$150,000 is coming." ... "Really?" he responded, "That's great as I will get \$1.35 million of subsidy in total." Yet, he told me that, thanks to his own savings, he had spent some \$2 million out of his own pocket keeping his restaurant running in the past eight months. He only said that it was some \$2 million and I did not bother to further ask whether it was \$2.1 million or \$2.9 million. He told me that he was fortunate to have his own savings which were used to cover the operating costs of some \$2 million, but there was not much left and he would no longer be able to foot the bills out of his own pocket.

Therefore, regarding the Secretary's remarks made last week about the suspension of the Lunar New Year fairs for fear of gathering of crowds, I would like to tell the Secretary that, during festive seasons, in particular the Lunar New Year—will the public not flock to flower markets to buy flowers even if the flower fair is suspended? Now, the authorities have switched to restricting the number of visitors to the flower fairs instead so as to exercise crowd control. This is feasible and I am so glad that the Secretary took our advice yesterday and decided to proceed with holding the flower fairs which I definitely support.

By the same logic, however, I would also like to tell the Secretary that shopping arcades are overcrowded with people and—I am not asking the authorities to close the shopping arcades because of this—in the past, I also had the query whether shopping centres should be required to close earlier, but the Secretary later said that it was not necessary to do so. Yet, shopping arcades are now overcrowded with people filling up the passageways or occupying all the seats available merely because no restaurants are open for business in the evening. Actually, can the Secretary allow restaurants to reopen in the evening? People will go out to shopping arcades anyway, so why not allow them to dine in the restaurants inside the shopping arcades?

From a "10-pronged approach" in 2003 to the "14-pronged approach" today, we have done everything we can. Is it better to open up the restaurants to let people dine in or let them crowd into the shopping arcades? Not opening the shopping arcades is tantamount to forcing people to go out to the streets. If the Secretary still does not allow restaurants to open for business in the evening, I will be so worried that when you and I go out on the last one or two nights before the Lunar New Year, what we may see is: families comprising young and old members of three generations squatting on the street eating rice with roast goose legs for reunion dinner. How dispiriting it will be to see people have reunion dinners this way!

Therefore, I think that we should now come up with the arrangements to be made to handle the various matters during this period. As the Secretary has already made appropriate arrangements for holding the Lunar New Year flower fairs, I think we should start to come up with the arrangements for restaurants next. Alas, it makes me speechless to see that the Government has now extended the period for restricting group gatherings by another seven days before the Lunar New Year! Well, if the Government really does not relax the ban on provision of dine-in service by restaurants in the evening, then I believe that the figures which I mentioned earlier when they first entered the Chamber—I trust that they probably know—that is, the \$20 billion subsidy given out to the sector will be a huge waste because businesses of the sector can no longer sustain their operations. And if restaurants are still not allowed to provide dine-in service in the evening, chances are they will most probably have to close down ...

Well, I just do not want to speak it out as—I cannot explain why—my mouth is so bad that whatever bad things I say will always come true. Thus, I had better remind the Government instead that a large number of restaurants are expected to close down if the restrictions on dine-in service in the evening are not lifted by February because people are already at the end of their tether. And so, the Government should really do something to help the catering sector out. The Secretary also knows very well that whenever he proposes any measures, the catering sector will comply. In fact, I was the first one to make this point in March or April last year. I still remember that I told the reporters outside the Chamber back then that the Government had to strike a balance between bringing the pandemic under control and seeking economic development. A couple of months later, I told the sector which I represent that it was not only the Government's responsibility to strike a balance between containing the pandemic

and developing the economy, the catering sector also has an obligation to help the Government strike a balance if it wants to survive. Therefore, we must support the Government in fighting the virus.

I have also pointed out just now that from the "10-pronged approach" for tackling SARS to the "14-pronged approach" taken today, the Secretary may also see that infection did not spread in the past few months even though some restaurant was patronized by a confirmed patient. And even in the case in which a chef returned to the restaurant after being infected with COVID-19, we had asked the chef to stop going to work in the restaurant and required that the restaurant in question be closed—it would be prohibited from opening for business by the Government while we would tell it to close too—and that explains why the virus did not spread on a large scale which would have infected a few dozens of its staff or patrons. This has never happened indeed. Therefore, the Government should trust the catering sector that it will cooperate with the Government in the fight against the disease.

The business operations which fall within the list of scheduled premises (i.e. pubs, karaoke establishments, nightclubs) have recently ... The Government has prohibited them from operating for the last 100 days, let alone April, May, June, July and August last year. In fact, the authorities have included karaoke establishments as well as pubs in the list of scheduled premises ever since the first confirmed case occurred in karaoke establishment more than 10 months ago because it was found at that time that the measures to prevent spread of coronavirus disease in these premises were less stringent—only some but not all of the pubs were photographed. Besides, Chinese nightclubs, where dancing and live performance activities took place, were also considered to be high-risk establishments. Nevertheless, they were willing to comply with the Government's measures that they no longer had live performance and dancing sessions but only provided venues for use by customers upon their reopening in the past few months. There are rooms for people to dine and chat in these establishments with floor areas of over 10 000 sq ft. How can the authorities treat them so harshly by including them all in the list of scheduled premises just because someone who visited the karaoke was confirmed to be infected a few months ago?

The beauty industry is not among the industries that I represent, but Mr SHIU Ka-fai does often question why beauticians are not allowed to do business even though they have put on full sets of protective clothing and followed proper disinfection procedures in conducting facial treatments for their

clients. They are only working one-on-one in a room with just one single bed. As manicurists/pedicurists are holders of beautician licences—regardless that hands are long, legs are even longer—why are they also not allowed to do business?

Yesterday, I also said at the Executive Council (the "ExCo") meeting that many of my friends—well, the Members sitting to my left and right then were also golfers who asked why going outdoors on such a nice day ... they were more than willing to observe the restrictions even if only two people were allowed to play, not to mention four. As for tennis, the distance between players is even longer than that required for social distancing, so why people are not allowed to play then? Perhaps doubles are not allowed because the players within a pair are too close to each other, but singles should not be a problem. I know that the Secretary has a lot of work to do and it is difficult for her to take care of everything, but I have confidence in her because she has taken our advice and decided to proceed with the flower fairs. I hope that the Secretary will not be led by experts too often to adopt an across-the-board approach in dealing with every matter—this is an easy approach as they only have to impose a total ban and that is all.

I would also like to talk about exercising in fitness centres. These days, I am getting as fat as a pig and cannot even fit into my trousers because going to the gym for exercise is out of the question now. If it is about the fear of my expelling droplets of saliva while exercising, I can wear a face mask as this is not something I have never done before. What is more, I am just doing exercise at the gym all by myself with no trainer by my side, so why not let me go the gym then?

I hope that the Secretary can also heed our advice this time. Really, it is advisable to break down the whole task into smaller ones according to the actual situation rather than adopt an across-the-board approach. This way, quite a lot of sectors will have the room for survival at least, even though not all sectors can go on doing business. No job with no income during festive season and the Lunar New Year holidays—what I am talking about now is not only the employers running SMEs but also the most miserable of all, the employees of the catering sector, who can no longer support themselves. To put it bluntly, they have borrowed money from all sources available over the past few months, but now they just cannot find a way to obtain credit. I do hope the Secretary will stop ignoring their needs.

Finally, I also want to say a few words as regards the news about vaccination, that is supposed to be the dawn that members of the sector wish to see now. I have no idea, maybe they are also looking forward to the expeditious implementation of the vaccination programme in which the majority of the local people can get vaccinated. Will our normal way of life be resumed earlier because of this? Even if we still have to wear face masks, many other things will be on the right track again then. At least, we can dine out with our families, and it will be fine even if we finish eating a little bit late at night.

The Liberal Party has already told the Secretary that we conducted an opinion survey last month, and we have also conducted one this month because according to the findings of last month's survey, we found that while 60% of the people surveyed would voluntarily get vaccinated, 40% said they would not do so. This time, we further asked them why not get vaccinated and whether they would change their mind to receive vaccines should there be incentives for them to do so. Of these 40% of respondents, 24% answered in the affirmative. Of course, we have provided them with a detailed list of incentives. Among these incentives on the top is: they need not be quarantined for 14 days when they visit the Mainland after vaccination. Certainly, this is not up to the Secretary to decide, but I hope the Secretary can ask CE and the Beijing Government whether those Hong Kong people (who have got vaccinated with full records of vaccination or health codes as proof) can be exempted.

Similarly, there is a point that I have repeatedly mentioned. Secretary, I would like to say it here once more. At present, restaurants are not allowed to operate in the evening, but assuming that all my employees have been vaccinated, as is the case now, and that our patrons have also been vaccinated, will the Secretary then consider offering some incentives to them, such as allowing people to dine in until midnight or allowing four people per table since all of them have got vaccinated? These can be used as incentives.

Another point is, as I always say, restaurants can ask their patrons to leave the premises after spending 1.5 or 2 hours dining in if the Government is anxious about gathering of crowds in public places. That is to say, they should be asked to settle their bills and leave the restaurants after they have finished eating and drinking, and they should keep wearing face masks and stay 1.5 m from people of other tables—what I have just said refers to four per table. In fact, we can get all these done. I hope the Secretary will consider my suggestion of offering

incentives so that relevant arrangements can be made as soon as possible before the vaccines arrive in Hong Kong. I believe that when the Government is willing to relax the restrictions on the operation of restaurants, both our employees and employers will be willing to get vaccinated.

Last of all, I implore the Secretary to relax the measures in question after the current extended period of seven days ends. At present, 200 000 employees in the catering sector are urgently in need of help who cannot wait until the Lunar New Year. Therefore, I hope the Secretary will consider relaxing the restrictions on group gatherings in restaurants in a bid to save the restaurants as well as our employees.

MR HOLDEN CHOW (in Cantonese): Deputy President, with regards to the Policy Address this time around, in particular in the areas concerning the pandemic and economy, first I wish to express disappointment at the Chief Executive's lack of commitment to the introduction of unemployment assistance.

The grass-roots people have been bearing the brunt of the pandemic which has plunged the economy into an abyss of recession. The hardest-hit groups are the grass-roots people. They are either jobless or underemployed, and their subsistence is at stake. Of course, it is undeniable that the Employment Support Scheme does offer some relief, but there is also a loophole in the policy. Some big enterprises, such as the two mega chain supermarkets, may claim the wage subsidies under the Employment Support Scheme again after claiming them in the first round. Some employers have applied for the wage subsidies under the Employment Support Scheme, but eventually their employees have to take unpaid leaves. With such legal loopholes, the Scheme cannot give real help to grass-roots people. I hope the Administration will listen to these voices, as this is the real situation told to us by members of the public when we visited our constituencies.

Deputy President, regarding injection of impetus into the economy, I wish to express that in the overall planning of our country, Hong Kong should play its role in the light of the situation, be it in the area of supporting the internal circulation or continuing its connections with overseas countries. Hong Kong still needs to play a role in this dual circulation.

Deputy President, I wish to point out that led by the USA, a number of countries have been constantly smearing Hong Kong in recent days by alleging that there were changes in our "one country, two systems". They used such excuse to make irresponsible remarks about Hong Kong. These foreign politicians were clandestinely supporting or inciting certain local anti-China, anti-Mainland and anti-Government elements, or even assisting in promoting the 2019 "black-clad riots" and terrorist activities. As a result, members of the public were unable to lead a normal life as their lives were under serious threat, which left the Central Government with no alternative but to promulgate the National Security Law to safeguard national security and the safety of the people and to restore the stability of society.

However, these foreign politicians who should be the accused often point their fingers at others first. In recent days, they kept on smearing our National Security Law, alleging that our "one country, two systems" framework had been destroyed. In recent days, POMPEO of the USA announced further sanctions against a group of Central and Hong Kong officials and persons, including Mr TAM Yiu-chung, a Member of the Standing Committee of the National People's Congress. Apart from such sanctions, we have seen even meaner and more despicable action. To one's surprise, the British Foreign Secretary made certain remarks in recent days on the prosecutor of the Jimmy LAI case, David PERRY QC, and blatantly put pressure on David PERRY QC and accused him of behaving in a pretty mercenary way if he were to take up the case. He even implied that David PERRY QC was a person of no good conscience, in an attempt to create pressure in society to menace the QC. This is a typical example of putting politics before professionalism, which has blatantly interfered with Hong Kong's criminal justice system.

The worst thing we see is the news headline today that the Department of Justice has to replace the prosecutor of the case. The objective fact for everyone to see is that a British politician has blatantly put media pressure in society on a prosecutor and threatened him. As a result, this lawyer withdrew from the case out of fear. The most despicable thing was that if Members had paid attention to Dominic RAAB's remarks a few days ago, they would find that even though the case involved charges against Jimmy LAI for unlawful assembly, Dominic RAAB has blown it out of proportion by deliberately associating it with the National Security Law and criticizing Hong Kong for infringing human rights by the introduction of the National Security Law. That was his excuse for putting pressure on David PERRY, thus one can see how vicious he was. His move has

interfered with our criminal justice system, moreover, his ultimate intention was to further smear the National Security Law. Therefore, we can see the viciousness of Dominic RAAB.

Deputy President, in the face of the deliberate attacks on Hong Kong and the Central Government from many Western countries, what exactly should we do in future in order to maintain Hong Kong's international status? Deputy President, I wish to expound my views on that. First, I consider the SAR Government is duty-bound to explain to the world certain facts in a more effective and vigorous way. For example, we have seen some media hype in recent days about outflow of foreign capitals from Hong Kong, but this is absolutely untrue. If we look at the figures, we will find that these are nothing but smearing tactics and fake news. According to the figures in 2020, that is, last year, there were a total of 9 025 foreign firms in Hong Kong, only 15 less than the 9 040 in 2019. Actually, I have heard certain SAR Government officials cite these figures on certain public occasions. I consider these figures are powerful facts to show the world. If someone says that all foreign companies have moved out of Hong Kong, but if I can refute that by quoting the figures and telling you that only 15 out of more than 9 000 enterprises have moved out and the rest are staying in Hong Kong, should these figures be considered more powerful evidence to show the truth about Hong Kong to the international community? It is because people doing business or making investment or working in Hong Kong will basically take into account Hong Kong's overall situation, they may not believe the smearing or bad mouthing actions by foreign politicians. The fact that they choose to stay in Hong Kong is the best proof. If Hong Kong is to keep on playing its role as an international metropolis and as a linkage between the world and China, and its function in the circulation loop with overseas connections, it is necessary for us to make some effective clarifications.

Deputy President, the SAR Government should be aware of the fact that now we have the biggest need to maintain Hong Kong's status as an international metropolis since Hong Kong's return to the Motherland. For that reason, just now I kept on urging the Government to make more efforts to clarify the relevant figures and make good explanations. Moreover, I suggest that we should continue to attract international business talents from various industries to come and stay in Hong Kong through the introduction of various concessions as well as improved measures in tax, land, education and living environment. In this connection, we can draw reference from Singapore. Why has Singapore been so

successful in attracting foreign capitals? Besides a low tax regime and a relatively free business environment, Singapore has put emphasis on the provision of a good living environment for foreign talents. They started by attracting the employees of foreign firms, so that these people are willing to bring their families to stay and live in Singapore. As these people are pleased and willing to work and live in Singapore, their firms will naturally establish a presence there. This is actually a bottom-up approach. Therefore, I consider the SAR Government can draw reference from Singapore in this respect.

Deputy President, now we have a good opportunity. At present, Hong Kong and Shenzhen are cooperating for establishing an international innovation and technology hub in the Guangdong-Hong Kong-Macao Greater Bay Area, which is also known as the Hong Kong Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop. Regarding the development of the Lok Ma Chau Loop, the Government has already accorded it the priority for research and development ("R&D") work. The focus will be put on medical technology, big data, artificial intelligence ("AI"), robotics, innovative materials, micro-electronic and Fintech. I urge the Administration to make use of the Park as a tool to consolidate Hong Kong's branding as an international metropolis. The Lok Ma Chau Loop provides us with a good opportunity. Since we will push developments in these key R&D areas, we should make use of the construction of the Lok Ma Chau Loop facilities to attract international institutions and talents in the relevant fields from around the world to come and stay in Hong Kong.

I think that the SAR Government should formulate the objectives and a road map, in order to publicize and identify sizeable international and Mainland enterprises to come and establish their operations in Hong Kong. And the Government should set targets in numbers and objectives in the future and make periodical announcements of the identities of institutions and firms setting up in the Park as well as the job creation news. This kind of road maps and periodical announcements are very useful. Everyone knows that if we take Singapore as an example again, when some foreign firms are going to set up their operations in Singapore, even if the matter has not been finalized, the Singaporean authorities will let everyone know first. And when such loud publicity was done, there would be some kind of promotional effect in the international community, thus even if it failed to materialize in the end, people would still think that it had been a success. You may say that it is nothing more than an illusion, but it has already achieved its promotional effect. For that reason, I think that the SAR Government should make reference to Singapore in this respect. Whenever our

Government has approached international firms about their intention to set up operations in Hong Kong, as long as there is some progress, the Government should let the public know, so that everyone knows that Hong Kong is still attractive to the international business community. I consider this very important.

I also want to point out that the authorities should also set up Key Performance Indicators for the commercialization of innovative technology results, which is also commonly known as the KPI. I need to explain clearly that we should put in place the KPI so to scientifically quantify the achievements in technology transfer and commercialization of the results in the Park. Deputy President, why should I mention KPI? Please allow me to cite some figures in order to learn from past experience. Hong Kong has an Applied Science and Technology Research Institute Company Limited ("ASTRI"), and it has four R&D centres. Of these four R&D centres, resources have been allocated for R&D purposes, including automobile, advanced materials and Nano technology. Unfortunately, please allow me to say this—if figures are self-explanatory, the KPIs of the four R&D centres under ASTRI are actually disappointing in monetary terms. It is because if we look at the figures which spanned a period of four years from 2015 to 2019, the total revenues of ASTRI's four R&D centres from commercialized products were under \$50 million per annum, but their total R&D expenditure over the four-year period was \$2.3 billion, and their total operating expenditure was \$1.15 billion. That is to say, we spent \$1 billion to \$2 billion for operation and R&D work, but the revenues from the commercialized products were less than \$50 million. If we only look at these figures, the KPIs of ASTRI and its four R&D centres have been less than satisfactory. Of course we may say that perhaps they could facilitate developments in other fields. I hope the Government may further explain that. However, if we only look at the revenues, I think that we should learn from the experience. Therefore, I wish to urge the SAR Government again that as we will allocate a lot of resources to the Lok Ma Chau Loop project, we hope the Government can set an effective KPI so that the public will know the number of international institutions which will be attracted to the Lok Ma Chau Loop and the number of job opportunities which will be created, as well as whether more effective and successful commercialization of the R&D products will be achieved. I think that all of these should be included in the KPIs. I hope the Government will make extra effort in this respect.

Deputy President, in this debate session, apart from the theme of New Impetus to the Economy and Navigating through the Pandemic, it also covers the theme of Upholding "one country, two systems". I wish to speak more on the rule of law. Deputy President, everyone knows that during the year before last and last year, the handling of some cases related to "black-clad riots" by the judiciary received some criticism from the public. After the Chief Justice Andrew CHEUNG of the Court of Final Appeal ("CFA") has assumed office recently, he said that he would review the existing mechanism for handling complaints against judges with a view to further improving transparency and accountability. I welcome his move and expect the Judiciary to commence the review as soon as possible, including making reference to the independent mechanisms for handling complaints against the conducts of judges in other countries, such as the United Kingdom's Judicial Conduct Investigations Office. I consider that we can make reference to the United Kingdom's practice. Deputy President, Hong Kong has put in place various forms of complaint mechanisms which seek to avoid public impression of a lack of independent oversight, but the complaint mechanism under the Judiciary is not a very transparent one. The complaint against a judge is frequently handled by a judge of his immediate superior exclusively. In fact, this practice will arouse public query and it will also do no good to the Judiciary as the public may have an impression that the judge in question has received favourable treatment. For that reason, I believe that a review on the existing mechanism for handling complaints against judges is conducive to restoring public confidence in the Judiciary and consolidating the image of the Judiciary in upholding the rule of law.

Nevertheless, Deputy President, I am disappointed by the recent remarks made by the Chief Justice or officials of the SAR Government on various occasions that they would not consider setting up a sentencing commission or council. Actually, we have been baffled by the judgments and sentencing decisions in some criminal prosecution cases related to "black-clad riots" in the past, as some of them lacked deterrent effect or made the public wonder if the relevant judge was conniving at those violent behaviours. I wish to urge the Judiciary that the request for setting up a sentencing commission or council is actually not something invented by us. Members should know that in many Western countries, no matter whether they adopt common law system or otherwise, many of them actually have the experience of setting up their own sentencing commissions or councils, thus I consider we should make reference to their experience. These countries and regions attach great importance to judicial independence and they believe the setting up of a sentencing commission or

council will not compromise judicial independence. We can see that the United Kingdom, the United States or Ireland have all set up their own sentencing commissions or councils. In fact, in so doing, the sentencing can be made more definitive, unequivocal and consistent, and members of the public will be more convinced of the rationale behind the sentencing and the impartiality of the Judiciary. For that reason, these are my views I wish to express on this issue.

Deputy President, I wish to add one more point about the setting up of a sentencing commission or council. At present, of course the Judiciary will promulgate sentencing guidelines through a higher court, but I wish to point out that after an appeal is taken to a higher court, it will take years to complete, at least it will take several years. Frankly speaking, this arrangement cannot address the problem on a timely basis. Therefore, if we make reference to the setting up of a sentencing commission or council, perhaps the problem can be resolved.

Deputy President, finally, I wish to point out in this session that as far as upholding "one country, two systems" is concerned, it is more important for us to ensure that all public officers will uphold the Basic Law and pledge allegiance to the Hong Kong Special Administrative Region of the People's Republic of China. This is the most basic requirement. I have noted a consistently strong voice in society that public officers in particular—I mean District Council members—should take the oath as soon as practicable because I fail to see why District Council members, in their capacity as public officers, should not be required to take oath to uphold the Basic Law and pledge allegiance to the Hong Kong Special Administrative Region of the People's Republic of China. I consider there is no justification for not requiring them to take the oath. We just want the Government to expeditiously clarify matters and get to the bottom of things. If these unruly District Council members refuse to take the oath, or they do not take their oath seriously or they are found breaching their oath, they should be asked to leave their offices. Recently some members of the public have already advocated the setting up of a committee to monitor how some District Council members will act according to their oath. The fact that many people have favourably responded to the setting up of such a committee shows their unequivocal demand for monitoring the performance of some District Council members with a view to bringing order out of chaos.

Deputy President, I have finished my speech for this session. I so submit.

MR CHUNG KWOK-PAN (in Cantonese): Deputy President, as we all know, the Policy Address was originally scheduled to be delivered on 16 October last year, that is, at the very beginning of the current legislative session. Just two days before the delivery of the Policy Address, the Chief Executive suddenly announced that it would be postponed as she needed to go to Beijing to meet with the State leaders. Of course, this would do us good because she went over to Guangzhou and Shenzhen to meet with the leaders there following her visit to Beijing, after which she incorporated some national policies into her policy address. This is definitely beneficial to Hong Kong.

What are those policies then? Let me discuss that later, but the most important thing now is how to curb the spread of the coronavirus disease. If the SAR Government's goal is to achieve "zero infection"—of course, such a goal is really well justified, and yet, this will only mean a mission impossible in reality. At present, the SAR Government has been, without taking the most effective actions, dragging its feet in its administration, which has led to the present predicament. It can be said that the SAR Government is more or less to blame for giving rise to the predicament faced by many trades and industries. For example, a lot of premises were actually not in trouble but the authorities still ordered that business operations on such premises be suspended, leaving many people unable to stay in their jobs and have income. This should not have happened and is something the SAR Government can never make up for, no matter how much compensation it has offered.

Therefore, I hope the SAR Government will seriously seek an understanding of the actual situation of each trade during this period. Take for instance the case of the flower farmers, the Government announced earlier that the Lunar New Year flower fair would be cancelled but has now decided to resume holding the flower fair upon gaining an understanding of the situation of the trade and discussing with its practitioners—it is still fine even if the scale is reduced by half. I think the Government should take the same approach in dealing with other trades.

Why is the beauty industry not allowed to resume operation? There are only two people involved in the one-to-one service (i.e. only one beautician and one customer), so why is it not allowed? These industry practitioners are in a pitiable state. As the Lunar New Year is approaching, can I ask the SAR Government and all officials to—well, it is the same old words that I have to say to you, that is, how are they supposed to spend the Lunar New Year with no

source of income, while you people are all paid on time every month? The Government is now aiming at achieving the goal of "zero infection" and only when the number of confirmed cases has reduced to single digit will they be allowed to resume business. They will, of course, have to leave it to fate if the SAR Government continues to turn a blind eye to them. We are all waiting for the vaccines to come, but will the authorities provide incentives for those COVID-19 vaccine recipients, that is, will people have jobs or be exempted from compulsory quarantine upon crossing the border and boundary after receiving the vaccines?

Frankly speaking, under the existing "Return2hk" Scheme, Hong Kong residents returning from the Guangdong Province who are tested negative for COVID-19 will be exempted from the 14-day compulsory quarantine requirement when they return to Hong Kong. Will the Government also allow other Hong Kong residents and Mainlanders who have been vaccinated in different provinces and cities on the Mainland to be exempted from compulsory quarantine upon returning to or arriving in Hong Kong? This arrangement will definitely be conducive to the recovery of local economy in that it may, at least, be of certain help to the hotel, retail and tourism industries. Otherwise, people can only leave everything to fate or even wait until the very day they die. Hence, no matter how ambitious and idealistic the Policy Address sounds, it is useless to say whatever things if we cannot put an end to the pandemic. Of course, what has to be said must still be said.

I would like to focus on part (II) of the Policy Address. With the full support of the Central Government, there are so many issues that we can raise, in particular the development of the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"). I remember President Xi mentioned that Hong Kong could play the four roles of regional centre/hub when he announced the positioning of Hong Kong in GBA in February 2019.

First, Hong Kong should, of course, continue to play its role as an international financial centre. Recently, we have seen the development of Hong Kong's position as an international financial centre—the turnover of the stock market reached \$300 billion the day before, the sum is then overtaken by today's; and the Hang Seng Index may climb to 30 000 points the next day. Such positioning of Hong Kong can be leveraged in the international financial market. And even though the Chinese securities listed on bourses in the United States ("the US") are sanctioned by the US Government, they are welcome to switch to

the Hong Kong market. In this way, Hong Kong can continue to play its role as an international financial market. On the contrary, many Mainland cities (such as Shanghai) are unable to assume this role which we are good at playing, and so Hong Kong is really doing a great job in this regard.

Second, Hong Kong can serve as an international aviation hub. If we seek cooperation with Zhuhai Airport today, or even take an equity stake in it so as to engage in its management, it will certainly be beneficial to Hong Kong's future status as an international aviation hub.

Third, Hong Kong is set to become an international innovation and technology hub. Secretary, I think this positioning is really great. Strictly speaking, we are not as big as Shenzhen in terms of land area; we may not have as many talents as Shenzhen; and as to money, Shenzhen also has plenty. Yet, why Hong Kong is still selected to be established as an international innovation and technology hub in GBA or of the whole country? It is all because of our international character and excellent judicial system. Our due respect for intellectual property rights is our strongest strength which provides a solid foundation for the protection of all innovative technologies.

You may think that Shenzhen is exceptionally good, but it is not good enough at protecting intellectual property rights, which being one of the issues where the US Government picks on China. With a high degree of transparency and a sound judicial system, Hong Kong has been doing remarkably well in this area, and it is precisely because the Central Authorities are aware of these advantages of Hong Kong that they have assigned Hong Kong the position as an international innovation and technology hub. There is no doubt about it.

In addition, a centre for international legal and dispute resolution services in the Asia-Pacific region will be established in GBA, and the Central Authorities have specified that Hong Kong will be assigned this role given its sound judicial system and a proper foundation for the development of international trade. At present, all business activities in the entire GBA are expected to be conducted under the legal or business system of Hong Kong. Otherwise, why will Hong Kong be established as a centre for international legal and dispute resolution services in the Asia-Pacific region? It is because Guangdong, Hong Kong and Macao have business dealings with one other, and in case disputes arise and arbitration is required, they can be dealt with in Hong Kong rather than Guangdong Province or other Mainland cities.

At present, members of the public still have no idea whether the SAR Government has drawn up a blueprint for its participation in the development of GBA. Therefore, the SAR Government should inform the business sector as well as the general public of such a blueprint and what the two SARs plus nine cities ("9+2") are all about. In reality, GBA comprises three customs territories, two SARs and three different legal systems: those of Mainland of China, Hong Kong and Macao. Which one should GBA follow?

Common sense dictates that if you ask any resident of GBA or any Hong Kong citizen about this, I believe that nine out of ten of them will give an answer like this: Hong Kong's legal system should be adopted. This shows that Hong Kong has an advantage in terms of its legal system, so I dare to say that Hong Kong should take up the position of "leader" of GBA. However, has the SAR Government ever endeavoured to fight for Hong Kong to become the "leader" of GBA? I believe that people will not choose to adopt Portuguese laws because the majority of people in the international community do not understand Portuguese ... people would know about it if we are talking about the common law practiced internationally.

We are now fighting for Hong Kong lawyers to go to the China to obtain practicing certificates as Mainland lawyers so that they can provide services related to Mainland laws, but then, why can we not develop a three-in-one system to provide one-stop legal services here in Hong Kong without requiring our lawyers to travel to the Mainland specifically to take the relevant examination? Once a lawyer has passed the Mainland examination, he or she will become a Mainland lawyer. This being the case, why do I still need to engage such a Hong Kong lawyer when I can engage a Mainland lawyer direct?

I would like to bring up a point: this positioning makes us understand that the development of GBA is actually most beneficial to Hong Kong because a place will need additional space when it expands its scope of development, and this is precisely the problem that Hong Kong has yet to overcome. Across Hong Kong's boundary is Shenzhen and there is always a boundary between the two places. However, this is not the case with Macao which has direct access to Hengqin, where so much space has been leased to Macao, and even the University of Macau is running classes there in Hengqin. Yet, Hong Kong lacks such space to expand its development.

Concerning the world's three major financial centres, namely New York, London and Hong Kong, if New York wants to expand its scope of development, it can expand towards New Jersey; for Greater London, it can expand to cities outside London; but in the case of Hong Kong, we have no room for expansion. So GBA may pose an opportunity and Hong Kong can take advantage of it whenever it needs to expand, and it would enhance Hong Kong's existing strengths.

Take a look at the US: the Silicon Valley is excellent in scientific research while New York's financial sector is thriving. In the US, if one needs to raise funds upon achieving deliverables from research and development projects, he can go from San Francisco to New York for fund-raising—only that there are time difference as well as distance between the two places. When it comes to manufacturing of products, it is necessary to go to Southeast Asia or China, and Tesla is a case in point. On the other hand, scientific research in Shenzhen has successfully developed like that in the Silicon Valley, so if it wants to raise capital, it can capitalize on Hong Kong's advantage in this regard for it takes just an hour to travel from Shenzhen to Central on Hong Kong. As regards the production of goods, it can even be done in Dongguan and Huizhou.

As a matter of fact, Hong Kong does have its own advantages, and so it is now necessary to pursue development in areas of scientific research and financial services. Even though we have advantages, but so what? We still have to tackle the COVID-19 pandemic in the first place. Promotional efforts are a must even if we have an advantage—Secretary YAU happens to be present here right now—the Trade Development Council will help with promotion and exhibition matters.

A few days ago, I had a Zoom meeting with the Secretary and he mentioned that the exhibition venues of the Hong Kong Convention and Exhibition Centre were not as big as those in other places, such as Shenzhen, Guangzhou and Macao. Yet, our strengths actually lie in our software and international relations. He also mentioned that three government buildings of the Revenue Tower in Wan Chai could be demolished for redevelopment, but since there was no timetable yet, it was not known when the demolition would commence. Moreover, planning and redevelopment would have to be conducted after the demolition. This may take five to seven years for all such tasks to be completed. However, the business opportunity must be seized in time. How is

the Government going to expedite the demolition and redevelopment of these government buildings for the development of the convention and exhibition industry?

Deputy President, in the next session, I will express my views on how young people can complement the development of GBA. I conclude for the time being by saying that the development of GBA is beneficial to Hong Kong and I hope that the SAR Government will endeavour to make Hong Kong the leader of GBA because we do have all the makings of a leader, and I dare say that none of the nine cities in Guangdong Province has that capability. Hence, we ought to cherish the various advantages we have, and I hope that the SAR Government will step up its efforts in fighting for the implementation of these policies that are favourable to Hong Kong.

Thank you.

MS ALICE MAK (in Cantonese): Deputy President, the top priority in 2021 is definitely fighting the epidemic and poverty. The lately announced unemployment rate is 6.6%, which is a record high in 16 years. However, according to the survey conducted by the Hong Kong Federation of Trade Unions ("FTU"), the employment of 80% of employees has been affected. Employees need to face layoffs, wage reductions and furloughs, and nearly 30% of them have been jobless for half a year. Not long ago, some FTU members and I paid visits to street sleepers, giving them some anti-epidemic materials and warm clothes. We find that not only has the number of street sleepers increased, but their average age is also getting younger. Some street sleepers look like Mr LUK Chung-hung in appearance and dresses.

In fact, they look tidy and properly dressed, and basically should not be street sleepers. But why do they have to sleep rough? I believe one of the reasons is that under the impact of the epidemic, many of them cannot afford the rents due to pay cuts. In addition, owing to the ban on evening dining in restaurants, some people who used to sleep in 24-hour fast food restaurants are not even qualified to be "McRefugees", but can only sleep in the streets. Among these people, some are affected by the closure of our boundary. Their home may be in Shenzhen but they work in Hong Kong. They used to go to work in Hong Kong and then back to Shenzhen after work, travelling between the two places every day. Nevertheless, under the epidemic, they can no longer travel

back to their home in Shenzhen every day. And so after work, they can only temporarily stay at the home of their family members or friends. Some of them sleep in their offices, some in warehouses, some at the piers and some even in the streets.

Why do they have to sleep rough? It is because they still have family expenses in Shenzhen or the Mainland. They still need to pay rents, and will not be exempted from rents there because they are in Hong Kong. And then they have to shoulder another part of expenditure in Hong Kong. Hence, they have to bear double living expenses. In order to save money, they would rather sleep in the streets. Thus, there is a great increase in the number of this type of street sleepers, which can reflect the adverse economic conditions in Hong Kong. In addition to facing livelihood problems, this group of people from cross-boundary families are also separated from their family members for almost one year. Many of them really have not seen their family members for one year, and some have not even met or touched their newborn babies.

In order to resolve these problems, I think there is only one method, which is to have the epidemic contained. The Government's anti-epidemic slogan is "Together, We Fight the Virus!", and we can see the "Together, We Fight the Virus!" posters with a green background everywhere. All along, the Government has been asking the public to be united. Previously, the Government even said that it was due to the public being discordant and disunited that a universal testing would surely not be carried out. The problem thus lies in the public and there is no condition to conduct a universal testing. Nonetheless, I would like to ask the public officers here how united you are. Over the past year when fighting the epidemic battle, was the ruling team fighting the virus together?

In the whole process, we could see colleagues from the Food and Health Bureau ("FHB") working very hard and their anti-epidemic workload is very heavy. Despite some mistakes and omissions at times which, according to each one of them, were attributed to their busy schedule, they genuinely have a lot of work. But at present, the epidemic drags on and remains very volatile. If we are unable to contain it, members of the public will be the ones who suffer the most. In fighting the virus, the first priority is to prevent imported cases. From the beginning till the end of the year, we have been asking to prevent infected cases from being imported to Hong Kong by people coming from overseas, who should stay in designated quarantine hotels. There should also be special

transportation arrangements to prevent them from taking other means of transport, like MTR or taxis, of their preference to the hotels. After this proposal has been raised by us for one whole year, it has been finally implemented since 22 December.

Secretary Patrick NIP is a very remarkable person as he managed to pull it off. I do not say this because Secretary Patrick NIP is here. It just happens that he is now in the Chamber when I am mentioning this issue. Many people say to me that Secretary Patrick NIP is very smart, because in a short span of time, he could complete the mission, including finding the hotels and making transportation arrangements which are not easy tasks. He is really remarkable in pulling it off within a short period of time. But then we have to ask why he did not offer help for the whole year. When he is so smart, can he give a helping hand to FHB colleagues or to the colleagues of other Bureaux so that together, they can do the anti-epidemic work well? Does he only act upon orders?

In fact, everyone in the ruling team of the Government is very competent. Had these competent officials been united in fighting the virus, helped each other out and not acted upon orders from the boss, our anti-epidemic work would not have been that undesirable. If this group of competent officials had detected any problems with the anti-epidemic work during the meetings, had the audacity to voice out and accept the responsibility, and to help each other, our anti-epidemic work would not have been like that. It is unnecessary to say "Together, We Fight the Virus!" to us. Members of the public are already very united, but the question now is how united our government officials are. This is the first question that I would like to ask, and is also the question that we are most concerned and earnestly want to know the answer.

Deputy President, in fighting the virus ... just a moment, because this script is not the original one given to me by my colleague ... in the following, I will discuss how the Government, in the entire anti-epidemic process, can do well in fighting the virus and how the public can see that during this critical period of time, the Government can work as a team and our Secretaries can support one another, trying to do well in the anti-epidemic work.

Deputy President, earlier on, I mentioned that the current unemployment rate is a record high in 16 years, with as many as 245 800 people out of jobs, and I also mentioned the situation of street sleepers. But my question now is: How

many measures does our Government actually have to assist this group of people who are in dire straits? FTU has been striving for unemployment assistance, and our proposal is to set up an unemployment assistance fund of \$15 billion under which a jobless person can receive a monthly allowance of up to \$9,000 for a maximum period of six months for being unemployed or laid off, with a view to meeting their urgent needs. However, the Government has been turning down our proposal and doing nothing. According to the Hong Kong Poverty Situation Report 2019 released by the Government last month, the poor population already stood at 1 491 000 persons in 2019. It is believed that after the epidemic, the figures of poor population will be even more alarming. For how long will our Government remain tight-fisted?

(THE PRESIDENT resumed the Chair)

President, in this fight against the epidemic, as I just mentioned, we fail to see any concerted efforts from a united ruling team. On the contrary, through the anti-epidemic work, we have actually found some problems with this civil service structure and system. In the course of fighting the virus, what could we often see? We could often see some Secretaries and Directors hiding elsewhere. When the Government was appealing to the public to stay together in fighting the virus, a group of "cloud" Secretaries and "missing" Directors, with a typical employee mindset, could still go hiking and enjoy high tea with their friends leisurely under the blue sky and white clouds. When they fight the virus in such a passive way, how can the public be delighted?

President, it is undeniable that the SAR got full support from the Central Government last year, no matter in the implementation of the Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region or in the universal testing exercise. This Policy Address has also incorporated many initiatives from the Central Government to support the SAR. We are surely pleased and gratified of the support given by the Central Government to the SAR, but on the other hand, we should not always be too complacent. At present, what do Mainland netizens usually describe Hong Kong? They say that Hong Kong is a big baby who always counts on the Central Government's assistance. Hence, during these difficult times, can we really brace up? When the Central Government has already quelled the social

unrest for us, should the SAR Government do the anti-epidemic work well by achieving "zero infection"—it must achieve "zero infection" rather than striving to achieve "zero infection"— and reviving the economy?

President, some time ago I heard the host of a radio programme ask our Chief Secretary for Administration whether XI Jinping Thought on Socialism with Chinese Characteristics for a New Era would be taught, and the Chief Secretary of course digressed from this topic. Nevertheless, what I want to say is that our government officials should really learn "XI Jinping Thought". At a grand gathering to celebrate the 40th anniversary of the country's reform and opening-up, XI Jinping, President of our country, said, "We must focus on meeting the requirements, pressing needs and expectations of the people, so that the people can share the economic, political, cultural, social, ecological and other development achievements, and can have greater, more direct, and more concrete sense of gain, happiness and security. We will constantly promote the holistic development of people for the common prosperity of all people." XI Jinping said that citizens' sense of gain, happiness and security should continuously be enhanced. Secretaries, has our governance given any sense of gain, happiness and security to our people? How should that be achieved? This can be achieved on the premise of adhering to a people-centered policy orientation and continuously realizing people's yearning for a better life. These are the core principles of XI Jinping Thought on Socialism with Chinese Characteristics for a New Era, which I really wish our government officials can learn well. During the past one year, through the Government's administration from dealing with the riots to fighting the virus, can the public gain any sense of gain, happiness and security? I think this is worth our reflection, and I will leave it to the officials to reflect on themselves.

President, my speech of the first debate session ends here.

MR LUK CHUNG-HUNG (in Cantonese): President, the temperature this year is lower than previous years. Since the winter of this year is exceptionally cold, we have conducted a warmth-giving campaign in the community.

Under the impact of the natural "La Niña" phenomenon, climate has become abnormal, and as a result, Hong Kong is experiencing a particularly cold winter. In social reality, Hong Kong's economy is likewise experiencing a bitter winter owing to the epidemic. The "black-clad violence" in the year before last, coupled with the epidemic since last year, has dealt a severe blow to various

industries and trades for several years in a row. While the tourism industry has been left in a complete coma, other industries such as the catering industry and also the retail industry have been brought to a semi-halt. In particular, since the enforcement of the social gathering restriction, restaurants are forbidden to provide dine-in services after 6:00 pm. We certainly understand this decision of the authorities, but an indirect effect is that the retail industry is unable to do any business because people no longer do shopping on the streets after dinner now, as opposed to the case in the past. As a result, many shops have closed down one after another.

Wage earners who are lucky may be able to keep their jobs. But according to a survey conducted by the Hong Kong Federation of Trade Unions ("FTU"), 80% of the wage earners have sustained a reduction in wages or working hours or have even asked to take no-pay leave. The Government's survey shows—we of course think that the relevant figure is an underestimation—that the unemployment rate stands at 6.6%, meaning to say that around 246 000 people are unemployed. As rightly said by the Financial Secretary yesterday, the rate is a record high in 16 years. Wage earners in Hong Kong are honestly in a dire situation.

But ironically, while the fourth wave of the epidemic has not shown any alleviation and the unemployment rate has remained high, we can nonetheless see a parallel universe in another economic domain. By parallel universe, I mean that first, newly-built residential units are still selling out fast, and property prices have remained stiff all the same. A newly-completed housing estate at Kai Tak recorded the sale of all 145 units soon after they were offered for sale last week. This has produced the effect of boosting the prices of units available for sale in the same area. In addition, the Hang Seng Index has likewise kept rising. President, I am not saying that I hate to see a rise in stock prices because a rise in stock prices is a delight to many people. At the close of the stock market today, the Hang Seng Index ended up at 29 962 points, a record high in recent years.

We have seen an awkward phenomenon over the past year, the phenomenon that capital expansion has deviated from basic economic factors. Not only Hong Kong but also the whole world is facing this problem. In the case of the United States, for example, the epidemic there is a few thousand times more serious than the case of Hong Kong, but its stock market has nonetheless kept rising. President, this phenomenon is awkward, and I believe it has defied people's general understanding of economics.

Some ordinary people are unable to make a living as they have lost their jobs, so they have to sleep on the streets. But at the same time, those with assets are able to increase their assets. This means that the disparity between the rich and the poor is widening. Actually, this once occurred after the financial turmoil in 2009.

The recent years have seen an economic recession as many countries (notably the United States) have abused the quantitative easing policy and counter-cyclical measures and "flushed" the local economy or currency, with the intention of beautifying the market. This has led to persistent asset inflation. Perhaps certain political figures in the United States have to be answerable to large consortia, so they have continued to reap a fortune from around the world. The case of Hong Kong, in contrast, is very miserable. Hong Kong adopts the Linked Exchange Rate ("LER") system, so objectively speaking ... I once asked the Secretary for Financial Services and the Treasury ... Well, I must admit that since Hong Kong adopts the LER system, Hong Kong does not have a monetary policy to some extent. As a result, Hong Kong is forced to remain in a low interest rate environment for prolonged periods. That way, the problem of asset bubbles as I just mentioned will ensue.

Rich people become increasingly wealthy as their assets appreciate. But in the case of those who earn a meager income from an ordinary job or manual labouring, their income is nonetheless shrinking. I am concerned that the persistence of all this, coupled with the epidemic and the resultant downturn of the fundamental economy, may plunge Hong Kong into stagflation, meaning the simultaneous occurrence of economic recession, unemployment and inflation. This will cause the greatest misery. Unemployment, pay cuts and probable inflation are precisely the possible outcomes of certain distorted economic measures in place over the past period.

So, what can the Hong Kong Government do? As Hong Kong is an externally-oriented economy, and also as Hong Kong adopts the LER system—I wonder when the Government will conduct a review of it—it will be difficult to deal with these problems. In view of this, it is all the more necessary for the Government to introduce measures in various respects to help wage earners in Hong Kong tide over the difficult times and assist the grass roots in Hong Kong in resolving their living needs. In particular, transfer payment as it is so called (or a wealth redistribution mechanism) can benefit people in difficult times. This is why we often criticize the Government, saying that its Employment

Support Scheme ("ESS") is not comprehensive enough. We say so because the main purpose of ESS is to protect enterprises. So, can wage earners receive any direct support? They can receive support only through their employers, so many employees think that they are unable to benefit from it. This, coupled with a decline in their income, has bred resentment among them. It has been more than 20 years since the reunification. This already happened during the British-Hong Kong era. But we have inherited this undesirable mentality or sustained this unsatisfactory situation of gravely unfair resource distribution.

The problem of subdivided units alone is already very annoying. At present, some 200 000 people from over 90 000 households are living in subdivided units. The recent second uptick in the fourth wave of the epidemic mainly broke out in the Kowloon West area, the area that houses the greatest numbers of grass-roots people and subdivided units. Since the living environment in the area is the most congested and its hygiene condition is likewise the most dreadful, the attempt to bring the epidemic in this area under control has met with the greatest difficulty. Besides, due to poor upkeep of age-old buildings, sewage or drainage pipes have turned into the main source of disease transmission. Hong Kong is such an affluent society. But many people still have to live in subdivided units and a dreadful environment. This is a disgrace to the city of Hong Kong. Why should the Government refuse to enhance the monitoring of subdivided units? Am I right to say that the Government should expedite its efforts?

President, the problem does not simply lie in subdivided units alone. It also concerns "the deprivation of people's needs". Why do some people choose to sleep on the streets? Because they are not willing to afford the rent of subdivided units. As their wages have already been cut significantly, they do not want to spend half of their remaining wages paying the rent of a subdivided unit in return for a mere living space of less than 100 sq ft. They feel indignant, so they would rather choose to sleep on the streets. This has become a phenomenon. Even though the temperature has dropped to a single digit and they have to brave the raging wind, they have still chosen to sleep on the streets. The current situation has become even more miserable as they are unable to sleep in McDonald's restaurants due to the latter's closure in the small hours and their resultant impossibility to help them out. In my view, it is about time that the Government reviewed this policy that tilts towards the business sector with an overemphasis on its needs while disregarding those of the people.

As far as I remember, during the term of the second Chief Executive, he suspended the sale of Home Ownership Scheme flats and land development, while also minimizing the construction volume of public housing units, despite FTU's success in forcing him to implement a minimum wage. As a result, the efforts to identify sites for catching up on the construction volume of public housing units have likewise met with huge difficulties today. All this have sown the seeds of the ill outcome today and paved the way for social instability.

So, how can the Government attain the targets in the Long Term Housing Strategy? Now, the Government says that it has identified 330 hectares of land. Mind you, the Government has "identified" certain sites only. So, does this mean that it will definitely succeed in resuming the sites concerned and proceeding with housing construction as scheduled? We hope the Government can give people more confidence and explain how it can undertake proper consultation in various aspects during the process. If consultation is not possible, can the Government offer compensation? Anyway, the Government must materialize those matters for which a decision has been made, so as to avoid people's doubt about the feasibility of its plan despite its successful identification of 330 hectares of land and their feeling that the 10-year housing construction target is a mere target that may end up being a false hope.

The tilting of the labour policy is even more obvious. We are still after the Government for implementing several initiatives. While the current-term Government has already extended the maternity leave period, it has not implemented such proposals as abolishing the offsetting mechanism for the Mandatory Provident Fund ("MPF") and aligning the numbers of two types of holidays. What is the underlying reason? The myth about neo-liberalism in mainstream society. What is the myth all about? The Government should reduce its intervention in the market because all intervention is undesirable, and labour rights are a burden. Some people in the business sector have even argued that such rights are a last straw that will break their back. So, they are reluctant to see an increase in the number of the relevant holidays by merely one day, thinking that this is the last straw that "will break the camel's back", and all shops will close down in the end. They like to say such alarmist words.

The Secretary for Commerce and Economic Development and also the Secretary for Financial Services and the Treasury are now present. I wish to take this opportunity to ask the Government a question. In economics, there is a viewpoint known as "domestic circulation". Due to a recession in the external

economy, we must place more stress on domestic circulation. What does domestic circulation emphasize? The cycle involving demand, investment and production. Without domestic demand, meaning no consumption due to a lack of money in people's pockets or time, it will be impossible to boost production. Without demand, there will be no business. Right? Therefore, I think wage earners should be given more rights, including a wage increase and an extension of their holidays, so that they can have more free time. Has the Government ever considered how many economic opportunities can be generated by all this? Whenever we propose to increase labour rights, the Government should not always argue in its papers that so doing will increase financial costs. Is the Government unable to compute the resultant economic benefits? I asked a Bureau Director yesterday, and he replied that computation was not possible. Even so, the Government should conduct an assessment and draw up a direction.

Actually, apart from reflecting social progress and social justice, labour rights may also bring forth a win-win situation. Hong Kong is an affluent city. According to the statistics published earlier on, the average wage in Hong Kong—President, please note that I am talking about "average wage"—stands at \$40,000. The sight of \$40,000 has immediately led netizens to query that it is impossible to earn \$40,000 as wages. In fact, I must say that an average wage of \$40,000 is certainly possible because many chairpersons of statutory bodies and chief executive officers of large corporations with an annual salary of a few million dollars are also included. Many people earn an annual income of over \$10 million, including professionals who can earn a million dollars a month or even a week. However, the actual median wage in Hong Kong is even lower than half of \$40,000, and it only stands at \$19,000. Putting aside the problem of elderly poverty and the fact that the Gini coefficient, one which reflects wealth disparity, has remained high (that means the poor population has reached 1 million), I will say that the huge discrepancy in employees' wages alone already suffices to reflect a lack of labour right protection.

One example is standardizing the number of statutory holidays at 17 days as proposed by the Labour Advisory Board. We only hope to see its speedier implementation because we have been striving for it for many years. Why does the Government have to be so harsh and instead propose a "10-year plan"? It is not difficult to expedite its implementation, and I hope that the business sector can stop being so harsh and instead focus on its advantages to various sides in the community rather than its disadvantages alone. Won't they agree that if we move forward more quickly, there will be more social progress?

Another example is the abolition of the MPF offsetting mechanism, which has undergone repeated discussions honestly. The current-term Government has indeed shown some progress, in the sense that it has agreed to commit some \$27 billion as funding subsidies for the business sector to deal with the abolition of the offsetting mechanism. Nevertheless, the administrative process is sluggish. At a meeting of the Panel on Manpower yesterday, the authorities told us that the eMPF Platform would not be completed until 2022, and among others, the development of a Designated Savings Accounts Information Technology System (a system to facilitate employers in making their 1% contributions) could only be accomplished by 2025. I wonder if this is due to a genuine lack of information technology ("IT") talents in Hong Kong (as it will take four or five years all the same despite the outsourcing of the relevant work), or the Government's intentional procrastination.

The Government says that it will strive to introduce into the Legislative Council a bill on the abolition of the offsetting mechanism after the beginning of the 2021 Legislative Session (probably after September). But why is it impossible to complete the IT system concerned until 2025? The current progress has been hindered by the development of that IT system, and this explains why people have been questioning the slow progress. In the past, Hong Kong was synonymous with "high efficiency". But now, it is synonymous with "protraction". Hong Kong people are honestly ashamed of themselves when they return to the Mainland because Mainland people will tease them, saying that their efficiency is low. But in the past, our efficiency was very high. Why has Hong Kong degenerated into this state?

Let me come back to the minimum wage. The Minimum Wage Committee has failed to reach a consensus this year, so it is very likely that the minimum wage will have to remain at the \$37.5 level. In our view, this is not alright because of, first, a statistical lag in the minimum wage review. Members should note that the 2019 rather than 2020 statistics have been used. Therefore, despite such a lag, the relevant statistics must still be adopted, and the statistics obtained under the current economic recession should not be used as the basis. At present, inflation is actually very mild, and the inflation rate is only some zero point something percent. Second, if employees earning the minimum wage likewise have to suffer a pay freeze, then the case of other employees will only be more miserable.

In view of this, we hope that the Government can use its decision-making power to raise the minimum wage to some extent, so that it can catch up with the inflation in 2019, to say the least. This is our most basic and humble request. Of course, FTU has requested a greater increase. Over the past 10 years, Hong Kong's minimum wage has only risen by 34%, and this rate obviously lags far behind the 46% increase in the overall wage. For this reason, speaking of the minimum wage, we hope that the Government can make a decision with enterprise and side with wage earners or employees because after all, they are in the majority in society. The Chief Executive in Council has the power to avoid the erosion of employees' incomes (especially those of elementary employees) by inflation, otherwise, it will be a de facto pay cut for them.

Let me return to the fight against the epidemic. At present, the most important task is to combat the epidemic. If our anti-epidemic work is not effective, the economy will never be able to recover. Why was our Motherland's GDP able to break through the RMB100 trillion mark? Why was the Mainland able to record an annual growth rate of 2.3% and even a significant growth rate of 6.5% in the fourth quarter in the face of an economic downturn worldwide under the epidemic? This is due to the Mainland's effective work against the epidemic. The epidemic on the Mainland is on the whole under control, albeit some fluctuations recently. But I am confident that the Mainland's precise efforts against the epidemic can solve the problem, and Hong Kong should learn from it.

In contrast, Hong Kong has adopted its approach for a solid one year, but it has been less than effective. Hong Kong should learn from the Mainland and Macao, or at least from Singapore, lest it will be unable to accomplish any of the two tasks of saving people's lives or saving the economy under the epidemic. The Government has failed to figure out the dialectical relationship involved. Actually, the Government must first combat the epidemic before it can save the economy and then wage earners. The two tasks are inter-related. However, it seems that the Government wants to balance the two respects. But in the end, it may be unable to accomplish any of the two tasks. Hong Kong is now caught in this state.

Just now, I also said that the most antagonizing thing about ESS is the lack of precision. For example, a large real estate company or group said that it recorded a net profit of \$150 million when announcing its business performance of last year. One main reason is that they received \$80 million from ESS, and they really have to say "Thank you". Some sizable supermarket groups have

likewise submitted their applications. They think that as the Government now offers them money, they have no reason not to submit an application because they have nothing to lose after all. Speaking of such measures, the Government has been overly lenient, but it is harsh to wage earners. On the provision of an unemployment assistance allowance, for example, the Government says that it is concerned about possible abuse by some people. To put it bluntly, even if this allowance may really be abused by some—President, I stress the word "some"—people, is the Government saying that large consortia's abuse of a few dozen million dollars or even a hundred million dollars of subsidies is not tantamount to abuse? On the ground of possible abuse by some people, the Government refuses to consider the provision of an unemployment assistance allowance for all unemployed people. The Government's argument sounds very convincing, as it says that this proposal will give rise to moral risks. The Government always takes the moral high ground with the intention of making it difficult for others to rebuke it. There is actually a reason why people criticize the Government for being unrealistic.

We have not asked for too much; we merely ask for the disbursement of a monthly cash allowance of \$9,000 for a period of six months to those who are unemployed and temporarily out of job. This is a temporary measure of a one-off nature that involves the spending of only \$15 billion, and this sum is already able to help workers tide over the difficult times. As for the future arrangements for unemployment assistance, we may hold further discussions from a long term point of view.

I now wish to discuss certain issues for the way forward, namely innovation and technology ("I&T") and its human resource support in Hong Kong. The Government has devoted much treatment to the discussion on I&T in the Policy Address, and we also agree with the development direction in this respect. Hong Kong must develop into an international I&T centre and a smart city, and the SAR Government has likewise designated artificial intelligence ("AI") as one of the four major I&T development areas. In this regard, Hong Kong has huge development potential because the quality of Hong Kong's talents is not low, and our universities' I&T research rankings are also among the top. Besides, if we can partner up with I&T cities such as Shenzhen, we will definitely not be outperformed. I believe there is huge room for development in this respect.

But Under Secretary Mr LIU should note one point, and he may have to discuss it with the Labour and Welfare Bureau. The reason why I say so is that the adoption of I&T, especially AI, will bring about substantial changes to the employment market. The use of AI and automation to increase productivity is an inevitable development trend, just like the development of mankind from the times without tools to the times with tools, and also from the First Industrial Revolution to the Second Industrial Revolution, and further to the IT revolution. Now, we are facing the onset of an AI revolution, and many job types will be affected. One example that will occur to Members right away is that in the future, drivers will become dispensable because there will be automated driving systems. Speaking of logistics, the Mainland has already developed automated courier robots for delivering parcels to residential buildings. The parcel recipient will be notified via a phone call, then go downstairs and sign for the receipt of the parcel, whereupon he may open the box to collect his parcel. AI will be applied in various respects.

In 2017, the Mainland announced its development planning for a new generation of AI, and the target was to turn China into the world's leading country in AI development by 2030. Today, our Motherland is widely perceived as the second largest AI economy worldwide and is second only to the United States. According to a report published by CB Insights in February 2019, China was the country with the greatest number of AI unicorn companies. I&T can drive economic transformation and stimulate economic upgrading.

Nevertheless, Members should pay attention to one thing: Will the use of AI trigger a wave of unemployment? As I said just now, not only elementary jobs will be affected. Even speaking of some professional jobs, such as the accounting and actuarial professions, the computer may be able to compute the result upon scanning the relevant data into the computer in the future. Another example is that auditing jobs will be greatly reduced. Nevertheless, manpower input will not be completely dispensable because the auditor's signature is still required at the end of the day. But the point is that manpower input in the process may be significantly reduced, and humans will have to serve only as aides to machinery and the final gatekeeper. Should this happen, manpower demand will really drop very significantly, and this will not be confined to elementary jobs. For this reason, we must be visionary and join hands to think about the changes brought about by AI to the workforce.

The McKinsey Global Institute of McKinsey & Company has issued a report entitled "Reskilling China: Transforming the world's largest workforce into lifelong learners". The report points out that in a midpoint automaton scenario, about 516 billion hours of work—an average of 87 days per worker—need to be redeployed by 2030 due to automation. In other words, employees may have to work fewer hours or days with a decreased workload. As a result, appropriate adjustment will have to be made to the workforce accordingly. In particular, the number of jobs in the manufacturing industry will decline by 27%; the number of jobs requiring physical and manual skills will drop by 18%; and the number of jobs in the construction and agriculture industry will shrink by 28%. Therefore, the Government has a genuine need to formulate a comprehensive support plan, especially for training.

Training concerns not only the process of learning and receiving education among young people (such as the STEM education launched by the Government). More importantly, it should target at people in employment. They still have a long way to go in life, so they are in need of more in-depth retraining to help them switch to other types of jobs. One comparable example is that after the relocation of industries to the north in the 1980s, Hong Kong experienced economic restructuring and many workers became unemployed, so the Government set up the Employees Retraining Board. What arrangements should be drawn up by Hong Kong for its surplus workers in the future? We will be very worried if the Government does not have any such plans. In particular, the progress of AI and automation development has been significantly accelerated as people want to reduce interpersonal contact under the prevailing epidemic. Mind you, robots will not get sick. The progress has been accelerated, and people have already got used to processing more matters online without visiting any physical branches.

For all these reasons, our concern is that when an unemployment wave sets in, the balance in the labour market will inevitably be affected, and workers' bargaining power will become even weaker. With an oversupply of manpower in an unstable society, wealth disparity will widen further still. As the value of human resources declines further, wages will also fall, but rich people with assets may invest in AI and machinery whereby they may keep creating wealth for themselves. Should this happen, wealth distribution in society may show a trend that is even more unfair than it is now, to speak less of the use of AI by some companies as a gimmick for raising funds for subsequent speculation in assets.

In view of this, I think the community should prepare itself for all this, so as to prevent market monopoly through capital investment in "intelligentization". After all, only large consortia have the capital to invest in "intelligentization" and machine automation. So, will this result in more serious monopoly? Will big data be abused? I believe that various government departments must conduct visionary studies on all such scenarios and provide training, while formulating all necessary measures to cope.

Finally, I want to talk about the political aspect. Today, the Chief Executive sent us a letter in which she mentioned her hope of soliciting our support for her Policy Address and also the follow-ups on certain tasks. Under the prevailing epidemic, I hope the Government can understand one point. One aspect to which the legislature attaches huge importance is that the Government must spend its money for the practical purpose of providing genuine help to people in their actual living and economic improvement, rather than giving us the feeling that it has sometimes squandered its money as in the past.

President, let me give an example. The back of these letter papers in my hand is embossed with a faint line pattern. I do not understand why our senior government official has to use these extravagant letter papers. These papers are produced by a famous British brand called Conqueror for use in business communications. Fifty sheets already cost \$40, almost \$1 per sheet. In contrast, a sheet of ordinary white paper costs less than \$0.1. One should save some money whenever possible, right? As the saying goes, "A straw shows which way the wind blows." The Chief Executive's letter to us is an indication of her sincerity. But I do not think it is necessary to use such an extravagant letter paper.

Actually, speaking of those facilities that are built with public money, I also hope that the Government can adopt the simplicity principle. For example, the most important thing about public facilities is actually their contents, and it is not true to say that grand, good-looking or extravagant buildings must always be good. Only consultancy firms will love such buildings, whereas ordinary people only hope that a building can achieve practical uses. And, the most important of all is expeditious completion of construction. Why do we appear to be impatient? In the case of Kowloon East, for example, the progress of many works projects has been slow, such as railway and road construction, and this is also the case with resolving traffic congestion. The case of New Territories

West is just the same—Ms Alice MAK is now sitting beside me—in the sense that the Northern Link will not be completed until 2036. Sluggishness can never respond to the current drastic changes that we face once in a century.

Our society undergoes drastic changes at a fleeting instance. The Government must keep up with the tempo in its speed of response. At present, the tempo of development is very fast, and it is a kind of AI tempo. The Government must not cling to the old mentality or putter in its work as in the past. Neither should it think that the use of letter papers produced by famous brands is an indication of sincerity. Even if the Chief Executive wants to show her sincerity by issuing a letter to us, it is not necessary to use an extravagant letter paper to print the contents. We hope that the Government can carefully heed the views of Members and people and give a quick response to the fast-changing circumstances in society.

President, I so submit.

MR CHEUNG KWOK-KWAN (in Cantonese): President, the Chief Executive has delivered her latest Policy Address titled "Strive Ahead with Renewed Perseverance" to map out the policy blueprint for the coming year. It can be said that the focus of this Policy Address is the current fight against the pandemic. Also it has expressed some views on our long-term development pattern and set out a series of improvement measures regarding our economy and people's livelihood. A special feature of this Policy Address is that the subjects of constitutional order and political structure have been given quite extensive coverage. Personally speaking, I think it can be described as a fairly pragmatic Policy Address which, on the one hand, serves to restore order in those aspects and, on the other hand, caters for Hong Kong's current situation.

President, that said, I still wish to raise a few points and I hope they can help the SAR Government to improve the effectiveness of its policy implementation and governance.

The first point that I wish to raise—I think many Members will also speak about it—concerns the problems relating to the prevention and containment of the pandemic. Naturally, given the current pandemic situation, we are bound to say something about it. Frankly, and to be fair, during our fight against the pandemic in the past year or so, Hong Kong has never been put in lockdown, and

people's daily activities—be it going to work, attending school or going out for fun—have merely been subject to certain restrictions. Basically, they can still enjoy a normal life. Looking at other places around the world now, I think Hong Kong has greater freedom in terms of the degree to which people's daily life is restricted. If we refer to the statistics of confirmed cases or the mortality rate, we will find that the pandemic situation in Hong Kong, to be fair, is not bad indeed. It is just our bad luck to be in the vicinity of countries and places which have done a better job in fighting the pandemic. Our country has done quite well in this regard, and our neighbours, Macao and Taiwan, have also handled the pandemic comparatively well. However, when compared with other places, be it Southeast Asia, Japan, South Korea or places farther away like Europe and Americas, our anti-epidemic work is not bad at all.

Nevertheless, in the course of the fight against the pandemic over this year or so, the Government has made a number of misjudgements. As a Legislative Council Member, I think I have the responsibility to point out what I have observed. The Government's misjudgements—sometimes related to its measures—have led to cries of discontent from members of the public, and seriously affected some trades and industries. This is something that must be pointed out for sure. But I think the most important point is that our decisions about fighting the pandemic—let me put it simply—sometimes rely too much on science. The Secretary has probably heard me speak about it already. Of course, we need science in our fight against the pandemic. I absolutely agree with this point. However, it does not mean that making decisions one hundred percent based on science will enable us to achieve success in the fight and gain public recognition for our efforts.

Those directing the anti-epidemic work certainly need to rely on science for making judgments and determining the next step to take, but they should avoid blind acceptance of statistics and science. Back then, the supercomputer Deep Blue beat the world chess champion but, however powerful and smart it was, it only managed to perform computation based on a programme without the ability to think. This is why the accountability team of our Government and the Secretaries need to be an elite group of humans. If we purely rely on science and statistical calculations, we may as well have AI programmes or computers to be the Secretaries. What we need is not just science and statistical calculations. We need the Secretaries to engage science to make their judgments about the situation. This is the very thing we need right now.

During the pandemic, I have sometimes seen some cases which call for reflection. As I just said, very often, some decisions were made purely based on science without taking into account other factors that require consideration.

Recently, I have cited an example. As we all know, there have been many infected cases in the community these days, so the Government needs to conduct compulsory testing. This has also happened to my constituency, Chai Wan in Eastern District of Hong Kong Island. Earlier, residents of King Tsui Court were required to undergo compulsory testing which was ordered by the Government in a swift and decisive manner then. But King Tsui Court, which I refer to in this example, is actually located on a hill together with the two blocks of Fung Wah Estate. The three blocks of buildings form a cluster of their own. So, on that day when residents of King Tsui Court were required to undergo compulsory testing, residents of the two other blocks were very worried and were very eager to receive the testing. But at that time, the temporary testing station set up on the ground floor of King Tsui Court refused to conduct testing for them.

Certainly, according to the statistics of the Government, the number of confirmed cases at King Chui Court reached the "target number" which necessitated compulsory testing for residents there, whereas the number of confirmed cases at the neighbouring blocks fell short of the "target number" and their residents were therefore not required to undergo any testing. But actually, many factors were not taken into account. For example, the three blocks are situated on the same hill and their residents are closely connected in their daily living. When we went to the neighbourhood concerned and asked members of the owners' corporation of that block, we learnt that someone among those confirmed to be infected would go to the adjacent block to play mahjong. Residents of the three blocks can thus be described as closely connected in their daily living. Despite so, at that time, the Government made its decision only based on whether the scientific statistics had reached the "target number", thus failing to conduct any testing for residents of the two blocks adjacent to King Chui Court.

On 20 December, I went to Fung Wah Estate with a plumbing expert to check for problems with the pipes because residents there were really worried that they might get infected due to the presence of problematic pipes. That day, we found that some pipes had been randomly connected, and some of the vent pipes had even been cut off. These could easily cause residents living in flats directly above and below each other to get infected with the virus. While we had

publicly explained the situation at a press conference, it still remained neglected. Why? Because the number of confirmed cases at that building did not reach the "target number". With no confirmed cases, it was left neglected. This week, as I learnt from the news report, a number of confirmed cases have been reported from flats with the same orientation but on different floors, and the flat in which I found problems with the pipes is also among them. I am not trying to boast about how smart I am to have acted ahead of the Government and brought an expert to the building concerned for an inspection. Instead, I wish to point out that when deciding whether it is necessary to conduct compulsory testing for a neighbourhood as such, the authorities should consider some other factors in addition to whether the number of confirmed cases has reached the "target number". Have the authorities enquired about the actual situation of that neighbourhood, including the situation I just mentioned? In fact, if the authorities had asked those whom I mentioned just now, it would have learnt that the person concerned caused a potential risk of virus spreading with his movement among those three blocks of buildings. Then, have the authorities addressed the problems about the pipes? No.

That day when we spoke about the problems, people might think that those were merely some residents' worries and some sheer assumptions as the relevant situation had not yet occurred. Right, with no confirmed case yet, there was certainly no statistics to substantiate the worries of the residents or the assumptions. But then, were they reasonable? I believe, if the authorities had been careful and seriously studied their worries and assumptions, it could have been able to better understand the situation. It is often too late if we just follow things up when the number of confirmed cases has established the validity of the residents' worries and the relevant assumptions as in the case of Fung Wah Estate. What is worse, this practice will increase the number of persons who finally need to be sent to quarantine centres for isolation just like the case of Fung Wah Estate, while this can actually be avoided at an early stage. Well, today, I am not trying to put all the blame on the Secretary. All I want is to pinpoint the problem of the entire anti-epidemic team and that is: their approach of emphasizing only science and hard data without careful consideration of the ways to address problems. I hope that the team can take other necessary factors into their consideration.

Certainly, some of the efforts made by the Government—I think we should not always make criticism—should be commended. For example, it has recently introduced some more vigorous anti-epidemic measures, which include:

increasing the number of mobile specimen collection vehicles in response to the outbreaks in various neighbourhoods; formally completing the construction of the temporary hospital (i.e. what we referred to as shelter hospital) today; cooperating with the University of Hong Kong to conduct sewage viral surveillance, which means collecting sewage samples from the manhole of a building to check for the presence of virus in sewage before there is any confirmed cases in the building, thereby determining at an early stage whether residents of the building need to undergo compulsory testing. I think all these are vigorous and effective actions, and the performance of the relevant departments warrants commendation.

Amid this pandemic ... Now, at any rate, I have to say something about the problems relating to the closure of premises. Honestly, I think we all know too well the situation in the past few months. It is just superfluous for me to elaborate on that. Employees of the relevant premises are in dire straits one way or another. I think it is just a well-known fact that anyone who has been jobless for such a long time will not be able to scrape by. With the Lunar New Year around the corner, what should they do in order to scrape by? How will the Government help them? I hope the SAR Government can pay more attention to this regard.

Furthermore—I am really upset—do you know what cases I am still handling today? The cases which have not received the subsidies under the Anti-epidemic Fund 2.0! I am still signing the relevant letters to be sent to different government departments every day. People came to us to talk about their plight, saying that they had not received even the subsidies under the Anti-epidemic Fund 2.0, let alone those under the Anti-epidemic Fund 3.0. So, which round of the Anti-epidemic Fund has obtained funding approval from the Legislative Council then? It is "4.0"! But some people have not even been granted the subsidies under "2.0" yet! It is buck-passing ... The Government has outsourced part of the relevant work. Applicants can never get any answer to the enquiries they made to the outsourcing contractors. Similarly, I cannot get any answer to my questions from the government departments or bureaux. When I wrote to the Chief Secretary for Administration, he replied that the matter would be referred to the relevant Secretaries or Heads of Departments for follow-up. They are just shifting the responsibilities to one another. President, it is "life-saving money"! I really hope that the government departments will face up to this problem properly. The funding request has already been approved, and this is all that we Members can do. When it comes to the next step, they are the ones that we have to rely on. If they continue to shift their

responsibilities to one another, Hong Kong people will be in a pathetic state. I hope the Secretaries here will do something to help, so that problems in this regard can be resolved.

The second point that I wish to discuss concerns the issues about our education. Today, instead of teaching materials or other latest issues that we are following up, I will discuss the question of whether the present development of our universities can tie in with the human resources planning of Hong Kong.

I believe everyone knows that talents are of vital importance to Hong Kong's development and universities are the very places which provide talents for Hong Kong. So how has our education system been working? The Government has made the University Grants Committee ("UGC") responsible for the handling of government funding for the recurrent grants to the eight UGC-funded universities. The relevant planning exercise is carried out every three years, covering adjustments to the future intake places of universities, focuses of programme development, and new programmes to be offered. This has been the case all along. Of course, every time before the planning exercise, UGC and the Education Bureau will listen to the views of different government departments (e.g. the Education Bureau itself, the Innovation and Technology Bureau etc.) to find out about the future development of various industries and the types of talents they need prior to the formulation of the relevant plan.

However, there is a problem with this long-standing practice. What is it? President, the inadequacies of our society—I mean the types of talents we lack—cannot be addressed by the triennial planning of UGC. In addition, what types of talents will be needed for the development of our society? It seems that the triennial planning of UGC cannot answer this question either. In other words, UGC is able to solve neither the question of what talents our society lacks, nor the question of what talents our society needs.

President, a telling example of that is the shortage of doctors. Earlier, Mr Tommy CHEUNG moved a motion to discuss the issue of our refusal to allow overseas doctors to practise in Hong Kong and the presence of various restrictions despite our shortage of doctors. Actually, this has long been a topic of discussion in Hong Kong's education sector. As I recall, during every discussion about the development of universities, we would ask: can our universities train more doctors as overseas doctors are not allowed to practise in Hong Kong? Our universities did have done something, but things just seem to remain as they

are now. I mean, every time, there is always an emphatic response that the two medical schools have already increased their training places. But given the base number, even with a double-digit increase in the number of new training places, it only means an increase of several dozen doctors. Then again, President, what is the shortfall in our number of doctors? We can only increase several dozen medical students every few years, so how long will it take before we can solve the present problem of insufficient medical manpower in public hospitals due to the shortage of doctors in Hong Kong? Or is it a problem that we can never overcome? This problem has already existed for a very long time. I believe any members of the Hong Kong public, if asked, will agree that Hong Kong does not have enough doctors. Our present approach ... system has failed to respond to this problem, and we are unable to solve it simply by relying on the medical schools of the two universities in Hong Kong. Apparently, we need a third medical school. This is definitely an enormous works project which cannot be completed in three to five years, and yet it is something that must be done, just like Lantau Tomorrow that the Government introduced in response to our shortage of land which we have been talking about for years. Similarly, that project cannot be completed in three to five years, but if the Government does not do it now, the problem can never be solved. The same applies to the establishment of a third medical school. President, if the Government does nothing today, I am afraid I will have no hospital to stay when I have senile dementia. Anyway, this is the problem to which the existing system of UGC fails to respond.

President, let me give another example: graduates of social work programmes. Over the years, I have frequently met with members of the education sector and heard many ... Actually, as we are aware, many graduates of social work programmes are unable to secure a job at present due to overstaffing. But still, universities in Hong Kong are keen on offering humanities programmes, especially social work programmes, because they are easy to run and easy to enrol students. But offering these programmes can in no way help to meet the needs of society, and very often, when students graduating from these programmes fail to get a job, they will put the blame on the Government. Actually, we have always done things like this.

What is the existing system like then? UGC has been assigned a role by the Education Bureau, but its capacity and powers are not sufficient enough—as I just mentioned—to enable it to solve such a great problem of society. When you ask the one on the left, he just throws the ball to the other on the right; and

when you ask the one on the right, he will then throw the ball back to the one on the left ... It ends up like what I mentioned just now. The problem just keeps coming back, being raised in our society and this Council every three years without receiving any response. I think the Government really needs to address the problem.

Finally, I wish to talk about the section about housing supply in this Policy Address. As we all know, the Chief Executive has stated in the Policy Address that the Government has already identified sufficient land amounting to 330 hectares for building public housing units in the next 10 years and, of course, not forgetting the Lantau Tomorrow project which can be expected to provide us with a large quantity of land for construction of housing. Though this is nothing new, I think it is an important point. I mean, we all know ... Just take a look at the figures and we will see what the claim of having sufficient land in the next 10 years means. With no land supply at all in the first five years, the Government seems to rely on the planning and rezoning in the next five years (i.e. from the sixth to the tenth years) to build sufficient public housing unit. In light of this, I think the figures are not reliable and society is also very concerned. I really hope that the Government will be able to provide sufficient public housing units within 10 years as promised.

Of course, the solution to the shortage of public housing actually, President, comes at the expense of the private housing supply to certain extent. The reason is, as Members are aware, that we changed the public/private split from 5:5 to 6:4 many years ago, and then further amended it to 7:3. The amendments made so far have contributed to an increasing proportion of public housing supply and a decreasing supply of land for constructing private housing. When the Chief Executive stated that there would be sufficient public housing supply in the next 10 years, the Government should actually give us confidence in the supply of private housing at the same time. I believe this depends very much on the project of Lantau Tomorrow. I hope the SAR Government will really do something for us in respect of land supply. As we can see, despite the severity of the pandemic in the past year or so, there have been exuberant sales of first-hand residential developments recently going on the market, and shocking levels of oversubscription. These show that members of the public still firmly believe that there is insufficient supply of private housing in Hong Kong, and the mentality of "getting less for more is better than getting nothing at all" still persists widely among them.

President, these three points are all that I wish to talk about this time. I hope the SAR Government will do something more for us in these regards, and I also hope that it will be able to meet people's expectation of it.

I so submit.

SUSPENSION OF MEETING

PRESIDENT (in Cantonese): I now suspend the meeting until 9:00 am tomorrow.

Suspended accordingly at 6:27 pm.