

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 11 May 2022

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

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

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

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

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

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

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

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

THE HONOURABLE KWOK WAI-KEUNG, J.P.

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

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

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

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 YUNG HOI-YAN, J.P.

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., J.P.

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

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

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

THE HONOURABLE DOREEN KONG YUK-FOON

THE HONOURABLE CHU KWOK-KEUNG

THE HONOURABLE STANLEY LI SAI-WING, M.H.

DR THE HONOURABLE HOEY SIMON LEE, M.H., J.P.

THE HONOURABLE ROBERT LEE WAI-WANG

THE HONOURABLE DOMINIC LEE TSZ-KING

IR THE HONOURABLE LEE CHUN-KEUNG

DR THE HONOURABLE TIK CHI-YUEN, S.B.S., J.P.

THE HONOURABLE STANLEY NG CHAU-PEI, S.B.S.

DR THE HONOURABLE JOHNNY NG KIT-CHONG, M.H.

THE HONOURABLE CHAU SIU-CHUNG

DR THE HONOURABLE CHOW MAN-KONG

DR THE HONOURABLE DAVID LAM TZIT-YUEN

THE HONOURABLE LAM CHUN-SING

THE HONOURABLE LAM SO-WAI

THE HONOURABLE NIXIE LAM LAM

PROF THE HONOURABLE NELSON LAM CHI-YUEN, J.P.

DR THE HONOURABLE DENNIS LAM SHUN-CHIU, J.P.

THE HONOURABLE LAM SAN-KEUNG, J.P.

THE HONOURABLE ANDREW LAM SIU-LO, S.B.S., J.P.

THE HONOURABLE DUNCAN CHIU

THE HONOURABLE YIU PAK-LEUNG, M.H.

DR THE HONOURABLE WENDY HONG WEN

PROF THE HONOURABLE SUN DONG

THE HONOURABLE DENNIS LEUNG TSZ-WING, M.H.

THE HONOURABLE LEUNG MAN-KWONG, M.H.

THE HONOURABLE EDWARD LEUNG HEI

THE HONOURABLE KENNETH LEUNG YUK-WAI, J.P.

THE HONOURABLE CHAN YUET-MING

THE HONOURABLE ROCK CHEN CHUNG-NIN, S.B.S., J.P.

THE HONOURABLE CHAN PUI-LEUNG

THE HONOURABLE CHAN YUNG, B.B.S., J.P.

THE HONOURABLE SUNNY TAN

THE HONOURABLE JUDY CHAN KAPUI, M.H.

THE HONOURABLE MAGGIE CHAN MAN-KI, M.H., J.P.

IR THE HONOURABLE CHAN SIU-HUNG, J.P.

THE HONOURABLE CHAN HOI-YAN

THE HONOURABLE JOEPHY CHAN WING-YAN

THE HONOURABLE CHAN HOK-FUNG, M.H., J.P.

IR THE HONOURABLE GARY ZHANG XINYU

THE HONOURABLE LILLIAN KWOK LING-LAI

THE HONOURABLE BENSON LUK HON-MAN

DR THE HONOURABLE STEPHEN WONG YUEN-SHAN

DR THE HONOURABLE KENNEDY WONG YING-HO, B.B.S., J.P.

THE HONOURABLE EDMUND WONG CHUN-SEK

THE HONOURABLE KINGSLEY WONG KWOK, B.B.S., J.P.

THE HONOURABLE YANG WING-KIT

REVD CANON THE HONOURABLE PETER DOUGLAS KOON HO-MING,
B.B.S.

THE HONOURABLE TANG FEI, M.H.

THE HONOURABLE TANG KA-PIU, B.B.S., J.P.

THE HONOURABLE LAI TUNG-KWOK, G.B.S., I.D.S.M., J.P.

PROF THE HONOURABLE LAU CHI-PANG, B.B.S., J.P.

THE HONOURABLE KENNETH FOK KAI-KONG, J.P.

THE HONOURABLE LOUIS LOONG HON-BIU

THE HONOURABLE NGAN MAN-YU

THE HONOURABLE CARMEN KAN WAI-MUN

DR THE HONOURABLE TAN YUEHENG, J.P.

THE HONOURABLE SO CHEUNG-WING, S.B.S., J.P.

THE HONOURABLE YIM KONG

PUBLIC OFFICERS ATTENDING:

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

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

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

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

THE HONOURABLE TANG PING-KEUNG, P.D.S.M., J.P.
SECRETARY FOR SECURITY

MR JACK CHAN JICK-CHI, J.P.
UNDER SECRETARY FOR HOME AFFAIRS AND
SECRETARY FOR HOME AFFAIRS

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

CLERKS IN ATTENDANCE:

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

MS DORA WAI, DEPUTY SECRETARY GENERAL

MS ANITA SIT, ASSISTANT SECRETARY GENERAL

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>
Travel Industry Ordinance (Commencement) Notice 2022	58 of 2022
Travel Industry (Authority Levy—Percentage of Outbound Fare) Notice	59 of 2022
Travel Industry (Compensation Fund Levy—Percentage of Outbound Fare) Notice.....	60 of 2022
Travel Industry (Collection, Payment and Recording of Levies) Regulation.....	61 of 2022
Travel Industry Compensation Fund (Amount of Ex Gratia Payments) Regulation	62 of 2022
Travel Industry Compensation Fund (Procedure for Ex Gratia Payments) Regulation	63 of 2022
Travel Industry (General) Regulation.....	64 of 2022
Financial Reporting Council (Amendment) Ordinance 2021 (Commencement) Notice.....	65 of 2022
Accounting and Financial Reporting Council (Transitional and Saving Provisions and Consequential Amendments) Regulation.....	66 of 2022
Accounting and Financial Reporting Council Ordinance (Amendment of Schedule 3B) Notice 2022	67 of 2022
Merchant Shipping (Safety) (Amendment) Ordinance 2009 (Commencement) Notice 2022.....	68 of 2022

Other Papers

Gifted Education Fund

Financial Statements for the year ended 31 August 2021 (including Report of the Director of Audit)

Qualifications Framework Fund

Financial Statements for the year ended 31 August 2021 (including Report of the Director of Audit)

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Combating false information

1. **MR MICHAEL TIEN** (in Cantonese): *There are comments pointing out that in recent years, false information has been spreading extremely fast on the Internet, which has greatly affected public order and efforts for fighting the epidemic. In this connection, will the Government inform this Council:*

- (1) *of the existing legislation that can combat false information in a targeted manner; apart from making clarifications, what other means that the Government has employed to cope with false information;*
- (2) *apart from the false information disseminated openly on the Internet, how the Government combats false information disseminated on a one-to-one or group basis through the social media or mobile communication applications; and*
- (3) *of the plans put in place by the Government to improve the situation of proliferation of false information?*

SECRETARY FOR SECURITY (in Cantonese): President, while the rapid development of information technology has brought convenience to the public, it has also led to or aggravated invasions of personal privacy or disruptions to social

order. The Internet and social media are fraught with doxing, hate speech, discriminatory remarks and false information. Such inappropriate and untruthful information not only confuses the public, but also purposefully divides the society, incites hatred, provokes discontent, and compromises public order and national security. Therefore, we must address this problem seriously and squarely.

In consultation with the Home Affairs Bureau (“HAB”), our consolidated reply to the Member’s questions is as follows:

Government Policy Bureaux and departments have been paying close attention to rumours and fake news on the Internet. On finding any erroneous information circulating widely, they will immediately come forth to clarify through various channels, with a view to stopping the spread of rumours and easing public concerns. Apart from using traditional media channels, including press conferences and press releases, Directors of Bureaux and Secretaries of Departments have been making use of different opportunities (e.g. attending television and radio programmes or meeting the press after attending public events) to elaborate on related policies and clarify untruthful reports in person.

Also, the Government has been actively making use of the Internet and social media, such as the Brand Hong Kong web page, the Tamar Talk and the social media pages of different departments, to disseminate information to the public directly and make clarifications. As for unfounded information about Hong Kong circulating overseas, the Hong Kong Special Administrative Region Government will reach out to overseas media and foreign government agencies concerned to clarify, and arrange meetings with consuls-general, chambers of commerce and related bodies in Hong Kong to explain and respond when appropriate, so as to minimize the negative impact brought by such disinformation.

Apart from dealing with rumours proactively, the Government also seizes various opportunities and takes the initiative to disseminate the most up-to-date information to the public, such as by launching thematic short videos and contacting media organizations to arrange for featured interviews and follow-up reporting, so that the public can have the most accurate and comprehensive information. Since mid-February, Radio Television Hong Kong’s TV 32 has also become the Government’s dedicated channel and platform for disseminating the latest anti-epidemic information to the public.

The Internet is not an unreal world that is beyond the law. As far as the existing legislation in Hong Kong is concerned, most of the laws enacted to prevent crimes in the real world are in principle applicable to the online world, including social media and mobile communication software. Even though there is not yet any legislation against fake news in Hong Kong, various provisions are in place under the existing legal framework to deal with the dissemination of inappropriate information. Any acts that incite others to break the law, as long as they involve criminal offences, are regulated by the relevant laws regardless of whether they are committed online. For example, section 24 concerning criminal intimidation, sections 9 and 10 concerning offences relating to seditious intention of the Crimes Ordinance, as well as section 23 concerning blackmail, section 16A concerning fraud and section 17 concerning obtaining property by deception of the Theft Ordinance, are applicable to online acts too.

Making inappropriate speech online may also result in the commission of other offences, such as contravention of the data protection principles under the Personal Data (Privacy) Ordinance (“PDPO”), infringement of intellectual property rights, or libel. Application for injunction orders can also be made to the High Court as and where necessary.

During the fifth wave of the epidemic, some members of the public claimed to have tested positive for COVID-19 on social platforms. They flagrantly breached quarantine requirements and advocated COVID-19 confirmed patients to go around the city to spread the virus. Such inappropriate speech was made with an intention to undermine the Government’s anti-epidemic work. The Police will not tolerate such acts and will surely take appropriate enforcement action. As at 30 April 2022, 19 persons were arrested for inciting others to violate anti-epidemic measures, inciting others to vandalize Government anti-epidemic facilities or disseminating false anti-epidemic messages.

Under the existing legal framework, there are also mechanisms for removing inappropriate messages. For instance, PDPO empowers the Privacy Commissioner for Personal Data to demand cessation of disclosure of doxing contents, while the Crimes Ordinance allows the court, having regard to the circumstances, to order the defendant or any other person to remove, delete or destroy an intimate image published without consent. On noticing the circulation of inappropriate messages on the Internet, the Police will actively investigate the matter and take enforcement action in a timely manner. They will also require service providers to remove the messages as appropriate.

For the reasons stated above, members of the public have to act legally and responsibly when using the Internet. The Government will take stringent enforcement action against any person making inappropriate speech online that involves criminal elements.

HAB is considering the experience and methods of other countries and regions in tackling fake news and false information. HAB has already commissioned a consultancy to study legislation enacted in overseas jurisdictions in recent years for regulating disinformation and provide recommendations regarding the ensuing legislative work.

The laws of different places vary in terms of their legislative intent, application and execution. The topic of false information covers a wide range of issues. Not an instance has been found around the world where issues from distribution of fake news, online false statements to false information for election manipulation can be collectively tackled by one single piece of legislation. In the above study, reference will be made to the legislation and enforcement experience of different countries and regions, with a view to working out a set of effective legal regulatory proposals appropriate to the local situations.

Thank you, President.

MR MICHAEL TIEN (in Cantonese): *The Secretary said that 19 persons were arrested for three offences, but how many people were arrested for disseminating fake news? I think it is because the number is so small that the Secretary is embarrassed to tell us, so he has to incorporate other offences to make up the number. Does the Secretary know how much fake news is rampantly spreading every month? Is it due to the lack of applicable legislation that so few people were arrested?*

President, I have all along been in favour of combating fake news, but in the past year and a half, it has been elevated to an imminent task as false information has greatly affected the fight against the epidemic: There is hearsay about “city lockdown” every few days, causing the public to panic and scramble supplies. And earlier on, there were also rumours that the purpose of testing was to obtain the DNA of the public, making people very resistant to undergo the test.

If we were to enact an all-inclusive legislation against false information, it would be impossible to do so in the short term as it is a gargantuan task. Can the Secretary refer to the approach of France? France has enacted a law against election-related disinformation. Likewise, we can legislate against anti-epidemic-related disinformation, so that the scale of legislation can be greatly reduced, and the defining task concerned will also be much easier. Moreover, the Government has already speedily enacted a number of anti-epidemic laws. So, will the Secretary consider this approach? Otherwise, if there are rumours later that the flight suspension mechanism will be tightened up, the public will rush to buy air tickets. And if there are rumours that the Rapid Antigen Test kits will be out of stock quickly, the public will turn to panic buying once again. Every time, the Government has to repeatedly make clarifications, while the public are constantly tormented.

SECRETARY FOR SECURITY (in Cantonese): Thank you, President. First of all, I would like to point out that the 19 arrests I mentioned were only related to false information on the epidemic. The total number of arrests related to false information is of course more than that figure. However, since these lawbreakers have violated different laws, we do not have a specific figure to show the total number of people arrested for fake news. As Members may have noticed, during the “black-clad riots”, we invoked sections 9 and 10 of the Crimes Ordinance to arrest and prosecute many people suspected of making use of fake news.

As regards the question raised by the Member just now as to whether legislation will be enacted solely for combating epidemic-related fake news, we think that, for the time being, this is already subject to regulation by other laws. I would like to defer to the Secretary for Home Affairs for any supplementary information on the future legislation.

PRESIDENT (in Cantonese): Secretary for Home Affairs, please reply.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Thank you, President. HAB is studying the situation in Hong Kong and considering how to introduce specific legislative or enforcement proposals against false information or dissemination of false information. We have commissioned a professional team to study the different legislation or enforcement experiences around the world,

covering three continents, including Europe, the Americas and Asia. In Europe, we draw on the experience of the European Union, the United Kingdom (“UK”), France and Germany; in Asia, we draw reference from the experience of our country Mainland China, Singapore and Malaysia; and in the Americas, we learn from the experience of the United States.

Regarding the situation in France as mentioned by Mr TIEN just now, France does have a special law, but it mainly deals with fake news related to elections, not false information or rumours in general, so the law has its limitations. Our consultant has now finished two reports, and we hope that all reports can be completed and specific recommendations made by the middle of this year. Thank you, President.

MR CHAN CHUN-YING (in Cantonese): *Thank you, President. In dealing with false information, it is most important for the authorities to improve the speed of response and their ability to rise to the occasion. HAB’s earlier response seems to suggest that legislation is the sole solution to the problem, whereas the UK’s approach is to set up a rapid response unit to deal with false information. With the help of machine learning and other analytical tools, the UK monitors suspicious information throughout the day to achieve “early detection and early cut-off” of the relevant transmission chain. My question is: Will the Administration consider, before a decision is made on whether to legislate, drawing reference from the UK’s approach of setting up a rapid response unit internally to deal with false information in a targeted manner? Thank you.*

SECRETARY FOR SECURITY (in Cantonese): Thank you, President. First of all, I very much agree with Mr CHAN that it is crucial to respond promptly to fake news and false information, that is to say, the truth should be explained before any incorrect idea is formed from false information in society. In fact, we have different units concerned, and one example is the Information Services Department (“ISD”) which conducts real-time monitoring of a lot of social media information to find out what is happening in society and whether there is false information. Another example is the Cyber Security and Technology Crime Bureau which keeps examining whether there is erroneous information from the angle of detecting any lawbreaker. In fact, each unit already has its own mechanism. As long as we find inappropriate information which needs to be clarified, we will do so immediately. We have mechanisms in place to deal with the information which

involves criminal matters and the information which just requires a general response from us.

In addition, the Member just now mentioned the application of technology, and I very much agree with this view. In fact, we will make use of big data, artificial intelligence (“AI”) or even software in the market to assist in the relevant analysis, in the hope of monitoring the situation as far as possible and achieving “early detection and early cut-off” as well as early response. Thank you, President.

MR JIMMY NG (in Cantonese): *Thank you, President. The spread of false information on the Internet has almost gotten out of hand. Recently, our Chief Executive-elect, Mr John LEE, has also fallen victim to a piece of fake news. In his victory speech last Sunday, Mr LEE expressed that “it makes me more aware of how much we all love Hong Kong as a family”. However, some ill-intentioned people distorted what he said “a family” into “a country”, in an attempt to set him up. The situation is very serious.*

I know that the Government is working on some consultancy reports, but I very much wish to ask whether the Government has set a specific timetable to tell the public when the legislation can be enacted.

Secondly, how many social media or electronic media are currently used by ISD or various government departments as platforms to make clarification? Are such media used for clarification only accessed by citizens reaching a certain age, and reluctantly accessed by young people? Thank you, President.

PRESIDENT (in Cantonese): Which public officer will give a reply? Secretary for Security, please reply.

SECRETARY FOR SECURITY (in Cantonese): Perhaps I will respond to a certain part of the question first. The part on legislation will be left to the Secretary for Home Affairs to respond later.

With regard to misleading news reports, I believe that most of our journalists are very professional, but a small number of them have the problem mentioned by

the Member, and I was also a victim. I still remember that a now-defunct media outlet misrepresented what I said, and I made a clarification later.

In my opinion, for misleading news reports, apart from relying on the journalists' professional ethics, we also need to make clarification as soon as possible. Of course, we should utilize different channels in the hope that not only traditional citizens can receive clarification messages, but those who prefer making use of technology (e.g. online methods) can also receive them. We hope to be able to reach out to all sectors from various aspects and angles, and sometimes even use creativity to convey our information to all sectors of the community as far as possible. I would like to invite the Secretary for Home Affairs to elaborate on the legislation matters.

PRESIDENT (in Cantonese): Secretary for Home Affairs, please reply.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Thank you, President. Our study on combating fake news and false information is not only conducted from the perspective of legislation. Legislation may be one of the methods, but other administrative measures can also be adopted. We are open-minded about this. Generally speaking, we will spare no effort to crack down on them in a comprehensive manner.

Our consultancy study was formally launched on 23 November last year and there are four phases. The first phase of the report, which analyses the impact of false information on society and the inadequacies of the current regulation in Hong Kong, has been completed. The second report, which has just been received, examines the legal stipulations and enforcement experiences of eight jurisdictions, i.e. the eight countries which I have just mentioned. The third part of the study is now in full swing and aims to gather the views of different stakeholders on this issue. Finally, the fourth report will synthesize all the information from the study, give a conclusion and make recommendations on the most appropriate option. Upon receipt of these reports, we will certainly study them carefully, take them seriously and follow up on them promptly. Thank you, President.

MR TANG FEI (in Cantonese): *Thank you, President. Secretary, information literacy education is very important. Although legislation on fake news has not yet been enacted, we all know exactly the harm of fake news. The Education*

Bureau (“EDB”) of Hong Kong introduced a curriculum framework called “information literacy” or “media literacy” in 2018, yet unfortunately, the “black-clad violence” incidents occurred in 2019. We all learn the powerful, destructive effect of false information in the “black-clad violence” incidents. In other words, education concerning fake news and false information promoted by the Education Department has not been proved to be effective.

In this connection, may I ask the Secretary whether he will, apart from taking enforcement actions, cooperate with EDB or other relevant government departments—no matter in promoting education on fake news and false information, education on the legal system or education on technology—so as to bring more professional elements into the curriculum and social publicity? Thank you.

SECRETARY FOR SECURITY (in Cantonese): Thank you, President. To tackle fake news, fake messages and false information, I agree that enforcement action is one of the directions. Apart from taking enforcement action, the atmosphere and education of the community as a whole are also very important. This may involve many sectors. They include journalists who should continue to uphold their professionalism and should not report until the facts have been clarified, while all sectors of the community (including the education sector or other sectors) should also use different methods to encourage distinguishing between right and wrong. First of all, people should not fabricate false information themselves. Also, if they hear some information but are not sure of its authenticity, they should not spread it indiscriminately. I believe that members of the public should shoulder this responsibility.

We also hope that such a culture could be fostered in the society that: apart from clarifying misinformation, we should also condemn it, so as to let people know that the dissemination of fake news and false information will not be praised, but will be reviled and reprimanded. I think the overall social culture and atmosphere are also very important. Thank you, President.

MS NIXIE LAM (in Cantonese): *Thank you, President. I am sure we all remember the fake news with the most far-reaching impact during the fifth wave of the epidemic ...*

PRESIDENT (in Cantonese): Ms Nixie LAM, please clip the microphone to your collar.

MS NIXIE LAM (in Cantonese): *Sorry, it is too loud. I am so sorry.*

I believe we all remember that during the fifth wave of the epidemic, the fake news with the most far-reaching impact was the rumour that the Legislative Council had held a closed-door meeting. As a result, members of the public were in a panic and went out to scramble for meat and vegetables.

May I ask why it took more than half a day for such rumours to be clarified? These rumours were disseminated with evil intentions to disturb social order. Will there be faster ways to improve the situation in this regard? As far as improvement is concerned, will key performance indicators be established to specify within what time frame should the relevant information be released, so that the public can rest assured? Thank you.

SECRETARY FOR SECURITY (in Cantonese): Since it was alleged at that time that the Legislative Council had held a number of meetings, it might be more appropriate to leave it to the Council to clarify. However, I think any untruthful news should be clarified as soon as possible. Thank you, President.

MS ELIZABETH QUAT (in Cantonese): *Thank you, President. I have been following up the issue since 2019, asking the Government to legislate against false information as soon as possible. At that time, the Government indicated that it would start studying the issue, but up to now, the response given to us by the Under Secretary is that the study is still in progress and can only be reported to this Council this year. We know that false information spreads extremely fast on the Internet and has a far-reaching impact on society. I hope that the Government can address the pressing need of the public and expedite the handling of the matter.*

The Secretary mentioned earlier that technology will now be put to good use. I notice that in other cities, some governments have started to cooperate with community organizations to make use of AI and big data for online monitoring, so as to identify false information that spreads particularly fast. When false information appears, the Government can, at the earliest possible time, clarify it

and even post the clarification information on the online platforms for public perusal at any time, so that everyone can know the true information as soon as possible. In other words, we can not only make use of government platforms, but also harness community efforts to fight against false information. Will the Government consider setting up such verification centres and platforms in cooperation with community organizations or university institutions to further combat false information?

SECRETARY FOR SECURITY (in Cantonese): Thank you, President. Regarding the views expressed by the Member just now, I agree that it is vital to make optimum use of technology, such as artificial intelligence or big data, to clarify rumours. We also notice that there are such platforms in the community, and we will certainly adopt an open attitude and study how to enhance cooperation or leverage these platforms to help us carry out clarification work.

As for legislation, I would like to defer to the Secretary for Home Affairs for an answer.

PRESIDENT (in Cantonese): Secretary for Home Affairs, please reply.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Thank you, President. According to international experience, there is no single piece of legislation that can completely deal with all fake news or dissemination of false information. However, after summing up the situations, there are basically a few aspects: firstly, a system to detect false information should be put in place; secondly, identification should be made on the authenticity of the information; thirdly, action should be taken, which in most cases means prompt removal of false information and clarification; and fourthly, law enforcement should be taken, and that is about how the persons concerned should be punished. We will consider these four aspects.

We will certainly consider collaboration with the community as mentioned by Ms QUAT earlier, and many university institutions and research institutes can also make their contribution in this regard. Thank you, President.

PRESIDENT (in Cantonese): Second question.

Agreement on Development Strategies for the Accounting Profession in Guangdong, Hong Kong and Macao

2. **MR EDMUND WONG** (in Cantonese): *Thank you, President. In September last year, representatives of institutes of accountants and more than 150 accounting firms from Guangdong, Hong Kong and Macao signed the Agreement on Development Strategies for the Accounting Profession in Guangdong, Hong Kong and Macao (“the Agreement”). Under the framework of the Agreement, the signatories to the Agreement from the three places will put emphasis on the comprehensive strengthening of cooperation in five areas, namely strengthening information sharing, advancing facilitation for cooperation, organizing personnel exchanges, focusing on business development, and deepening technological collaboration, so as to jointly serve the development of the Guangdong-Hong Kong-Macao Greater Bay Area. In this connection, will the Government inform this Council:*

- (1) *whether it has, in the light of the Agreement, drawn up short, medium and long-term plans to strengthen the exchanges and training for the talents in the accountancy sectors of the three places, and whether it will instruct the Financial Reporting Council to enhance its work in this regard after the Council’s functions have been expanded; if so, of the details; if not, the reasons for that; and*
- (2) *as some members of the accountancy sector have relayed that Hong Kong’s accounting firms which have currently established offices on the Mainland are mainly those of a larger scale, and they hope that more small and medium accounting firms of Hong Kong may develop their businesses on the Mainland under the Agreement, whether the Government will take measures to more proactively assist Hong Kong’s small and medium accounting firms in developing their businesses on the Mainland, such as providing them with funding support; if so, of the details; if not, the reasons for that?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, thank you for Mr Edmund WONG’s question. My reply to the two parts of the question is as follows:

On the affairs of Hong Kong and Macao as well as the development of the Guangdong-Hong Kong-Macao Greater Bay Area (“Greater Bay Area”), the National 14th Five-Year Plan has highlighted the deepening of cooperation among Guangdong, Hong Kong and Macao on various fronts, promotion of coordinated regional economic development and development of a world-class metropolitan cluster with enhanced competitiveness. The accountancy sector plays an important role in the overall development of our country, by supporting the high-quality development of various sectors such as finance, technology and logistics in the Greater Bay Area. The development of the Greater Bay Area in turn drives the market demand for professional accounting services and provides ample room for the accountancy sector to expand.

Regarding the first part of the question, we welcome and support the positive interaction among the accountancy sectors in Guangdong, Hong Kong and Macao. The Agreement on Development Strategies for the Accounting Profession in Guangdong, Hong Kong and Macao (“the Agreement”) was signed by the Guangdong Institute of Certified Public Accountants, the Hong Kong Association of Registered Public Interest Entity Auditors and the Union of Associations of Professional Accountants of Macau on behalf of 151 accounting firms from the three places in September last year. The Financial Secretary also attended the signing ceremony of the Agreement to witness this important milestone achieved in respect of the cooperation and exchanges among the accountancy sectors in Guangdong, Hong Kong and Macao. The Agreement provides an important platform for the signatories to explore and develop under the existing policy framework of the three places a new cooperation mechanism for the profession. We support the section of the Agreement relating to cooperation matters, which includes strengthening information sharing and personnel exchanges under the existing legal framework of the three places, so as to better facilitate cooperation in the provision of professional services, expand the scope of business and promote technological development of the accountancy and auditing sectors. We would be pleased to follow up on the communication mechanism and cooperation programmes to be developed under the Agreement for the three places, and to provide support when implementing our relevant policies and regulatory measures as appropriate. We also welcome suggestions from the Hong Kong accountancy sector for us to conduct timely reviews on the local legal framework for accounting services to respond to the development needs of the sector.

As for the second part of the question, we have all along been supportive of the Hong Kong accountancy sector in business expansion in the Mainland. In

particular, on cooperation with Guangdong, we have secured the Mainland's support in launching various measures to facilitate the provision of professional services by Hong Kong accountants in the Mainland. Under the framework of the Agreement on Trade in Services of the Mainland and Hong Kong Closer Economic Partnership Arrangement ("CEPA"), qualified Hong Kong accountants are exempted from certain papers when sitting for the examination for certified public accountants ("CPA") in the Mainland. In respect of the requirements to become partners of partnership accounting firms in the Mainland, Hong Kong accountants who have obtained the Chinese CPA qualifications are given national treatment, which includes the explicit removal of the requirement that the right of control over Mainland accounting firms should be held by Mainland residents. Besides, when Hong Kong accountants apply for the practising qualification in the Mainland or apply to become partners of accounting firms in the Mainland, the length of auditing experience that they have acquired in Hong Kong is considered equivalent to the length of auditing experience acquired in the Mainland. In other words, the Mainland rules and regulations have given Hong Kong accountants much room for business development in the Mainland, benefiting accounting professionals and accounting firms of various sizes in Hong Kong. We encourage the sector to actively leverage the existing facilitation measures and seek to provide professional services in different ways in the Mainland.

On that basis, we are now pursuing with the Mainland measures that may further facilitate Hong Kong accountants' practice in the Greater Bay Area, including exploring with the Qianhai Authority the proposal to allow Hong Kong practising CPAs without Chinese CPA practising qualifications to become partners of accounting firms in Qianhai and engage in specific business or perform certain managerial functions, as well as including Hong Kong practising CPAs in Qianhai's policies for high-end talent.

Looking ahead, the regulatory regime for the accounting profession in Hong Kong will enter a new stage. The Legislative Council passed the Financial Reporting Council (Amendment) Bill 2021 in October 2021 to reform the accounting regulatory regime in Hong Kong. Under the new regime, the Accounting and Financial Reporting Council ("AFRC") is tasked to promote the development of the accountancy sector through effective regulation, and it has been given under the ordinance a statutory function of promoting the development of the accounting profession. Meanwhile, we plan to submit to the Legislative Council a bill to amend the Professional Accountants Ordinance, which aims at enhancing the election mechanism of the Council of the Hong Kong Institute of Certified

Public Accountants (“HKICPA”), so as to ensure the Council’s professionalism and representation in facilitating HKICPA’s performance of its role under the new regulatory regime.

We target to implement the new regulatory regime on 1 October 2022. Thereafter, we will work with AFRC, HKICPA and the accountancy sector to examine the professional issues faced by the sector, in particular the problems encountered when developing business in the Mainland. We will jointly draw up appropriate targeted measures to address the issues and promote the professional exchanges and development of the accountancy sectors in the Greater Bay Area.

Thank you, President.

MR EDMUND WONG (in Cantonese): *Thank you, President. Secretary, before all else, I would like to thank the Secretary for incorporating our sector’s long-standing demand as one of the Government’s directions. A moment ago, the Secretary also mentioned that Qianhai was studying how to implement some pilot schemes as well. May I ask the Secretary what is the progress in this regard? What are the considerations of the relevant Mainland authorities? What solutions do the authorities have in place?*

In addition, just now the Secretary also mentioned that they aim to include Hong Kong practising CPAs in Qianhai’s policies for high-end talent. Would the Secretary please include other Hong Kong accountants—because among the about 47 000 accountants in Hong Kong, more than 5 000 of them are practising CPAs but many more are non-practising CPAs, and actually they also wish to explore business opportunities in the Greater Bay Area or Qianhai—I hope the Secretary and the relevant Mainland authorities will consider including some non-practising CPAs in their policies for high-end talent. Thank you, President.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): I thank Mr WONG for his supplementary question. Let me explain from a macro-perspective why we have made promoting the development of accountants in Qianhai one of our work priorities. On a broader sense, there may be certain difficulties if it is suggested that the Mainland should recognize all professional accountants in Hong Kong, since the operations in the two places

differ after all. For example, regarding some examination systems in the past, we have successfully secured for Hong Kong accountants the exemption from some papers. But in fact, they actually need to be assessed on subjects involving rules and regulations in the Mainland, such as economic law, taxation law or comprehensive test which are closely related to the economic or social development of the Mainland. It is because, after all, they cannot know nothing about the local situation when they have to practise or work there. They should possess such knowledge to a certain extent. Therefore, from this angle, we should adopt a targeted approach to identify the sectors, or groups within the accountancy sector, that we can better facilitate their development in the Mainland.

Regarding Qianhai, first, we all know that the positioning of Qianhai is to cooperate with Hong Kong. Second, in fact our Bureau has made a lot of exchanges and communication with the Qianhai Authority to understand its needs, or how we can support and cooperate with each other from Hong Kong's perspective. Therefore, we have also organized a seminar to invite members of the sector in Hong Kong to see how we can serve Qianhai and promote its financial cooperation with Hong Kong. As mentioned by Mr WONG a short while ago, one of the key points is the hope that we can, through discussion with Qianhai, enable local professional accountants to better take up related jobs in Qianhai, such as becoming partners who engage in specific business or perform certain managerial functions. Furthermore, it is hoped that they will be included in Qianhai's policies for high-end talent. It is because the planning objective of Qianhai is to cooperate with Hong Kong. Therefore, speaking of advancing such work, I think it is mutually beneficial to both parties no matter from the perspective of Hong Kong or the needs of the Mainland.

Therefore, responding to Mr WONG's earlier remarks, actually what are the difficulties or what do we need to understand when promoting cooperation with the Mainland, or more specifically, when considering how we can assist our accountants in seeking cooperation opportunities in Qianhai? I think every coin has two sides. We should not always look at the difficulties. Instead, we should set our eyes on the opportunities, as well as the areas in which we enjoy an advantage. From this perspective, we have to figure out what the Mainland needs, and that is, to cooperate with Hong Kong. We should also look at the advantages of our professional services. Mr WONG also knows full well about this.

On the other hand, given that we see eye to eye with each other, how should we implement and finalize some specific information or details then? This is exactly what we are now working on. Thank you, President.

PROF NELSON LAM (in Cantonese): *Thank you, President. Thank you, Secretary. Over the past period of time, the Secretary has provided a lot of support to the accountancy sector. To start with, I have to declare that my accounting firm is one of the signatories to the Agreement.*

My supplementary question is mainly a follow-up on Mr WONG's question. With regard to the exchanges of talents, we can expand it a bit. That is, if we just look at the figures of 151 accounting firms or more than 40 000 accountants, I think this is not looking from the perspective of Hong Kong people. First of all, regarding the exchanges and training for talents, now we know that in terms of the environment, all of these are conducted online. It is because in regard to the Mainland, even though we know that there are ample opportunities in the Greater Bay Area, what we are deeply concerned about is when quarantine-free travel can be resumed, and it should be resumed as early as possible. This is my first question.

PRESIDENT (in Cantonese): I would like to remind Members that Members may ask only one supplementary question at a time. Please sit down.

Secretary, please reply.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Thank you, President. I also thank Prof LAM for his question. In fact, there is a close connection between the questions raised by the two Members just now. That is, how we can deepen our cooperation with the Mainland in respect of the accounting sector. This is exactly the direction that our Bureau and my colleagues are pursuing or working on.

Just now Prof LAM mentioned 151 accounting firms. Of course, if we look through the Agreement itself, we can see that there is cooperation among 151 accounting firms from Guangdong, Hong Kong and Macao. But then, in fact, I definitely welcome any further advancement under this framework, be it

increasing the number of firms or adopting a more diversified approach in the form of cooperation. It is because, regarding how we can achieve what Prof LAM has said earlier, we should not merely leverage Hong Kong's advantages to meet our country's needs, but we should also work with each other to do well in the entire professional services market. This is our general direction.

Focusing on this, in fact several Members have mentioned just now how we can provide assistance in several aspects. One is for the accounting professionals, and we have successfully secured, for example, the exemption from some papers of the examination. Another aspect is accounting firms, in fact, we are now communicating with Qianhai in the hope of assisting Hong Kong practising CPAs who are interested to match with accounting firms in Qianhai, so as to help the sector to make good use of the measures that we have discussed with Qianhai. Therefore, we hope that not only are there measures in place, but everyone should also be aware of these measures and make use of them, thereby enabling us to serve the sector in a more targeted manner. This is our intention and the direction for us to make efforts. Thank you, President.

MS STARRY LEE (in Cantonese): *President, it is indeed very important for Hong Kong, being a regional financial centre, to have high quality or sufficient accounting and auditing talents. The Secretary must also be aware that many professionals, including those from the accountancy sector, have chosen to leave Hong Kong during this period of time. Therefore, I hope the Secretary can continue to make strenuous efforts in promoting the professional career prospects or professional certification.*

The Democratic Alliance for the Betterment and Progress of Hong Kong put forward a proposal during the two Sessions earlier on. In fact, I think lawyers, when compared with accountants, have taken a step ahead in their development in the Greater Bay Area. Many lawyers, including some lawyers in this Council, have already acquired Mainland lawyer qualifications. In fact, the accounting profession has the same thought as well. The Secretary has indicated in his main reply the implementation of a pilot scheme in Qianhai. Could the authorities slightly expand the scope of Qianhai's pilot scheme and extend it to the Greater Bay Area by drawing reference from the approach of the legal profession? Will this idea be included in your work plan as well? Thank you.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Thank you, President. I would reply to Ms LEE's supplementary question from two aspects. First of all, let me explain what we have done to promote the accumulation of talent pool of the entire sector, as well as the development of talents in general. In fact, they involve several aspects: First, we can see that the accountancy sector has to strengthen itself. HKICPA reformed its courses for professional qualifications in 2020 to allow people with different academic backgrounds to receive professional accountancy training, which is an initiative to strengthen the sector itself. The second aspect is the Government's regulation. As I have mentioned in the main reply just now, the new regulatory regime for the accounting profession will actually be implemented from 1 October. It will rationalize our functions relating to the regulation of the profession and professional development. I believe that under such circumstances, we will have a better platform and be able to put forth some new ideas and measures in a more focused manner to promote the development of the whole sector.

In addition, expansion is also necessary apart from self-enhancement and optimizing regulation, whereas expansion is linked to Qianhai and the Mainland that Ms LEE mentioned some time earlier. In respect of expansion, apart from Qianhai, in fact we have been thinking about ways to bring more convenience to our accountants on the Mainland—both in terms of sitting for examinations and when they are practising. Just now I have also illustrated that, after all, speaking of the examination, actually they have been exempted from several papers. But insofar as the examination is concerned, actually it would be more difficult to grant exemption on some parts, because they involve some specific rules and regulations in the Mainland. One must have knowledge on them if he/she really wishes to work there, so there may be a bottom line in this regard.

On the other hand, Ms LEE has mentioned about lawyers just now. Is it necessary to possess qualifications of the Greater Bay Area, or qualifications of individual or specific fields that can be obtained by Hong Kong people through taking examinations? Of course, I am not quite familiar with the legal profession. Nevertheless, if we focus on this topic, we should consider that this is not merely a question of professional qualifications, but it may also involve the relevant qualifications system in the Mainland, as well as the market demand and even competition. Therefore, I do understand the supplementary questions raised by Members. When we are communicating with the Mainland, we would see in what ways and aspects we can promote the development of the sector as far as possible. Whether we are talking about the examination, expansion, opening up more

opportunities or enhancing and optimizing regulation, our entire goal and original intention is actually the same, and that is, to assist our accountancy sector in exploring more opportunities. We will continue to make efforts in this regard. Thank you, President.

DR STEPHEN WONG (in Cantonese): *Thank you, President. Thank you, Secretary. I wish to follow up the relevant figures in order to understand the specific circumstances at present. I would like to know, qualified Hong Kong accountants are exempted from some examination papers under the CEPA framework, and this arrangement has already been implemented for some time. I have this question for the Secretary: So far, how many Hong Kong accountants have obtained the CPA qualifications on the Mainland? Second, I also wish to ask how many ...*

PRESIDENT (in Cantonese): Dr Stephen WONG, each Member may ask only one supplementary question at a time. Please sit down.

Secretary, please reply.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Thank you, President. My thanks go to Dr WONG for his supplementary question. Regarding the question raised by Dr WONG, as of 31 January 2022, some 1 870 cases were successful in applying for exemption of papers under the arrangement of HKICPA and the Chinese Institute of Certified Public Accountants. According to the estimate made by HKICPA after contacting with the sector, the number of Hong Kong accountants who have eventually passed the examination successfully and obtained the Chinese CPA qualifications is roughly in the hundreds. As regards another issue that Members may also be concerned about, regarding the number of Hong Kong accountants who have become partners of partnership accounting firms in the Mainland after obtaining the Chinese CPA qualifications, or the case for Hong Kong accounting firms to expand their Mainland businesses, I do not have these figures at this moment since they are the commercial arrangements of individual firms. Nevertheless, just now I have already provided the number of accountants who have been exempted from some examinations and those who have eventually obtained the qualifications. Thank you, President.

MR EDMUND WONG (in Cantonese): *Thank you, President. To sum up what has been said, the Agreement has mentioned exchanges and training for the talents. In fact, one of the ways to promote the exchanges of talents between the two places is to enable more young talents of the Hong Kong accounting profession to visit the Mainland, through which they can gain experience and broaden their horizons. I would like to ask the authorities, regarding the exchanges of talents, especially those young people who are sitting for such professional examinations, are there any plans to arrange for them to go to the Mainland for exchanges, or allow friends from the Mainland to come to Hong Kong? Thank you, President.*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Thank you, President. In fact, the suggestion put forward by Mr WONG just now is a very good one. That is, we should not only knock on the door of the Mainland for discussing the more practical operational issues, such as the examinations and practising issues, but we should also do so in respect of their daily work, or exchange of their experience in the course of their ordinary work. Actually, we have been thinking about how we can promote exchanges in this area. Members may remember that our Bureau has launched some programmes earlier on, which are not about going to the Mainland, but some Hong Kong people who have been very successful in the Mainland were invited to share their experience of working on the Mainland with young people in Hong Kong. In fact, we can continue to take forward such work, i.e. not only involving the rigid requirements of qualifications and practising, but also some experience sharing which is softer in nature. I would be happy to work with Prof LAM, Mr WONG, Ms LEE and others who are interested in the accounting profession to pursue the work in this regard. Thank you, President.

PROF NELSON LAM (in Cantonese): *Thank you, President. Regarding part (2) of Mr WONG's main question in relation to funding support, in my opinion, the accountancy sector does not need any substantive funding support at all. On the contrary, given that the self-regulatory regime has now been transferred to the Financial Reporting Council, it has already become quasi-Government regulation. How will the Government crack down on fake accountants and those intermediaries? This is the most important issue instead.*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): In fact, issues concerning the regulation of the accounting profession raised by several Members just now are a testament to the importance and necessity of the regulatory reform that we promoted last year with the support of so many Members. This has allowed us to work more effectively on professional and independent regulation. In future, we will continue to have exchanges with Members in this regard, such that we can make concerted efforts in respect of not only regulation, but also market development or talent training. Thank you, President.

PRESIDENT (in Cantonese): Third question.

The supply and prices of essential livelihood commodities amid the epidemic

3. **MR STANLEY NG** (in Cantonese): *It is learned that since the outbreak of the fifth wave of the Coronavirus Disease 2019 epidemic, the supply of many essential livelihood commodities has been affected. This, coupled with rumours from time to time alleging that the Government will enforce restrictions on people's movement or other measures, has resulted in many members of the public affected by the rumours in a panic, and snapping up and stockpiling food, medicines and daily necessities, leading to a surge in prices for certain essential livelihood commodities. Some merchants have even taken advantage of this situation to inflate prices. In this connection, will the Government inform this Council:*

- (1) *of the measures that the Government has put in place, since the emergence of an acute shortage of face masks in the first wave of the epidemic, to ensure that the supply and prices of anti-epidemic supplies, medicines, fresh food and non-staple food are stable, and the measures in place to tackle the emergence of panic buying in the fifth wave of the epidemic, and whether it has assessed the effectiveness of such measures;*
- (2) *as it has been reported that some merchants have made use of epidemic-related news to inflate prices of essential livelihood commodities in a major bid to "reap profit from disasters", of the measures that the Government has put in place to deter the relevant situation; whether it will ask the relevant policy bureaux and institutions such as the Consumer Council to step up the monitoring*

of commodity prices, and disseminate correct information on the supply and prices of essential livelihood commodities through the Information Services Department; and

- (3) *whether it will consider, by following the practices of other regions, setting up regulatory authorities (for instance, the State Administration for Market Regulation set up in the Mainland) and enacting legislation (for instance, the anti-price gouging statutes implemented in certain states of the United States) to implement price control during times of emergency situation to ensure price stability of essential livelihood commodities, and specifying more essential goods such as food and anti-epidemic supplies as reserved commodities under the Reserved Commodities Ordinance; if so, of the implementation details; if not, the reasons for that?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): President, I would like to thank Mr Stanley NG for his question.

The coronavirus disease 2019 epidemic has continued for over two years. With the full support from the Central Government and the efforts by the Hong Kong Special Administrative Region (“HKSAR”) Government, HKSAR has been ensuring sufficient and stable supply of food and various major supplies. Having consulted the Food and Health Bureau, the Transport and Housing Bureau (“THB”) and the Financial Services and the Treasury Bureau, our consolidated reply to the various parts of the question is as follows:

- (1) As Mr NG has suggested, at the onset of the epidemic in early 2020, there was an acute shortage of anti-epidemic supplies, in particular masks, around the world. The Government’s target at that time was to seek supply through multiple channels by every means. In this regard, the Government Logistics Department procured masks and other anti-epidemic items worldwide through different channels and means, so as to meet the public needs.

In the face of the shortage of supply around the world and in the local market at that time, as a policy breakthrough, the Government established the Local Mask Production Subsidy Scheme in March 2020 to provide subsidy to facilitate the establishment of local mask production facilities and the building up of stock. The 20 subsidized production lines collectively delivered about 470 million masks to the

Government. The Government also provided technical support through the Hong Kong Productivity Council to another 35 production lines to increase local production. We are pleased to note the gradual increase in supply since then. Nowadays, the supply, price and quality of masks have greatly improved. This is precisely the employment of exceptional means to tackle problems in exceptional circumstances.

Since the outbreak of the epidemic, government departments have monitored specifically and closely the food supply situation in the market, and liaised with the trade to ensure a stable supply. The Mainland is the major source of fresh food supply for Hong Kong, with fresh food and processed food from Guangdong Province accounting for the majority of the supply. The HKSAR Government has been communicating with the Government of the Guangdong Province to maintain an adequate and stable supply of food to Hong Kong.

After the outbreak of the fifth wave of the epidemic early this year, various government departments joined efforts in this respect. For example, the Task Force of Supplies from the Mainland led by THB has been working closely with the Mainland Government to explore various means to restore the stability of goods supply from the Mainland to Hong Kong. These include the launch of water and rail transport within a short period of time in response to the tight capacity of road transport owing to goods vehicle drivers being infected at that time, with a view to complementing the supply through road, water and railway transport.

Regarding fresh food, the two Governments opened new channels for imports via water transport, and extended the opening hours of the Man Kam To Control Point to further facilitate fresh food trucks to cross the boundary, so that the supply of fresh food from the Mainland could be quickly restored and the prices could return to the normal level.

The fifth wave of the epidemic has seen a surging demand for medical supplies, and the Central Government has provided support in this regard. To cater for the needs of various government departments and units, the Task Force of Ensuring Medical Supplies led by the Commerce and Economic Development Bureau (“CEDB”) has

worked closely with its Mainland counterpart to ensure that the large quantities of medical supplies procured with the coordination of the Central Government are delivered to Hong Kong in an orderly manner. There are more than 30 types of supplies, such as rapid antigen test (“RAT”) kits which have been heavily used recently, anti-epidemic proprietary Chinese medicines, paracetamol, high-grade protective masks and personal protective equipment, etc. The Government has also, through multiple channels, distributed these medical supplies to various target groups including the confirmed patients, frontline personnel, persons in jobs with higher infection risks, the underprivileged groups as well as members of the public. Among them, anti-epidemic kits were distributed to the confirmed patients and their family members living in the same household. More than three million anti-epidemic service bags containing medical supplies were also distributed to the households across Hong Kong in early April.

Furthermore, with the support and assistance of the Central Government, the production capacity for relevant medical supplies from the Mainland and their supply to Hong Kong have significantly increased, resulting in an adequate supply in the market. The retail prices have also remained stable.

- (2) The provision of timely and accurate information helps ease public concern. Since 15 February this year, the Government, including THB and CEDB, has regularly released information regarding the supply of fresh food and medical supplies from the Mainland to Hong Kong to ensure the latest information is accessible to the public.

Besides, the Consumer Council has been monitoring closely the supply and price of various daily necessities and anti-epidemic supplies, as well as the sales practices of traders. In view of the fifth wave of the epidemic, apart from urging traders to ensure a stable supply of goods as far as possible and refrain from raising prices, the Council has also appealed to consumers to remain level-headed and rational when shopping. The Council has worked with CEDB to launch the Approved RAT Kits Search Tool to facilitate members of the public to search for RAT kits on the approved lists of a number of places.

- (3) Hong Kong is a highly open free port. Unless otherwise prescribed by law with sufficient policy justifications, all commodities can be

freely imported and exported, responding effectively and promptly to market demands.

As a staple food in Hong Kong, rice is designated as a reserved commodity under the subsidiary legislation of the Reserved Commodities Ordinance (Cap. 296). We have been ensuring a stable supply of rice and keeping a sufficient reserve stock in case of emergencies or any temporary shortage of supply.

All bureaux and relevant departments will continue to review and monitor closely the supply and demand of various essential supplies and market changes with a view to devising appropriate measures to stabilize supply in the market.

In fact, based on the past experience, including that of the fifth wave of the epidemic, the adequate supply and stable prices of goods could be effectively secured by ensuring sufficient and stable supply in the market, reducing barriers and obstacles in the supply chain, effective dissemination of information, close cooperation with the Mainland Government and communication with the trade. Therefore, the Government currently has no plan to implement price control during times of emergency situation or include certain types of supplies on the list of reserved commodities.

MR STANLEY NG (in Cantonese): *President, the Secretary's reply is very disappointing, and it has sent a very bad message that encourages unscrupulous businessmen to use such means again to profiteer from stockpiling and inflate commodity prices. In other words, the Government actually has no effective and forceful measure in place to prevent raising of prices and profiteering from stockpiling.*

Therefore, I would hereby like to seek once again a clear answer from the Bureau to the following question: Why can the Government not change its old mindset amid the epidemic? Given that the practices described are applicable under normal circumstances, but businessmen will take advantage and profiteer from stockpiling amid the epidemic when there are all sorts of problems in logistics and the supply chain, while the Government has no measure in place to tackle the situation, can the Government change its mindset and include certain goods, especially medical supplies, in the list of commodities under the Reserved Commodities Ordinance?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): President, I do not agree with the views expressed by Mr Stanley NG because as I have stated clearly in the main reply, in order to tackle the shortage of supply, we have to get to the root of the problem and ascertain its causes. If the situation is caused by an inadequate supply, we should identify ways to increase supply. For example, as mentioned in the main question raised by Mr NG, there was a global shortage of face masks, a kind of medical supplies, in early 2020. We therefore endeavoured to build up the stock and even employed exceptional means to set up our own production lines in Hong Kong through a subsidy scheme, which had helped to ensure that the shortfall could be met. As a result, we were able to distribute face masks to all Hong Kong residents in the middle (i.e. June) of the same year.

However, if the situation is a result of other factors, such as obstacles in the supply chain caused by cross-boundary logistical arrangements as evidenced in the current wave of the epidemic, we should then tackle the problem at source. As I have said just now in the main reply, we discussed the matter with fresh food suppliers of the Mainland, especially those in Guangdong Province, and apart from suppliers, we also liaised with the transport trades because many Hong Kong drivers could not provide cross-boundary transport services then. Under such circumstances, we took measures to complement the supply through water, road and railway transport, and even identified certain ways under which Hong Kong drivers and Mainland drivers could transport goods in relay via special transfer yards, thereby securing the supply chain.

Mr NG suggested that prices might go up or down, and in this connection, we can base our judgment on facts. There may of course be an increase in prices when there is an inadequate supply of goods, but we can try to provide the market with adequate information, and I have to make mention of the Consumer Council in this respect. In fact, by carrying out web searches in the website of the Consumer Council, consumers may now make a comparison of prices for over 2 300 good items from different supermarkets, and are thus well informed of the relevant prices. We have also announced the supply and wholesale prices of some fresh food items every day over the past period of time to keep members of the public informed of the general situation.

As for profiteering from stockpiling by some businessmen, the best approach of responding to the issue is to ensure an increase in supply, thus rendering it impossible for them to charge exorbitant prices through marketing strategies. In this regard, let me illustrate with some examples. In early 2020, prices of face masks were exceedingly high when there was a global shortage of the good item. However, in the current wave of the epidemic, we managed to procure adequate

quantities and secure the supply of certain anti-epidemic items, including RAT kits, with assistance from the country. Hence, the price of a regular RAT kit today has already fallen to one tenth of that when the item was first introduced, thus proving the general effectiveness of this whole set of approaches. Thank you, President.

MR YIM KONG (in Cantonese): *President, ensuring stability in the supply and prices of livelihood commodities in Hong Kong amid the epidemic is an important basis for maintaining social stability, and I hope the Government will attach great importance to the matter and plan ahead. I wonder if the Government has adopted any specific measures to address the following concerns: Given that the prices of livelihood commodities are to a very large extent affected by logistics costs, cross-boundary road transport will in the long run remain the most important means of logistics for ensuring the supply of goods to Hong Kong. When the fifth wave of local epidemic reached its peak back then, the operation of cross-boundary transport was basically suspended, but as the epidemic has now been greatly subsiding, most of the goods vehicle drivers who were previously infected have fully recovered. How can the Government hold discussions with the Shenzhen Municipal Government as soon as possible to facilitate the resumption of normal operation of cross-boundary transport, thereby enabling more goods vehicle drivers to return to work as early as possible, and in turn reducing logistics costs? Thank you, President.*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): President, I agree with what Mr YIM Kong said because a very important fact about the supply chain is that most of the commodities we need are transported to Hong Kong from the Mainland, especially daily fresh food and medical supplies. This is also the reason why we have set up different task forces in the face of the fifth wave of the epidemic to work with our Mainland counterparts. One of these task forces is led by the Secretary for Transport and Housing, who has been liaising with Mainland officials, including those from Guangdong Province and Shenzhen as suggested by Mr YIM, to examine how we can achieve a smooth operation in every aspect of cross-boundary supply of commodities from driver deployment to interchange and goods transport.

As I have mentioned just now in the main reply and in my reply to Mr Stanley NG's supplementary question, we have adopted measures on various fronts. One of the issues handled is the tight capacity of road transport owing to local cross-boundary goods vehicle drivers or their family being infected, and in order to address the shortfall of manpower in this respect, arrangements were made to have goods transferred to Hong Kong drivers at certain interchange venues by

Mainland drivers undertaking different transportation operations and shuttle drivers to bridge this manpower gap.

Apart from this, although it has all along been very convenient for container truck drivers to transport goods through trucks between the two places by land, water transportation routes were opened in response to problems with the quarantine arrangements for cross-boundary drivers. It was initially reckoned that water transport might not be a convenient alternative, but it did help much in filling up the service gap in the transportation of supplies over the past period of time, making it possible to complement the supply through road transport by having many goods delivered to our water terminals through various water transportation routes.

Moreover, as a third option, railway transportation of goods was also launched though it was a method not in use for quite some time. These are the measures that we have taken and in the process, we have been working closely with the Shenzhen authorities or the Mainland authorities. In fact, the Shenzhen authorities is not the only Mainland counterpart which helped. For example, when the Task Force of Ensuring Medical Supplies worked with its Mainland counterpart, Mainland agencies especially the Ministry of Industry and Information Technology had assisted in procuring many different types of supplies across the country, and this had precisely secured our supply in this respect. During the nationwide procurement exercise, due to the supply of a relatively wide range of items, we were able to ensure firstly, a sufficient supply and secondly, reasonable prices.

Apart from cooperation between governments in both places in the procurement of supplies for official use or use by our frontline personnel, we have also discussed with our Mainland counterparts to ensure supply in the market, i.e. the relevant good items are also available for purchase by members of the general public. I have therefore cited some examples earlier including anti-epidemic proprietary Chinese medicines, which are highly popular and proven effective, and there is not only a sufficient supply of these medicines but also no inflation of their prices. These examples can convincingly demonstrate the effectiveness of the various measures I mentioned just now. Thank you, President.

MR LEUNG MAN-KWONG (in Cantonese): *Thank you, President. Maintaining transparency of information is very important for preventing price inflation and helping members of the public find qualified, conforming and fit-for-purpose anti-epidemic items. The Approved RAT Kits Search Tool launched previously by CEDB and the Consumer Council has served to put*

people's minds at ease when panic buying of such kits occurred. However, apart from RAT kits, President, relevant information about many other anti-epidemic items is still not available to members of the public, and these items include disinfecting supplies, proprietary Chinese medicines and western medicines used to treat fever and pain. Let me cite an example. During the early stage of the epidemic, some people thought that only a particular brand of antipyretic could achieve the intended effects. In this connection, I would like to ask: Will CEDB consider setting up online platforms similar to the Approved RAT Kits Search Tool, or developing applications to help members of the public search for relevant information about anti-epidemic items, so that they will in the long run be kept informed of the prices of these items and even their availability in each district, thus facilitating them to identify items suitable for them? Thank you, President.

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): President, I agree with and will implement the suggestion. Certainly, I do not consider it possible for us to launch a search tool for each and every good item of daily use, which would amount to over a thousand or even ten thousands. However, in my main reply or the reply to supplementary questions raised by Members earlier, I have mentioned that the Consumer Council has regularly worked on this issue.

There is now in the Consumer Council's website a comparison of prices for products available in several leading supermarket or retail chains in Hong Kong. The information is provided to facilitate consumers to make a price comparison for the same good item from different supermarkets, and if my memory serves me right, 2 300 good items are covered. In addition, the Consumer Council will conduct spot checks regularly. For example, it has conducted a special survey at the end of last year on commodities that are of great concern to members of the public, so as to keep the public informed of the situation.

The Member has also made mention of certain medicines, but the matter cannot be handled by the Consumer Council alone, and I think Under Secretary Dr CHUI Tak-yi beside me has from time to time explained to the public the actual situation regarding many medical supplies. For example, as a medicine used to reduce pain or fever, there is actually a variety of categories of paracetamol. I agree that we might not have knowledge of these various types of the medicine before the COVID-19 epidemic, and this is also the reason why we, during the fifth wave of the epidemic, specifically dedicated Radio Television Hong Kong TV 32 as a channel for disseminating anti-epidemic information, where experts or healthcare workers had been invited to give an elaboration of these livelihood issues on a number of occasions. From what I recall, healthcare experts had, for

example, provided a detailed explanation of painkillers, and I also understand that our healthcare personnel had answered similar questions previously during the press briefing held at 4:30 pm every day. All these are efforts made to enhance the dissemination of information in this regard. Therefore, be it market information or anti-epidemic work, different departments of the entire Government have been working together with a multidimensional approach to step up our epidemic prevention efforts. Thank you, President.

MR KWOK WAI-KEUNG (in Cantonese): *Thank you, President. It has been more than two years since the outbreak of the epidemic. Money is needed for purchasing face masks, hand sanitizers, disinfecting supplies and RAT kits. Prices of grocery items and medicines are rising even without panic buying, and with the spread of rumours which trigger panic buying, no special price will be offered for even toilet paper.*

No one suffers like workers earning the minimum wage. While social benefit payments are automatically adjusted every year, the minimum wage rate has remained at the current level for four years, and a review can only be conducted once every two years. The cumulative inflation rate for the past four years has reached 7%, meaning that workers earning the minimum wage have been subject to a pay cut of 7%.

In his reply to supplementary questions raised by other Members just now, the Secretary has put the focus on the problem of inadequate supply, but he has completely ignored the fact that speculative elements may also be involved. In fact, profit maximization is the very nature of market economy. If the Government does not introduce any statutory protection, how can people's livelihood be duly safeguarded in case of emergencies and under special circumstances? When price control can be implemented in other countries during times of emergency and under special circumstances, why can Hong Kong not do so? May I conversely ask the Secretary whether he will definitely do nothing to implement price control? Thank you, President.

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): President, with regard to the supplementary question raised by Mr KWOK Wai-keung, I have actually given an explanation earlier. First of all, we have not put our focus solely on the supply of goods. Members may note from my main reply that we have adopted various measures to get to the root of problems and tackle them at source. I have also stated that in the past two to three years, we have employed exceptional means in exceptional circumstances, adopted

measures more effective than price control to address various issues, and this can be best illustrated with the examples I cited at the outset. Take the supply of face masks as an example. There was a global shortage of this good item back then, and it seemed that there was no way to procure what we need. Under such circumstances, can we build up the stock simply with the implementation of price control? We have conversely established a subsidy scheme, through which 20 production lines have been established in Hong Kong, while support has been rendered to another 35 production lines to increase local production. As a result, the quality, price and supply of face masks have improved subsequently and nowadays.

In reply to Mr KWOK's supplementary question, I have to say that under the Reserved Commodities Ordinance, it is certainly possible for the Government to take the course of action as described by him. However, the question is: Can we simply implement price control and take this as the only and single solution for resolving the problem in an all-round manner, just like what we did before as I have just mentioned? Judging from the experience gained in the past two to three years, I think the issue can be more comprehensively and effectively addressed with the various approaches mentioned just now. Thank you, President.

PRESIDENT (in Cantonese): Fourth question.

Management of typhoon shelters

4. **MR STEVEN HO** (in Cantonese): *Some fishermen have relayed that at least three fires involving yachts broke out in typhoon shelters in the latter half of last year which were suspected to be related to home-stay-lodging yachts that operated "staycations" at sea. Moreover, in recent years, yachts operating home-stay lodging have occupied much of the space in typhoon shelters. As such yachts have mixed berthing with other types of vessels ("mixed berthing"), they have seriously affected other vessels, resulting in frictions and conflicts. On the other hand, some yachts have illegally connected to shore power supplies which may easily cause fire on a chain of neighbouring vessels. Regarding the management of typhoon shelters, will the Government inform this Council:*

- (1) *whether it has taken law enforcement and regulatory actions in respect of those home-stay-lodging yachts operating in typhoon shelters, and whether it has assessed the effectiveness of such actions;*

- (2) *as currently there is a shortage of space and a serious mixed berthing situation in typhoon shelters, whether the Government will adopt the industry's suggestion of implementing an arrangement for demarcated berthing areas for vessels in typhoon shelters; and*
- (3) *as some fishermen have pointed out that under the outdated planning and regulatory legislation, typhoon shelters have seen insufficient space, incessant conflicts and inadequate capability for typhoon resistance, whether the Government will expeditiously commence a consultancy study on the expansion of existing typhoon shelters or the construction of new ones?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, the Government attaches great importance to the management of typhoon shelters and has been maintaining communication with the stakeholders, pragmatically handling different issues and proactively improving the management and facilities of the typhoon shelters.

There are currently 14 typhoon shelters in Hong Kong, providing a total of 419 hectares of mooring space for use by local and small visiting vessels. The Government will ensure that there is sufficient space within Hong Kong waters as typhoon shelters suitable for small vessels to take refuge during inclement weather, so as to safeguard the safety of vessels and the crew members on board.

The Marine Department (“MD”) has been regulating the operation of typhoon shelters in accordance with the current legislation. MD has designated passage areas and anchorage areas in the typhoon shelters to ensure safe navigation and orderly anchoring of vessels. During its daily patrol, MD also strives to keep the passage areas clear, as well as conducting inspections on any safety issues related to vessels, such as the risk of bilging, listing, sinking and fire. Apart from assisting and instructing the vessels concerned to rectify the situation, MD will carry out investigations and appropriate follow-up actions when necessary.

Regarding improvement to the facilities of the typhoon shelters, in response to the demand of fishermen, we completed the construction of additional landing facilities in the Tuen Mun Typhoon Shelter in November last year. Regarding the industry's request for constructing a landing facility in the Aberdeen Typhoon

Shelter for use by small vessels, MD has carried out consultation with relevant stakeholders recently on the preliminary design proposal.

In addition, wave walls of about one-metre-high were constructed by the Civil Engineering and Development Department on the breakwater at the Aberdeen West Typhoon Shelter and the outer breakwater at the Aberdeen South Typhoon Shelter last year, with a view to enhancing the capability of breakwaters at typhoon shelters against wave attack. The construction works at the inner breakwater at the Aberdeen South Typhoon Shelter is also expected to be completed in the third quarter of this year.

My replies to Mr Steven HO's questions are as follows:

- (1) Under the Merchant Shipping (Local Vessels) (Certification and Licensing) Regulation, a pleasure vessel (i.e. Class IV vessel) shall only be used by its owner, or if it has been let to any person, by that person exclusively for pleasure purposes. If a pleasure vessel is used for residential purposes in the waters of Hong Kong, the owner of the vessel, his agent and the coxswain each commits an offence and is liable on conviction to a maximum fine of \$10,000.

MD's officers conduct inspections of vessels in Hong Kong waters from time to time and carry out investigations upon public complaints. If illegal activities are found, such cases will be handled in accordance with the law. In recent years, MD has noticed that some pleasure vessels are being used for operating home-stay lodgings business via Internet. In view of this, MD has taken law enforcement operations specifically to combat pleasure vessels being used for non-pleasure purposes. MD conducted undercover operations in the Shau Kei Wan Typhoon Shelter and the Aberdeen Typhoon Shelter respectively in December last year, during which two pleasure vessels were suspected to be used as guesthouses. MD is carrying out prosecution.

In the past five years, out of the 27 successful prosecutions by MD against pleasure vessels being used for non-pleasure purposes, eight cases involved pleasure vessels being used as guesthouses. MD will keep enhancing patrol in typhoon shelters and taking enforcement actions to combat contraventions.

- (2) Under the Merchant Shipping (Local Vessels) (Typhoon Shelters) Regulation, generally all local vessels are allowed to enter typhoon shelters for refuge. The Regulation does not empower MD to designate a specific area in a typhoon shelter exclusively for the mooring of certain classes of vessels. Nevertheless, in response to the request of the industry, MD launched a pilot scheme for the exclusive mooring of non-pleasure vessels within the Kwun Tong Typhoon Shelter through administrative arrangement in 2018. The pilot scheme was implemented with the collaboration of stakeholders of the Kwun Tong Typhoon Shelter. Under the pilot scheme, non-pleasure vessels berth at the southern part of the typhoon shelter, whereas the northern part is for the berthing of all classes of vessels.

The Transport and Housing Bureau and MD will continue communication with the industry and actively explore with relevant stakeholders different proposals to introduce designated berthing areas for vessels in the Aberdeen Typhoon Shelter through administrative arrangement.

MD is willing to extend the successful experience of the pilot scheme to other typhoon shelters. This will serve as the basis for MD's continual discussions with the stakeholders of the Aberdeen Typhoon Shelter, with a view to reducing the frictions and conflicts caused by berthing of vessels of different classes in typhoon shelters.

- (3) MD has also been carrying out assessments of the overall territory-wide supply and demand of sheltered spaces regularly. Based on the Assessment of Typhoon Shelter Space Requirements ("the Assessment") released in 2017, the overall territory-wide supply of sheltered spaces from then on till 2030 was estimated to be adequate to meet the demand from local vessels. A new round of the Assessment has already commenced to assess the overall territory-wide supply of sheltered spaces from now on till 2035, and is expected to be completed in the second half of this year. During the assessment, we will review different suggestions made by the industry.

Thank you, President.

MR STEVEN HO (in Cantonese): *Thank you, President. In the fourth paragraph of its reply, the Government has specifically mentioned that additional landing facilities have been provided in the Tuen Mun Typhoon Shelter, but actually, this has not resolved the problem of the industry. For this reason, I do not think this can be regarded as an achievement.*

According to our original request, fishermen should be able to use the pontoon to board the small vessels directly. The arrangement is similar to that for yachts. But the Government has only added a landing step. They still have to drive their vessels to the centre of the sea for berthing. Hence, the Government had spent much effort on the current system but did not resolve the problem, and then it reported to the Legislative Council that the matter had been settled. I consider such an attitude unacceptable.

The supplementary question I wish to ask is about the pilot scheme for the exclusive mooring of non-pleasure vessels within the Kwun Tong Typhoon Shelter launched in 2018 as mentioned in part (2) of the main reply. The request made by me at that time was that the scheme should be implemented in the Aberdeen Typhoon Shelter because there were actually just a small number of fishing vessels in the Kwun Tong Typhoon Shelter. There were mainly construction vessels, a small number of passenger vessels and some yachts. It cannot be considered a successful example. Fishermen stay in the Aberdeen Typhoon Shelter because of the presence of the fishing market and seafood stalls there. In fact, there is no way for them to leave Aberdeen. For this reason, it is necessary to introduce designated berthing areas there.

Now the Secretary is telling me that it is a successful experience. Classes II, III and IV vessels may berth in certain areas while yachts are required to berth on the other side. But actually, after the authorities proposed the implementation of the pilot scheme, someone immediately placed buoys there and charged money for the occupied area. Hence, I think the SAR Government should re-examine this issue. It cannot simply designate the berthing areas by Classes II, III and IV vessels. Instead, it should provide different vessels with the facilities needed in the light of economic or trade considerations, so that berthing spaces can be designated for safe boarding by all, rather than just enabling yacht club members to board the yachts directly. Thank you, President.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, just now I could feel Mr HO's emotion and understand his support for fishermen.

Frankly, regarding the two cases mentioned by Mr HO just now, I have personally visited the actual sites with Mr HO to take a boat ride, take a walk and talk to the fishermen. The comment on whether or not it is a successful experience is not important. What matters most is whether the relevant facilities are well received by users. In the two cases, we have discussed with the stakeholders of the typhoon shelters involved. We had obtained their consent and acceptance before constructing the relevant facilities. We had discussed all the possible options with them and implemented them only after obtaining their approval. In this regard, of course there is room for improvement because after doing something for the first time, we can certainly make further enhancement the second time we do it.

Therefore, be it the boarding and landing facilities or the berthing arrangements in typhoon shelters, as I stated clearly in the main reply just now, should there be any views on the arrangements for different typhoon shelters in the future, the best outcome will be achieved as long as we can reach a consensus and work together in harmony on the basis of mutual benefits and mutual understanding. Therefore, as I said in the main reply just now, we are most willing to continue to listen to the views of various stakeholders in our future work, enhance the relevant proposals and handle the matter in a pragmatic manner based on the actual circumstances of different typhoon shelters. Thank you, President.

MR FRANKIE YICK (in Cantonese): *Thank you, President. The Secretary mentioned in the main reply that in the past five years, out of the 27 successful prosecutions against pleasure vessels being used for non-pleasure purposes, eight cases involved such vessels being used as guesthouses.*

May I ask the Secretary what violations were involved in the other cases of contraventions? As we know, currently, a lot of dwelling vessels are moored in typhoon shelters. Many of them involve illegal connection to on-shore power supply which has been mentioned by Mr Steven HO but not responded to by the Secretary. May I ask the Secretary what enforcement actions have been taken in the past and how many cases of illegal connection to on-shore power supply have been successfully cut off?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, regarding the issue of connection to on-shore power supply, basically, as Members know, the management of typhoon shelters falls within the purview of MD, while power supply and water supply in typhoon shelters are respectively regulated by the Electrical and Mechanical Services Department (“EMSD”) and the Water Supplies Department (“WSD”).

Over a long period in the past, we have conducted joint inspections with the Hong Kong Police Force, the Fire Services Department, the Food and Environmental Hygiene Department, EMSD and WSD to examine different situations and take enforcement actions. For example, in respect of power supply, during our joint inspections with EMSD, we have found cases of non-conformities and issued a considerable number of improvement notices to require the parties concerned to carry out improvement work. As for the water supply arrangements, if there is any non-compliance, it must be followed up.

Basically, the incidents which occurred in typhoon shelters in the past five years mainly involved collision and minor contact between vessels. As regards fire, as far as the Aberdeen Typhoon Shelter is concerned, there were no such cases. There were 2 cases of running aground and foundering, making a total of 5 incidents. (**Appendix 1**) The annual number of prosecutions was 69 in 2017, 72 in 2018, and 45, 72 and 48 in 2019, 2020 and 2021 respectively. In 2022, from 1 January up to today, the total number of incidents is only 5, whereas the number of prosecutions is 31.

Among the prosecutions mentioned just now, apart from expiry of the registration or licence of vessels, they also involved operations of the vessels. The details will be provided to the Secretariat after the meeting. (**Appendix 2**)

PRESIDENT (in Cantonese): Mr Frankie YICK, which part of your supplementary question has not been answered?

MR FRANKIE YICK (in Cantonese): *The Secretary has not answered my supplementary question clearly. According to the Secretary’s main reply, in the past five years, there were 27 successful prosecutions, among which 8 cases*

involved such vessels being used as guesthouses. I asked what other violations were involved, but he said a bunch of words in his answer which gave me no clue. Given the clear fact that those 27 prosecutions concern pleasure vessels being used for non-pleasure purposes, what does this have to do with collision of vessels?

PRESIDENT (in Cantonese): Mr Frankie YICK, you have already pointed out the part of your supplementary question that has not been answered. Please sit down.

Secretary, do you have anything to add?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I have nothing to add. As I said earlier, since I do not have the relevant details at hand right now, I will provide the information to the Secretariat after the meeting. (**Appendix 2**)

MR STANLEY LI (in Cantonese): *Thank you, President. Before all else, I thank Mr Steven HO for raising this oral question. Speaking of the management of typhoon shelters, in fact, some fishermen in Sai Kung District, which falls under my constituency New Territories South East, have also relayed to Mr HO and me the management problems, which are similar to those mentioned by the several Honourable colleagues just now. They all lie in insufficient actions to combat the problem. As such, how can the Bureau ensure that the problems in this regard can be further alleviated? At the same time, how can it ensure that fishermen or even vessel owners who need the berthing spaces most will really use such spaces properly?*

Just now the Bureau mentioned some very handsome figures to illustrate the number of berthing spaces available in Hong Kong. This is the same as the situation where we had meetings with the Transport Department in the past to discuss the number of bicycle parking spaces available in Hong Kong. However, when we take a closer look, we can see that some bicycle parking spaces are often occupied by defective or worn-out bicycles which are left idle or discarded there. Some are used for other purposes. Some are even used for keeping miscellaneous items, paperboard, etc. The situation is actually the same as that of berthing spaces.

I hope that the Bureau will consider the said issues, especially the situation in Sai Kung District which was not mentioned just now. The typhoon shelter facilities in Sai Kung District are also inadequate. Mr HO and I have visited the fishermen in the district. They asked whether more relevant facilities should be provided for use by fishermen in Sai Kung. The present situation is not optimistic. I hope that the Bureau will have more practical communication with the industry and different local communities to understand their needs and manage the typhoon shelters properly in one go. Thank you, President.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Thank you, President. I thank Members for their views. This is something we will definitely do. As I stated just now, we will conduct an assessment of typhoon shelter space requirements every five years, and a new round of the assessment has already commenced. The relevant figures are expected to be available in the second half of this year. We will continue to communicate with stakeholders during the process. Thank you, President.

MR YIU PAK-LEUNG (in Cantonese): *Thank you, President. Secretary, according to media reports, the past 10 years have seen a considerable increase in the number of pleasure vessels in Hong Kong, which is said to be over 60%. In the wake of the epidemic, staycation at sea has become popular. Illegal operations of home-stay-lodgings using pleasure boats have given rise to many hidden dangers involving the management of typhoon shelters and public safety. This is rather unfair to formal hotels and guesthouses which are licensed.*

On the phenomenon of staycation at sea, I wish to ask the Secretary two questions. First, MD's enforcement efforts have all along been a target for criticism. As we can see, the present conditions of the typhoon shelters, especially the Kwun Tong Typhoon Shelter, are completely different from those 10 years ago. In this connection, putting aside the low prosecution figures in the past, I wish to focus my question on the number of inspections and undercover operations conducted by MD under the epidemic over the past year. This is the first question.

The second question is ...

PRESIDENT (in Cantonese): Mr YIU Pak-leung, each Member may only ask one supplementary question at a time. Please sit down.

Secretary, please reply.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Thank you, President. Regarding inspections on, for example, the staycation business, undercover operations were conducted in the Shau Kei Wan Typhoon Shelter and the Aberdeen Typhoon Shelter on 2 and 8 December 2021 respectively. As I said in the main reply just now, two cases of contravention were found during the two inspections, and prosecution is now underway.

MR PAUL TSE (in Cantonese): *President, I do not know whether the waters of Hong Kong include the berthing spaces of various clubs. If they do, I believe common sense will tell us that given the high land price, many vessel users will choose to live in the vessels. However, the number of prosecutions in five years was only 27 with a maximum fine of \$10,000. Such an amount is even not enough to pay the rent. On the one hand, this shows that perhaps the authorities actually did not pay any attention to this problem. The enforcement was not stringent at all. On the other hand, it also proves that the law itself may be too lenient, resulting in the present situation.*

When I was a child, I often saw that many parking spaces in the street were occupied by some villains who extorted money from car owners. That is the same case with the berthing spaces now. We know that such a situation is common in typhoon shelters. Are the authorities actually determined to combat this problem? If not, they might as well provide opportunities and choices for vessel users to apply for a licence and really live in the vessels. This is somehow better than talking about having stringent regulations to prohibit accommodation in vessels while in reality, no enforcement action is taken. How will the Secretary choose? Will he review the policy and allow vessel users to apply for a licence, or will he enforce the law more stringently?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Thank you, President. To the supplementary question raised by Mr TSE just now, our answer is very clear: It is basically an offence to use pleasure vessels for non-pleasure purposes. The use of pleasure vessels for accommodation purposes is thus an offence per se. As a matter of fact, back in history, boat people did exist in Hong Kong in the past, but given the improvement of the overall living environment in Hong Kong, such a situation no longer exists. Hence, the licence for pleasure vessels is issued for pleasure purposes. As for the legislation mentioned by Mr TSE, its spirit and enforcement actions are basically consistent. Thank you, President.

PRESIDENT (in Cantonese): Fifth question.

Enacting legislation on Article 23 of the Basic Law

5. **IR CHAN SIU-HUNG** (in Cantonese): *Thank you, President. The Hong Kong Special Administrative Region has a constitutional obligation to enact legislation on Article 23 of the Basic Law. Article 7 of the Hong Kong National Security Law also clearly stipulates that “[t]he Hong Kong Special Administrative Region shall complete, as early as possible, legislation for safeguarding national security as stipulated in the Basic Law of the Hong Kong Special Administrative Region and shall refine relevant laws”. In this connection, will the Government inform this Council:*

- (1) *of the latest progress regarding the enactment of legislation on Article 23, and the ways in which the Government plans to conduct public consultation; and*
- (2) *how it will take forward the publicity and explanatory work regarding the enactment of legislation on Article 23, with a view to enabling members of the public to understand that as an inalienable part of the People’s Republic of China, the Hong Kong Special Administrative Region is constitutionally bound, apart from morally obliged, to safeguard national security?*

SECRETARY FOR SECURITY (in Cantonese): President, my consolidated reply to Ir CHAN’s question is as follows:

Enacting local legislation on Article 23 of the Basic Law and refining laws relevant to safeguarding national security are the constitutional responsibilities of the Hong Kong Special Administrative Region (“HKSAR”). Article 23 of the Basic Law clearly stipulates that the HKSAR shall enact laws on its own to prohibit seven types of acts that endanger national security. Article 3 of the “Decision of the National People’s Congress on Establishing and Improving the Legal System and Enforcement Mechanisms for the Hong Kong Special Administrative Region to Safeguard National Security” adopted on 28 May 2020 and Article 7 of the National Security Law respectively require the HKSAR to complete, as early as possible, legislation for safeguarding national security as stipulated in the Basic Law.

In fact, every state will enact laws on safeguarding national security. This is an inherent right of every sovereign state, and also an international practice. The authorization by the Central Authorities for the HKSAR to enact laws on its own for safeguarding national security has embodied the principle of “one country, two systems”, and the State’s confidence in the HKSAR.

As far as safeguarding national security is concerned, there are also practical needs to legislate on Article 23 of the Basic Law. Since the reunification of the HKSAR, the HKSAR has yet to legislate on Article 23 of the Basic Law, nor has it made full use of existing legislations, and there are deficiencies in the laws and enforcement mechanisms for safeguarding national security, resulting in underlying risks to national security. In recent years, following the overall development of the State, many western countries regard China as a major competitor and even take a completely hostile position against it. Given Hong Kong’s unique environment and lifestyles under the principle of “one country, two systems”, it is easy for external elements to infiltrate with malicious intention, or even attempt to foment “colour revolution”, subvert the State power, as well as to promote and advocate “Hong Kong independence”, thus intensifying national security risks. Since the failure of the HKSAR to complete the enactment of legislation on Article 23 of the Basic Law in 2003, there have been drastic changes in the national security risks of the HKSAR. Over the past two decades or so, Hong Kong has experienced social chaos a number of times, including the illegal Occupy Central movement in 2014, the Mong Kok riot in 2016 and the large-scale

riots since 2019. We have even seen the emergence of acts and activities which have seriously undermined the rule of law and public order and endangered national security, including:

- (1) The rise of activities of “Hong Kong independence” and “self-determination”. Some leveraged on “soft resistance” means through the media, arts and culture, etc. to disseminate messages of opposing the Central Authorities and the HKSAR Government, and to incite hatred against the Central Authorities and the body of power of the HKSAR;
- (2) Territory-wide large-scale riots, with damage of public facilities in a wide area. Also, some members of external organizations openly raised funds for or donated equipment to the rioters during the riots;
- (3) Delivery of speeches, words or publications which contain slandering accusations, with a view to inciting the public, glorifying violence, and weakening the concepts of rule of law and law-abiding awareness of the public;
- (4) Local terrorism, which is growing and increasingly materialized into actions. It includes “lone-wolf” attacks and organizing, planning and committing local terrorism activities in small groups; and
- (5) Long-term infiltration on all fronts by external elements through grooming local organizations or individuals as agents in Hong Kong, and taking part in activities endangering national security through the agents, including attempting to influence election results with a view to subverting the State power.

Since the implementation of the National Security Law, social order has been restored, but the above national security risks should not be ignored. Moreover, activities of the criminals have gone increasingly underground and become increasingly clandestine, while some lawbreakers have absconded overseas and wantonly colluded with external elements, and continued to engage in acts and activities endangering national security.

Among the seven types of acts which the HKSAR shall enact laws to prohibit as prescribed in Article 23 of the Basic Law, two are directly covered by the

National Security Law. Existing local legislations (such as the Crimes Ordinance, Official Secrets Ordinance and Societies Ordinance) only cover part of the relevant acts, with areas requiring enhancements.

The HKSAR Government has been carrying out relevant work in respect of the enactment of legislation on Article 23 of the Basic Law. Apart from examining relevant national laws as well as laws of similar nature in other jurisdictions, we are also reviewing the implementation experience of the National Security Law, the relevant court verdicts and deficiencies of the existing laws, as well as taking into account what has happened in the past, with a view to drawing up effective and pragmatic proposals and provisions to cope with the risks concerned.

As for publicity and explanatory work, we will adhere to the principle of openness and transparency and will proactively explain to the public and stakeholders the constitutional responsibility of the HKSAR to enact legislation on Article 23 of the Basic Law, as well as the content of various legislative proposals and the considerations involved. We will also listen to the views of the public and stakeholders with an open mind. In addition to traditional public consultation channels, we will also make good use of various platforms (including online platforms) to disseminate the relevant information and provide explanations to various stakeholders. Nevertheless, we do not rule out that there may still be people smearing the legislative work with malicious or even fake information when opportunities arise. We will make clarifications against such slanders proactively and promptly and, if necessary, engage professionals to assist us in preparing for the publicity and explanatory work.

The Security Bureau has been working in collaboration with the Department of Justice and relevant law enforcement agencies in taking forward the legislative work on Article 23 of the Basic Law. However, in view of the new wave of the epidemic, the HKSAR Government, including the Security Bureau and the Department of Justice, has treated the early stabilization of the epidemic as the overriding mission since early this year. This has affected the legislative work. Besides, the work of formulating the legislative proposals is by no means easy, and is of a complicated nature as it involves the handling of acts and activities in various aspects which endanger national security. In addition, the international situation has witnessed drastic changes, while some existing laws relevant to safeguarding national security (such as the Official Secrets Ordinance and the Societies Ordinance) were enacted long time ago and require substantial amendments in

order to cope with the prevailing national security risks. Apart from effectively addressing past and present national security risks and threats, the legislative proposals shall also be sufficiently forward-looking to address possible risks in future. Besides, the legislative proposals must be practicable in terms of implementation and capable of effectively safeguarding national security.

President, we will continue to proactively embrace the challenges and handle the relevant work proficiently.

Thank you, President.

IR CHAN SIU-HUNG (in Cantonese): *President, I am very pleased to hear from the Secretary that he would proficiently carry out public consultation and the explanatory work on legislation on Article 23 of the Basic Law. I also trust that the Bureau will definitely study and consider in detail all the views received during the consultation period and conduct the legislative work properly while endeavouring to remove the concerns of various sectors in the community.*

However, as the Secretary said, the current international situation is complicated and has witnessed drastic changes, and external elements have never ceased to meddle with and intervene in the affairs of Hong Kong in an attempt to turn Hong Kong into a pawn to suppress China. It is foreseeable that once the process for legislation on Article 23 of the Basic Law commences on all fronts, there will certainly be wonton slanders and attacks from external elements in an attempt to demonize the legislative work on national security which is perfectly justified.

In this connection, may I ask the authorities what difficulties are envisaged in the legislative work on Article 23 of the Basic Law and what corresponding strategies will be adopted by the Bureau? Thank you, President.

SECRETARY FOR SECURITY (in Cantonese): Thank you, President. We actually expect that some instances of slanders are set to arise in the process of legislation. They may include slanders by external elements, slanders by foreign media, or even slanders by the local agents of external elements. We will certainly carry out the explanatory work properly by, among others, making clear the reasons for enacting legislation for the purpose, while explaining that apart from

this being the constitutional responsibility required of us as stipulated in the Basic Law and the National Security Law, there is also a need for us to do so in reality.

The fact is that in retrospect, especially since 2019, we have seen the emergence of many acts that endangered national security. Even though the implementation of the National Security Law has served as an anchor for stability, among the four types of criminal acts covered by it, two are covered by Article 23 of the Basic Law. Five other areas in Article 23 of the Basic Law are not covered by the National Security Law. This is why we have to clearly explain the reasons to the public and present this fact to them, so that the public will know that these slanders are but fictitious, and we actually have this need. Thank you, President.

MR TANG KA-PIU (in Cantonese): *President, just as the Secretary said just now, the failure to complete the enactment of legislation on Article 23 of the Basic Law has actually posed risks to national security, and the international situation of political struggles has become more and more complicated, which everyone can see, and geopolitical risks or even the risks of geopolitical conflicts are also increasing.*

So, my supplementary question is simple. After all, in order to enact legislation on Article 23 of the Basic Law satisfactorily, it does require great efforts to review and study a lot of legislation, and also forward-looking plans. My supplementary question is this: Before completion of the legislative work, what steps will be taken or does the SAR Government have the confidence to adopt effective measures, so that we can still effectively maintain national security and social stability in Hong Kong before completing the legislation on Article 23 of the Basic Law?

SECRETARY FOR SECURITY (in Cantonese): Thank you, President. Before completion of the legislation on Article 23 of the Basic Law, we mainly have in place the National Security Law. The National Security Law covers secession, subversion, terrorist activities, and collusion with external elements to endanger national security. Besides, the Crimes Ordinance currently covers treason and also seditious intention. Moreover, the Societies Ordinance exercises regulation over some political organizations. This is not perfect though, and this is why we

have to legislate on Article 23 of the Basic law, but it does not mean that we do not have laws to deal with the current situation. We have laws in place, just that we have to strive for perfection, and in the face of future risks, we have to further improve our laws. Thank you, President.

MR CHAN HAK-KAN (in Cantonese): *Thank you, President. President, in order to fully safeguard national security, apart from actively promoting the enactment of legislation on Article 23 of the Basic Law, education on national security is also an indispensable part.*

Can the Secretary explain to us what specific work plans the Government has in this regard? Thank you, President.

SECRETARY FOR SECURITY (in Cantonese): Thank you, President. Articles 9 and 10 of the National Security Law clearly point out that the SAR Government shall take necessary measures to strengthen public communication, guidance, supervision and regulation, and promote national security education to raise the awareness of Hong Kong residents of national security and of the obligation to abide by the law. Therefore, we attach much importance to the work of education.

Since the promulgation of the National Security Law on 30 June 2020, the SAR Government has carried out publicity work through various channels, which include printing many pamphlets, compiling documentary records, issuing press releases, arranging many interviews by the media, organizing many physical seminars and webinars, and also launching an online virtual exhibition of the first anniversary of the promulgation of Hong Kong National Security Law.

Furthermore, the National Security Education Day is organized on 15 April annually to enhance the understanding of national security among members of the public, especially young people. This aside, the Security Bureau and the Education Bureau have jointly launched the “2022 Let’s Join Hands in Safeguarding National Security” Programme. We hope that by way of a slogan-cum-poster design competition and an online quiz competition, we can

encourage participation from both teachers and students in primary and secondary schools, so that the awareness of national security can take root in schools. In addition, to tie in with the second anniversary of the promulgation of the National Security Law, we will update the online virtual exhibition in the hope of making it more interesting and enabling more people to understand the importance of national security. Thank you, President.

PRESIDENT (in Cantonese): Last question seeking an oral reply.

Development of innovation and technology and advanced industries

6. **MR HOLDEN CHOW** (in Cantonese): *The Chief Executive (“CE”) proposed in the 2021 Policy Address to reserve a total of about 250 hectares of land for innovation and technology (“I&T”) to focus on the development of I&T and advanced industries. Besides, the Government has invited the Hong Kong Science and Technology Parks Corporation to plan conceptually for the construction of the second Advanced Manufacturing Centre (“AMC”). In this connection, will the Government inform this Council:*

- (1) *given that the Government plans to construct a railway running through Hung Shui Kiu to link up the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, and that Hung Shui Kiu has the geographical advantage of being relatively close to Nanshan District, a major I&T hub near Qianhai, whether the Government will consider setting up the second AMC in Hung Shui Kiu or Tuen Mun, so as to create employment opportunities locally for residents in Northwest New Territories; if so, of the details; if not, the reasons for that;*
- (2) *as some professionals in the industries have pointed out that Hong Kong is well positioned to produce new generation semiconductors, and that semiconductors are in high demand on the Mainland and in other parts of the world, whether the Government will introduce measures, such as providing special land and offering preferential*

treatment in a bid to attract enterprises and talents to Hong Kong to engage in the production of semiconductors, so as to support the development of such an advanced industry; if so, of the details; and

- (3) *given that CE has earlier announced the proposal on the reorganization of government structure, under which the Innovation and Technology Bureau is proposed to be expanded into an Innovation, Technology and Industry Bureau by the next-term Government, whether the Government will at the same time set a target on the percentage of the contribution of the manufacturing industry to the gross domestic product so as to facilitate performance measurement, thereby promoting the development of re-industrialization in Hong Kong?*

SECRETARY FOR INNOVATION AND TECHNOLOGY (in Cantonese): President, I thank Mr CHOW's for the question and suggestions. With our strong research and development ("R&D") capabilities and advantage of being international and market-oriented, the Government has been actively promoting re-industrialization to develop the advanced manufacturing industry, which is less land- or labour-intensive, based on new technologies and smart production. It is conducive to creating quality employment opportunities, and fostering the diversification of economic development. The 2021 Policy Address suggested re-organizing the Government structure, including renaming the Innovation and Technology Bureau ("ITB") as the Innovation, Technology and Industry Bureau to highlight the role of innovation and technology ("I&T") in promoting the development of re-industrialization in Hong Kong.

Having consulted the Development Bureau and the Policy Innovation and Co-ordination Office, our reply to the various parts of the question is as follows:

- (1) The Northern Metropolis Development Strategy ("Development Strategy") proposes the construction of the Hong Kong-Shenzhen Western Rail Link to connect the Hung Shui Kiu/Ha Tsuen New Development Area ("HSK/HT NDA") and the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone ("Qianhai Cooperation Zone"), which promotes and deepens the

cooperation between Hong Kong and Shenzhen on development of high-end economy, as well as expanding HSK/HT NDA. The expanded HSK/HT NDA would be enhanced and transformed into a modern services centre, becoming one of the economic and employment blocks in the Northern Metropolis. The Development Strategy also proposes to build sizable landmark facilities of I&T industry at Lau Fau Shan to facilitate application of software/digital technology in order to promote innovative finance and provide services to I&T industry and modern services industry. This can add impetus to Hong Kong's in-depth cooperation and integrated development with the Qianhai Cooperation Zone and Nanshan District. The expanded HSK/HT NDA can provide more new economy jobs, create local employment opportunities in the northwest New Territories and improve home-job balance. The construction of the cross-boundary rail link also facilitates cross-boundary employment.

The Development Strategy is a conceptual strategic plan with a view to proposing key action directions, conceptual action items and policy initiatives. The Government still needs to refine the recommendations of the Development Strategy and the related work plans as well as conducting detailed planning and engineering studies to confirm the feasibility and the implementation of these plans.

On the other hand, given the favourable response of the industry to the Advanced Manufacturing Centre ("AMC") at Tseung Kwan O InnoPark, the 2021 Policy Address announced to invite the Hong Kong Science and Technology Parks Corporation ("HKSTPC") to plan for the construction of a second AMC. We understand that the industry has a strong demand for land for re-industrialization, and the granting of land often involves lengthy and complicated statutory procedures. Developing the second AMC at an InnoPark may speed up the construction of this important facility. HKSTPC is carrying out initial preparatory works, including identifying a site from its three InnoParks, and conducting an economic benefit analysis and a technical feasibility study for the second AMC, so as to provide space and facilities for specialized industries to set up advanced manufacturing production lines.

- (2) Since the inauguration of the current-term Government, ITB has been promoting re-industrialization and smart manufacturing in five areas: infrastructure, talent, capital, technology and scientific research, including support for semiconductor development and production.

In terms of infrastructure, the construction works for the first AMC were completed in February this year and those for the Data Technology Hub were also completed in 2020. Leasing activities for the two centres have commenced with a satisfactory market response. In addition to the idea of constructing a second AMC, the 2021 Policy Address also announced that the Hong Kong-Shenzhen Innovation and Technology Park and the Lok Ma Chau/San Tin area would be consolidated and developed into San Tin Technopole, which will enable greater clustering effect for the technology sectors and provide more land for advanced manufacturing.

As far as semiconductors are concerned, Hong Kong has advantages in the areas of chip design and packaging industries. Currently, there are about 60 related companies operating in the Hong Kong Science Park and the InnoParks. HKSTPC is developing the Microelectronics Centre (“MEC”) in the Yuen Long InnoPark to provide the industry with the necessary dedicated facilities and shared ancillary facilities for the development, testing, trial production/prototype production of microelectronic products, such as semiconductor chips including sensors, third-generation semiconductors and heterogeneous integrated microelectronics. The construction works for MEC is expected to be completed in late 2023, and will provide over 36 000 sq m of gross floor area to support and promote the development of the microelectronics industry in Hong Kong, and the application of R&D in high value-added industries.

On technology, the Hong Kong Productivity Council has been assisting enterprises to move towards high value-added production, adopt new industrial technologies and gradually upgrade to Industry 4.0, including organizing a wide range of training courses and seminars and assisting various sectors in setting up smart production lines in Hong Kong.

In respect of talent training, the Government launched the Reindustrialisation and Technology Training Programme in August

2018, which funds local enterprises, on a matching basis, for their staff to receive training in advanced technologies, especially those related to Industry 4.0, including digitalized electronic industry and smart industrial systems. The Global STEM Professorship Scheme launched in 2021 supports local universities in recruiting world-renowned STEM scholars or those with great potential.

Regarding capital, the Government launched the Re-industrialisation Funding Scheme in July 2020, which subsidizes manufacturers, on a matching basis, to set up new smart production lines in Hong Kong. Subsidized enterprises come from different industries, including biotechnology, construction, medical devices, nanofiber materials and electronics, etc. Enterprises interested in setting up new smart production lines in Hong Kong (including semiconductor enterprises) are most welcome to apply relevant subsidy.

As for scientific research, the five R&D Centres established by the Government will also continue to carry out R&D work related to re-industrialization and facilitate the commercialization of R&D results in close collaboration with the relevant industries.

- (3) The Advisory Committee on Innovation and Technology published a report in 2017, which set a target of reversing the declining trend of the manufacturing sector's contribution to the gross domestic product ("GDP") by 2020. In fact, the trend on the manufacturing sector's contribution to GDP has largely been stable in recent years, as opposed to the continuous decline in the past two decades or so. There have been voices from the industry indicating that industries in Hong Kong are not limited to traditional manufacturing, and should include supporting services for the manufacturing sector. This new and broader perspective would better reflect the industry's contribution to Hong Kong's economy. In order to keep abreast of the latest development of the manufacturing industry, ITB has been maintaining close liaison with the Census and Statistics Department to explore the development of such metrics.

Many enterprises have implemented "re-industrialization" successfully in recent years. Many friends from the industry have also expressed interests in investing in smart production lines, and have been proactively upgrading their existing production lines.

These momentums demonstrate that our work in promoting re-industrialization is on the right track, and the achievements have gradually emerged. As the development of various land sites and facilities for supporting advanced manufacturing are in the pipeline, we can foresee that the development of re-industrialization will continue to gain traction. The Government remains open to the suggestion of drawing up a target for the manufacturing sector's contribution to GDP, and will look into further support measures that are applicable to the actual situation in Hong Kong.

The National 14th Five-Year Plan and the development of the Greater Bay Area (“GBA”) provide Hong Kong with endless opportunities. We will continue to work in close collaboration with the industry, the academia and research institutes, proactively integrate Hong Kong into national development, and enhance our work in promoting I&T and re-industrialization.

Thank you, President.

MR HOLDEN CHOW (in Cantonese): *President, we strive for the second AMC to be set up in Tuen Mun, Yuen Long or Hung Shui Kiu in the hope of creating more local employment opportunities for the residents. I hope that the Secretary can hear our voice. I am also glad to hear in the main reply today that 60 chip design companies have already established their presence in Hong Kong. The industry has already indicated that it is absolutely feasible for new generation semiconductor companies to engage in small batch production in Hong Kong. We therefore should never say that semiconductor development is not feasible for Hong Kong; it all depends on human effort to achieve this.*

My supplementary question concerns my proposal to set a target on the percentage of the contribution of the manufacturing industry to GDP. In today's main reply, the Government has indicated that it remains open to the suggestion, but a timetable is not available yet. I would like to ask a question. After the reorganization of government structure, will the Trade and Industry Department be put under the future Innovation, Technology and Industry Bureau to enable the Bureau to have direct access to more industry-related statistics, thereby facilitating the authorities in setting a target on the percentage of the contribution of the manufacturing industry to GDP?

Thank you, President.

SECRETARY FOR INNOVATION AND TECHNOLOGY (in Cantonese): Thank you, President. Thank you, Mr CHOW. In fact, Mr CHOW is absolutely right to say that it all depends on human effort to achieve this. In reality, Hong Kong has already kick-started the development of “re-industrialization”, which has become increasingly robust. In fact, in our efforts on semiconductor development, we have observed that Hong Kong industrialists and scientific research institutions have unique strengths and potential which can be exploited much further. This is the reason why we have devoted considerable resources to various aspects over a certain period in the past, including the Yuen Long MEC mentioned just now, to facilitate our development in this area. We hope to get Members’ support which will enable our microelectronics industry and semiconductor production to see more robust development.

In the supplementary question raised just now, Mr CHOW asked whether we should set a target on the percentage of the contribution of the manufacturing industry to GDP in the future. As we can see, Hong Kong’s previous development purely focused on the manufacturing industry. Nevertheless, many friends from the industries have actually reminded us that in the current development of Hong Kong, industry-related service industries should also be included in the contribution of industries to GDP. In order to present a clearer picture of the contribution of our industries to the overall development of the Hong Kong economy more effectively, one organization has compiled in collaboration with the University of Hong Kong a report which suggests that we should include industry-related services in the relevant total amount. In our view, this suggestion is very reasonable in the light of the current situation of Hong Kong. At this stage, we and our colleagues at the Census and Statistics Department are jointly conducting a relevant study to explore ways to make the coverage of contributions more comprehensive.

I thank Mr CHOW for the suggestion, and we readily accept the suggestion he made just now. Irrespective of the work undertaken, we can be more focused if clear targets are in place. That being said, with regard to the coverage of the relevant targets, we still need to gauge the views of the industries—particularly the industrialists—in a humble manner in order to set more complete targets which will offer greater guidance to our work in the future.

Thank you, Mr CHOW. Thank you, President.

MR SUNNY TAN (in Cantonese): *Thank you, President. I thank Mr Holden CHOW for his deep concern about our industrial development. President, apart from the advanced and high value-added industries mentioned in Mr Holden CHOW's question, there are actually also many excellent traditional industries in Hong Kong, such as our textiles and garment industry. Although our production is not based in Hong Kong, our R&D, design, promotion and taxation arrangements are Hong Kong-based. Hong Kong-invested enterprises have a strong influence on the supply chain of the entire production area of the Asia Pacific region.*

I have always been deeply concerned about the reorganization of government structure because a large number of government departments, statutory bodies and government-funded bodies are actually involved in matters relating to industries. Take the textiles and garment sector as an example. The Hong Kong Research Institute of Textiles and Apparel, the Clothing Industry Training Authority, the Hong Kong Productivity Council and Create Hong Kong fall under the purview of different bureaux and departments. My question is: After the restructuring of the Innovation, Technology and Industry Bureau, how can the Government make better arrangements for inter-departmental and cross-agency cooperation, as well as better coordinate their resources and policies? In particular, how can the Secretary do a better job in assisting Hong Kong-invested enterprises to integrate into the national development and capitalize on the opportunities arising from the development the GBA?

Thank you.

SECRETARY FOR INNOVATION AND TECHNOLOGY (in Cantonese): Thank you, President, and I am very thankful to Mr TAN for his supplementary question. In fact, over a period of time in the past, many industrialists, including Mr TAN, have put forward very good suggestions to the Government, and they have partnered with stakeholders of various industries, such as the textiles industry and the environmental industry, to provide us with excellent advice. As Mr TAN has said, our textiles industry is actually still very important in the global market and provides a lot of support to the Hong Kong economy. One of our major considerations and directions of work is how to enable the traditional industries, including the textiles industry, to benefit from our process of promoting smart production in the future.

Mr TAN asked in his supplementary question just now how we can enable various departments and government organizations to work together in a more vibrant manner to provide better services to our industries. Under the current framework, we actually provide all-round support for local industries. In fact, as Mr TAN said, the relevant support is respectively provided by different R&D organizations and support groups indeed.

Upon the establishment of the Innovation, Technology and Industry Bureau in the future, we will focus more attention on the use of I&T to support industrial development. In the process, we will examine how various organizations, both within and outside the Government, can better achieve synergies in supporting our industrialists, thereby enabling our industries to make greater contributions to Hong Kong. In this regard, we will listen to Members' views again following the implementation of the reorganization proposals, and we will also explore ways to enhance inter-departmental and cross-agency cooperation within and outside the Government to better serve the public, as suggested by Mr TAN just now.

MR MARTIN LIAO (in Cantonese): *President, the Re-industrialisation Funding Scheme (“the Funding Scheme”) seeks to provide funding support on a matching basis for manufacturers to set up smart production lines in Hong Kong. This is one of the authorities’ important policies to promote the development of advanced manufacturing industry through capital support. However, only 36 applications have been received since the launch of the Funding Scheme two years ago, and the total amount of funding approved is less than \$200 million. Moreover, some members of the industry have been criticizing the Funding Scheme for its cumbersome application procedures and long vetting and approval time. My question is: Have the authorities reviewed whether there is room for improving the administration and vetting and approval system of the Funding Scheme? What will be done in the future to promote and strengthen the support for the industry so as to benefit more manufacturers, especially smaller companies, under the Funding Scheme?*

SECRETARY FOR INNOVATION AND TECHNOLOGY (in Cantonese): Thank you, Mr LIAO. In fact, apart from the Funding Scheme mentioned by Mr LIAO, we actually have provided support in various areas. For example, as I said earlier, we will provide some infrastructure, talent training, technical support, etc. We hope that the support of various organizations within and outside the Government will foster the further development of our industries.

The Funding Scheme mentioned by Mr LIAO just now was actually launched about two years ago and 37 applications have been received in a short span of less than two years. The vetting process for 33 of the 37 applications have completed and 28 organizations have been funded to carry out the relevant preparatory work.

As also mentioned by Mr LIAO just now, we have approved funds of about \$190 million, slightly less than \$200 million, while the induced private investment has exceeded \$500 million. In my opinion, the new Funding Scheme has already achieved certain results, given that it can receive more than 30 applications in less than two years, particularly during a period when industrialists were still facing many challenges (including the impact of the epidemic), just as Members may recall. Of course, I fully agree with Mr LIAO that Hong Kong has a strong potential to promote the further development of “re-industrialization” by leveraging the support from our nation and the development of the Greater Bay Area once the epidemic situation begins to stabilize in the future.

We will listen to the views of our friends from the industries in a humble manner, such as their views on how to streamline the relevant procedures. As Members can recall, we have listened to your views during our planning for the Funding Scheme and made some arrangements accordingly, such as enabling applicants to receive the relevant funds as early as possible in the process. Under some previous schemes, applicants had to wait until the completion of relevant work before they could apply for funding, so that they might end up paying a large amount of money up front. We will listen humbly to Members’ views so as to ensure that every scheme to support the industries will truly meet their needs.

I thank Mr LIAO for the suggestions. We will listen to Members’ views in a humble manner to enhance the Funding Scheme.

MR JEFFREY LAM (in Cantonese): *Thank you, President. With the rapid changes in the global development, the business sector attaches great importance to the principle that we should make progress or we will fall behind. Over the years, we in the industrial and commercial sector have been providing vigorous support for the collaboration between I&T and industrial development to attain synergy.*

In fact, the views raised by Members today have been repeatedly put forward by the Hong Kong General Chamber of Commerce and the Federation of Hong

Kong Industries. We have also worked with InnoParks to vigorously promote the joint development of I&T and industries, and have repeatedly stressed that all development projects should comply with the “infrastructure-led” principle. At the initial stage of the development of I&T land, the Government should provide the necessary support for industrial land. In order to attract Mainland and overseas technological talents to come to Hong Kong, has the Government prepared the basic facilities for transportation, logistics, services and living in advance, so as to facilitate the injection of new blood into Hong Kong’s I&T development?

Thank you, President.

SECRETARY FOR INNOVATION AND TECHNOLOGY (in Cantonese): Thank you, President, and thank you, Mr LAM. In fact, Mr LAM has made a very correct suggestion. It is necessary to put the relevant infrastructure and supporting facilities in place before we can strive for perfection in the promotion of industrial development. Therefore, as Members can see, this year’s Policy Address has allocated an unprecedented amount of resources to support I&T development.

Let me cite an example. On the land issue mentioned by Mr LAM just now, there are currently about 340 hectares of I&T land, of which 253 hectares have been developed and 89 hectares have been planned for development. In the meantime, we will provide an additional 250 hectares of I&T land to support I&T development in the Northern Metropolis and related areas alone, as mentioned in this year’s Policy Address. These sites are distributed across different places, including the San Tin Technopole, the reclaimed land at Tolo Harbour, and an R&D site in Lau Fau Shan I mentioned earlier, which is comparable to the Cyberport. In fact, in line with Mr LAM’s suggestion, we aim to build the relevant infrastructure and facilities properly to facilitate the development of the industry. We will keep up our efforts in this regard.

Thank you, Mr LAM.

PRESIDENT (in Cantonese): The question session ends here.

WRITTEN ANSWERS TO QUESTIONS**Coordination between Hong Kong International Airport and neighbouring airports**

7. **DR WENDY HONG** (in Chinese): *The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area puts forward pursuing differential development and positive interaction of airports in the Guangdong-Hong Kong-Macao Greater Bay Area (“Greater Bay Area”) for developing a world-class airport cluster in the Greater Bay Area. It is learnt that the Hong Kong International Airport and the Shenzhen Baoan International Airport are both constructing their third runways, which will be completed in 2024 and 2025 respectively. Some analyses have pointed out that as these two airports are in relatively close proximity with the orientation of their runways being perpendicular to each other, and they are using different air traffic management systems, conflicts may arise in respect of the rights to use the airspace upon completion of the third runways of the two airports. In this connection, will the Government inform this Council whether, in order to ensure the efficiency of the airport cluster in the Greater Bay Area, the authorities have commenced discussion with the authorities of the country and other airports in the Greater Bay Area, so as to rationalize the rights to use the airspace and coordinate the air traffic management systems; if so, of the current progress; if not, how the authorities resolve the conflicts that may arise in future in respect of the rights to use the airspace?*

The written reply provided by the **Secretary for Transport and Housing** on 11 May 2022 is in **Appendix 3**.

Encouraging young people to pursue development in the Guangdong-Hong Kong-Macao Greater Bay Area

8. **MS LILLIAN KWOK** (in Chinese): *To encourage and support young people to work and pursue their career in the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area (“Greater Bay Area”), the Chief Executive announced in the 2020 Policy Address the launch of the “Greater Bay Area Youth Employment Scheme” (“the Scheme”). Whilst the Scheme provides 2 000 places, as at the end of January this year, the Government received*

preliminary applications for allowance from enterprises for employing some 1 100 graduates only. Some young people consider that the Scheme has inadequacies, which have deterred them from participating in it. In this connection, will the Government inform this Council:

- (1) whether it has reviewed the effectiveness of the publicity of the Scheme; if so, of the details; if not, the reasons for that;*
- (2) whether it will set up an online job information platform in respect of the Scheme; if so, of the details (including the target number of participating enterprises); if not, the reasons for that; and*
- (3) given that amid the epidemic, normal traveller clearance between the Mainland and Hong Kong has not been resumed for a prolonged period of time, of the Government's measures in place to continue encouraging young people to work and pursue their career in the Mainland cities of the Greater Bay Area?*

The written reply provided by the **Secretary for Labour and Welfare** on 11 May 2022 is in **Appendix 3**.

Cancer prevention services provided for women

9. **MS ALICE MAK** (in Chinese): *On cancer prevention services provided for women, will the Government inform this Council:*

- (1) of the respective numbers of new cases of and deaths from breast cancer, cervical cancer, ovarian cancer and corpus uteri cancer in each of the past five years; whether it will draw up specific plans to enhance prevention of these cancers; if so, of the details and estimated expenditure; if not, the reasons for that;*
- (2) of the respective numbers of persons receiving mammography and breast ultrasound scanning in public healthcare institutions in each of the past five years, with a breakdown by age group; and*

- (3) *given that the Government has rolled out a two-year “Breast Cancer Screening Pilot Programme” in September last year to conduct breast cancer screening for women aged between 44 and 69, of the following information of the Programme:*
- (i) *the up-to-date number and percentage of participants in each age group (i.e. 44 to 54, 55 to 64 and 65 to 69) and, among which, the number and percentage of those who have been arranged to receive mammography and breast ultrasound scanning;*
 - (ii) *the number of units providing the screening services, and the number of persons serviced by each unit so far;*
 - (iii) *the expenditure for the last financial year and the estimated expenditure for the current financial year; whether it will step up publicity on the Programme in the next financial year; if so, of the details;*
 - (iv) *the current number of units providing mammography screening; whether it has assessed if the existing service capacity is sufficient to meet the demand; if it has assessed and the outcome is in the negative, of the measures in place to increase the service capacity; and*
 - (v) *whether it will study turning the Programme into a territory-wide breast cancer screening programme for women; if so, of the details and estimated annual expenditure; if not, the reasons for that?*

The written reply provided by the **Secretary for Food and Health** on 11 May 2022 is in **Appendix 3**.

The eMPF Platform project

10. **MR KWOK WAI-KEUNG** (in Chinese): *In 2021, the Mandatory Provident Fund Schemes Authority (“MPFA”) established the eMPF Platform Company Limited (“eMPF Company”) to take forward the eMPF Platform project, and engaged a contractor to commence the building work. It is learnt that the contractor is required to complete the various stages of the work in a timely*

manner, including system development (end of 2022), system testing (first quarter of 2023), system ready for onboarding by Mandatory Provident Fund (“MPF”) schemes in sequence (April 2023), and completion of the onboarding process for MPF schemes (2025). In this connection, will the Government inform this Council:

- (1) whether it knows the milestones for the aforesaid various work stages, as well as the progress of the system development work so far and the status of achieving the milestones; of the measures put in place by MPFA to supervise the work of the contractor in order to ensure that the various stages of the work can be completed as scheduled; whether it has formulated a punishment mechanism for MPFA, the eMPF Company and the contractor in case of the failure of the contractor to complete the work on schedule, resulting in the eMPF Platform being unable to come into full operation in 2025;*
- (2) whether it knows the following information about the engagement sessions on the eMPF Platform project organized since December 2021 by MPFA and the eMPF Company in conjunction with the contractor: the number of sessions held, the number of participants, the types of stakeholders involved, and the major views collected; whether it has assessed the impacts of the epidemic on the consultation work; if so, of the details; if not, the reasons for that; and*
- (3) as it is learnt that the Government will implement the abolition of the “offsetting arrangement” (i.e. an employer may use the accrued benefits of the mandatory contributions he made for an employee to a MPF scheme to offset the statutory severance payment or long service payment payable by him to that employee) only after the enactment of the bill on the Designated Savings Accounts Scheme and upon the full implementation of the eMPF Platform, whether the Government has explored with MPFA the possibility of expediting the building of the eMPF Platform; whether it has formulated publicity and promotional programmes so as to, before the formal launch of the eMPF Platform, explain to members of the public as early as possible the Platform’s services and its relationship with the offsetting arrangement?*

The written reply provided by the **Secretary for Financial Services and the Treasury** on 11 May 2022 is in **Appendix 3**.

Issues relating to the vetting and approval of applications for the Anti-epidemic Fund

11. **MR SHIU KA-FAI** (in Chinese): *The Government announced respectively in January and February this year the introduction of measures for the fifth and sixth rounds of the Anti-epidemic Fund (“AEF”), and indicated that relevant measures would be implemented as early as possible. However, quite a number of businesses and members of the public have sought my assistance, saying that they have submitted their applications for quite some time but so far received no news at all. In this connection, will the Government inform this Council:*

- (1) *of the dates on which, and the total number of days for which, the various types of scheduled premises suspended operation pursuant to the requirements of the Prevention and Control of Disease (Requirement and Directions) (Business and Premises) Regulation (Cap. 599F) since the outbreak of the first wave of the epidemic;*
- (2) *of the respective numbers of applications for the aforesaid two rounds of measures received, approved and rejected by the Government to date, as well as the number of appeal cases now being processed, together with a breakdown by measure; the main reasons why the vetting and approval as well as the disbursement of funds are not completed;*
- (3) *as it is learnt that quite a number of applicants have called the relevant enquiry hotlines to enquire about issues relating to the vetting and approval of applications but cannot receive specific responses, whether the Government has received complaints about the enquiry hotlines; if so, whether it has assessed if such hotlines can effectively provide assistance to enquirers; if it has assessed and the outcome is in the affirmative, of the details; if the assessment outcome is in the negative, whether it will make improvements;*
- (4) *when vetting and approving the applications submitted for the aforesaid two rounds of measures, whether it has found any suspected cases of fraud or abuse; if so, of a breakdown by measure, and whether it has assessed if such cases will affect the progress of the vetting and approval processes;*

- (5) *whether it has assessed if supervisory efforts have been affected during the period when the post of the Chief Secretary for Administration is left vacant, rendering the relevant government departments having to take longer time to vet and approve applications; if it has assessed and the outcome is in the negative, of the reasons for that; and*
- (6) *whether it has taken measures to expedite the progress of the vetting and approval of applications as well as the disbursement of funds; if so, of the details; if not, the reasons for that?*

The written reply provided by the **Financial Secretary** on 11 May 2022 is in **Appendix 3**.

Epidemic prevention measures to guard against importation of cases

12. **MR JEFFREY LAM** (in Chinese): *From the 1st of last month, the Government has lifted the place-specific flight suspension mechanism implemented for Australia, Canada, France, India, Nepal, Pakistan, the Philippines, the United Kingdom and the United States of America, as well as required that all Hong Kong residents who have stayed in overseas places must, upon their arrival in Hong Kong, produce: a recognized vaccination record, a negative result proof of a PCR-based nucleic acid test for the Coronavirus Disease 2019 conducted within 48 hours before the scheduled time of departure of the aircraft, and a confirmation of room reservation in a designated quarantine hotel for at least seven nights from the day of arrival in Hong Kong (a person who meets the relevant conditions may choose to undergo self-monitoring for the subsequent seven days after completing the first seven days' compulsory quarantine in a hotel). In addition, from the 1st of this month, the Government has lifted the ban on non-Hong Kong residents entering Hong Kong, and non-Hong Kong residents coming to Hong Kong are subject to the same boarding, quarantine and testing measures for Hong Kong residents to guard against importation of cases. In this connection, will the Government inform this Council:*

- (1) *whether it has estimated the number of inbound flights from the aforesaid nine countries and the booking status for flight tickets, as well as the number of rooms provided by all quarantine hotels in Hong*

Kong and their booking status, in the coming three months; if so, how such statuses compare with those in the three months before the lifting of the relevant mechanism;

- (2) *how it can best implement the measures to guard against importation of cases, including (i) how to conduct contact tracing in a timely and effective manner when an inbound traveller is tested positive in a relevant virus test during the self-monitoring period, and (ii) how to prevent the recurrence of a situation similar to the one in the fifth wave of the epidemic in which an infection case in a quarantine hotel led to a community outbreak; and*
- (3) *how it ensures that the negative result proof of a PCR-based nucleic acid test produced by an inbound traveller is issued by a laboratory or healthcare institution that meets the requirements of the Hong Kong Government?*

The written reply provided by the **Secretary for Food and Health** on 11 May 2022 is in **Appendix 3**.

Enhancing Chinese medicine services

13. **DR DAVID LAM** (in Chinese): *It is learnt that the curative effects of Chinese medicine (“CM”) are significant in areas such as stroke rehabilitation treatment, supplementary treatment for cancer, pain control, and treatment of infectious diseases. On enhancing CM services, will the Government inform this Council:*

- (1) *whether it has considered providing inpatients in all public hospitals with consultation services by resident CM practitioners or conjoint Chinese-Western medicine consultation services, and providing follow-up consultation services by CM practitioners;*
- (2) *of the measures in place to enhance the role of CM practitioners in existing in-patient services, such as conducting joint inspection of patients, making diagnoses, and discussing and deciding on treatment*

protocols with Western medicine (“WM”) practitioners, instead of only providing consultation and treatment services through referrals by WM practitioners;

- (3) whether it will provide CM consultation and treatment services in dermatological clinics, general out-patient clinics and family medicine clinics, and provide conjoint Chinese-Western medicine consultation services when necessary; and*
- (4) given that through tripartite collaboration among the Hospital Authority, non-governmental organizations and universities, Chinese Medicine Clinics cum Training and Research Centres (“CM Clinics”) are currently operated in 18 districts across the territory, and it is learnt that the levels of subsidies provided by the Government for CM Clinics are much lower than those for other out-patient clinics, of the Government’s current subsidization rates for the various kinds of out-patient services, and whether it will increase the subsidies for CM Clinics?*

The written reply provided by the **Secretary for Food and Health** on 11 May 2022 is in **Appendix 3**.

Safeguarding Hong Kong’s fuel supply

14. **MR CHAN HAN-PAN** (in Chinese): *Some members of the fuel industry have pointed out that the outbreak of war between Russia and Ukraine and the imposition of sanctions on Russia by European countries and the United States, etc. have led to a severe shortage of international crude oil and refined oil products. In addition, as the rate of increase in the prices of refined oil products in Europe has far exceeded that of crude oil, more refined oil resources from the Asia-Pacific region are converging on Europe. Moreover, it has been reported that the relevant ministries of the Mainland plan to cease the export of refined oil products or substantially reduce the export quota, and such measures will make the shortage in the supply of refined oil products more acute, rendering it difficult for oil companies in Hong Kong to procure the required oil products from overseas markets in a timely manner. In this connection, will the Government inform this Council:*

- (1) *whether it has studied the level of risk of fuel shortage in Hong Kong as a result of the aforesaid situations; if so, of the details; if not, the reasons for that;*
- (2) *given that auto-fuel prices have continued to rise recently, and some oil companies have shortened the operating hours of individual petrol filling stations as their staff members have contracted the Coronavirus Disease 2019, whether the Government has received relevant complaints from members of the public; if so, of the details, and whether it has taken the initiative to gain an understanding from the oil companies about the relevant situations; if so, of the details; if not, whether it will take follow-up actions;*
- (3) *as some members of the industry have suggested that a long-term mechanism be established for the quota of refined oil products exported from the Mainland to Hong Kong, so that oil companies can flexibly arrange the monthly import volume according to the actual demand, thereby stabilizing and safeguarding the fuel supply for Hong Kong, whether the Government will examine such proposal and other measures to safeguard the fuel supply; if so, of the timetable; if not, the reasons for that; and*
- (4) *whether it will study the following proposal put forward by members of the industry: to make marine fuel oil produced in the Mainland and exported to Hong Kong eligible for duty refunds, so that ships bunkering in Hong Kong can use duty-free marine fuel oil from the Mainland in the same way as those bunkering at Mainland ports (e.g. Yantian port in Shenzhen), thereby manifesting the advantages of “one country”, as well as safeguarding Hong Kong’s supply of marine fuel oil and maintaining Hong Kong’s status as an international maritime and trading centre; if so, of the timetable; if not, the reasons for that?*

The written reply provided by the **Secretary for the Environment** on 11 May 2022 is in **Appendix 3**.

Developing the digital economy

15. **MR BENSON LUK** (in Chinese): *On developing the digital economy, will the Government inform this Council:*

- (1) *as it has been reported that the trading of “non-fungible tokens” (commonly referred to as “NFT”), a type of virtual assets, has been popular in recent years and has become one of the new trends in the development of the digital economy, and that through NFT online trading platforms, works of art and culture such as digital paintings, images, audio-visual products and animations can be traded, whether the Government has plans to make use of NFT to promote the development of the digital economy as well as the development of the digital arts and cultural industry in Hong Kong; if so, of the details; if not, the reasons for that;*
- (2) *in view of the target that the digital economy should move towards a full expansion stage by 2025 as put forward in the circular, issued by the State Council in January this year, on the Development Plan for Digital Economy during the 14th Five-Year Plan Period, and on the premise of taking into account two national security fields of “economic security” and “science and technology security”, whether the Government will formulate a blueprint for developing Hong Kong’s digital economy, so that Hong Kong’s digital economy can develop steadily and healthily and that Hong Kong can achieve the targets of developing into an international innovation and technology hub as well as an East-meets-West centre for cultural and art exchange as set out in the National 14th Five-Year Plan; if so, of the details; if not, the reasons for that; and*
- (3) *whether it will consider including topics relating to the digital economy in existing teacher training courses and STEM courses (i.e. courses relating to science, technology, engineering and mathematics) in schools, so as to enhance young people’s understanding of the development of the digital economy and nurture relevant talents?*

The written reply provided by the **Secretary for Innovation and Technology** on 11 May 2022 is in **Appendix 3**.

Support measures for frontline cleansing and security workers

16. **IR GARY ZHANG** (in Chinese): *Regarding the support measures for frontline cleansing and security workers (“frontline workers”) under the sixth round of the Anti-epidemic Fund launched by the Government in February this year (“support measures”), will the Government inform this Council:*

- (1) *of the latest progress of the item of “Support Cleansing and Security Staff Engaged by Government, Hong Kong Housing Authority and Hong Kong Housing Society Service Contractors in Anti-epidemic Efforts” under the support measures; whether the Government has put in place a mechanism to ensure that the contractors concerned will all submit applications in respect of this item, so as to safeguard the receipt of the relevant allowance by their frontline workers; if so, of the details; if not, the reasons for that;*
- (2) *given that under the support measures, frontline workers engaged under private property management in the property management sector and the frontline workers under those organizations mentioned in (1) may each be provided a monthly allowance of \$2,000 for a period of five months (i.e. from February to June), but it is learnt that during that period, there may be housing estates replacing their property management companies, what measures are put in place by the Government to avoid omission on the part of the property management companies concerned in respect of applying for the allowance for their frontline workers during the transitional period; and*
- (3) *as I have learnt that the Government has undertaken to accord equal treatment to all by including in the coverage the relevant frontline workers of some organizations (e.g. the MTR Corporation Limited and the Airport Authority Hong Kong) who have been left out in the support measures, of the latest coverage of the support measures?*

The written reply provided by the **Secretary for Financial Services and the Treasury** on 11 May 2022 is in **Appendix 3**.

Persons sanctioned by foreign countries' authorities due to their public offices

17. **MS JOEPHY CHAN** (in Chinese): *In August 2020, a number of officials of Hong Kong and the Mainland were put on the sanctions list by the authorities of the United States (“US”). Such officials included a person who was the then Secretary for Security. Last month, upon the Government’s announcement of that person being the validly nominated candidate for the sixth-term Chief Executive Election, that person met with suspension by a US information and technology company of his account with a social media platform under that company, on the grounds that the company had to comply with the relevant sanctions policies of the US authorities. In this connection, will the Government inform Council:*

- (1) *in respect of those incumbent or former officials sanctioned by foreign countries’ authorities due to their public offices, whether the authorities have provided them support, so as to reduce the inconvenience caused to them by the relevant sanctions policies; and*
- (2) *as there are views that the act of the aforesaid company is tantamount to assisting foreign countries’ authorities in adopting discriminatory restrictive measures against a Chinese national, and may have violated the Anti-foreign Sanctions Law of the People’s Republic of China, whether the authorities will study taking the initiative to assist those persons on whom foreign countries’ authorities have imposed discriminatory restrictive measures due to such persons’ public offices, in instituting legal proceedings in Mainland courts?*

The written reply provided by the **Secretary for Constitutional and Mainland Affairs** on 11 May 2022 is in **Appendix 3**.

Rehousing blocks under the Urban Renewal Authority

18. **MR EDWARD LEUNG** (in Chinese): *At present, eligible domestic tenants who are affected by the redevelopment projects carried out by the Urban Renewal Authority (“URA”) may be allocated flats in the four rehousing blocks (i.e. Bedford Tower at Bedford Road in Tai Kok Tsui, Rich Building at Lai Chi Kok Road in Sham Shui Po, 12 Soy Street in Mong Kok, and Shun Sing Mansion at Des Voeux Road West in Western District) under URA (“rehousing flats”). URA also sets*

aside some of the rehousing flats for allocation to social welfare organizations for their provision of transitional housing. In this connection, will the Government inform this Council if it knows:

- (1) when URA started implementing the policy of leasing rehousing flats to or earmarking such flats for social welfare organizations, as well as the criteria and rents/fees (if applicable) concerned;*
- (2) the number and percentage of flats in the aforesaid four rehousing blocks that are currently leased to social welfare organizations, and the names of the social welfare organizations concerned;*
- (3) whether URA will consider increasing the number of flats for leasing to social welfare organizations, so as to increase the supply of transitional housing; and*
- (4) whether URA has explored the implementation of a more flexible policy on the use of rehousing flats, so as to strike a better balance between leasing flats for use as transitional housing and reserving flats for rehousing use in respect of its development projects, thereby making good use of its housing resources?*

The written reply provided by the **Secretary for Development** on 11 May 2022 is in **Appendix 3**.

Manpower of teachers

19. **MR TANG FEI** (in Chinese): *It has been reported that over 2 000 teachers of government-subsidized schools withdrew from the provident fund scheme for teachers on grounds of retirement or resignation, etc. in the last school year. Such figure hits a record high in seven years, and quite a number of these teachers were experienced teachers with over 15 years of service. Regarding the manpower of teachers, will the Government inform this Council:*

- (1) of (i) the number and percentage of teachers who departed (with a breakdown by their length of service) and (ii) the number and percentage of newly-joined teachers, in each of the past four school years and since the beginning of the current school year; and*

- (2) *whether, under the circumstances of a continued decline in the source of students, it has assessed if there is an oversupply of graduates from teacher education institutions in recent years; if it has assessed and the outcome is in the affirmative, whether it has made adjustment to the supply of teachers?*

The written reply provided by the **Secretary for Education** on 11 May 2022 is in **Appendix 3**.

Eligibility for public benefits of residents permanently departed from Hong Kong

20. **MR CHAN HAK-KAN** (in Chinese): *Over the past two years, there has been a net outflow of over 120 000 Hong Kong residents, whilst the number of withdrawal claims of Mandatory Provident Fund (“MPF”) benefits on ground of permanent departure from Hong Kong in the fourth quarter of last year was 8 700. It is learnt that some of such persons, after withdrawing their MPF benefits, are still eligible for public benefits, including receiving Social Security Allowance (“SSA”) payments and health care vouchers (“HCVs”), as well as residing in public rental housing (“PRH”) units. In this connection, will the Government inform this Council:*

- (1) *whether it has compiled statistics on the number of persons who, after withdrawing their MPF benefits in the past three years on ground of permanent departure from Hong Kong, has continued to (i) receive SSA payments, (ii) receive HCVs and (iii) reside in PRH units; and*
- (2) *whether it has plans to amend the relevant legislation or requirements to stipulate that, except for the recipients covered by the Guangdong Scheme and the Fujian Scheme under the SSA Scheme, any persons withdrawing their MPF benefits on ground of permanent departure from Hong Kong will, from the date of such withdrawals, lose their eligibility for the aforesaid public benefits?*

The written reply provided by the **Secretary for Labour and Welfare** on 11 May 2022 is in **Appendix 3**.

Improving the quality and odour of coastal waters of the Victoria Harbour

21. **DR PRISCILLA LEUNG** (in Chinese): *Regarding the efforts to improve the quality and odour of coastal waters of the Victoria Harbour (“the Harbour”), will the Government inform this Council:*

- (1) *of the annual Water Quality Objectives compliance rate of the Harbour water control zone (“WCZ”) in each of the past five years;*
- (2) *of the number of cases of misconnections of foul water pipes leading to the discharge of sewage to the Harbour WCZ which the Government followed up in each of the past five years and, among such cases, the number of those which have been rectified, with a breakdown by District Council districts;*
- (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;*
- (4) *of the following information on the Harbour WCZ sewerage improvement projects which (i) were completed in the past five years, (ii) are now under construction and (iii) are pending funding approval by this Council: project name, year of completion/expected year of completion, as well as cost/estimated cost; and*
- (5) *of the latest implementation progress of the various proposals set out in the consultancy report on “Further Enhancing Quality of Coastal Waters of Victoria Harbour”?*

The written reply provided by the **Secretary for the Environment** on 11 May 2022 is in **Appendix 3**.

Consolidating Hong Kong's status as an international financial centre

22. **MR CHAN CHUN-YING** (in Chinese): *According to a global financial centres index report released in March this year, the overall global ranking of Hong Kong remained in the third place. However, there was a mere one point difference between the overall ratings of the financial centres in the third to the eighth places in the overall ranking, and Hong Kong was ranked fourth in terms of human capital (lagging behind that of Singapore) and even as low as eleventh in terms of financial sector development. There are views pointing out that Hong Kong should expedite policy implementation in order to consolidate and enhance Hong Kong's status as an international financial centre. In this connection, will the Government inform this Council:*

- (1) *whether the various policy initiatives relating to enhancing Hong Kong's status as an international financial centre in the 2021 Policy Address as well as in the Budget published in February this year have been implemented as scheduled; if so, of the details; if not, the reasons for that;*
- (2) *as it is learnt that some non-Chinese nationals residing in Hong Kong or senior echelons of enterprises who need to travel to and from Hong Kong for business purposes have decided to relocate outside Hong Kong due to the great inconvenience brought about by the anti-epidemic measures implemented locally, whether the Government will consider, under certain conditions, adjusting the anti-epidemic measures implemented for such persons (e.g. allowing them to undergo home quarantine instead of hotel quarantine after returning to Hong Kong), so as to retain talents to work in Hong Kong; if so, of the details; if not, the reasons for that; and*
- (3) *whether it has made preparation for visit programmes to be conducted by government officials after the epidemic is over for the purpose of promoting Hong Kong, so that the relevant work can be commenced as soon as possible when appropriate; if so, of the details; if not, the reasons for that?*

The written reply provided by the **Secretary for Financial Services and the Treasury** on 11 May 2022 is in **Appendix 3**.

GOVERNMENT BILL**First Reading and Second Reading of Government Bill****First Reading of Government Bill**

PRESIDENT (in Cantonese): Government Bill: First Reading.

INLAND REVENUE (AMENDMENT) (TAX DEDUCTIONS FOR DOMESTIC RENTS) BILL 2022

CLERK (in Cantonese): Inland Revenue (Amendment) (Tax Deductions for Domestic Rents) Bill 2022.

Bill read the first time and ordered to be set down for Second Reading pursuant to Rule 53(3) of the Rules of Procedure.

Second Reading of Government Bill

PRESIDENT (in Cantonese): Government Bill: Second Reading.

INLAND REVENUE (AMENDMENT) (TAX DEDUCTIONS FOR DOMESTIC RENTS) BILL 2022

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I move the Second Reading of the Inland Revenue (Amendment) (Tax Deductions for Domestic Rents) Bill 2022 (“the Bill”).

The Bill seeks to implement the tax deduction for domestic rent as proposed in the 2022-2023 Budget, so as to ease the burden of taxpayers liable to salaries tax and tax under personal assessment who are not owners of domestic properties. We hope to secure passage of the Bill before the summer recess of the Legislative Council this year, so that the measure can be implemented from the year of assessment (“YA”) 2022-2023.

Under the proposal in the Bill, a taxpayer may claim deduction for the rent paid by him/her or his/her spouse (who is not living apart from him/her) as tenant, or by both of them as co-tenants, in relation to a relevant YA for renting eligible domestic premises. The relevant premises must be the taxpayer's principal place of residence, and the relevant tenancy must be stamped. The proposed maximum amount of allowable deduction is \$100,000 for each YA, and there is no limit for the entitlement period. This measure is expected to benefit about 430 000 taxpayers, and the government revenue forgone will amount to about \$3.3 billion per year.

To ensure that it is a targeted measure that supports taxpayers who are most in need, forestall abuse, and prevent potential double tax benefit or tax avoidance, the Bill proposes to provide for certain circumstances in which the deduction is not allowed, including:

- (1) the taxpayer or his/her spouse (who is not living apart from the taxpayer) is a legal and beneficial owner of any domestic premises in Hong Kong;
- (2) the landlord or principal tenant of the rented domestic premises is an associate of the taxpayer or his/her spouse (e.g. the landlord is the taxpayer's spouse, or a parent, child, sibling or partner of the taxpayer or his/her spouse);
- (3) the taxpayer or his/her spouse (who is not living apart from the taxpayer) is provided with a place of residence by his/her employer;
- (4) the taxpayer or his/her spouse (who is not living apart from the taxpayer) is a tenant or authorized occupant(s) of a public rental housing flat;
- (5) the rented premises are not allowed for residential use or the tenancy is prohibited under any law or a government lease; or
- (6) the taxpayer or his/her spouse has entered into a lease purchase agreement in respect of the premises concerned with the landlord, etc.

The amount of deduction allowable to a taxpayer is the amount of rent paid under the tenancy in relation to the YA or the deduction ceiling for the tenancy for the YA, whichever is less. The Bill also sets out detailed deduction rules for different situations, such as when more than one tenancy is involved in a YA, the total amount of deduction allowable to a married person or the person's spouse who is not living apart from the person, etc. Regarding the deduction ceiling, if there is more than one tenant under the tenancy, the deduction ceiling will be reduced in proportion to the number of co-tenants; and if the tenancy period covers less than 12 months of a YA, the deduction ceiling will be reduced in proportion to the tenancy period falling within the YA.

Eligible taxpayers can provide information about their expected domestic rent paid in relation to YA 2022-2023 in the tax returns for YA 2021-2022 to be issued this June. Upon passage of the Bill, the Inland Revenue Department ("IRD") will take into account the deduction when assessing the provisional salaries tax for YA 2022-2023.

President, we have issued a paper to the Legislative Council explaining the details of the Bill. IRD has also provided on its website an introduction on the proposed tax deduction for domestic rent, including the deduction rules and frequently asked questions for taxpayers' reference. The proposed deduction can ease the tax burden on eligible taxpayers. I look forward to the passage of the Bill and hope that Members will support it, so that taxpayers can benefit from this measure early.

I so submit. Thank you, President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Inland Revenue (Amendment) (Tax Deductions for Domestic Rents) Bill 2022 be read the second time.

In accordance with the Rules of Procedure, the Second Reading debate is adjourned and the Bill is referred to the House Committee.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Member's motion with no legislative effect.

Mr Vincent CHENG will move a motion on “Formulating policy and development blueprint on arts and culture for the next five years”.

Six Members will move amendments to the motion.

This Council will proceed to a joint debate on the motion and the amendments.

Later, I will first call upon Mr Vincent CHENG to speak and move the motion. Then I will call upon Mr Kenneth FOK, Dr Stephen WONG, Mr YIU Pak-leung, Mr Sunny TAN, Mr MA Fung-kiwok and Ir LEE Chun-keung to speak in sequence, but they may not move their amendments at this stage.

The joint debate now begins. Members who wish to speak please press the “Request to speak” button.

I now call upon Mr Vincent CHENG to speak and move the motion.

MOTION ON “FORMULATING POLICY AND DEVELOPMENT BLUEPRINT ON ARTS AND CULTURE FOR THE NEXT FIVE YEARS”

MR VINCENT CHENG (in Cantonese): President, I move that the motion, as printed on the Agenda, be passed. That is, the motion on “Formulating policy and development blueprint on arts and culture for the next five years”.

President, the new Chief Executive has been elected and the new-term Government will soon assume office. We are eagerly looking forward to the reorganization of the government structure, including the setting up of a Culture, Sports and Tourism Bureau. This is also what we have been longing for. On the cultural aspect, the setting up of a separate bureau has been proposed more than a decade ago, but we have failed to do so in the end. I believe we are all very disappointed. In the meantime, I hope the Government can catch up with what we are lagging behind in the development of arts and culture. In particular, we have to grow rapidly in respect of the development of arts and cultural software.

More importantly, the Central Government has entrusted us with the mission of “developing Hong Kong into an East-meets-West centre for international cultural exchange” through the Outline of the 14th Five-Year Plan. Therefore, today I propose this motion to urge the Government to formulate policy and development blueprint on arts and culture for the next five years, hoping to listen more to the ideas put forward by Honourable colleagues later, which would serve as better reference for the Government.

I have drafted a proposal entitled “Arts and Culture in Hong Kong 2027+” comprising 50-odd suggestions. I hope to consolidate them after listening to the speeches of fellow colleagues today for submission to the new-term SAR Government at a later time. As I have mentioned in my motion, policy and development blueprint on arts refer to further enhancing the knowledge and recognition of Hong Kong people about our own culture, particularly Chinese culture. Regarding arts and culture, a high level of public participation will result in growing audiences as well as more employment opportunities for practitioners. Besides, we hope very much that the arts and culture industry can become a new area of growth for the Hong Kong economy in the future, which is a so-called key performance indicator (“KPI”) of the policy on culture. We hope that there will be better KPIs in the future so that we can follow some indicators to develop continuously.

With regard to the development of a region’s arts and culture to lead the trend, serve the community, foster social cohesion and people’s recognition of their own culture and sense of identity, and build up cultural confidence, the Chief Executive-elect, Mr John LEE, has also remarked that the development of arts and culture should be driven by the industries. He has also suggested that Hong Kong should formulate a comprehensive policy for the development of the arts sector and cultural and creative industries, create cultural soft power and reinforce the “Hong Kong brand”, so as to expedite the development of Hong Kong into an East-meets-West centre for international cultural exchange. I believe all of us would agree on this.

President, yesterday the Panel on Home Affairs visited the Hong Kong Palace Museum, which will open in July. Here I would also like to thank the President for coming to support us, and I believe that fellow colleagues are all very excited and looking forward to its opening after the visit. Apart from the Hong Kong Palace Museum, actually the cultural facilities in the entire West Kowloon

Cultural District (“WKCD”) will also be updated continuously. Hong Kong already has many arts and cultural facilities, and there are also first-class talents, such that we have accumulated certain strengths in arts and cultural development. Despite this, owing to various reasons, the authorities have not set visions and goals for the development of arts and culture in Hong Kong in the past. Now that with our positioning as an East-meets-West centre for international cultural exchange, it is high time for Hong Kong to give full play to our strengths in the field of arts and culture and make better planning to contribute to the global influence of the Chinese culture, so as to tell China’s and Hong Kong’s story well.

With regard to specific initiatives, actually arts and culture involve many areas, including visual arts, performing arts, film, television and music, publishing, cultural education and museum services, as well as artwork, comics and interactive media. Given that the industries have been developing for some time, Mr Kenneth FOK and I have earlier on invited members from different industries to gain an understanding of the issue and put forward several suggestions which we hope the authorities will implement. They include: developing the cultural industries, strengthening the support for arts and cultural practitioners and organizations, promoting integration of the arts and technology, promoting Chinese culture, fostering the development of cultural and creative industries in the Greater Bay Area, fostering local arts and cultural activities and encouraging public participation, strengthening arts and cultural education and training of talents, as well as conserving cultural heritage to facilitate cultural tourism. Nevertheless, I will only highlight a few key points due to the time constraint.

Let me talk about the existing mechanism first. I have looked through the Government’s allocation of resources to the arts and culture field before putting forward my proposal. Take year 2021-2022 as an example, the Government allocated a funding of about \$5.7 billion, and I have checked that the expenditure was more or less the same over the past few years. Yet, most of the funding was mainly used for public performing arts venues, public library facilities and activities, museums and exhibitions, etc., which accounted for a relatively large proportion. However, the funding for subsidizing major performing arts groups was relatively small, which was merely about \$400 million, whereas the subsidies for 300-odd small and medium-sized arts groups as well as arts and cultural practitioners amounted to \$100 million only. Let us think about it, the amounts of some \$5 billion and \$100 million account for a relatively small proportion.

The first point is thus crystal clear, how can we provide better support to make the pie bigger, and offer more support for performing arts groups? Regardless of their size, they all hope to have more opportunities for participation, and they also wish that they do not need to compete for the same resources all the time. Therefore, I think it is worthwhile to review the existing funding mechanism for arts and culture. We can also draw reference from the practice of the Mainland, Macao, Taiwan, etc., where some arts and culture funds have been established by adopting different approaches. Specific objectives have been set for some of them, for instance, Macao has established the “Performing Arts Development Project” and the “Community Arts Development Project” on the basis of programme-driven funding, so as to boost the development of the industry.

The second point is related to post-epidemic support and the issue of cultural consumption vouchers. I propose to improve the funding mechanism in line with the goal of developing the cultural industry. The prerequisite is that the Government should establish a commission on cultural industry to plan and promote in a targeted manner the development of the arts and culture as well as the creative industries. On the front of supporting arts and cultural groups and practitioners, I have received quite a lot of feedback from the industry that the closure of many arts and cultural performance venues during the COVID-19 epidemic has resulted in the loss of many arts and cultural practitioners. Although Mr Kenneth FOK has done much work with a great deal of effort, it is still not enough since their operation is really very difficult. Can the authorities provide them with more support in a short time? For some groups, such as Chinese opera groups, we have also asked the Secretary this morning whether the venue rental of the Xiqu Centre is too high. The Secretary has said that the rental has been reduced, but if we have to support Cantonese opera groups, can the rental be further reduced? These can also be considered. On the other hand, we have raised a lot of views on the disbursement of electronic consumption vouchers in these two years. Since the Government has disbursed electronic consumption vouchers, can some of them be used to encourage and promote the cultural industries? Can \$1,000 or \$2,000 out of \$10,000 be used to encourage people to watch a play, listen to orchestra, watch a ballet performance or whatever, so that they can have a taste of it with first-hand experience? Can the Government consider this as well? Today we have even discussed whether the Palace Museum should charge a fee. Can the Government support this as well? I consider it worthwhile to do so.

Third, I have talked a lot about internal policies just now. Externally, I think many arts and cultural groups in Hong Kong are doing very well, and they can still carve out a niche in Asia or the international arena. Take the film industry and Hong Kong music as an example, I think we also have a very good experience recently. We can see that Hong Kong's singers and cultural and performing arts have pretty good performance recently. A music TV programme co-organized by television stations in the Greater Bay Area and Hong Kong has achieved great success with very high viewing rates. This programme has also enabled many friends in the Greater Bay Area to listen to Hong Kong music again. Regarding films, in fact a number of films have been very successful in the past few years, and they have won many international awards. Therefore, apart from the local market, how can we provide more support to artists of cultural performance for them to rush out of Asia, as well as better promoting them in the Greater Bay Area? I think this is a great opportunity.

President, apart from the several points mentioned above, I must also talk about Chinese culture and cooperation with the Greater Bay Area. The State promulgated the Culture and Tourism Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area in 2021, which sets out the guiding directions for the development of culture in the three places. Joint projects will also be launched subsequently, including the arts and culture festival held in the three places annually, the Greater Bay Area Youth Music Festival and the Chinese Opera Culture Festival, etc. I think the authorities should strive to have more events held in Hong Kong, so as to attract people from Mainland cities of the Greater Bay Area to come to Hong Kong. I often say we hope very much that after quarantine-free travel and service of the Guangzhou-Shenzhen-Hong Kong Express Rail Link have resumed, everyone can come to Hong Kong to watch a show at the Xiqu Centre, or watch an international sports event at the Kai Tak Sports Park. These are excellent venues for the audience.

Next, I would like to talk about WKCD and some of the arts and cultural venues. I think WKCD is a place very worthwhile for the public to take part in and visit, and we have put in plenty of resources as well. The Chief Executive-elect has also mentioned his hope to establish WKCD as a cultural hub, as well as a world-class cultural hub in our country. Therefore, I hope that under the Government's leadership, the soon-to-be-opened Palace Museum will be better promoted. I also heard on that day that there were already many collaboration initiatives between the WKCD Authority and the Hong Kong Tourism Board. It

is my hope that the Palace Museum will be promoted overseas to introduce it to more people.

President, on the whole, whilst I may not have been deeply involved in arts and culture in the past, I think many people aspire to a career in the arts and culture industry, and they have excelled in their jobs. Besides, a lot of young people are very willing to engage themselves in this career. I very much hope that the SAR Government and even the Legislative Council can help them in this regard and make concerted promotion efforts. In this connection, I hope Members will support my motion today, and I will listen carefully to fellow colleagues' speeches afterwards. Thank you, President.

Mr Vincent CHENG moved the following motion: (Translation)

“That as the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange and the Chief Executive also proposed in the proposal of reorganizing the government structure the setting up of a Culture, Sports and Tourism Bureau for consideration by the next-term Government, coupled with the gradual commissioning of world-class arts and cultural facilities in the West Kowloon Cultural District, this Council urges the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong; specific measures include: establishing a commission on cultural industry and setting up an arts and culture foundation to actively plan and promote the development of the arts and culture as well as the creative industries, so as to nurture new areas of growth for the Hong Kong economy; promoting integration of the arts and technology; strengthening the support for arts and cultural practitioners and organizations, endeavouring to create more cultural brands of Hong Kong and assisting the relevant brands to enter the Mainland and international markets; strengthening cooperation and exchange with the Mainland, especially the Guangdong-Hong Kong-Macao Greater Bay Area, and places outside Hong Kong to better promote Chinese culture and tell China's story and Hong Kong's story well; fostering local arts and cultural activities and encouraging public participation; strengthening arts and cultural education

and training of talents; better conserving and promoting local tangible and intangible cultural heritage to facilitate the integration of culture and tourism so that Hong Kong will become a city of cultural vibrancy.”

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr Vincent CHENG be passed.

MR KENNETH FOK (in Cantonese): President, first of all, I would like to make a declaration of interest. I am a Board member of the West Kowloon Cultural District Authority, a member of the Hong Kong Arts Development Council, Vice-President of China Federation of Literary and Art Circles Hong Kong Member Association, and a member of China Federation of Literary and Art Circles.

To develop Hong Kong into an East-meets-West centre for international cultural exchange, it is essential to formulate a policy and a development blueprint on arts and culture for the next five years. I am therefore grateful to Mr Vincent CHENG for proposing this motion today, which gives us a rare opportunity to discuss the future cultural policy at the Legislative Council meeting.

I would like to discuss three points in my amendment. Firstly, I wish to talk about digital transformation, which is a major global trend. In the 14th Five-Year Plan, the State has clearly pointed out the need to develop a digital economy and promote digitalization of industries. In the 2020 Policy Address, the SAR Government also proposed to actively promote and support the development of arts technology (“arts tech”). It has allocated a total of over \$100 million funding for the sector and set up the interdepartmental Task Force on Arts Technology. To the sector, this is worthy of applause and appreciation. Yet in my view, mere provision of money or enhancement of hardware in government venues is unable to support genuine transformation of the sector. Nor is it really thorough digitalization.

Early in the 13th Five-Year Plan period, the Mainland’s cultural authorities already indicated their support for the establishment of an innovative and entrepreneurial platform for the digital culture industry and development of an innovative ecosystem for the digital culture industry. Successful transformation

is not simply about adding technological elements to arts. For example, I have heard that many people would put stage plays on live-streaming platforms or YouTube after recording them with a camera. Is that arts tech? In fact, it is not. What we need more is a series of supporting measures in the upstream and downstream of the industry so that technology can be applied to enhance productivity and broaden audience experience in various aspects. Therefore, in formulating the blueprint, I think we should give more consideration to how to build up a comprehensive industry ecology, so as to facilitate genuine digital transformation of the sector while enhancing arts and cultural education and appreciation.

Secondly, on strengthening the protection of intellectual property (“IP”) rights, it is a very important link which supports the long-term development of the cultural industry. It is only with proper protection of IP rights that creators can be encouraged to create more works and more investors will be willing to come to Hong Kong for IP trading, facilitating genuine realization of “cultural export”.

Hong Kong is a major trading market for all kinds of IP services. The 14th Five-Year Plan has also given Hong Kong a new positioning as an IP trading centre to further facilitate industrialization of arts and culture, so that it can become a new area of economic growth for Hong Kong.

The Copyright Ordinance will be amended shortly. One may say that it will gradually be brought on par with the international community. However, as far as the amendment exercise is concerned, actually there are still many loopholes. For example, a consensus has not yet been reached on such matters as protection of streaming platforms or extension of the term of copyright protection. It should be reviewed in a timely manner. For this reason, I propose to include in the overall blueprint continuous exploration of international laws and regulations on IP, so that Hong Kong will not lag behind in this domain and may even become a pioneer on the forefront in the world, while areas such as AI are worthy of discussion and enhancement too.

Thirdly, assisting the relevant brands to enter the Mainland and international markets and telling China’s story well, in my opinion, are the ultimate goal of Hong Kong as an East-meets-West centre for international cultural exchange. We need to have better cooperation and join forces with the Mainland. Hence, we cannot

neglect this aspect. The Economic and Trade Offices (“ETOs”) on the Mainland and overseas should in fact play a leading role in the relevant work. Previously, the Policy Address has also mentioned that the overseas ETOs should play an important role in promoting the cultural industries of Hong Kong. Therefore, in this regard, I think the manpower and the scope of work should be strengthened.

Given the time constraint, what I would like to say in closing is that to realize our positioning as an East-meets-West centre for international cultural exchange and help our country promote its cultural soft power, we need a clear and well-knit plan with a broad perspective. I therefore support formulating a policy and a development blueprint on arts and culture for the next five years. I hope that these five years are just an initial period giving a good start and leading the way for continuous review and close communication with the industry for formulating a sound arts and cultural policy for Hong Kong.

I hope Honourable colleagues will support the amendment proposed by me. I so submit. Thank you, President.

DR STEPHEN WONG (in Cantonese): President, I agree with the importance and necessity of formulating a policy and a development blueprint on arts and culture as proposed by Mr CHENG and Mr FOK just now. Only then can we foster what I call an overall ecosystem, create more development and employment opportunities as well as more ladders of career development for aspiring and talented young people, and build up a bigger stage for talents in the industries to set foot in the Greater Bay Area and gain a wider perspective in the world.

The so-called ecosystem involves multifarious aspects, including the training and attraction of talents, heritage and innovation of traditional culture and arts, and development of cultural and creative industries (including market expansion, audience cultivation, public education on arts and investment promotion). It also includes complementary efforts of the education system, collaboration among the Government, the business sector and the public, and complementarity between creative industries and other industries such as tourism, which will both guide and check each other. Hence, we must find a breakthrough point so that the whole ecosystem can form a virtuous cycle which can achieve complementarity and sustainable upward development.

In my opinion, the breakthrough point for enhancing the entire ecosystem of arts and culture is digitalization and industrialization.

Digitalization has brought about dramatic changes in all sectors. At the same time, it has brought opportunities to the cultural and creative industries. For example, in the United States, Marvel has evolved from a comic book into movies, with animations and television drama series broadcast on streaming platforms. In Japan, the Japanese animation master Hayao MIYAZAKI's animations have an extremely high penetration rate across different video platforms. His work *Spirited Away* has been adapted into a play and staged recently this year, receiving critical acclaim.

In Hong Kong, we have *McDull*, an original children's comic strip which was brought to the big screen in 2001. Early this year, Sotheby's collaborated with the comic's authors, Mr Brian TSE and Ms Alice MAK, for the first time, putting their works up for auction in the form of digital 3D animated NFT. In addition, in Hong Kong there is the comic strip *Fung Wan* by the comics master MA Wing-shing, which was serialized in the 1980s and later turned into films and drama series. With the rise of mobile games, *Fung Wan* was also adapted into online and mobile games, attracting many gamers in Chinese-speaking regions.

Digitalization not only can enrich the substances of arts and culture, but also give rise to new presentations and interpretations of traditional arts and culture, thus promoting innovation. At the same time, it can also provide opportunities for the industrialization of arts and culture, open up a larger audience, and bring more vitality and cultural vibrancy to the ecosystem mentioned by me just now.

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

From a macro perspective, through digitalization and industrialization, there will be wider room for content creation and content development in creative culture and arts. If it can be complemented by relevant software and hardware in policies, such as digital development of cultural data and cultural intellectual property, then the other strengths of Hong Kong can be better utilized, thereby facilitating Hong Kong's development into an East-meets-West centre for international cultural exchange and a regional intellectual property trading centre, as stated in the 14th Five-Year Plan. As a matter of fact, the State's cultural policy also attaches great

importance to digitization, or digitalization and industrialization as mentioned just now. Among others, in the 14th Five-Year Plan for Development of the Cultural Industry promulgated early this year, the State has specified the need to strengthen the innovation and application of cultural technology, make use of technology to expedite the development of new cultural industries, and transform and upgrade traditional culture, which can be achieved by measures including developing immersive experience programmes, creating digital arts experience settings, and setting up laboratories and technology innovation centres.

On the whole, all along, many people have made their mark in different domains in the cultural, arts and creative industries on the unique cultural soil of Hong Kong. I believe that as long as we take the Greater Bay Area as an entry point, make good use of innovation and technology, tap the Mainland and international markets, and inject more market dynamics, Hong Kong will once again play a significant role in the international arena and tell China's story well. I so submit.

MR YIU PAK-LEUNG (in Cantonese): Deputy President, before all else, I thank Mr Vincent CHENG for proposing this motion. As mentioned in the original motion, the Central Government has given Hong Kong a new role as an East-meets-West centre for international cultural exchange. The new Government will establish a Cultural, Sports and Tourism Bureau, and various new facilities have been completed in succession in the West Kowloon Cultural District. With the new positioning, new structure and new facilities, it is all the more necessary for us to put in place a new policy and a new blueprint to give new impetus to the arts and cultural development in Hong Kong.

My amendment mainly seeks to make some recommendations on the collaboration between culture and tourism, with a view to enriching the content of the original motion. As a matter of fact, the integration of culture and tourism is a major global trend. The objective of such integration does not mean that the development of arts and culture should fully dovetail with the development of tourism and exclusively serve tourists. Instead, it means that through the interaction between tourism and culture, cultural and arts creations will be able to reach a wider audience and find more people who appreciate the works. At the same time, it can shape Hong Kong's characteristics, build up the appeal of Hong Kong as a metropolis and exhibit Hong Kong's uniqueness to tourists.

As a metropolis where East meets West, Hong Kong has a wealth of cultural and historical stories which can be used as the themes of guided cultural tours to attract visitors. “Old Town Central” launched by the Hong Kong Tourism Board offers visitors the opportunity to visit top international galleries, experience the historical architecture at Tai Kwan, appreciate the designs of different creative industries at PMQ and learn about the historical anecdotes of Hong Kong in Pedder Street. The experience of arts and culture in old Central is an example of combination of culture and arts.

Although there is no lack of cultural and historical stories in Hong Kong, if similar routes are to be planned, the Government must improve the supporting tourism facilities, such as the design of footpaths, signage, public toilets, pick-up and drop-off points and parking spaces. It should also consider the carrying capacity of the community, so that in-depth tourism can be developed in a sustainable manner.

Before the epidemic, Hong Kong was a capital of events. Although we are now living without tourists, the works for our cultural, sports and tourism facilities, such as West Kowloon Cultural District, Kai Tak Sports Park and East Kowloon Cultural Centre, are still going non-stop to catch up with the schedule and will be completed one after another in the next few years. After the resumption of cross-border travel, Hong Kong will enjoy more favourable conditions for hosting mega performances such as western music shows, Chinese operas and concerts, as well as various kinds of international sports events. I believe that these mega events, complemented by MICE, i.e. meetings, incentives, conventions and exhibitions, will attract more quality visitors to Hong Kong and turn Hong Kong into a city of international cultural and tourism events, thus bringing higher economic benefits.

As regards how to do a good job in the coordinated development of culture and tourism, I would like to propose two general directions. The first one is G2G, i.e. government-to-government work. The SAR Government should not only cooperate well with its counterparts in the Mainland provinces and cities, as well as other countries, but also coordinate well within the Government. The next-term Government will set up a Culture, Sports and Tourism Bureau. We hope that it will not simply merge the relevant departments for culture, tourism and sports into a single Policy Bureau. Rather, being truly result-oriented, it should formulate a comprehensive strategy and policy for the development of culture, sports and tourism, and promote the development of such industries.

The second one is about B2B, i.e. business-to-business work. I believe that there is a lot of room for cooperation between the arts and cultural sector and the tourism sector. Earlier on, Mr Vincent CHENG and Mr Kenneth FOK have organized a sharing session of the cultural and arts sector, during which I have heard many precious views. I can see much room for working with the tourism sector in respect of project planning and promotion, ticketing and docent training. I also believe that the market sensitivity of the tourism sector can help members of the arts and cultural sector promote their creations to tourists. I look forward to having closer communication and cooperation with them in the future.

Deputy President, in the past, the tourism industry promoted Hong Kong as a hospitable city, a culinary capital and a shopping paradise. Under the epidemic in the past two years or so, we have travelled locally and savoured the beauty of Hong Kong. We have come to know more deeply that Hong Kong's attraction lies not only in shopping and dining, but also in its historical monuments, beautiful natural environment and the unique urban landscape built up by the fusion of Chinese and Western cultures. We hope that quarantine-free travel and flights can resume as soon as possible so that Hong Kong can welcome visitors from places around the world as a city of cultural vibrancy (*The buzzer sounded*) ... and Hong Kong's tourism industry can make a new start. Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): Mr YIU Pak-leung, your speaking time is up.

Mr Sunny TAN, please speak.

MR SUNNY TAN (in Cantonese): Thank you, Deputy President. Let me first declare that I am a director of the Hong Kong Design Centre.

Deputy President, I thank Mr Vincent CHENG for proposing the motion on “Formulating policy and development blueprint on arts and culture for the next five years”. I have proposed an amendment in the hope that the Government can enhance the support for local fashion designers and promote Hong Kong's fashion design brands, in order to promote arts and culture in Hong Kong.

Clothes make the man, and the development of the arts and culture counts on clothes too. In the 14th Five-Year Plan, the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange. To promote Chinese arts and culture and tell China's story well, I think fashion design is the best way to do it, and fashion design has an indispensable role to play in arts and culture.

State President XI Jinping has mentioned in many speeches the need for our country to have a greater international discourse power, and to tell China's story well and spread China's voice, in order to better present a true, multi-dimensional and panoramic view of China. To tell China's story well through the "soft power" of the arts and culture, I think the medium of communication must have a wide interface capable of reaching a large number of people, and it must be specialized in the field. Fashion design precisely meets this requirement.

In recent years, Chinese elements have been in vogue, and fashion brands have been trying to incorporate Chinese elements in their design, blending the traditional culture with fashion trends. For example, early this year during the Lunar New Year, many foreign brands launched time-limited collections with design featuring the Year of the Tiger. This shows how powerful Chinese fashion design can be in spreading China's story.

In fact, the China National Textile and Apparel Council has clearly stated in its "14th Five-Year Plan development outline for the textile industry" that the goals of the textile industry are to become the main leader of world fashion in 2035 and create internationally influential textile and apparel brands with Chinese characteristics and also the characteristics of the times. One of the key points is to further integrate the textile industry with the Chinese culture and to this end, we can precisely make use of the strengths of Hong Kong to support the needs of our country.

On the industry front, the development of the textile and clothing industry in Hong Kong has spanned decades. It has a solid foundation and constitutes an important part of the Hong Kong economy, enjoying high international prestige and even serving as a global hub for textile and apparel sourcing. At the end of 2021, there were 134 listed textile, clothing and accessories companies in Hong Kong, and Hong Kong-owned companies have strong clout in our region.

In respect of innovation, the textile industry in Hong Kong excels in research and development. The Hong Kong Research Institute of Textiles and Apparel has recently achieved remarkable results by winning three gold medals and six silver medals at the 2022 International Exhibition of Inventions of Geneva.

In respect of arts and culture, Hong Kong, being a place where Eastern and Western cultures meet, is reputed as the most fashionable city in Southeast Asia. Hong Kong people have high brand awareness and follow the trends closely. Hong Kong is even a cradle of many brilliant fashion designers, many of whom have worked for international brands involving medium-to-high-end products. These valuable experiences and talents will definitely help the relevant brands develop in the Mainland and international markets and better promote the Chinese culture.

Textile, garment manufacturing and fashion design are inter-related. By leveraging its traditional advantages and combining with innovation and technology as well as arts and culture, the local textile and clothing industry will have plenty of room for manoeuvring, so as to achieve the goals set out in the “14th Five-Year Plan development outline for the textile industry” of infusing the spirit of Chinese culture into design, research and development, production, and sales and marketing, and striving for the power of discourse in the fashion world, while breaking away from the constraints of the industry to facilitate cross-sector integration of the fashion industry with arts and culture, commerce, films and television, and sports.

No one can live without clothes, and no clothes can have no design. A person wearing a piece of clothing with design is like a “walking carrier of arts and culture”.

Textile, garment manufacturing and fashion design embody innovation and technology, arts, industries, as well as sales and marketing. If the Government can plough in resources to support local fashion designers and promote Hong Kong’s fashion design brands, instant results will be produced and alongside with the development of the arts and culture, the complementary effects hence produced will enable Hong Kong to become a centre for arts and cultural exchange between the East and West and tell China’s story well in a stylish manner.

I hope that colleagues will support my amendment. I so submit.

MR MA FUNG-KWOK (in Cantonese): Deputy President, first of all, I thank Mr Vincent CHENG for proposing this motion today, which gives us an opportunity to discuss the way forward for the development of the arts and culture in Hong Kong and urge the Government to make early planning for the future.

The 14th Five-Year Plan clearly supports the development of Hong Kong into an East-meets-West centre for international cultural exchange, giving Hong Kong a new cultural positioning and a new mission and at the same time affirming the past achievements made by Hong Kong in arts and culture. Hong Kong has inherited the profound essence of traditional Chinese culture while accommodating diversified Western cultures. This is precisely a unique advantage of Hong Kong, which puts Hong Kong in the best position to tell China's story on the world stage and construct a cultural discourse system underpinned by the integration of Chinese and Western cultures. Besides, Hong Kong has the institutional advantage of "one country, two systems", and under the positioning of leveraging the support from our Motherland, integrating into the development of the Greater Bay Area and engaging with the world, Hong Kong should actively seize the opportunity to become a new engine of economic growth.

Deputy President, "it takes a tough blacksmith to forge good iron". To successfully become an East-meets-West centre for international cultural exchange, Hong Kong must first make continuous efforts to upgrade its own cultural strengths. In the past, the cultural development in Hong Kong focused mainly on activities such as various types of arts performance and visual arts exhibitions, while in recent years, emphasis has been placed on the development of cultural hardware, such as the West Kowloon Cultural District, and we have not seen new initiatives proposed for basic talent training and cultural education. We are going to have world-class cultural facilities soon, but unlike Singapore, we have not set up a dedicated arts academy at the secondary education level. To enhance the nurturing of artistic talents, I suggest that we should strengthen the arts and cultural education for students through the education system. The objective is to equip students with artistic abilities as well as historical and cultural awareness as early as possible, thereby enabling them to grasp more opportunities for development and exchange. This can at the same time improve the cultural literacy of young people and students, broaden audiences, and upgrade their ability of exchange.

Deputy President, compared to the neighbouring regions, the cultural and creative industries in Hong Kong have developed at a relatively slow pace in the past decade or so. In Macao, for instance, the Macao SAR Government set up in 2010 the Department for Promoting Cultural and Creative Industries to promote the development of the cultural and creative industries. It also established in 2013 the Cultural Industries Fund, and formulated in 2014 the five-year plan under the Policy Framework for the Development of Cultural Industries to clarify the positioning and set targets, in an effort to promote the development of the cultural industries on three fronts, namely tourism, trade and technology.

Hong Kong and Macao are only a sea apart, and our work in promoting cultural software has shown a lack of momentum. In fact, Hong Kong does not compare less favourably with any other place in the world in terms of our creativity and potentials in arts and culture, and we had taken up a leading position in the past. In recent years, however, there has been no clear positioning for the development of the arts and culture, no comprehensive policy framework, no leadership provided by a dedicated department to coordinate cultural development, and no injection of strong, powerful software resources. Given uncertainties of the policy, it is difficult to attract the business community to invest heavily on the development in this area. Hong Kong must have a long-term policy on cultural and creative industries, with the objectives of upgrading the cultural quality of the community as a whole as well as their ability to master and pass on the essence of their own history and culture, in order that they can take advantage of the free and open social atmosphere to give full play to their creativity. Only in this way can there be stable development for the industries to showcase the city charms of Hong Kong and make us more appealing.

Deputy President, in order to effectively carry out work in relation to culture and the cultural industries, the SAR Government should play not only the role of a “promoter” but also the role of a “facilitator”, and should consider how to increase exchanges between cities on culture and humanities. In this connection, I suggest that the Government should set up a dedicated arts and cultural exchange development fund to, through the provision of strong financial backing, support and encourage two-way arts and cultural exchanges between local arts and cultural groups and Mainland/overseas arts groups, so as to effectively carry out the work of “attracting foreign investment” and “going global” for the Mainland.

Many colleagues have proposed their amendments today and expressed their concern about cultural development, which is a good sign. I agree with all the amendments proposed by them. I hope that the Government will seriously take them on board and effectively draw up policies and carry out work on culture in the new term.

Deputy President, I so submit.

IR LEE CHUN-KEUNG (in Cantonese): Thank you, Deputy President. First of all, I would like to thank Mr Vincent CHENG for proposing this motion.

The cultural industries in Hong Kong have been given a boost of confidence by the 14th Five-Year Plan which states the Central Government's clear support for the development of Hong Kong into an East-meets-West centre for international cultural exchange. In fact, various sectors of the community have great expectations for the new Culture, Sports and Tourism Bureau, while many people in the industry expect the new bureau to bring them new hope.

The Liberal Party and I would mainly like to make a few suggestions. We hope that the current-term Government will undertake the relevant work satisfactorily in the remainder of its term and during the handover with the next-term Government, particularly in formulating the relevant terms of reference of the Culture, Sports and Tourism Bureau. I urge the Government to refrain from working behind closed doors and to proactively reach out to various stakeholders of the sports, performing arts, culture, publication and tourism sectors to understand the unique strengths of Hong Kong's arts and culture which can be vigorously developed and promoted further.

Deputy President, first, under the fifth wave of the epidemic, the Government ordered the closure of more than 10 types of scheduled premises, including all performance venues and sports venues, on the first day of the Lunar New Year in one go. Many people in the industry have suddenly lost their job and income. I suggest that in addition to formulating some contingency plans in advance to enable the industry to make preparation early, the Government should also provide subsidies, supporting facilities and promotions so that members of the industry can give online performances on popular online platforms in the Mainland and overseas.

Of course, the Government's most important task is to set clear anti-epidemic indicators which accurately specify the levels of epidemic situations for measures to be relaxed or tightened, so that the public and the industry can understand the policy directions in advance and make appropriate responses in time.

Secondly, apart from world-class hardware, I think that software is also an indispensable component in the Government's development of creative industries. For this reason, it is vital to nurture talents. The Government should do more to cultivate young people's interest in Chinese and foreign arts and culture from an early age. That being said, the industry has relayed that the conditions for arts development in Hong Kong is far from satisfactory because the "pie" is too small for upward mobility, making it difficult to attract young people to join the industry. In this regard, I think the Government should be more proactive in liaising with the Mainland by, for example, setting up one-stop liaison offices in the municipalities in the Greater Bay Area to clear the hurdles for the industry's development in the Mainland, facilitate their access to the national market and help them resolve their difficulties and disputes, thereby creating a bigger "pie" in the Greater Bay Area and even the whole country.

In addition, after the formal reorganization of the Policy Bureaux, the Government should work with the restructured Home and Youth Affairs Bureau and the Education Bureau to create synergies, such as providing comprehensive hardware and software support and subsidies to primary and secondary schools, organizing more arts interest classes and more in-depth cultural exchange tours, and providing more subsidies to community arts groups, including visual arts and various dance performances such as street dance and ballet, and assisting them in opening up the Mainland market.

Furthermore, the SAR Government should also explore more cooperation opportunities with the national Ministry of Culture and Tourism and other departments. Apart from enhancing cultural exchange between the people of the two places, more guided tours of museums, temples and Buddhist monasteries can be organized for people to experience the characteristics of the Chinese culture, learn about the Chinese history, etc.

Lastly, both the Liberal Party and I suggest that the Government increase the number of relevant staff accordingly, especially by setting up additional units and deploying additional manpower and resources for the Culture, Sports and Tourism

Bureau. To ensure a uniform objective and a clear division of labour, I propose that the Government set up a Sports, Performing Arts, Culture and Publication Department to strengthen the relevant execution capabilities and to coordinate and implement policies in different areas.

Deputy President, the Chief Executive-elect has proposed adopting a result-oriented approach by setting “key performance indicators” (“KPIs”) for the tasks of the new administration. In fact, it is also feasible to set KPIs to assess government performance on the arts and culture front. For example, the attendance rates of different performances and the share of cultural industries in Gross Domestic Product are visible indicators to evaluate arts and cultural performance.

Deputy President, there was a time when Hong Kong was labelled as a “cultural desert” and some people thought that the Government was indifferent to arts and cultural development. I therefore hope that Hong Kong can genuinely develop into an East-meets-West centre for international cultural exchange (*The buzzer sounded*) ... in order to complement the 14th Five-Year Plan.

Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): Ir LEE Chun-keung, your speaking time is up. Please stop speaking.

Secretary for Home Affairs, please speak.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Deputy President, I thank Mr Vincent CHENG for proposing this motion today. My thanks also go to Mr Kenneth FOK, Dr Stephen WONG, Mr YIU Pak-leung, Mr Sunny TAN, Mr MA Fung-kwok and Ir LEE Chun-keung for their amendments, which provide an opportunity for the Legislative Council to discuss the policy on and development blueprint for arts and culture for the next five years.

First of all, we must thank our country for establishing the role of Hong Kong in arts and cultural exchange in the 14th Five-Year Plan and supporting the development of Hong Kong into an East-meets-West centre for international cultural exchange, which is most encouraging to the SAR Government. In order to accomplish the mission given to Hong Kong by the country in the realm of

culture, we will do our utmost to develop and implement a diversity of arts and cultural policies and formulate a blueprint for development.

Arts and culture are the soul of a country and a nation. Internally, arts and culture are the link that unites all the people, all ethnic groups and all strata, and foster the loyalty of our compatriots to the Motherland; externally, culture is the bridge connecting the people in the international community and an important carrier showcasing the achievements, confidence and soft power of the Motherland.

Hong Kong has all along inherited the great, excellent Chinese culture while embodying the characteristics of being a melting pot of Chinese and Western cultures. With an extensive international network built up for years that brings together local and overseas talents, Hong Kong has all along played the role of an East-meets-West centre for international cultural exchange, presenting to the world the characteristics of Hong Kong and Chinese culture in modern arts on the one hand and promoting a better and more comprehensive understanding of the Motherland in the international community on the other. To this end, we must establish the cultural foothold of Hong Kong to enable Hong Kong to be developed into a hub showcasing Chinese arts and culture, thereby strengthening the clout of the Chinese culture in the international community.

A rich pool of arts and cultural assets can enhance Hong Kong's status as an international metropolis and a liveable city, making Hong Kong more attractive to overseas talents and at the same time, it can also develop cultural industries with economic vibrancy and benefits, providing our young people with better and more diversified opportunities for employment and for starting their own business.

The SAR Government is always committed to promoting the development of arts and culture, and the annual recurrent expenditure injected for this cause has kept increasing. This year, the Government's recurrent expenditure on the development of arts and culture is over \$5.9 billion, an increase of close to 40% over the \$4.3 billion five years ago (i.e. 2017-2018) when the current Government took office. In collaboration with the Leisure and Cultural Services Department and other partners, such as the Hong Kong Academy for Performing Arts, the Hong Kong Arts Development Council, major performing arts groups and the West Kowloon Cultural District Authority, the Government has adopted a multi-pronged

approach and implemented various measures in parallel, making an all-out effort to promote cultural exchange and support the long-term development of arts and culture.

Besides, the eight major creative industries in Hong Kong, i.e. advertising, architecture, design, digital entertainment, film, music, printing and publishing, and television, have great potentials for development. They are the driving force for taking forward the Hong Kong economy, and they also provide a new impetus. Through two funding schemes, namely the CreateSmart Initiative and the Film Development Fund, the SAR Government has provided funding to the industries for them to participate in and roll out projects in line with various work focuses, including nurturing talents and facilitating the development of start-ups, opening up markets, and fostering a creative atmosphere in the community. This Government has successively injected a total of \$3 billion into these two funding schemes to support the further development of Hong Kong's creative industries for them to better integrate into the development of our country while developing Hong Kong into Asia's creative capital.

To develop Hong Kong into an East-meets-West centre for international cultural exchange, the SAR Government proposed in the 2021 Policy Address five strategic directions to give play to the advantage and characteristic of Hong Kong as a melting pot of Chinese and Western cultures and develop Hong Kong into the world's leading East-meets-West centre for international cultural exchange:

- (I) developing world-class cultural facilities and a pluralistic cultural environment;
- (II) strengthening our connections with overseas arts and culture organizations;
- (III) enhancing cultural exchange and cooperation with the Mainland;
- (IV) leveraging technology; and
- (V) nurturing talents.

The SAR Government is committed to consolidating and giving play to the unique advantages of Hong Kong and forging ahead tirelessly towards the goal of developing into an East-meets-West centre for international cultural exchange, making sure that we will successfully accomplish the mission entrusted to us by our country. I will first listen carefully to Members' views on the motion and will give a response later.

Thank you, Deputy President.

MRS REGINA IP (in Cantonese): Thank you, Deputy President. I speak in support of Mr Vincent CHENG's motion and the amendments proposed by six other Honourable colleagues.

Hong Kong has been positioned as an East-meets-West centre for international cultural exchange under the 14th Five-Year Plan. With the ongoing enhancement of our hardware construction, the development of the West Kowloon Cultural District has almost been completed; the Hong Kong Palace Museum is due to open in the middle of this year; and the East Kowloon Cultural Centre, which costs over \$4 billion, should be completed next year. Evidently, our hardware is getting better by the day.

With regard to software, I also concur with the suggestions made by Honourable colleagues to promote the development of cultural and creative industries, facilitate creative and cultural activities and exchanges between Hong Kong and the Greater Bay Area, support our fashion design industry and establish a Culture, Sports and Tourism Bureau. While I support all these proposals, I would like to raise a question with regard to the amendment proposed by Dr Stephen WONG and hope that the Secretary can answer it. Under the 14th Five-Year Plan, Hong Kong is positioned as a regional intellectual property trading centre—which is certainly a suggestion put forward by our Chief Executive to the Central Government which has given the consent. Dr Stephen WONG has also stressed the need to leverage the advantage of Hong Kong as a regional intellectual property trading centre. I hope the Secretary can explain how Hong Kong can perform this role.

As far as I understand it, there are basically four aspects to intellectual property: copyright, patents, designs and trade marks. These are the four main

categories. As a prolific writer who have published books, I fully understand that copyright held by an author arises immediately upon creation of the work. For example, an author may reach an agreement with a publisher for the latter to share part of the copyright of the work. If the author wishes to resell or do whatever he wants with the work, he must obtain the prior consent of the publisher. I believe that all creative workers are aware of this.

On the other hand, a patent is different. A patent is technically defined as a scientific invention which can be put to practical use, or words to that effect. So, what does the trading of patents mean? Copyright cannot be traded on a public exchange. A copyright agreement is often reached between a creator and a publisher or a television station. What does it mean when we say patent can be publicly traded? While a design cannot be publicly traded, a trade mark has to be established by trade mark registration. When we talk about an intellectual property trading centre, we refer to the trading of patents. Where in the world can we find successful examples of patents being publicly traded on an exchange?

As I understand it, the Hong Kong Trade Development Council once planned to develop a platform for the trading of patent rights, but in vain. Deputy President, for a patent to be traded, a lot of study and research has to be done. First, it is necessary to conduct scientific study and research into the value of a patent in order to put a valuation on it. On the other hand, a lot of legal research work is needed to identify whether the patent has been involved in lawsuits. Take Intel as an example. Has Intel ever been taken to court for infringing a semiconductor patent? All in all, before a patent can be traded, a lot of experts are involved, including those on valuation, scientific and technological, science, technology and law. Are these talents available in Hong Kong? Is there any place in the world which has succeeded in intellectual property trading? What I mean here is the trading of patents, not copyright or designs. How can they do this? I hope the Government will explain this clearly, so as to avoid misleading the public into thinking that we can set up a “Patent Exchange” akin to a Futures Exchange or a Commodity Exchange or giving rise to unnecessary expectations. I therefore hope that the Government will explain this point clearly so as to avoid misleading the industry.

Thank you, Deputy President.

IR DR LO WAI-KWOK (in Cantonese): Deputy President, first of all, I would like to thank Mr Vincent CHENG for moving the original motion and the other six Members for moving their amendments. The main theme of the motion is to urge the SAR Government to leverage the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong. My colleagues from the Business and Professionals Alliance for Hong Kong and I support this theme.

Deputy President, Hong Kong is indeed well-positioned to develop cultural and creative industries. We have the unique advantage of “one country, two systems”, and the national 14th Five-Year Plan clearly supports the development of Hong Kong into an East-meets-West centre for international cultural exchange. In the meantime, the SAR Government has been placing increasing emphasis on arts and culture in recent years, and has paved the way for setting up a Culture, Sports and Tourism Bureau under the next-term Government. In addition, the world-class facilities in the West Kowloon Cultural District will be completed one after another, including the M+ Museum, Asia’s first global museum of contemporary visual culture, and the Hong Kong Palace Museum which will open this year.

Deputy President, in order to promote the development of cultural and creative industries in Hong Kong, I think we mainly rely on three major assets. First, it is essential to establish a sound structure and deploy additional resources. Apart from the establishment of the Culture, Sports and Tourism Bureau proposed by the SAR Government, a Cultural and Creative Industries Committee formed by veteran experts and leaders in the industry should be set up to pool their collective wisdom and assist in formulating long-term policy measures and a development blueprint on cultural and creative industries. The authorities should also set up a Cultural and Creative Industries Fund to ensure stable resources to promote the cultivation of the cultural and creative ecology in Hong Kong, strengthen cultural and creative education and training of talents and promote the sustainable development of the industry.

In addition, the authorities should promote the integration of arts and technology to facilitate the upgrading of cultural and creative industries in line with contemporary innovation and technology and the “Internet Plus” digitalization trend. In fact, since the outbreak of the COVID-19 epidemic, various “cloud”

performances and “cloud” exhibitions have been in the ascendant. Many organizations have started to explore a brand-new form of “Internet Plus” performance and audience engagement, which heralds a promising prospect for development.

Equally important is the active collaboration between the Government and the cultural and creative industries to promote cross-industry and cross-regional cooperation. On the one hand, the Government should promote the integration of culture and tourism and improve tourist supporting facilities with local cultural characteristics. On the other hand, the Government should strengthen cooperation and exchanges with the Mainland and overseas. In particular, the Government should dovetail with the development of the Guangdong-Hong Kong-Macao Greater Bay Area, and enhance the promotion and marketing of Hong Kong’s cultural achievements in films, television and fashion design, so as to facilitate the access of Hong Kong’s cultural brands to the Mainland and international markets. Meanwhile, the Government should strive to co-host more arts and cultural events, such as an Asian performance arts expo, to enable Hong Kong to remain an international city of cultural vibrancy and an East-meets-West centre for international cultural exchange.

Deputy President, the election to elect the sixth term Chief Executive was successfully concluded on 8 May. Mr John LEE was elected with a high number of votes as the next Chief Executive. He has stressed in his election manifesto to leverage Hong Kong’s openness and freedom and its global inter-connectivity, in order to solidify its position as a leading international city. Furthermore, he has also devoted a substantial part to cultural policy, indicating that he would be committed to fostering a city of culture to promote a creative economy by strengthening the government’s operations, allocating sufficient resources, coordinating the integrated developments of culture, tourism and sports, etc. I believe that through the concerted efforts of all sectors of the community, Hong Kong will develop into an East-meets-West centre for international cultural exchange and a capital of international events, providing more opportunities for the new generation to give play to their creativity and potential.

With these remarks, Deputy President, I support the original motion and the amendments.

MR MARTIN LIAO (in Cantonese): Deputy President, I speak in support of Mr Vincent CHENG's original motion and the amendments proposed by the other six Members.

Deputy President, arts and culture have been serving as a bridge for communication and exchange among different regions since ancient times. To this day, arts and culture are even a reflection of the soft strength of a country or a region. The 14th Five-Year Plan supports the development of Hong Kong into an East-meets-West centre for international cultural exchange. It is for the first time that Hong Kong's cultural status has been included in the national plan, which is thus of tremendous significance. This will not only bring unlimited opportunities for the development of arts and culture in Hong Kong, but also concern the strategy of enabling the Chinese culture to "go global".

Deputy President, the implementation of Hong Kong's new positioning as an East-meets-West centre for international cultural exchange and the formulation of a development blueprint for the next five years hinge on two key factors. First, how can the SAR Government further assist the relevant sectors in the development of the arts and culture in Hong Kong? Second, how can Hong Kong tell China's story well?

Undoubtedly, the Government has invested a lot of resources in hardware and software development of the arts and culture over the years, and the results are increasingly obvious. In the future, the Government should work more on the details. For example, when launching the pilot scheme to support the use of arts technology in Hong Kong, the Government should allow more time for pre-show testing to resolve the issues with venue support encountered by the sectors in the application of arts technology. In view of the uneven distribution of resources and the difficulty for small-sized arts groups to survive, the Government should review the existing funding and operation mechanism and consider providing flexible tax concessions to incentivize private enterprises to sponsor and support various events. In view of the restrictions arising from the lack of resources and institutions for overseas cultural promotion, I suggest that the Government draw reference from the experience of Korea Cultural Center in Hong Kong and set up dedicated promotion and exchange platforms in selected cities for Hong Kong's arts and cultural practitioners after the reorganization of the government structure and the establishment of a Culture, Sports and Tourism Bureau.

As we all know, intellectual property is the lifeline of the arts and cultural industry. I hope that the Government will expeditiously reactivate the amendment of the Copyright Ordinance and work with cities in the Guangdong-Hong Kong-Macao Greater Bay Area to jointly establish a regional intellectual property rights database and trading centre. In addition, the development of the arts and cultural industry can dovetail with other industries, such as tourism and creative industries.

Deputy President, Hong Kong should tell China's story well to enable people around the world to understand China. Hong Kong's existing strengths include our blending of Chinese and Western cultures, the openness and freedom of our society, frequent international travels of people, high mobility of personnel, and our better communication in the international arena thanks to our English competency and personal connections. However, the crux of telling China's story well lies in understanding the content of the Chinese culture and China's development process. It is necessary for the Government to enhance the cultural and artistic qualities of students and citizens, including the traditional Chinese culture, through education and promotion activities. Equally important to the understanding of the Chinese culture and China's development process is Hong Kong's interpretation, namely our ability to tell China's story well. In fact, there are already regular exchanges between renowned Mainland and overseas arts organizations, and Hong Kong's strength lies in our international talents and mode of interpretation, which makes our promotion efforts more understandable and internationally acceptable.

Lastly, I would like to point out that the positioning of an East-meets-West centre for international cultural exchange does not mean that the exchange is only exclusive to arts and cultural professionals, nor should arts be packaged as a commodity exclusive to some people only. The Government's arts and cultural policy should continue to popularize local arts. For example, the Community Arts Scheme enriches people's lives and raises the literary and artistic qualities of the community as a whole, thus forming a virtuous cycle and raising the level of international cultural exchange in Hong Kong.

Deputy President, I so submit.

MR LAM CHUN-SING (in Cantonese): Thank you, Deputy President. First of all, I am very grateful to Mr Vincent CHENG for moving the motion on “formulating policy and development blueprint on arts and culture for the next five years”, which gives us an opportunity to discuss this issue. The development of arts and cultural industry will bring tangible economic benefits and create more quality jobs and development opportunities for young people. Moreover, it can also generate intangible social benefits, satisfy the spiritual needs of the public and enhance their quality of life, as well as showcasing the soft power of Hong Kong and our country to the world.

The National 14th Five-Year Plan clearly supports the development of Hong Kong into an East-meets-West centre for international cultural exchange. Our future goal is to position Hong Kong as Asia’s city of culture and creativity. I hope that the next-term Government can set up a new Culture, Sports and Tourism Bureau to strengthen the coordination of the development of arts and cultural industry at the level of government structure, and formulate a policy and development blueprint on arts and culture for the next five years, so as to let the public have a glimpse of a more thorough and holistic development direction and policy planning, thus enabling us to realize our vision step by step.

In recent years, Hong Kong has built many cultural infrastructures, but the crux of the problem remains the lack of overall cultural policy and software support. Although we have world-class cultural facilities such as top-notch art performance venues, the M+ Museum and the Hong Kong Palace Museum, the comprehensive development of the arts and cultural industry still needs to be supported by a cultural policy. We have to find ways to stimulate local artistic creation, train talents in the arts and creative fields, and assist local arts practitioners and teams in entering the Mainland and international markets, so as to better promote the Hong Kong culture and the fine traditional Chinese culture to the world.

Developing the arts and cultural industry requires long-term efforts. I agree with the proposal in the motion to establish a commission on cultural industry and set up an arts and culture foundation to provide sustainable support to the development of the industry. Apart from policy support, it is equally important to strengthen arts and cultural education and training of talents, so as to enhance the public’s awareness and appreciation of arts technology. With the development of technology, the integration of art and technology has become a new trend in the development of art. Art tech is now developing rapidly in the

Mainland, Japan and the United Kingdom. Technology such as virtual reality, real-time animation and extended reality can be incorporated into artistic creation, bringing the audience a fresh experience of interaction and participation. Art tech involves many professional and technical areas, including software development, interactive media and artificial intelligence. In the future, the Government should continue to promote the training of technology talents, expand the local talent pool and, more importantly, promote collaboration and exchanges between the arts and technology sectors.

Lastly, I particularly agree with Mr YIU Pak-leung's proposal to strengthen the interactions between culture and tourism, with a view to creating more cultural tourist attractions with Hong Kong characteristics. This year's Budget proposes to allocate \$600 million to implement a three-year scheme entitled "Cultural and Heritage Sites Local Tour Incentive Scheme", with an aim of providing incentives for the industry to develop and launch tourism products with cultural and heritage elements. In addition, another \$60 million will be allocated to subsidize the training of tourism practitioners for a period of three years to enhance the professionalism and service quality of the tourism industry. This is a good start. I suggest that if the scheme achieves significant results, the Government should continue to invest resources to change the straightforward operation mode previously adopted by the tourism industry which relied solely on shopping and zero-fare tour groups. Instead, it should endeavour to satisfy the needs of tourists who are in pursuit of in-depth tourism to explore and experience local life and culture, as well as local arts and characteristics. Then tourists will no longer stereotype Hong Kong as merely a "shopping and culinary paradise". In the future, Hong Kong should also develop into a "arts and cultural paradise" and implement more diversified tourism projects, so that its tourism industry can grow in a healthy and sustainable manner alongside the development of arts and culture.

Deputy President, I so submit.

MS CHAN HOI-YAN (in Cantonese): Thank you, Deputy President. First of all, I would like to thank Mr Vincent CHENG for moving the motion on "formulating policy and development blueprint on arts and culture for the next five years".

For some time in the past, when talking about the development of arts and culture in Hong Kong, many people would bluntly criticize the Government for its lack of support. Personally, I do not think this is entirely correct.

As a matter of fact, the Government provides a regular subsidy of more than \$400 million to the nine major performing arts groups every year. Moreover, the Art Development Matching Grants Scheme launched since 2016 has also received several injections amounting to \$1.7 billion by the Government to support small and medium-sized arts groups and artists.

In my opinion, the problem facing the development of arts and culture in Hong Kong is not that there is no support, but that the support is not in place or is yet to put to use. Therefore, I very much agree with the original motion that: policy and development blueprint on arts and culture should be formulated, with a view to helping the development of local arts and culture set out on its own course through comprehensive and specific objectives.

I certainly hope that the next-term Government can implement the reorganization of Policy Bureaux and set up a Culture, Sports and Tourism Bureau, so as to consolidate the relevant support measures currently under the purview of various departments and organizations. More importantly, we need to put forward a vision and objectives for the development of arts and culture in Hong Kong under the comprehensive coordination of a single Policy Bureau, so as to support the development of arts and culture in Hong Kong with a set of holistic arts and cultural policies.

I also agree with the proposal to set up an arts and culture foundation as mentioned in the original motion, which can provide the most basic financial support for the relevant support policies in the future.

However, I think this is only the first step. Even if a fund has been established, local arts and culture can hardly develop healthily without quality talents to create good works; or without suitable venues for performances or exhibitions; or without adequate audience groups.

What I would like to point out is that we cannot only seek high-end development. Apart from having landmarks, arts and culture should also have local characteristics. That is why I myself am more concerned about the Government's support for local cultural and creative industries. The development of cultural and creative industries often helps to bring creativity, arts and craftsmanship into the lives of the general public. Building and nurturing of these cultural capital are important steps towards expanding the audience base.

When it comes to the support that the cultural and creative industries need most, it must be land. From the studios used for creative work, venues for exhibitions or performances, to bazaars for consumer interaction, etc., it is all about land. Over the past 20 years, the local cultural and creative industry has brewed a unique ecology in factory estates. Yet, given the policy of revitalization of industrial buildings and the decline in the vacancy rate, the rents of industrial buildings escalate, posing many challenges to the young members of the cultural and creative industries.

Can the Government take the lead in identifying suitable industrial buildings for wholesale conversion in the future? Or can it identify the underutilized buildings or clusters of buildings, such as vacant school premises and historic buildings, for conversion into local cultural and creative parks, so as to serve as a base for the proper development of the local cultural and creative industries?

As we all know, there are similar developments in the Mainland cities, such as Guangzhou and Shenzhen, as well as Taiwan and Macao. These parks generally provide space for studios, exhibition/performance venues, public places, and commercial spaces, etc. The scale and effectiveness of their development vary, but as a gateway for cultural and creative industries to reach out to the public, local cultural and creative parks can indeed fulfil their functions.

Of course, the cultural and creative park is only a platform, the cultural and creative industries as a whole require the support of other policies in order to give play to their potentials. For example, as near as in Macao, apart from the four government-supported cultural & creative industries zones, there is also the Tap Siac Craft Market, which is regularly organized by the Cultural Affairs Bureau of Macao every month and has a history of more than 10 years, to subsidize Macao's creative talents to set up stalls in craft market twice a year for free. Moreover, there are also various funding schemes specifically targeted at the cultural and creative industries to help start-ups who are interested in participating in cultural and creative industries to start their own businesses.

I believe many people understand that without the participation of local citizens, no matter how many tens of billions of dollars we spend and how many cultural districts we build, they are just castles in the air, which may not be of great help in promoting the healthy and sustainable development of local arts and culture. In order to further promote the development of arts and culture, we should not just

“give out money”. Instead, we should optimize the use of resources and policies so that the arts and cultural sector can become self-reliant step by step, for which the development of the cultural and creative industries is precisely an essential step.

I so submit. Thank you, Deputy President.

MR EDWARD LEUNG (in Cantonese): Thank you, Deputy President. I speak in support of the motion and the amendments that will follow.

Last week, there was a media report on my unknown past, revealing another side of me that is less known to people. The story was not about dirty materials or scandals of me, but the fact that I, like many young people, used to follow my dreams in university, and was following my dreams of music and films.

At that time, a group of friends and I participated as a team in a film festival in the United States, hoping to bring honour to Hong Kong. We produced a microfilm which ended up winning top prize in the festival. We had the fleeting hope of pursuing that as a lifelong career. Why were so many of us passionate about music and films? Because my generation grew up on Hong Kong’s popular culture. Hong Kong had made impressive achievements in Cantonese songs, Hong Kong films or TV dramas, the popularity of which swept across Asia. The whole world loved Hong Kong films and TV dramas, and even Hollywood remade our movies.

However, when I entered the workforce, I looked around at my friends and wondered if any of my teammates back then actually joined the music and film business. None. There all worked in the fields of accounting, finance and public relations. Why was that so? Because at the time friends around me used to say, “If you’re in this business—making music and films—you’re bound to be poorly off and not going to get a wife.” We were all afraid of not being able to get a wife (*laughter*), so we decided not to go into this business. But why could the elder generation make it? CHOW Yun-fat, Stephen CHOW, Andy LAU, Faye WONG and so many other directors all made it. Why? Because they have the qualities that we admire a lot—their willingness to make self-sacrifices, their adventurous spirit, their nonchalance about being “cannon fodder” and their all-out efforts to struggle. At the end, they made it and landed in success.

Coming back to today, if there are still many young people who want to go along this path, willing to struggle as “cannon fodder” and do not care if they cannot get a wife, is it possible for Hong Kong to return to the glorious days in the 1990s? Impossible. Why? Look at the current situation in Korea. They have pooled all their resources, money and talents nationwide, and hunted for talents worldwide to build their cultural industries. It is impossible for Hong Kong, armed with only the spirit of “cannon fodder”, to compete with them. It is as impossible as competing with others by simply “waving knives” when the whole world is using planes, artillery and atomic bombs.

Please look at what Korea has done exactly. They set up a ministry called the Ministry of Culture, Sports and Tourism, which is responsible for the development of cultural industries. Korea has built its cultural industries by combining the unrelated elements of culture, tourism and sightseeing and it has done an excellent job. Why is there such a combination? Because cultural industries are closely connected to tourism. When Korean music and films are doing well, people from all over the world will want to travel to Korea. Upon arrival in Korea, they will come under the sway of the local culture and continue to watch Korean films and listen to Korean music after returning home, and then visit Korea again. This complementary effect has made the Korean cultural industries more dynamic and sustainable.

Therefore, when the Chief Executive said earlier that a Culture, Sports and Tourism Bureau would be established, I strongly supported it. As we can see, indeed it is still these three elements combined as in the case of Korea, so this is a good direction and we support it. However, more importantly, it is necessary to formulate very clear goals and blueprint to lead Hong Kong’s cultural industries to renew their glory. We sincerely hope that no more young people will be forced to give up their aspirations for fear of not being able to make a living in the arts. We really hope that in the future, artists will be able to make a living and support their families just like the practitioners in other industries, thereby carving a niche for themselves.

I so submit. Thank you, Deputy President.

MS JOEPHY CHAN (in Cantonese): Thank you, Deputy President. I speak in support of the original motion and the amendments thereto.

Hong Kong is a meeting place of cultures, which is a unique advantage for us. In fact, in addition to Eastern and Western cultures, Hong Kong has the Lingnan culture that is unique to the Greater Bay Area (“GBA”), and they have given birth to a Hong Kong culture that combines both the avant-gardes and traditions. These diversified arts and cultural characteristics should help diversify our industries and provide a greater field for young people to develop. As early as in 2009, the Government stepped up the promotion of arts and culture by listing it among the six industries where Hong Kong enjoyed clear advantages. Unfortunately, after more than a decade, our arts and culture are still not very well developed. At best, we have more hardware facilities in the West Kowloon Cultural District, albeit it has taken decades to build. In terms of soft power, such as popular culture, we still lag behind other places.

As a matter of fact, many of our young people have started learning dance and singing since childhood, and have even attained performance and professional levels in adulthood. On an occasion, when having a chat with a group of young girls practising dance at a community centre in Tsuen Wan, I learnt that they rehearsed dance after school for performances and competitions in the Tsuen Wan district. But when I asked them if they would make a career out of their hobby, they all answered “no”, because the pursuit of arts and culture as a lifelong career would mean very unstable income, and also there were not many opportunities in Hong Kong.

In 2019, Hong Kong’s cultural and creative industries contributed 4.7% to the Gross Domestic Product (“GDP”). In contrast, Korea’s arts and cultural industries accounted for 6.57% of its national GDP. Cantopop, once highly popular in Asia, has now been replaced by K-pop.

When chatting with the Tsuen Wan youth dance group, I also asked them if they would be interested in performing in other cities in GBA should there be the chance. They said in unison that they were interested but did not know how to grasp such an opportunity.

Deputy President, the best thing about arts and culture is that it provides a way to diversify the development of industries in Hong Kong. It is also the best soft way for young people to contribute to the development of GBA.

While the SAR Government is unable to do so, the Central Government has already made plans for us. The Outline of the 14th Five-Year Plan calls for the

development of arts and culture in Hong Kong, stating that Hong Kong should give full play to its strengths and capitalize on the old concept of the fusion of Eastern and Western cultures to make us an East-meets-West centre for international cultural exchange and Hong Kong a special brand in the world. In the international arena, we are not only the Pearl of the Orient but also a cultural hub.

Deputy President, with regard to today's motion, apart from heeding the opinions of young people in the community on a regular basis, I have also consulted the sector. I would especially like to thank the famous director, Clifton KO, for his many views. On the promotion of local arts and culture and the cultural and creative industries, Mr KO pointed out that the greatest problem with the official promotion of arts and culture is the responsible officials' lack of vision and depth. Very often, the so-called arts and cultural activities are nothing more than shallow exchanges and visits, where there is no follow-up after individual performances and photo-taking by the officials. These exchanges are truly "superficial"—touching only the surface and not at all sufficient for driving industrial cooperation. The Government has spent money but the people are not happy. The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area sets out that we should develop industries but not simply conduct exchanges nor organize exchange tours. The key to the industrialization of Hong Kong's arts and culture is co-production, with the goal of developing works rather than headcount.

Deputy President, I would like to provide the SAR Government with an example so that officials can be a little more "down-to-earth" and keep abreast of the trend. Recently, a Hong Kong TV station and a Mainland TV station have jointly produced a live music reality show called *Endless Melody*, where singers compete in Hong Kong music. In the programme, Hong Kong's celebrated singers not only bring Cantopop to Mainland audiences, thus industrializing Hong Kong's music industry, but also introduce singers of the new generation, e.g. Mike TSANG and Gigi YIM, to the broader platform in the Mainland for development, thus enabling upward mobility of youth. It kills two birds with one stone. Many Hong Kong singers and groups aim at becoming "No. 1 in Asia". To reach this plane, I believe we have to do more co-productions. In formulating the development blueprint for the next five years, I hope that the Government will consider these views and make promotion efforts.

Deputy President, I so submit. Thank you.

MR LAI TUNG-KWOK (in Cantonese): Thank you, Deputy President. I wish to talk about an aspect of the policy on arts and culture which gets overlooked more often. Let me keep you in suspense for the time being. I wonder if you know, which item accounts for the largest proportion of the Government's resources allocated for arts and culture? According to the information provided by the Home Affairs Bureau, take the Estimates for 2021-2022 as an example, the largest share of resources is spent on "public libraries and activities", which accounts for 27% of the total estimated expenditure. This percentage is the same as that of "public art activities", with each involving an expenditure of about \$1.5 billion.

Why do libraries get overlooked so easily despite the considerable resources put in them? I understand that when we talk about arts and culture, the first things that come to our mind are museums, high-end artwork, opera, etc. because they can attract tourists and create the brand identity of Hong Kong culture. I absolutely agree that they should be developed with vigorous effort. But at the same time, I also believe that the development of libraries is also indispensable for upgrading a city's cultural level.

According to the "14th Five-Year Plan for the construction of public cultural service system" issued by the Ministry of Culture and Tourism, with a view to further promoting the construction of public cultural service system, one of the major tasks is to "construct libraries which are people-centred". I consider it worthwhile for the Hong Kong Government to learn from this. If we really have to formulate our own development blueprint on arts and culture in the future, I hope the part on libraries will not be left out.

For libraries to be "people-oriented", they must keep up with the times and the development of society. In recent years, the pattern of using libraries worldwide has been changing gradually, whereas the use of electronic library services by readers has become increasingly common. However, the serviceable life of the two major information systems currently used by the Hong Kong Public Libraries, namely the Next Generation Integrated Library System and the Multimedia Information System has expired last year. As a result, the systems cannot receive technical support in respect of hardware and software. Further upgrade or improvement is hardly possible. Although the Government is developing the new Smart Library System, the progress is lagging behind. It is

understood that the new system will not be put into operation until at least 2025. I hope the Government will ensure that the new system can commence operation as scheduled without any delay.

At present, Hong Kong libraries have launched various promotional activities, some of which are quite popular among the public and are in line with the concept of being “people-oriented”. For instance, libraries in various districts have held Storytelling for Children, and many parents would bring their children to libraries in their community to participate in these activities. I think the number of sessions should be increased and more parent-child reading elements should be added, so as to cultivate reading habits in children from an early age.

In closing, I would like to say that the best way to foster a reading culture among children is to start at a young age. I know a retired school principal in Hong Kong who has practised what he preaches by setting up a charity fund called “Reading Dreams”. Over the past 10 years or so, the fund has been building libraries for village schools in Hunan Province, as well as improving the educational approach and developing local students’ interest in reading, which have produced very impressive results. As for Hong Kong, whilst there are teacher-librarians in every school, it seems that there is still not enough room for them to unleash their potential and we still have to work hard. Deputy President, I so submit.

DR DENNIS LAM (in Cantonese): Thank you, Deputy President. Hong Kong has always been an international metropolis with a cultural fusion of East and West while embracing diversity and inclusiveness. These characteristics are also fully reflected in local works of culture, arts, film, music and design, etc. In recent years, the Government has been actively upgrading the local hardware facilities for arts and culture. For example, the various venues in the West Kowloon Cultural District (“WKCD”) and the East Kowloon Cultural Centre have been commissioned gradually, which deserves our recognition.

Hong Kong also hosts many large-scale arts and cultural events on a regular basis, such as Art Basel and the French May Arts Festival, which showcases the cultural soft power of Hong Kong. It has also reflected Hong Kong’s

international connectivity in this regard, such that we possess the conditions to realize the goal and position of developing into an East-meets-West centre for international cultural exchange under the Outline of the 14th Five-Year Plan.

Having a goal naturally requires a plan. The original motion today urges the Government to formulate policy and development blueprint on arts and culture for the next five years, which I strongly support personally. I also hope that the Culture, Sports and Tourism Bureau which the Government has proposed to set up can serve as a high-level coordination body in the future for implementing policies to promote the synergy effect of culture, sports and tourism. It should promote local arts groups and perform the function of leading them to enter the Mainland and even reach out to the world. It should also leverage and give full play to our existing advantages in order to accomplish the tasks entrusted by the country.

On the other hand, to better grasp the new opportunities of being an East-meets-West centre for international cultural exchange, it is necessary to have a comprehensive policy to support local arts and cultural groups. They are complementary to each other, and only by doing so can we attract more talents and promote cultural exchange. In my opinion, the most crucial policies are land and space as well as financial support. Regarding land and space, as I have mentioned earlier, the local hardware facilities for arts and culture have continued to improve with the efforts of the Government. But the problem is, the supply of these venues can only make up for the shortfall in the past. Besides, the threshold for using world-class venues like WKCD is very high, so they cannot benefit local arts and cultural groups in general, making it a major obstacle to the development of arts.

As a matter of fact, the number of artists and arts groups in Hong Kong has been growing steadily, and the demand for performing and rehearsal venues has been increasing as well. Yet, the supply is very tight due to constraints of the land problem, so the rent has been driven up. According to the statistics provided by the Leisure and Cultural Services Department, the utilization rate of cultural venues in Hong Kong, such as the City Hall, Cultural Centre and civic centres, is generally over 90%. Although some groups would conduct routine rehearsals in industrial buildings, the rent of industrial buildings has also soared drastically in recent years. The room for development of arts and cultural groups has thus been severely compressed. Therefore, I think the authorities must consider the needs of the arts

and cultural sector in the process of land planning to help them explore room for survival, thereby enabling the whole industry to flourish further.

With respect to financial support, the Government has provided continuous support for the cultural and creative industries over the years, but it is lacking in intensity. At present, the funding for arts and culture only accounts for 1% of government spending, and the recurrent funding often concentrates in the nine major performing arts groups, thereby giving rise to uneven distribution. Small and medium-sized arts groups receive relatively less funding, whereas some funding schemes, such as the CreateSmart Initiative and the Film Development Fund only provide funding of \$200 million to \$300 million every several years. This is merely a drop in the bucket for the arts and cultural sector.

Lastly, the Government should also promote exchanges between the local arts and cultural sector and that of our country, and establish a regular communication platform for exploring issues such as cooperation in cultural development projects and cultural trade, etc. In addition, exchange activities should also be organized regularly to enable the local arts and cultural sector to have a thorough understanding of the cultural development in the Mainland. Only through this can we integrate the advantages of the Mainland to effectively play the role as an East-meets-West centre for international cultural exchange.

With these remarks, Deputy President, I support the original motion and all amendments.

MR TANG KA-PIU (in Cantonese): Thank you, Deputy President. I rise to speak in support of the original motion moved by Mr Vincent CHENG. Certainly, I will support the other amendments as well.

In fact, I would like to take this opportunity to put forward again the strategic idea of “Connecting Kowloon East with the Association of Southeast Asian Nations (‘ASEAN’)” which I have raised repeatedly in the legislature. However, what does this idea have to do with this subject? It is because the East Kowloon Cultural Centre (“EKCC”) will be officially commissioned in 2023. Aside from

those state-of-the-art facilities in the West Kowloon Cultural District, EKCC is a large-scale arts and cultural venue that is truly community-based and accessible to Hong Kong people for their use and enjoyment in the recent decade.

Let me elaborate on this. What are arts and culture? Where are the roots? In particular, since Hong Kong is an international city, sometimes we would be very afraid, and what is internationalization? Do the United States and the West equal to internationalization? No, this is not the case. Especially with the diversified development around the world, if we always equate some international standards with those in United States and the West, the overall development of Hong Kong will actually be confined.

Therefore, I have repeatedly pointed out that we need to connect with ASEAN. Apart from the opportunities of the Regional Comprehensive Economic Partnership (“RCEP”), actually it can also enable Hong Kong people, including the young ones, to broaden their view to the world. In fact, the world is highly diversified in various aspects, be it culture, political regime, religion and social lifestyle. ASEAN is exactly an epitome of this, since it encompasses all kinds of systems as well as different cultures and religions.

Why do I propose “Connecting Kowloon East with ASEAN”? It is because Kowloon East also has many different software facilities that are based on and founded on Chinese culture. The one and only Confucius Institute in Hong Kong, to which Mr TONG Yun-kai has dedicated his whole life, will be completed in 2025 if not postponed. This is the embodiment of our Confucian culture. Of course, there is also the Wong Tai Sin Temple or Sik Sik Yuen, which I consider as the most important religious facility in Hong Kong. As regards Buddhism, it goes without saying that the Chi Lin Nunnery is a compound with the architectural style of the Tang Dynasty.

As such, Kowloon East is actually a community founded on a blend of Confucianism, Buddhism and Taoism, which can duly reflect the traditional Chinese culture. We can make it an entry point and use the newest facility, EKCC, to package the good stuff of our tradition and ancestors as modern art. Nevertheless, we also need to have a good strategic partner—ASEAN.

Why should we connect Kowloon East with ASEAN? I repeat again, because I wish to enable the whole civil society in Hong Kong and the young people to have a glimpse of the diversity of the world. There are many different development pathways other than those of United States and the West. ASEAN, which is in close proximity to Hong Kong, is one of the places in the world where development is thriving. Why can we not enjoy the benefits of our favourable geographical position?

Whenever I ask the HKSAR Government what strategies it has in place to ensure that we can join RCEP successfully, the Government keeps talking about the trade and economic aspects. Can they see things from another perspective? Do not be so inflexible. We believe that people-to-people exchanges are multifaceted. At the same time, I also know many overseas Chinese leaders and organizations who are not only good at doing business, but they have also provided considerable resources to promote the interface of people with arts. Therefore, I wish to take this opportunity to repeat once again, “Connecting Kowloon East with ASEAN”. Do not give up the Kowloon East core business district. It should not merely become a cheap version of Central. We should have a mission, an agenda, and a multi-level approach instead of focusing only on the trade and economic aspects. It is my hope that we can also connect Kowloon East with ASEAN in respect of arts and culture.

I so submit. Thank you.

MR CHAN CHUN-YING (in Cantonese): Deputy President, I thank Mr Vincent CHENG for proposing this motion and the six Members for their amendments to urge the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong.

The Dedicated Chapter on Hong Kong and Macao in the 14th Five-Year Plan explicitly supports the development of Hong Kong into an East-meets-West centre for international cultural exchange. In last year’s Policy Address, Chief Executive Carrie LAM pointed out that the Government would seize upon this unique creative atmosphere to position Hong Kong as Asia’s city of culture and

creativity, and work on five directions to realize Hong Kong's new cultural positioning.

Over the past two years, Hong Kong's economy has suffered a serious setback due to the epidemic. While active investment promotion after the epidemic may indeed bring back some tourists and economic activities, the appeal of arts and culture is also an important factor in bringing international visitors back to Hong Kong. For this reason, when introducing targeted measures to facilitate expeditious economic recovery after the epidemic, the Government must also take into account the appeal of arts and culture.

Years ago, the Government already turned a prime waterfront site of 40 hectares into an integrated arts and cultural hub with world-class facilities. Yesterday, the Legislative Council conducted a visit to the Hong Kong Palace Museum in the West Kowloon Cultural District, a facility to be completed in three phases since 2016, including the museum we visited. In East Kowloon from where Mr TANG Ka-piu comes, the East Kowloon Cultural Centre is also under construction and is expected to be commissioned in 2023.

Meanwhile, at present, there are 16 performing venues of different sizes, 14 public museums, the Hong Kong Film Archive, two heritage centres, the Art Promotion Office, etc. in Hong Kong. Last year, the Government's total expenditure on venue support for arts activities, funding support to arts groups, and arts education and promotion was \$5.7 billion, excluding the capital works expenditure for these facilities.

It is thus evident that over the years, the SAR Government has been supporting the infrastructure and development of arts and culture in Hong Kong through the construction and operation of various cultural venues, as well as continuous increase in recurrent expenditure. Now there is already a considerable solid foundation. However, in the next five years, the new-term Government should gradually change its role in culture and arts from a "manager" to a "facilitator". Like the new Chief Executive said, it should adopt a result-oriented approach, strengthen the implementation of policy initiatives, and use all measures properly and flexibly. Only by doing so can Hong Kong genuinely develop into a city of cultural vibrancy in Asia.

Apart from the specific measures proposed in the motion, I strongly support Mr Vincent CHENG's earlier remark that the Government should change the way it subsidizes the local cultural industry by directly subsidizing the public to buy tickets and participate in local cultural and arts activities with something like consumption vouchers. Not only can it enhance people's interest in appreciating arts and culture, but also promote the sustainability of the local arts and cultural industry.

Apart from encouraging public participation in arts and cultural activities, it is also necessary to broaden the contact and deepen the cooperation between the sector and other sectors in society. Being a "facilitator", the Government can build a more effective platform for cooperation and exchange to connect the arts and cultural sector with other sectors in society. For example, if a school wishes to organize arts and cultural activities or interest classes, or if a shopping mall wishes to incorporate elements of local cultural features into its promotional activities, they may look for suitable arts and cultural groups or practitioners through a unified platform. The Government may provide funding support for these activities to help create more cross-disciplinary collaborations between arts and culture, depending on the actual needs.

Besides, I support the integration of local culture with technology to foster digitalization of the cultural industry. The technological convenience and upgraded means brought by digital transformation can enhance and stimulate the creative and innovative power of the cultural industry, thereby driving the industry towards quality development, better satisfying the growing spiritual and cultural needs of the public, and gearing towards more diversified and innovative development.

Deputy President, I will support the original motion and all the amendments. I so submit.

MR KENNETH LEUNG (in Cantonese): Thank you, Deputy President. Before all else, I thank Mr Vincent CHENG for proposing the motion and the several Honourable colleagues for their amendments.

Hong Kong has long enjoyed the advantage of being a meeting point of Eastern and Western cultures. Coupled with the establishment of several cultural areas, including such arts facilities as the West Kowloon Cultural District ("WKCD") and the soon-to-be-completed East Kowloon Cultural Centre, most

favourable conditions have been created for turning Hong Kong into an East-meets-West centre for international cultural exchange, and developing the arts, cultural and creative industries.

The arts and cultural sector in Hong Kong has all along abounded with foreign talents. This is the key to maintaining internationalism. However, if it does not have the right mix with local talents who have absorbed the strengths of both Chinese and foreign cultures to create works unique in Hong Kong, no matter how many WKCDs are set up, they are mere venues for staging performances of foreign creations. As such, how can Hong Kong play its role properly as an East-meets-West centre for international cultural exchange? Hence, we must attach importance to nurturing local talents.

“It takes ten years to grow trees, but a hundred to cultivate people.” Nurturing talents is a long-term and arduous task. Here I would like to make a few suggestions.

Firstly, we need to lay a good foundation. Starting with young people’s arts and cultural education, we should enhance the promotion of science, technology, engineering, art and mathematics (“STEAM”) education in primary and secondary schools by adding arts to science, technology, engineering and mathematics (“STEM”). I have noticed that so far, neither the Education Bureau nor schools have attached much importance to the subject of arts. Not only can the addition of arts to STEM enhance students’ interest in learning and their creativity. It can also demonstrate the potential of integration of arts with technology, foster the content and delivery of artistic creation, and deepen audience participation and experience. Nurturing technology and arts talents through STEAM education is conducive to raising the standard of arts and culture in Hong Kong in the long run.

Secondly, we should reform the criteria and mode of admission to universities or tertiary institutions. At present, university admission still places too much emphasis on academic achievement. The pressure from examinations of the major subjects is so great that very often, the cultural, sports and arts subjects in primary and secondary schools have to take up a minor role while having the number of lessons reduced. After reaching senior secondary level, many students who excel in arts, sports and culture are forced by their parents to give up such interests. For example, they are asked not to indulge in playing football or painting, and not to dream of taking it as their future career. I suggest that in this regard, we should start by increasing the weighting of cultural, sports and arts subjects in the mode and criteria of university admission, so that young people with

different strengths will have the opportunity to pursue further studies and find their own suitable direction of development, thereby giving young people more diversified pathways and opportunities for upward mobility.

In that case, in response to changes in university admission criteria, the primary and secondary education sector and parents will naturally attach greater importance to arts and cultural education, which will help cultivate students' interest in arts and culture, as well as their capability of appreciation, creation and expression. It may even enhance the cultural content of society as a whole. Not only can this nurture and reserve future talents to be engaged in the arts and creative industries, but also cultivate an audience interested in arts and culture, thus laying a solid foundation for the professionalization and industrialization of the arts and cultural industry. It is only with the formation of a large audience that the demand in this field will increase, which will in turn support a sustainable industrialization model.

In addition, interaction between tertiary education institutions and the arts and cultural industries needs to be strengthened, so that the institutions can closely follow the latest and most precise needs of the market in training talents, and the relevant industries can attain professional and systematic knowledge transfer, thereby enabling talents to accumulate different experiences during interactive practice.

Thirdly, we should promote interface between the qualifications of Hong Kong professionals and the Mainland qualifications framework, so that qualifications in the two places will be mutually recognized, and young people may choose to engage in arts and culture and plan to go north for development. As our country has a specific title system for Mainland professionals in arts and culture, it is necessary for Hong Kong to strive for interface with Mainland academic institutions to achieve mutual recognition of qualifications, so as to facilitate the pursuit of development in Mainland cities in the Greater Bay Area for Hong Kong young people who love arts and culture, thus opening up an additional pathway for them. It can also help promote exchanges between arts and cultural professionals of the two places.

To sum up, we must make more efforts to nurture local talents, and lay fertile ground in areas such as basic education, post-secondary education and mutual recognition of professional qualifications, so that the development of arts and culture can bear fruits in Hong Kong.

Thank you, Deputy President. I so submit.

MS LAM SO-WAI (in Cantonese): Thank you, Deputy President. I thank Mr Vincent CHENG for proposing the motion and other Members for their amendments.

Hong Kong has always accorded priority to economic development, and the community has been relatively less enthusiastic about culture and arts. In the past, it was even called a “cultural desert”. In recent years, following the change in social trend, members of the public have attached increasing importance to arts and culture, and the Government is determined to develop Hong Kong into an East-meets-West centre for international cultural exchange. With the implementation of various infrastructure projects in the West Kowloon Cultural District (“WKCD”), including the Xiqu Centre, M+ Museum and Hong Kong Palace Museum, new opportunities for arts and cultural development have emerged in Hong Kong.

Arts and culture not only can refine people’s temperament and enrich their spiritual life, but also enhance Hong Kong’s status as an international metropolis and liveable city. In recent years, places around the world have regarded arts and culture as important manifestation of soft power and city image. It is even linked to a country’s core competitiveness. For example, Korea has actively fostered the cultural industry and made great efforts in its export. Not only has it successfully made use of the Korean culture to expand its international influence. The industry has also become a new pillar of economic development. The relevant experience is worthy of reference for Hong Kong.

As a matter of fact, Hong Kong has quite a number of unique advantages in arts and culture which are waiting to be explored by the community. For example, Hong Kong is a place where Eastern and Western cultures meet, rooted in Chinese culture and compatible with Western culture, resulting in its unique local cultural characteristics. In recent years, Hong Kong has also received support and preferential treatment from the State, which has given its clear support for the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan, thus giving a boost of confidence to the cultural industries in Hong Kong.

However, currently, there are still many constraints and limitations in promoting arts and cultural development in Hong Kong. The Government’s role seems more like a mere organizer and financier of arts and cultural events. Its

role in policy advocacy and providing steer is limited. Neither has it formulated a clear development blueprint for the sector. I hope that improvement can be made in this regard in the future.

Besides, despite the increasing importance attached to arts and cultural development by the Government in recent years, some organizations have indicated that after the completion of WKCD, although a number of world-class major cultural venues have been put in place, the supply of small and medium-sized venues is still tight at the district level, thus greatly restricting the development of small and medium arts groups. Many small and medium arts groups even need to exploit the “grey areas” or loopholes in law and locate their performance venues in industrial buildings in order to alleviate the rental pressure. For this reason, they have to bear considerable legal risks. The situation is far from satisfactory.

Meanwhile, arts and cultural development needs to be integrated with local culture and people’s lives. Street performance has always been regarded as the most down-to-earth form of performance. Not only can it add vibrancy to Hong Kong city. It is also free entertainment popular among the public. However, in the past, the Government has not formulated an appropriate policy on street performance. Moreover, since the removal of the Mong Kok pedestrian zone in August 2018, performers have lost an important performance venue. I hope the Government will provide more support to street performers from the perspective of promotion and development and avoid excessive regulation in the future. At the same time, the Government should study opening up more public space to street performers, so that the streets of Hong Kong can be embellished with more performing arts, such as busking.

Lastly, arts and cultural exchanges between Hong Kong and the Mainland have increased in recent years. Many local arts groups wish to perform on the Mainland, but since some of them are not well known on the Mainland, it is difficult for them to secure performance opportunities. I hope the Bureau can proactively sign cultural exchange agreements with Mainland provinces and cities in the future, so as to strive for more performance opportunities for Hong Kong people and help local arts groups to go beyond Hong Kong.

Deputy President, I generally agree with the recommendations in the original motion and the various amendments. Deputy President, I so submit.

MR LAU KWOK-FAN (in Cantonese): Thank you, Deputy President. I would like to thank Mr Vincent CHENG for moving the motion on “Formulating policy and development blueprint on arts and culture for the next five years”, and I will support the motion and the amendments. In fact, it is an opportune moment to propose the motion on “Formulating policy and development blueprint on arts and culture for the next five years” today because the country has expressed strong support for the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan. As we can see, our Honourable colleagues visited the Hong Kong Palace Museum in the West Kowloon Cultural District yesterday. This venue has done an excellent job in facilitating the cultural and artistic exchanges between China and other countries. In addition, I have always stressed that there is a lot of land in the New Territories North which can be used for arts and cultural development.

A number of Honourable colleagues have also put forward many excellent ideas on arts and culture today. In fact, I have also worked with fellow members of the Democratic Alliance for the Betterment and Progress of Hong Kong to advocate the development of cultural and creative industries in the Greater Bay Area. I have just talked a lot about efforts to foster future development. In the meantime, I would also like to take this opportunity to talk briefly about some news I have read recently. However good our arts and cultural development will be, we have noticed today that young people and the public may find it difficult to get even a ticket for a concert, the price of which has been jacked up to as high as hundreds of thousands of dollars due to speculation.

I have also served as Chairman of the Panel on Home Affairs in the past. I remember that in 2018, namely four years ago, there were already some discussions on combating “ticket scalping”. The Home Affairs Bureau has also put forward some measures which have also been discussed in the Panel, including adjusting the ratio of internal subscription for tickets of some concerts or performances, implementing the real-name ticketing arrangement, raising the penalty to increase the deterrent effect, amending the Places of Public Entertainment Ordinance to cover both the Hong Kong Coliseum (“HKC”) and the Queen Elizabeth Stadium, so that the law can be applied to combat ticket scalping for concerts held at HKC.

Regrettably, from 2018 to today, we have actually never moved a single step forward in terms of the several suggestions I have just mentioned. Today, of course, many Honourable colleagues have conscientiously put forward their suggestions, including the one I made in the past on how Hong Kong should

develop an arts and cultural path in the future. However, while we might have discussed many suggestions and even the Government might have proposed some directions in the past, I have found that we have not even moved a step forward after several years have passed.

In fact, the crackdown on “ticket scalping” appears to be a regular topic of discussion, which has been brought up for discussion time and again whenever there is a popular concert or performance. After all, when will the Government honour its pledge and show the determination to solve this problem? In my opinion, the epidemic has actually provided the Government with many opportunities to take some actions, such as implementing a real-time ticketing arrangement. Under the current “Vaccine Pass” arrangement, people have to scan “LeaveHomeSafe” venue QR code and go through some procedures before entering a premise. Previously, some people said that a real-time system would involve privacy issues and the audience would have to spend a lot of time queuing for admission. Such hurdles can actually be cleared today. The Government may as well try implementing the real-name ticketing arrangement for a few concerts or performances. In fact, I have recently heard that some organizers are also eager to adopt the real-name ticketing arrangement, but HKC is seemingly unable to cope.

I earnestly hope that the Government will truly implement our suggestions. I am looking forward to the setting up of a Culture, Sports and Tourism Bureau following the government reorganization in the future. Given that “home affairs” involve so many different areas, we cannot focus our attention on resolving the numerous long-standing problems in respect of arts, culture and recreation. I therefore hope that the newly formed Culture, Sports and Tourism Bureau will resolve these long-standing problems and implement various good suggestions put forward by Members in today’s discussion.

Deputy President, I so submit. Thank you.

DR JOHNNY NG (in Cantonese): Deputy President, I very much thank Mr Vincent CHENG for proposing the motion on “Formulating policy and development blueprint on arts and culture for the next five years”. Let me first declare that I am a Member of the Council of the Hong Kong Arts Development Council (“HKADC”).

Arts and culture are a manifestation of a city's soft power. If a city has a profound heritage of arts and culture and is capable of displaying a diversity of arts and cultural forms, this can reflect all the more clearly the rich spirit and visage of this city, its inclusiveness, prosperity, as well the sense of happiness of its people.

Deputy President, coming back to today's motion, I agree with most of the contents of the original motion and the amendments proposed by colleagues. Besides, I will make two suggestions as follows.

First, I think the SAR Government should strengthen the support for the development of arts groups and in particular, the subvention for youth arts groups should be increased. At present, the SAR Government supports the local arts development by subventing arts groups of different sizes through the Home Affairs Bureau and HKADC. However, there are views in the industry that the current funding arrangements may not be conducive to the long-term development of the local arts and cultural sectors.

According to the research statistics of the Legislative Council, in 2019-2020, the Government provided \$404 million for the nine major performing arts groups, which was about three times more than the funding of \$104 million provided to over 300 small and medium arts groups and individual artists. In allocating public funding for arts and culture, I think more funds should be provided to support youth arts groups, in order to encourage creativity and innovation. It is because the majority of budding arts groups rely on short-term or one-off funding to maintain their operation, and has encountered difficulties in progressing along the funding ladder. Increasing the subvention for budding and youth arts groups can improve the conditions for their creativity and performance. This, I believe, can certainly stimulate the diverse, vibrant and long-term development of the arts sector.

Second, the National 14th Five-Year Plan has indicated support for the development of Hong Kong into an East-meets-West centre for international cultural exchange and this provides a most important opportunity for Hong Kong. While it is very important for the SAR Government to provide policy support and hardware facilities, it is more important to nurture talents. In this connection, it is necessary for the Government to further step up efforts to nurture arts and cultural talents and seize the opportunity of the development of the Guangdong-Hong

Kong-Macao Greater Bay Area (“GBA”) to facilitate the interface between Hong Kong and the Mainland in the areas of arts and culture, and provide greater convenience for the arts talents in Hong Kong to study, work, and start their own business in Mainland cities in GBA. For instance, apart from the art schools or departments in various universities in Hong Kong, several other universities also have similar departments or faculties, such as the School of Design of the Hong Kong Polytechnic University and the School of Creative Media of the City University of Hong Kong, and there are even specialized art institutions, such as the Hong Kong Academy for Performing Arts, the Hong Kong Art School, and the Hong Kong Design Institute, etc. The SAR Government can study the provision of funding to encourage these institutions to set up campuses in the Mainland, so as to strengthen the training of talents and promote our local arts and culture to places outside Hong Kong, and this will be more conducive to the exchange between the artists of the two places and achieve synergy.

All in all, I hope that the SAR Government will do more to nurture arts and cultural talents and incentivize more young people to participate in arts and culture while at the same time encouraging the use of innovative technology to open up new room for creativity, in order to bring a new outlook to the development of arts and culture in Hong Kong.

Deputy President, I so submit.

MR KENNETH LAU (in Cantonese): Deputy President, I speak in support of Mr Vincent CHENG’s original motion and the amendments proposed by various Members. Arts and culture are the soul of a city and an integral part of its socio-economic structure. In the National 14th Five-Year Plan, the State clearly supports the development of Hong Kong into an East-meets-West centre for international cultural exchange. This is a full recognition of Hong Kong’s past achievements in arts and culture and a high expectation for its future development. The SAR Government should better respond to and complement the directions of national development by formulating a long-term policy and development blueprint for the arts and culture in Hong Kong, giving play to Hong Kong’s unique advantages under “one country, two systems” to become a cultural core in the Greater Bay Area (“GBA”) and consolidating Hong Kong’s status as an international cultural metropolis and an international tourism hub while telling

China's story well as emphasized by President XI Jinping, so that the Chinese culture can be promoted internationally.

Leveraging the support from the Motherland while engaging the world, Hong Kong has always been known for being a melting pot of the Chinese and Western cultures with a creative atmosphere emphasizing diversity and inclusiveness, and we also have world-class cultural hardware. The West Kowloon Cultural District located alongside the Victoria Harbour is one of the largest arts and cultural projects in the world, and M+, Asia's first international museum of contemporary visual culture which opened last year, marks a new milestone in the development of the arts and culture in Hong Kong, whereas the Hong Kong Palace Museum, which will open in July, is a world-class museum attracting attention internationally. These, together with Hong Kong's geographical advantage in connecting with the Mainland and the world, provide strong support for Hong Kong to become a cultural hub of GBA and a central platform for cultural and arts exchanges between China and the West.

Regrettably, the development of the arts and culture in Hong Kong has often been criticized for a lack of software despite having sufficient hardware. It is because the cultural policies in Hong Kong are fragmented and fall under the ambits of different Policy Bureaux in a disorganized manner. Overlapping in policy-making has resulted in a lack of macroscopic planning and foresight in the policies. This is why there have been calls from the community for the establishment of a dedicated Policy Bureau. The proposal of establishing a Culture, Sports and Tourism Bureau is no doubt an important step forward. The new-term Government even intends to develop Hong Kong into a city of culture, create soft power and the "Hong Kong brand", and promote the cultural and creative industries as a new economic engine. I will be happy to see this happen, and I believe Hong Kong has sufficient conditions to put into practice this new cultural positioning.

In recent years, it has become a global trend that the cultural and creative industries are the driving force behind the economy and tourism. The business opportunities and economic benefits generated have been increasing and becoming an important indicator for gauging an economy's competitiveness. The National 14th Five-Year Plan clearly points out that efforts should be made to promote the integrated development of culture and tourism. Hong Kong should seize the opportunities brought by the country to the local cultural sector, actively develop diversified cultural tourism, put into practice the positioning of "shaping tourism

with cultural activities and promoting culture through tourism”, and inject new elements and new impetus into the Hong Kong economy.

The cultural and creative industries are changing rapidly, and the international trend of development is to combine digital culture with creative arts and culture. I hope that the new Government will allocate additional resources to promote arts technology, make good use of such technologies as big data and block chain to unleash the potentials of the cultural and creative sectors in Hong Kong, and strive for a place in the international arena, progressing with the time in serving as a bridge to showcase the soft power of Chinese culture to the world, while bringing together talents, especially young people, to lay a foundation for the sustainable development of the industry.

The community and I very much hope that the new-term Government can attach importance to the social values of the arts and culture, formulate a comprehensive policy and development blueprint for the arts and culture, and set out the goals and a roadmap as soon as possible, so that the arts and culture in Hong Kong can gain a foothold in GBA and be promoted internationally.

Deputy President, I so submit.

MR CHAN YUNG (in Cantonese): Thank you, Deputy President. We strongly support the motion proposed by Mr Vincent CHENG. In fact, as we can see, even a top think tank in the United States has suggested that the Chinese civilization and the Chinese culture are among the most vibrant and strongest in the world. As Chinese people, members of the Chinese nation and descendants of Emperor Yan and Emperor Huang, we also take pride in our Chinese culture.

As we can see, Chief Executive-elect Mr John LEE has placed particular emphasis on “fostering a city of culture to promote a creative economy” in his election manifesto. Meanwhile, we have discussed and put forward a number of initiatives, namely the proposals for the Government to coordinate the development of culture, sports and tourism, formulate policy on cultural and creative industries, develop arts and cultural undertakings and cultural and creative industries, establish the Hong Kong brands and, in particular, expedite the development of Hong Kong into an East-meets-West centre for international cultural exchange. All these

initiatives, together with Mr LEE's emphasis mentioned above, represent the hopes for the future of Hong Kong.

At the same time, we in the Democratic Alliance for the Betterment and Progress of Hong Kong have kept proposing ways to better understand the development of our country, and we have also published a position paper on "Telling China's story well" to advocate comprehensive understanding of the Chinese culture, strengthening the sense of national identity, and understanding our very own culture, namely the many touching cultural connotations of Hong Kong, China, including the history and some major events that happened in Hong Kong, such as the history of the war of resistance.

We are aware of the significant amount of work done by Secretary for Home Affairs Mr Jack CHAN and his colleagues with regard to telling the stories about the history and culture of China and of Hong Kong, China well. We particularly want to highlight their work in strengthening the promotion of Chinese culture, and we hope that various departments of the SAR Government will tell China's story well to the outside world. We should strengthen our sense of national identity through understanding history and leverage Hong Kong's advantages to expedite the process of "going global" to converge with the world and enhance the understanding of the international community. For example, Mr Bruce LEE, the iconic Chinese kung fu master from Hong Kong, has spread our culture to the international world. We should strengthen our efforts in this area. However, there is one point which I must mention. When we are telling our story and strengthening our culture, we must see clearly and should never allow any misrepresentation or any policies which will sadden our friends and gladden our enemies.

Let me cite an example. Recently, the Hong Kong Museum of Coastal Defence held an exhibition on the history of Hong Kong's war of resistance against aggression—some of the relevant work might have been outsourced. Some exhibits were related to culture and history, including Japan's "rising sun" flag and some atrocities committed by the Japanese during their invasion of Hong Kong—it is really infuriating to see them being listed in detail. Surprisingly, the largest wall in the middle of the exhibition area displayed a notice issued during the Japanese invasion of China to reassure the public. There will be trouble if our descendants mistake the notice for the culture and history of that time after reading it. Secondly, I find it unacceptable for the museum to display exhibits representing the strength of the Japanese army. With regard to our history and

culture, all museums should be mindful of the historical era they are showing, and whether the history and culture they are presenting will deliver a positive message and represent the common human value of anti-fascism. In culture promotion, we hope that the Government will carefully consider whether historical facts are presented. That is the first point. Secondly, the Government should also consider whether the “bright spots” of Chinese culture are truly represented.

Another point I would like to make is we hope that the Government will step up its efforts to preserve the exhibits so that they can be passed on from generation to generation.

I so submit. Thank you, Deputy President.

MS JUDY CHAN (in Cantonese): Thank you, Deputy President. I speak in support of the motion moved by Mr Vincent CHENG and the amendments proposed by other Members.

Deputy President, apart from unique spiritual value, the arts and culture also represent a kind of soft strength which demonstrates the creativity and vitality of a city and enhances its international competitiveness effectively. Earlier on, the country has explicitly supported the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan. As a modern city, Hong Kong is well positioned to seize the opportunity properly to chart the right direction and formulate the blueprint for local arts and cultural development. It is incumbent on Hong Kong to make good use of our soft strength in the arts and culture to properly tell the international community the story of China and of the brilliant Chinese culture from the Chinese perspective and more importantly, to tell Hong Kong’s story well.

Deputy President, there is no lack of arts and cultural workers in Hong Kong, and they have always been very active in finding a way out for the development of local culture. However, much to our regret, due to a perennial lack of policy support from the SAR Government, many creative workers are having a difficult time in pursuing their dreams. It is the Government’s responsibility to create more room for their development and provide more support for them to put their ideas into practice, so that Hong Kong can effectively re-establish its brand as Asia’s city of culture and creativity. The majority of Hong Kong people are well educated and have the depth of knowledge and judgment to understand their works.

If the Government can properly promote the arts and culture by vigorous development and enhanced promotion, I believe that the qualities and manner of members of the community in general can be further raised.

Deputy President, the Government has all along been building many arts and cultural facilities, such as the M+ Museum, the West Kowloon Cultural District and the Hong Kong Palace Museum which a number of Members visited yesterday. While many excellent facilities have been in place, it appears that the local arts and cultural industry still lacks an engine to inject impetus to it. Many projects have been equipped with the hardware but not the software. For example, Wong Chuk Hang in the Southern District of Hong Kong Island is an arts and cultural community, where galleries, arts studios and arts workshops in old factory buildings are arts and cultural places worth exploring. Furthermore, the Government should provide more support to arts and cultural workers under the Invigorating Island South initiative it has proposed. For example, the public space in Ocean Park should be utilized for arts and cultural performances. People in the community will then have the opportunity to experience the creativity and appreciate their arts and culture works in their daily lives.

To promote the further development of local arts and culture in Hong Kong, we must set a general direction for development and organize more activities to provide opportunities for local artists and young people who wish to join the industry to go to the Mainland for more exchanges and deepen their understanding of the Chinese culture. Meanwhile, exchanges with different cultures can be strengthened to give local arts and cultural practitioners more opportunities to “go global”.

If our arts and culture policy is properly organized, scaled and intelligentized, I believe that a more comprehensive industry chain for the development of local arts and culture will be formed. During the process of implementation, it will not only nurture more talents in this field, but also promote the Chinese culture to the international community and create more cultural exchange opportunities. Coupled with promotion efforts, it will be conducive to the development of the local tourism industry, and tourism and the arts and culture will complement each other. I therefore hope that the Government will face up to the development of local arts and culture and the training of talents, and strengthen its policy support.

I so submit. Thank you, Deputy President.

MR LUK CHUNG-HUNG (in Cantonese): Thank you, Deputy President. I speak in support of the motion moved by Mr Vincent CHENG and the amendments proposed by the other six Members. If all Members' views can be incorporated into the finalized cultural blueprint, thanks to the Government's strong and effective implementation capability, I believe that Hong Kong will definitely become an East-meets-West centre for international cultural exchange as positioned in the 14th Five-Year Plan. However, if the general public do not have the avenues, awareness and interest to participate in arts and cultural activities, all visions will remain castles in the air no matter how promising they may be.

This debate reminds me of late pop singer WONG Ka Kui's catchphrase: "There is no local music scene in Hong Kong, but just show business". Thirty years after his death, what is the latest development of Hong Kong's arts and culture, including music? First, we take a look at the trend of popularization. I suggest that arts education be popularized in primary and secondary education. In recent years, it is common to hear people talk about science, technology, engineering and mathematics, which stands for science, technology, engineering and mathematics education. In fact, we should also add arts by adding an "A" to the acronym to form science, technology, engineering, art and mathematics ("STEAM"), which is a combination of the arts and science, in order to nurture well-rounded talents. Chief Executive-elect Mr John LEE has properly responded to this proposal in his election manifesto. We are looking forward to the future development.

The arts, in a narrow sense, includes music, film, painting, photography and performances. In a broader sense, it includes various fields, such as literature, history, philosophy and geography. Therefore, STEAM education cannot be achieved simply by organizing a few extra-curricular activities, but should also be integrated into the regular subjects taught on a daily basis. While the arts may be a minor subject, it should never be taken as an insignificant subject. Only through the cultivation and teaching of the Chinese culture can we build up a proper sense of national identity, give full play to our strengths in blending the Chinese and Western cultures, and grasp our own roots so as to play a positive role in the development of our country and the revival of our nation.

Secondly, I suggest that elitism be practised at all levels of specialized arts education to nurture more competent talents and produce more sophisticated works. There is currently fierce competition for admission to the Hong Kong Academy for Performing Arts, which is a tertiary institution. Many students may have their talents buried because of their academic performance or other factors, which is not

conducive to laying a good foundation for arts talents at an early age. I suggest that we draw reference from the practices of the Mainland or other places by setting up arts specialist schools at the secondary level. Alternatively, in the light of the reality of Hong Kong, special arts classes can be provided in ordinary secondary schools. In these schools, arts subjects should be elevated to the same level as core subjects, thereby laying a very solid foundation in basic education. I hope that these schools can develop at the same pace with other traditional grammar schools, so as not to create a phenomenon where only academically challenged students will go to arts schools. In addition, a separate “return mechanism” should be put in place to facilitate student exchange between grammar and specialist arts secondary schools under a “revolving door” arrangement.

Thirdly, Hong Kong should become a host of major arts and cultural events. After nurturing a group of artists among the new generation based on the STEAM foundation mentioned earlier, we should integrate the arts and more technology for hosting more arts and cultural events in Hong Kong. For example, technologies such as metaverse and non-fungible tokens can be applied in concerts and exhibitions. By improving our deal making platform, tourists can participate in our arts activities without coming to Hong Kong, which will enhance the diversity of our arts on display.

Lastly, I would like to talk about my views on the value of arts. Ancient Greek philosopher PLATO once said that arts would have a great influence on personality. While bad arts would disturb people’s mind, good arts would enable people to pursue the truth, namely the Platonic ideals of Goodness, Truth and Beauty. In China, the ritual and music culture advocated by both the Duke of Zhou and Confucius encourages people to cultivate their moral character and experience the Way of Heaven, thereby achieving the ideals in the universal world ultimately. Chairman MAO also emphasized the role of culture in politics in his classic Talks at the Yan’an Forum on Literature and Art.

The arts and culture are not just a form of self-expression, an entertainment, or an industry which creates employment opportunities. In the final analysis, the arts and culture represent a cultural front and a project on people’s mindsets. Our arts is a carrier of ideology, a driving force for social progress, and a foundation for maintaining social stability and fostering social cohesion. We should work even harder to build up our cultural confidence, and this is why cultural confidence must be enshrined in our cultural blueprint.

I so submit. Thank you, Deputy President.

DR TAN YUEHENG (in Putonghua): Thank you, Deputy President. Deputy President, in the past, the cultural development of Hong Kong seemed to be undertaken by several departments separately without a unified cultural policy, which has led to a lack of overall promotion and corresponding planning for the development of arts and culture in Hong Kong. For this reason, having regard to the establishment of Culture, Sports and Tourism Bureau proposed by the new-term Government, I agree with the motion moved by Mr CHENG today to lay down a development policy and blueprint on arts and culture in Hong Kong for the next five years or even a longer period. Also, I am in favour of the amendments proposed by several other Members.

I would like to make a few suggestions. Firstly, if Hong Kong is to become an East-meets-West centre for international cultural exchange, it should not only focus on the types of events to be organized, but also create an atmosphere in the whole society and raise the overall cultural literacy of the public through rich cultural and arts education, rather than confining the arts and culture to minority entertainment. Besides, the charm of Hong Kong culture lies in the integration of the East and the West, which is a unique advantage. However, there are certain aspects of Hong Kong culture that focus only on Western aesthetics while neglecting the Chinese culture. Therefore, I suggest that the Government should strengthen the education of Chinese culture for all citizens and enhance the ability in artistic and cultural appreciation in society as a whole under a multipronged approach. The basic arts and culture education for primary and secondary school students, in particular, should be enhanced, and the proportion of Chinese culture education and learning experience should be strengthened, thereby deepening students' understanding of traditional culture.

Secondly, in order for Hong Kong to become a cultural and artistic hub, it is essential to nurture and bring in talents. Even though the four universities in Hong Kong have set up specialized arts colleges or departments, taking into account the needs arising from the development of arts and culture in Hong Kong, higher education institutions should consider establishing more specialized arts and cultural professions, such as art identification, appreciation and art curation, so as to nurture more professional talents who can complement the development of the upstream and downstream industries of arts and culture. Meanwhile, as regards attracting talents, the Government can also consider introducing more facilitation measures to simplify the visa arrangements for relevant personnel to come to Hong

Kong for performances and exchanges, or to offer preferential treatment for settlement in Hong Kong, so as to attract more Mainland and overseas arts groups and talents to work in Hong Kong.

Thirdly, consideration can be given to setting up specialized cultural exchange institutions in places where conditions permit. If conditions are not sufficient, the current 10-odd economic and trade offices of Hong Kong in the Mainland and overseas can be given more cultural promotion functions, so as to better help Hong Kong's cultural industry access the Mainland market and go global.

Fourthly, integration of the financial industry and cultural industry should be strengthened. As Hong Kong is an important global financial centre, the financial industry is its core strength. The development of Hong Kong into an East-meets-West centre for international cultural exchange hinges on the formation of a unique cultural industry. Cultural activities create products, with products come industrialization, and through industrialization, the culture will evolve into individual industries. However, the formation and development of the cultural industry require the support and integration of the financial industry. As a result, the design and invention of more financial products and services require the close collaboration and synergy of the cultural and financial sectors. I suggest that, firstly, banks should introduce more credit products that meet the needs of the cultural industry; secondly, the Government's guide fund should take the lead in launching more industrial funds for the development of Hong Kong's cultural industry; and thirdly, the Hong Kong Exchanges and Clearing Limited should leverage its favourable position to accept more local (*The buzzer sounded*) ... enterprises in the cultural industry to go public to raise capital ... to form the cultural sector of the stock exchange. Deputy President, I so submit.

DEPUTY PRESIDENT (in Cantonese): Dr TAN Yueheng, your speaking time is up. Please stop speaking.

Ms YUNG Hoi-yan, please speak.

MS YUNG HOI-YAN (in Cantonese): Deputy President, I rise to speak in support of Mr Vincent CHENG's motion on "Formulating policy and development blueprint on arts and culture for the next five years".

Hong Kong is a charismatic international metropolis where Chinese and Western cultures meet. The National 14th Five-Year Plan clearly supports the development of Hong Kong into an East-meets-West centre for international cultural exchange. The country's support for Hong Kong to develop into an East-meets-West centre for international cultural exchange is a positive response to the current development needs of Hong Kong, which has identified a new position and given new advantages to Hong Kong's future development. It has also brought new opportunities for the development of arts and culture, economy and society as well as talents and youth in Hong Kong.

(THE PRESIDENT resumed the Chair)

Cultural and creative industries are very rich in content, encompassing various aspects such as culture, society and economy, which are conducive to promoting Hong Kong's economic growth and creating many job opportunities, as well as providing new impetus for economic development. Hong Kong's cultural and creative industries can be said all-inclusive. At present, Hong Kong has creative landmarks such as PMQ, Tai Kwun, Avenue of Stars and Ani-Com Park@Harbour "FUN". Besides, the Entertainment Expo Hong Kong, the Hong Kong Book Fair and the Business of Design Week also have great international influence. We can see that these all have solidified Hong Kong's position as a creative capital. On the other hand, the eight creative industries, namely, advertising, architecture, design, digital entertainment, film, music, publishing and printing, television, are new drivers for Hong Kong to become a high value-added and diversified economy.

As a matter of fact, the Policy Address has set a clear new goal of developing Hong Kong into an East-meets-West centre for international cultural exchange. In order for Hong Kong to become an East-meets-West centre for international cultural exchange, the Government should formulate policy measures and development blueprint on arts and culture for the next five years in accordance with the National 14th Five-Year Plan, so as to give full play to Hong Kong's advantages and stimulate the vitality of cultural creations.

The Government's proposal to set up a Culture, Sports and Tourism Bureau is already an important step forward. The Culture, Sports and Tourism Bureau can integrate and coordinate all resources at the government level, and raise the level of the cultural industry and cultural exchanges in Hong Kong.

In formulating this five-year plan, the Government should attach great importance to the traditional cultural heritage of Hong Kong. The Chinese culture has always been the cornerstone and charm of Hong Kong's culture. In this regard, the SAR Government can organize large-scale traditional cultural activities during traditional festivals to showcase the local cultural characteristics, thereby highlighting the uniqueness of Hong Kong's arts and culture. On the other hand, as Hong Kong has always been famous for its diversified cultures, the Government should formulate different policies to encourage and optimize the pluralistic cultural environment in Hong Kong. In parallel, Hong Kong should give prominence to the traditional Chinese culture in its pluralistic cultural environment, so that the traditional culture and diversified cultures can complement each other.

In addition, when formulating plans for the next five years, the Government should leverage Hong Kong's low and simple tax regime, and actively provide support for the expansion and development of the international art galleries and world-renowned artists in Hong Kong. It should also vigorously develop services such as providing comprehensive private wealth management for art collectors, and strive to build Hong Kong into an internationally renowned platform for cultural exchanges, making it into an Asian art trading centre, Asian creative centre, East and West performing arts centre, convention and exhibition centre, and so on.

The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") proposes to deepen cooperation among Guangdong, Hong Kong and Macao in the cultural and creative industries. In this connection, the Government should capitalize on the vast hinterland of the GBA when formulating plans for the next five years, so as to enable Hong Kong's cultural industry to integrate more quickly into our country's vast arena and huge market with unlimited potential. When it comes to GBA, we must mention talent training. The Government needs to actively plan for the interface and connectivity with the cultural and arts fields of the Mainland, thereby providing support for Hong Kong's arts talents to study, take up employment and start businesses in the Mainland cities of GBA.

To sum up, cultural and creative industries will be a key to Hong Kong's future development. In order to build Hong Kong into an East-meets-West centre for international cultural exchange, the Government must step up strategic efforts in the formulation of the cultural blueprint for the next five years, including developing world-class cultural facilities and a pluralistic cultural environment, establishing close ties with renowned overseas culture organizations, continuously promoting cultural exchange between Hong Kong and the Mainland, leveraging technology and nurturing talents, as well as making flexible use of the infrastructure of the West Kowloon Cultural District to promote the development of cultural and creative industries.

With these remarks, President, I support the original motion and all the amendments.

DR WENDY HONG (in Cantonese): President, I agree with Mr Vincent CHENG's motion and other Honourable colleagues' amendments.

At the same time, I suggest that the Government consider using consumption vouchers as a policy tool to promote the development of cultural industries.

Since the onset of the epidemic, the Government has disbursed consumption vouchers in two consecutive years, spending over \$100 billion. Objectively speaking, consumption vouchers have indeed helped the public and stimulated consumption, to the benefit of economic recovery, thus winning applause for the Government.

That said, consumer vouchers are currently disbursed in the form of "helicopter money", as a broad-based consumption stimulus with no specific target.

In fact, consumption vouchers can be disbursed in a variety of ways and for a variety of purposes. They can be used to either stimulate broad-based and short-term consumption or, through specific designs, to drive the development of some industries, particularly arts and culture, sports and other industries, in a targeted manner.

To give an example, we have always wanted to promote the revival of the local film industry. However, our policy support often seeks to push from the supply side, such as subsidizing local film production. The disadvantage of this

approach is that such films, after completion, may not have audience and cannot result in market transactions, and so the subsidy may not achieve results.

Viewing it from another perspective, we could use specially designed film consumption vouchers to subsidize cinema viewings of locally produced films. This is a pull from the demand side and helps create a market demand for Hong Kong films, thereby forming a complete closed-loop business model. More importantly, the films produced will receive recognition and feedback from the market, as well as comments (including, of course, praise and criticisms) from the audience, thereby providing an opportunity for practitioners to interact with the market and seek improvement.

It is clear that provision of government subsidies for filmmaking is the first step to effect a push on the supply side. By subsidizing audience to visit the cinema through film consumption vouchers, the market is being pulled by demand. The effect will for sure be much better if we could concurrently invigorate both the supply side and the consumption side so that they complement each other. And consumption vouchers are an effective tool that can be used on the supply side of the market.

This model can be applied to a wide variety of contexts to promote the development of different industries.

To give an example, the tourism industry has been fatally hit by the epidemic. In the future, can we disburse consumption vouchers exclusively for local tours to pull the growth of local tourism, including cultural tourism, from the demand side?

To give another example, if we want to promote the industrialization of sports, can specific sports consumption vouchers be designed to encourage people to visit the gym, watch matches and participate in sports events?

Moreover, consumption vouchers can be used not only in the business-to-consumer end consumer market, but also within the business-to-business industry chain. For example, can we design a kind of consumption vouchers to encourage local enterprises to add arts and cultural elements to their business and procure cultural products and services provided by local enterprises, thereby promoting the development of the arts and cultural industries?

I wish to point out that consumption vouchers can be “helicopter money” or a meticulously designed industrial policy.

The consumption vouchers as currently disbursed are not purpose-designed and people can use them to purchase any product. The advantage is that they can cater for people’s wide-ranging needs. Amid the epidemic, it could still be considered a good approach to support the grass roots and stimulate the economy.

However, in the aftermath the epidemic, we could consider using special purpose consumption vouchers to pull the development of a range of industries. They can be used to stimulate the demand for especially cultural, arts and sports products and services in society to pull the development of related industries and, at the same time, boost public participation to enhance the overall atmosphere of arts and culture in the community and the artistic and cultural qualities of the public.

I so submit.

MS DOREEN KONG (in Cantonese): Thank you, President. I thank Mr Vincent CHENG for proposing the motion.

My youngest son, who is studying arts abroad, will graduate this month. When he was two years old, he drew even at mealtimes. When he was in kindergarten, his teachers already called my attention to his talent. As a mother, I respected his decision and have done my best to nurture him and let him go to an arts university. I am gratified to see that he has taken up arts as he wished. My youngest son has pretty good grades. And I remember him struggling a lot with his course selection when going to university, wavering between arts and other academic or professional subjects. In the end, he broke with the “money first” principle in the Hong Kong society. I would like to point out that, to develop arts and culture, the be-all and end-all is the training of talents and creation of a liberal cultural atmosphere.

In terms of talents, the Hong Kong Government does not have a clear policy to encourage students to study arts and culture-related subjects, nor does it encourage students to take up arts and culture as their lifelong career. We once attracted the prestigious Savannah College of Art and Design to establish an art college on the site of the former North Kowloon Magistracy. My youngest son

had also attended a summer course at the College and I was able to experience first-hand the strong artistic atmosphere in the campus. Regrettably, the College was closed after only 10 short years of operation, amid strong opposition from students at the time.

The development of arts and culture is also about a liberal cultural environment. There were concerns from members of the arts and cultural community that their creativity would be undermined and restricted. In this connection, I hope that the Government can, as far as practicable, provide a liberal environment for the arts and cultural sector to create their works without unnecessary misgivings. After all, creativity requires a vast room and realm for ideas and thoughts.

President, I think that in order to develop arts and culture, it is important for the Government to change its mindset of being inadequately respectful for and supportive of arts and culture. Arts and cultural practitioners play an important role in the development of a holistic and developed society—they make it more refined and sophisticated.

Arts and culture are for the sake of arts and culture, not a collection of industries. If arts and culture are treated and developed merely as industries, they will only become neither fish nor fowl.

President, I support Mr CHENG's motion. I hope that, drawing lessons from its experience, the Government will respect arts and culture and also respect and support arts and cultural practitioners.

President, I so submit.

MS LILLIAN KWOK (in Cantonese): Thank you, President. I am very grateful to Mr Vincent CHENG for moving the motion on “Formulating policy and development blueprint on arts and culture for the next five years”. Hong Kong's unique historical background has made it a world-renowned city where Western and Eastern cultures converge. Under the National 14th Five-Year Plan, we are even tasked to play the important role of an East-meets-West centre for international cultural exchange. While Hong Kong has somewhat built up a foundation of Eastern and Western cultures and arts over the years, its unique local arts and culture have also been widely acclaimed. Notwithstanding this, in order

to become an East-meets-West centre for international cultural exchange, I believe the Government must formulate a long-term, well-planned and comprehensive development blueprint for the development of arts and culture in Hong Kong.

Many Members and I have mentioned on different platforms that “A” should be added to science, technology, engineering and mathematics (“STEM”) education to make it “STEAM”, so as to develop education on innovation, technology and arts, and industrialize the arts and culture. A development ladder for young people in the arts and cultural field can then be created, so that our arts and culture can set foot and become an accessible field where development is possible. Insofar as long-term development is concerned, we all know that nurturing future talents for arts and culture is a must. I think we should put more emphasis on arts education on top of the existing basic education. Yet, basic education at present still weighs academic knowledge over sports and arts. If we have to formulate a policy for the next five years, I believe arts education should be strengthened without the slightest delay.

Arts education is an alternative learning mode that provides students with the opportunity and room to think and practise, through which various forms of thinking such as students’ intuition, reasoning, imagination, creativity, balance, sense of dimension, etc. can be cultivated. There are no established standards for arts, students can develop and create by making use of their own thinking, experience and acquired knowledge. This will not only nurture students’ artistic qualities, but will also help our next generation, our students, to grow and develop in various aspects.

Arts education is important, but in basic education, arts is still regarded as a subject of secondary importance in school curriculum. The Visual Arts subject is only instructive and provides a framework, hence teachers play a very important role. However, the professional training of teachers in respect of arts education is grossly inadequate nowadays, rendering it very difficult to ensure the artistic qualities of our next generation. The Government has put in less resources in the training of arts education, and there is insufficient room for teachers to pursue further studies in their arts profession under the existing mechanism. In order to develop arts and culture in Hong Kong and nurture artistic talents, I believe the Government must face up to the relevant issues and provide additional resources for teacher training.

The lack of arts education venues for young children in Hong Kong is another problem. Although the Government has recently made strenuous efforts

to develop different arts and cultural venues, such as the setting up of various arts and cultural facilities in the West Kowloon Cultural District, we can see that they have not catered for the roles and needs of children. Given that arts education should start with toddlers and children, should the venues and facilities be considered from the perspective of children, so as to offer them more room for development in arts education?

The Chinese culture dates back to more than 5 000 years with its civilization being passed down without any interruption. The eight traditional Chinese virtues of “filial piety, brotherly love, loyalty, truthfulness, propriety, righteousness, integrity and shamefulness” form our moral basis. The Chinese arts and culture of the Qin, Chinese chess, calligraphy and painting also have their own unique aesthetic appeal. Besides, many young people are actively promoting the Chinese culture, including the promotion of Han-style clothing and traditional festivals. I believe that if the Government vigorously promotes Chinese culture, it will not only enhance the character and moral development of young people, but also strengthen sense of national identity, such that we will take pride in our identity as Chinese.

President, I support the original motion (*The buzzer sounded*) ... and Members’ amendments. I so submit, thank you.

PRESIDENT (in Cantonese): Ms Lillian KWOK, please stop speaking.

Mr LEUNG Man-kwong, please speak.

MR LEUNG MAN-KWONG (in Cantonese): Thank you, President. Before all else, I would like to thank Mr Vincent CHENG for proposing the motion on “Formulating policy and development blueprint on arts and culture for the next five years” today, and I will lend my support to it. It offers the Legislative Council and society the opportunity to discuss how we can continue to implement and promote cultural policy after Hong Kong has a world-class cultural hardware facility—the West Kowloon Cultural District (“WKCD”)—in place.

The development of WKCD stems from Hong Kong’s need for venues to attract visitors to participate in arts and cultural events held in Hong Kong, which

can bring enormous benefits to Hong Kong while strengthening our cultural competitiveness with hardware facilities at the same time. During the past two decades from the planning to the gradual completion of WKCD, the discussion on cultural policy has only focused on the construction of venues, but there is no development blueprint for software such as cultural promotion and nurturing of talents. Allocation of resources to arts and cultural education has been neglected. In order to develop the arts and cultural industry, apart from artistic talents and suitable venues, it is also necessary to produce a synergy effect with neighbouring cities, create an atmosphere fostering culture and creativity, build up a cultural foundation in the community, so as to draw audience for arts.

President, the Outline of the 14th Five-Year Plan explicitly supports the development of Hong Kong into an East-meets-West centre for international cultural exchange. Hong Kong is a place where Eastern and Western cultures converge, with a wealth of talents from different parts of the world. We should fully leverage these advantages to make Hong Kong a platform for promoting the influence of Chinese culture in the international arena. By becoming a centre for exchanges and cooperation among arts and cultural organizations of our country and those overseas, we can bring in international culture and facilitate Chinese culture to go global.

The West Kowloon Station (“WKS”) of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (“XRL”) is located close to WKCD. We must make good use of WKS’s geographical advantage to develop WKCD and its vicinity into a new tourism and cultural landmark with WKS being the core. In this way, a synergy effect can be created between XRL and WKCD to attract more Mainland visitors to come to Hong Kong by XRL to enjoy world-class arts and cultural performances and exhibitions, as well as bringing foreign visitors who have a passion for Chinese culture to the Greater Bay Area.

Developing a cultural and knowledge-based economy will also facilitate Hong Kong to enhance the cultural and artistic atmosphere of the whole community, and consolidate its status as an East-meets-West centre for international cultural exchange. There are notable examples of integration of arts in fashion design with the textile industry in Hong Kong, whereas examples of promoting the arts and cultural industry and strengthening cooperation between arts and culture and the commercial market can also be seen in foreign countries. For instance, the London College of Fashion in the United Kingdom not only offers fine arts subjects, but also sector-related courses such as fabric, textiles and

materials as well as cosmetic science, so as to closely link up artistic creation with the related industries to promote the sustainable development of the creative industries.

XRL connects a number of cities in the Greater Bay Area, which can facilitate the exchanges of professionals and arts and culture among various places, so as to attract talents and markets for the creative industries. It can create a favourable business environment, while at the same time foster the development of the creative ecosystem to further attract capital investment. Cities in the Greater Bay Area have different customs, traditions and cultural characteristics. Guangzhou being the centre of Cantonese opera culture in China or Zhaoqing being the hometown of jade in China are examples of Mainland cities actively promoting Chinese culture with policies which have attracted many foreigners. XRL precisely serves as a hub linking up arts and culture of various places in the Greater Bay Area. It can encourage cross-regional exchanges among residents of different cities, and attract talents as well as capital to create more favourable conditions for the incubation of products with regional characteristics, thereby turning cultures with local characteristics in different regions into iconic brands for reaching out to the world via Hong Kong.

President, it is crucial to integrate arts into people's life for the sake of enhancing the public's interest in arts, promote local arts and cultural activities and encourage public participation, and create diversified platforms for arts and culture. The Government can consider setting up arts education workshops in the community and collaborate with artists to organize creative experiential education activities, which can stimulate the public's interest through zero-distance contact for arts to truly penetrate into different strata of society. Education will not only provide human resources for the incubation of the arts and cultural industry, but more importantly, it can offer the public the opportunity to learn to appreciate arts and eventually know how to appreciate arts. In addition, it is also necessary to stimulate imagination by effectively integrating multi-media technologies and arts, so as to enhance the effectiveness of arts and culture education to make it easier for arts and culture to take root among the public.

President, our Motherland is blessed with rich cultural heritage and abundant cultural resources, and Hong Kong has a unique culture due to historical reasons. All of these are our advantages in developing the cultural and creative industries.

It is mentioned in the Outline Development Plan for Guangdong-Hong Kong-Macao Greater Bay Area that exchange and integration across different cultures should be strengthened to build a beautiful bay area that is culturally vibrant. In the future, the Government should actively support the development of cultural and creative industries with public policies and financial resources, so as to promote our country's history and culture to the world and tell China's story well with culture and creativity (*The buzzer sounded*) ... I so submit.

PRESIDENT (in Cantonese): Mr LEUNG Man-kwong, please stop speaking immediately.

Mr Benson LUK, please speak.

MR BENSON LUK (in Cantonese): Thank you, President. I rise to speak in support of Mr Vincent CHENG's original motion and all the amendments.

The original motion and amendments have all mentioned the elements of "integration of the arts and technology" and "young people". If we are now discussing policy and development blueprint on arts and culture for the next five years, our discussion today should not cover only policies right under our noses, but we should also discuss policies which are "taking a step ahead", as well as a blueprint that will affect the next five years or even the next 10 years or so. Therefore, young people are definitely one of the major users of this development blueprint.

The Outline of the National 14th Five-Year Plan supports the development of Hong Kong into an East-meets-West centre for international cultural exchange and an international innovation and technology hub. How can we help young people nowadays to embrace the arts industry and market in the future? How can we nurture young people to become the audience in the future?

In Hong Kong, the development of integration of the arts and technology, which we refer as "ArtTech", has seen greater potential in recent years. For instance, Asia's first Digital Art Fair was held in Central in 2021, which allowed the general public to experience digital art first-hand. In its reply to my written question today, the Administration acknowledged that digital encrypted art had

gained worldwide popularity. It also indicated that a number of Hong Kong artists and arts creators had attempted and explored the use of non-fungible token (“NFT”) in arts creation and trading.

It will be the dominant trend and direction in the future for ArtTech to complement the digital economy. Nowadays, many sectors keeps a close watch on NFT. We understand that NFT, which works on blockchain technology, cannot be tampered with and are therefore unique.

Apart from applying to static arts in the past, NFT can also integrate art painting with animation and special effects, etc., rendering it very eye-catching. In fact, the emergence of the NFT trend has brought about more opportunities and greater potential for the development of ArtTech in Hong Kong. The general public (especially young people) can easily access ArtTech simply with a mobile phone. This has also led to increased public participation in arts. From the perspective of arts, we can try to think about how the prevailing trend can be turned into an industry, which will then be brewed to become arts after repeated trials, or even find a place in human civilization.

Coming back to the local scene, many young local artists hope that ArtTech can allow more people who have never had any exposure to arts to start to experience arts. Therefore, both NFT and ArtTech have the merits of being highly accessible, affordable and relevant to everyday life, making it easier to cultivate a larger and wider group of young audience.

Arts is priceless, but artworks can be quite expensive in the market. Arts can definitely form a more complete industrial chain if there are audience, market and support of national policies. Our young people can then say loudly to the adults: “How can we not make a living by engaging in arts?”

Speaking of talents, I strongly agree with the measures such as “strengthening arts and cultural education and training of talents” mentioned by Mr MA Fung-kuok and Dr Stephen WONG. In particular, it is all the more important to train talents effectively when we have to develop new economic areas such as ArtTech and the digital economy. The Education Bureau indicated in its reply to my written question today that the training of talents and school curriculum would be kept abreast of the times.

Yet, I think it is not only necessary to keep the training of talents abreast of the times, but the concept of “taking a step ahead” should be adopted as well. Therefore, I once again urge the Government to enrich as early as possible the parts of teacher training on industry knowledge relating to ArtTech and the digital economy as well as life planning. At the same time, the existing science, technology, engineering and mathematics/science, technology, engineering, art and mathematics curriculum should also be reviewed in order to promote to the young people ArtTech and the opportunities arising from development under the 14th Five-Year Plan.

As such, I would like to point out to government officials and the new-term Government that the blueprint we are discussing today should not only have “instant” results, but it should also allow young people to see a bright future with tangible benefits, so as to truly facilitate the upward mobility of the young generation.

With these remarks, President, I support the original motion and all the amendments.

REVD CANON PETER DOUGLAS KOON (in Cantonese): President, I speak in support of Mr Vincent CHENG’s motion and the amendments proposed by other Members. The National 14th Five-Year Plan has given Hong Kong a clear positioning to develop into an East-meets-West centre for international cultural exchange. This, together with the likely establishment of the Culture, Sports and Tourism Bureau by the next-term Government, will certainly be conducive to the implementation of this direction.

Hong Kong has been regarded as a cultural desert by many people, and I certainly disagree with that. Hong Kong is not an uncivilized place. We just lack a platform for people with aspirations to give play to their abilities. Here I would like to point out that the aforementioned platform is not confined to hardware only, but it may also be the medium for spreading good works. The Government has indeed devoted quite a lot of resources to promoting arts and culture, for example, in 2019-2020, the Government provided subventions of over \$400 million to nine performing arts groups, including Hong Kong Philharmonic Orchestra, Hong Kong Repertory Theatre and Hong Kong Dance Company, and grants of over \$100 million to over 300 small and medium arts groups as well as individual artists. However, the results showed that only grants may not be

helpful, instead, the arts and cultural groups should be able to be self-sufficient to export their works and local culture. The Authorities should act as a good facilitator and encourage enterprises and commercial organizations to provide sponsorships for arts groups to prevent them from fully depending on the Government.

President, I believe the industry has always attached great importance to the freedom of creativity. The Government may have to strike a balance in this regard, so as not to prevent local culture from flourishing. People engaging in artistic creation may need certain room. I think they should be given more room to play as long as they do not undermine national security and break laws while sticking to our moral standards. While monitoring is important, there must be enough space for cultural arts to keep flourishing.

President, I so submit.

PRESIDENT (in Cantonese): Honourable Members, there are still five Members waiting to speak. I will call upon the mover of the motion, Mr Vincent CHENG, to speak on the amendments after these five Members have spoken. I have consulted Mr Tony TSE, the mover of the next motion, he wishes to have the debate on his motion begin tomorrow morning. Therefore, after the conclusion of all the proceedings on this motion, I will suspend the meeting until 9:00 am tomorrow to deal with the second Member's motion.

Mr YANG Wing-kit, please speak.

MR YANG WING-KIT (in Cantonese): Thank you, President. I speak in support of Mr Vincent CHENG's motion on "Formulating policy and development blueprint on arts and culture for the next five years".

The National 14th Five-Year Plan has given support to the development of Hong Kong into an East-meets-West centre for international cultural exchange. This year, nine Hong Kong arts projects are selected and funded for the first time by the China National Arts Fund 2022. They include performing arts productions, cultural exchange, training of arts talents and visual arts creations. I am very grateful to our country for opening the door for Hong Kong to grasp and give full

play to its new positioning as an East-meets-West centre for international cultural exchange.

Hong Kong is part of the Lingnan Culture, and Lingnan Culture can play a role in cultural diplomacy as part of the soft power of China. During the golden age of Cantonese culture, Hong Kong succeeded in exporting its culture. The first idol who gained immense popularity in Asia was Leslie CHEUNG; even now we are still singing *The Glorious Years* and can still remember the lines in Hong Kong movies. I believe many people have experienced what is like when you “get shot while lying down”. The stand-up comedies of Dayo WONG enjoy strong box office appeal in the Guangdong region, while *Endless Melody*, a big-hit music show recently, is also a successful example of Hong Kong culture going north. Cantonese culture can be used as a cultural brand to promote the development of the cultural and creative industries. In addition to the Framework Agreement on Deepening Guangdong-Hong Kong-Macao Cooperation in the Development of the Greater Bay Area, the three regions can also examine the establishment of a cultural and creative industries development fund. The Government should strive for the relaxation of the restriction by the Central Government on the entry of Cantonese movies and pop songs, so as to increase the freedom of creativity and build a Cantonese cultural market.

Besides, Hong Kong is capable of becoming a resort of Lingnan cultural tourism. The Cheung Chau Jiao Festival, the Tai O dragon boat water parade, the Tai Hang fire dragon dance and the Yu Lan Ghost Festival of the Hong Kong Chiu Chow community had been successfully inscribed onto the National List of Intangible Cultural Heritage long ago. Regrettably, the Government did not provide enough resources such that most of the organizers have to seek the funding and sponsorship by themselves, and with limited promotion by the Government, these events were not as popular among overseas tourists as one would expect. I would like to talk about the Cheung Chau Jiao Festival held last Sunday in particular. Although the Grand Parade and the bun-scrambling competition have been suspended for three consecutive years due to the epidemic, Hong Kong people are still enthusiastic about the festival that they flocked to the small island and bought “lucky buns” to feel the atmosphere of the festival. “Lucky bun”, a symbol of well-being, has become the synonym of Cheung Chau. Despite having “lucky bun” as a gimmick, the Government fails to seize this opportunity to promote it as a souvenir of Hong Kong. Meanwhile, the governments of

Guangdong, Hong Kong and Macao can also strengthen their cultural tourism strategies and enhance their influence by co-organizing cultural celebrations. They should also strengthen and expand the cultural projects such as the Chinese Folk Culture Village in Shenzhen, the Hong Kong Palace Museum and the M+ museum, so as to promote overseas as a joint cultural tourism brand.

President, the Chief Executive is visionary enough to propose the setting up of a new Cultural, Sports and Tourism Bureau. There are many outstanding athletes in Hong Kong. After the Tokyo Olympic Games, Siobhan Bernadette HAUGHEY, CHEUNG Ka-long and Grace LAU have achieved remarkable results in a number of world and Asian competitions. In addition to the gold medal captured in the Olympic Games, the “Fencing God” CHEUNG Ka-long has even taken top spot in the world rankings, achieving dual world number one. The results are encouraging. Despite the Government’s proposal of supporting elite sports, developing Hong Kong into a centre for major international sports events and promoting sports in the community, it has only succeeded in supporting elite sports over the years. The number of sports facilities in Hong Kong is far from meeting the planning target of one sports centre for every 40 000 people. Even if there are more sports venues available, it does not mean that the public’s exercise habits could be encouraged, nor does it mean that more people will participate in systematic training and become elite athletes.

To promote sports in the community, I suggest that the Government should mobilize community resources, open up more spaces for the public to engage in sports activities that are not limited by venues, and increase the number of hours of physical education lessons of students at junior primary level. The Government should also promote systematic training at the community level and provide opportunities for people to participate in competitions, thereby giving them incentives to exercise and also providing job opportunities for professional athletes at the community level to enhance the sports atmosphere. As for developing Hong Kong into a centre for major international sports events, we can learn from the approach of the Tokyo Olympics and organize more open-group competitions in addition to those only for qualified elite athletes, so that the public can also experience the sports events and immerse themselves in the atmosphere, thereby building up the local sports culture.

Lastly, the Government, while promoting local sports and culture, can also establish a concept of comprehensive health industry to promote the whole industry chain, such as the industrialization and professionalization of sports, making it the asset of our cultural soft power.

President, I so submit.

MR SO CHEUNG-WING (in Cantonese): Thank you, President. As everyone knows, the Central Government has given its full support for the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan, presenting tremendous opportunities to enhance Hong Kong's status as an international metropolis. The Government should proactively formulate a set of supporting policies and initiate effective action. Therefore, I support the original motion of Mr Vincent CHENG and the amendments of the six other Members.

Due to historical reasons, Hong Kong has the best ground unparalleled by other cities for building an East-meets-West centre for international cultural exchange in China. During the long-term and frequent exchange and mutual learning, not only has Hong Kong gradually become an internationally recognized platform for cultural exchange, but thanks to its own cultural creativity embracing both the East and the West and its ability to extend its influence by leveraging on the Motherland and engaging the world, Hong Kong has also been making impressive achievements in the development of various industries—from film, television, and animation and comics to music, publishing, advertising, and art and design—and has been deeply integrated into the global cultural system.

However, I believe all of us have noticed that Hong Kong has evidently failed to sustain this advantage over the last decade or so. When compared with the past, the penetration and influence of Hong Kong's culture and arts are declining across the world and in the Mainland, and the industry is also shrinking. The vibrant scene of an actor juggling nine films at a time in the old days no long exists, and Hong Kong can hardly return to its glorious past. In view of this, if the Government accepts the motion of Mr Vincent CHENG, I suggest that thoughts should be focused on the following aspects in formulating the development blueprint for the next five years.

Firstly, the new Culture, Sports and Tourism Bureau must take pains to find out why, contrary to the substantial increase in such cultural and arts facilities as the West Kowloon Cultural District, the external influence of Hong Kong's culture and arts is waning, and the vibrancy and penetration of its cultural and arts market are diminishing—say, the real causes of the decline in status of our films, music, publications, etc. in the market—and plan for effective remedial and development policies in a targeted manner.

Secondly, efforts should be stepped up to support the development of a whole industrial chain of the cultural and creative industries. They should be equated with the major areas of economic development identified by the Government and enjoy the same support and treatment as the logistics, financial, trade and tourism industries, as the full impact of cultural exchange must be driven by leveraging the industries in the market. Hong Kong had a glorious heyday of cultural development in the past. For example, Jin Yong's martial arts novels and Hong Kong films captivated the Mainland audience and the international Chinese community; and the popular songs and lyrics by Joseph Koo and James Wong were deeply rooted in people's minds and had a widespread impact. Apart from the quality of the works themselves, this had entirely benefited from the impetus gained from the penetration of an industrial chain that catered to the interests of various parties. Besides, a vibrant cultural and arts industry and creative economy can provide more quality employment opportunities for Hong Kong. Therefore, the "cultural and creative industries" should be elevated to one of the major local industries with matching policy and financial support.

Thirdly, it is necessary to create conditions for the active assimilation and integration of advanced international cultures into Hong Kong. By way of illustration, universities in Hong Kong have been admitting a relatively low proportion of foreign and Mainland students in recent years. According to the figures released by the Government, the number of local students admitted in 2020-2021 was over 64 000, whereas that of non-local students was just some 4 600, accounting for 6.7% only. If the Government formulates policies to encourage more international admissions, our local culture will be impacted and enriched by non-local students to a greater extent, as the exchange of thoughts and cultural borrowing during the university days are most dynamic and easiest to (*The buzzer sounded*) ... take root. Thank you.

PRESIDENT (in Cantonese): Mr SO Cheung-wing, please stop speaking immediately.

Mr Dennis LEUNG, please speak.

MR DENNIS LEUNG (in Cantonese): Thank you, President. I have to point out tirelessly that the development of arts and culture in Hong Kong has a lot to do with science education, especially education on general science.

President, Hong Kong has always been a metropolis where Eastern and Western cultures meet, and our country clearly indicated in the National 14th Five-Year Plan its support for the development of Hong Kong into an East-meets-West centre for international cultural exchange, so it is expected that the arts and cultural industry will be one of the development pathways for Hong Kong. I also hope that the Government can provide a more comprehensive development blueprint on arts and culture in its future administration, so as to promote arts and cultural development in Hong Kong as early as possible, and to align with the overall development of the country.

President, in recent years, the SAR Government has tried to make the West Kowloon Cultural District a policy priority of Hong Kong on the cultural front, and to develop local arts and cultural industry with the opening of Xiqu Centre and M+ Museum. Yet, the West Kowloon Cultural District has not shown any sign of improvement, and has been criticized for a lack of comprehensive planning with scattered facilities instead. The reason behind is the absence of a designated bureau to formulate a set of development blueprint on arts and culture.

In fact, the Hong Kong Federation of Trade Unions (“FTU”) has long been advocating a reorganization of government structure and the setting up of a cultural bureau in its proposals concerning the past Policy Addresses, in the hope that there would be a Policy Bureau dedicated to the handling and coordination of the arts and cultural development in Hong Kong. Finally, I am very pleased to see that the current-term Government has accepted FTU’s opinions in its last Policy Address by proposing to set up the Cultural, Sports and Tourism Bureau to show the great importance attached to arts and cultural development. What we miss out

now is a clear vision, objective and action agenda for the development of cultural industry to achieve the industrialization and popularization of arts and culture.

In fact, the Government should draw reference from the 14th Five-Year Plan for Development of Public Cultural Services System compiled by the Ministry of Culture and Tourism when it formulates the development blueprint for the cultural industry in Hong Kong. In addition to a clear road map and timetable for the cultural development in Hong Kong, the blueprint should also set key performance indicators (“KPI”) to assess the industrialization process of culture, such as including in KPIs the proportion of cultural industry in the Gross Domestic Product of Hong Kong, the exchange frequency between cultural institutions, frequency of organizing various types of activities etc., in a bid to guide different departments to work under KPIs, thereby realizing the industrialization of culture in Hong Kong progressively.

Furthermore, the Government should participate actively in the integration between arts, culture and technology, so that the general public has the opportunity to get in touch with the development of arts and cultural technology. That is why science education is also closely related. Take the global hit in recent years, non-fungible token (“NFT”) technological artwork as an example. NFT is a non-fungible token using blockchain technology which makes the artworks concerned unalterable. Such feature is effective in protecting creators’ intellectual property. Currently, the types of NFT include painting, artworks and sound etc., so it can be described as technological art of the new era. The Government should have a good grasp of this trend by organizing different kinds of NFT exhibitions, in a bid to provide an exchange and sharing platform for artists, and to provide a channel for the general public to gain knowledge of NFT technology and artworks. This will help teach people to embrace technological development, and help to promote the dissemination of cultural knowledge, which is definitely beneficial to the sustainable development of the arts and cultural industry in Hong Kong.

Meanwhile, the Government should promote science, technology, engineering, art and mathematics (“STEAM”) education proactively. As suggested by Mr John LEE, the Chief Executive-elect, art element should be incorporated in the current science, technology, engineering and mathematics (“STEM”) education so as to nurture sufficient local arts and cultural talents.

Hong Kong's previous education policy put great emphasis on the application of business studies. Even though the Government has started to promote STEM education actively in recent years, the focus is on learning science, engineering and mathematics only, so the needs of arts and cultural talents cannot be adequately satisfied. This also has something to do with liberal arts education which advocates a focus on different kinds of arts education in addition to science education, so that arts students can gain knowledge of science and science students have knowledge of arts, making both of them possess arts and cultural knowledge at the same time. The promotion of STEAM education with the incorporation of art elements can enable primary and secondary school students to get in touch with arts and culture from a young age, foster young people's ability to appreciate arts and culture while emphasizing the importance of leaving room for individual imagination and creativity. Therefore, not only can STEAM education enhance the cultural literacy of young people, but it can also nurture sufficient talents for local cultural and creative industry, and help them realize that the arts and cultural industry will be one of the future development routes for Hong Kong.

In short, we need to make use of science, apply science and get a good grasp of science. I hope that there will be a comprehensive and proper development blueprint for the arts and cultural development in Hong Kong.

President, I so submit.

MR CHAN HAN-PAN (in Cantonese): President, I am very grateful to Mr Vincent CHENG for proposing this motion on “Formulating policy and development blueprint on arts and culture for the next five years” today.

As a matter of fact, culture is vital to a place. This is especially true when it comes to understanding, fostering and promoting Chinese culture as mentioned by Mr Vincent CHENG. It is a process—and a delicate one—to go from understanding to acceptance to affection. Culture is life, and the collective perception of life is culture. The carriers of Chinese culture can be literature, medicine, art, religion or lifestyle. Hong Kong is predominately a Chinese community, and yet its Chinese culture has been suppressed and restrained for over a century. Today, I would like to cite two examples to discuss this issue with Members.

The first one is Chinese medicine. What status have Chinese medicine practitioners been given in the past 100-odd years? It has been that of “vendors of Chinese herbal medicines”. It was not until the reunification that an ordinance for the registration of Chinese medicine practitioners was introduced and their status began to be gradually recognized and accepted. Although Chinese medicine has a history spanning several thousand years, it only has a history of some 20 years in Hong Kong since the reunification 25 years ago, and that is all. This precious gem of great significance in our Chinese culture has all along been forgotten over the past century or so. Being left with no role to play, Chinese medicine practitioners can hardly build confidence. While Chinese medicine forms a very important part of Chinese culture, it just has no place in Hong Kong and people cannot accept it.

“Vendors of Chinese herbal medicines” certainly cannot rise to prominence, nor can they claim a respectable place. Even though there is finally a registration system now, does this mean that Chinese medicine is widely accepted by the public? Of course not. Today, our Chinese medicine services are still operated by non-governmental organizations and have yet to be incorporated into our formal healthcare system of the Hospital Authority. Over the past few years, I have been fighting for the Government’s acceptance of Chinese medicine and even its incorporation into our mainstream healthcare system. In recent years, the Government has at long last set up a \$500 million Chinese Medicine Development Fund to promote the development of Chinese medicine, but can Members see that Chinese medicine is accepted by the public these days even during the epidemic? Not at all. So, do Members find it truly necessary to redouble efforts to promote Chinese culture? It is unpopular and is also considered second-rated; in other words, it is deemed unscientific.

The second issue is religion. In my opinion, the history of the West is a history of religion. Culture is inextricably intertwined with religion, and Chinese culture does embody Confucianism, Buddhism and Taoism. However, we can see that in Hong Kong, the core districts—no matter which street in Wan Chai—are dominated by churches, and there are also plenty of them even in the prime locations of the core business districts. But how many Taoist monasteries and temples that are blessed with geographical advantages can we find in the core districts? Very few.

Why is this so? Nowadays, regarding the development of temples, even if some temples want to promote the passing on of Chinese culture, they are in fact encountering considerable constraints and even enormous difficulties. Simply by looking up the legislation concerning Chinese temples, one will notice that everything is actually regulated by the Government. All matters—even the construction, composition and services of a temple—have to go through the Government and all temples are owned by the Government. However, upon comparison with other ordinances, such as the Hong Kong Baptist Church Incorporation Ordinance, we can tell that the status of Chinese temples is completely ignored in Hong Kong.

Therefore, if the next-term Government can indeed set up a Culture, Sports and Tourism Bureau, I hope that it can really address this issue squarely and promote, educate about, foster and even cultivate public affection for Chinese culture in our lives and culture.

President, I so submit.

MS NIXIE LAM (in Cantonese): President, I support the original motion and other amendments. Talking about the East-meets-West centre for international cultural exchange, I often hear people say we should do better, or how to go global and attract foreign arts and culture. However, to truly develop the arts and cultural industry properly in Hong Kong, and to play well the important role entrusted by our country, I think we must do our part well not just in terms of breadth but also in terms of depth.

How can we truly integrate culture into education, into the community, and into our development, and how can we create an artistic and cultural ambience? It all depends on how the Government does. President, there are 18 districts. If we can launch GREEN@COMMUNITY for the purpose of environmental protection, why can we not promote arts and culture in every district? I have talked to quite a few members of the trade earlier. They mentioned that many performance venues abroad have specific performances that match the characteristics of respective venues. For example, you would not find mime in Broadway suddenly. In this connection, there are so many different performance venues in 18 districts, why can we not have an integrated planning to stage specific performances featuring every district? And how about open space? When I was

a former Tsuen Wan District Council member, I organized the annual harbourfront orchestral cum Chinese music concert in Tsuen Wan Park. Many parents took their younger kids there to enjoy the show, as normally kids were too young to enter venues under the Leisure and Cultural Services Department. During the show, kids could enjoy the music and the ambience under the breeze.

In fact, religious culture, as Mr CHAN just said, is also one of our important cultural assets. We can use the Taoist and Buddhist temples currently in various districts as an entry point to start a dialogue between Chinese culture and other religions, and to demonstrate that Hong Kong accommodates different religions. All these are the things the Government can do, and many places have resources at present. But I think the most important element is our talents. The Government should provide a platform for interested and talented young people so that they can choose their path early, and their parents can be assured that their kids will have a bright future ahead.

President, the arts and cultural market in Hong Kong has unlimited potentials. The point is how we will choose our path. Colleagues and I visited the Hong Kong Palace Museum yesterday. I deem it an honour that Hong Kong can become the city where world-class arts and cultural talents establish their presence. I also hope that Hong Kong can nurture her own arts and cultural talents in the coming one to two decades so that they can enter the world from this centre for international cultural exchange and promote Chinese culture globally.

I so submit.

PRESIDENT (in Cantonese): Mr Vincent CHENG, you may now speak on the amendments.

MR VINCENT CHENG (in Cantonese): President, first of all, here I wish to thank Mr Kenneth FOK, Dr Stephen WONG, Mr YIU Pak-leung, Mr Sunny TAN, Mr MA Fung-kwok and Ir LEE Chun-keung for proposing amendments to my motion today, as well as a total of 32 Members who spoke just now. All of them have provided many valid viewpoints.

Mr Kenneth FOK's amendment has added such proposals as providing support to the cultural sector in digital transformation to facilitate the upgrading of

arts technology and the industry, strengthening the protection of intellectual property rights for the arts and culture as well as the creative industries, and engaging the Economic and Trade Offices in the Mainland and overseas to promote Hong Kong's cultural brands. I totally support them. In particular, regarding protection of intellectual property ("IP") rights, registration of cultural IP, as well as marketing and investment promotion on digital platforms, is conducted on a considerable scale on the Mainland. Hong Kong really needs to rouse itself to catch up.

Dr Stephen WONG's amendment is similar to my proposal. His recommendations such as developing a cultural data platform, integrating the development of cultural and creative ecology, establishing a good ecology for the industry and assisting the industry in digital transformation have the same elements as those in the direction of the development of the cultural industry as stated in my original motion. I agree that we should establish a platform in respect of cultural data and intellectual property, and collaborate with the Greater Bay Area to cover more cultural and creative products, art design, fashion brand design, etc. This will also facilitate such functions as experience sharing, registration, entrepreneurship matching and investment promotion.

Mr YIU Pak-leung's amendment mentions exploring more routes for cultural tours and improving tourism ancillaries at cultural and community facilities, with which I totally agree. Just now Mr YIU also talked about how the Culture, Sports and Tourism Bureau can integrate culture with tourism. In recent years, many special features of Hong Kong have been explored. We should think about the proposal on how we can properly integrate them in the promotion of cultural tourism, especially with regard to tangible and intangible cultural heritage, including the Tai Hang fire dragon dance, which can be used to develop more in-depth tours.

As regards Mr Sunny TAN's amendment, which has added the proposal of enhancing the support for local fashion designers to promote Hong Kong's fashion design brands, I totally agree that fashion is a carrier of culture too. Since I fully agree that we should also work on fashion design, I have promoted the work related to the Fashion Project in Sham Shui Po in the past, and I hope that fashion culture can be better promoted in the Sham Shui Po District in the future.

Like me, Mr MA Fung-kwok agrees that Hong Kong should set up a commission on cultural industry to help review and formulate the policy on cultural and creative industries, and set up an arts and culture foundation. It should also establish a dedicated arts and cultural exchanges development fund. I strongly support this. As mentioned by Mr MA Fung-kwok just now, in recent years, Macao has done a lot to promote the cultural affairs, such as the establishment of the Cultural Industry Fund. When drafting my motion, I had also drawn reference from a number of good practices of the Macao Government. I hope I would receive Members' support.

Lastly, concerning Ir LEE Chun-keung's amendment, he proposed setting up new departments under the Culture, Sports and Tourism Bureau to coordinate the implementation of cultural policies in different areas, to which I extend my support. After all, the Policy Bureau to be set up is not responsible for culture alone. Culture, sports and tourism need to go hand in hand. I expect the Government to expeditiously give an account of the increase in staff establishment and implementation of the policy framework, and carefully consult the cultural, sports and arts sectors and Legislative Council Members. In closing, I would like to add that many members of the business sector have in fact been very supportive of arts and cultural development in the past. I hope that in the future, the business sector will have more opportunities to participate, or the Government will offer tax concessions so that the business sector can make more contribution to arts and culture. Here I thank the 30-odd Members again for their speeches today, from which I have learnt a lot. I will continue the promotion in this regard. Thank you, President.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, once again, I thank Mr Vincent CHENG for his motion and the six Members for their amendments, as well as the other 30 Members for their valuable comments and suggestions.

A sound system is vitally important to cultural development. In January this year, the Chief Executive introduced to the Legislative Council in detail the proposed reorganization of the structure of the SAR Government, including the proposal to set up a new Culture, Sports and Tourism Bureau to consolidate the portfolios of culture, creative industry, sports and tourism currently under the

purview of different bureaux, and to better steer and promote the long-term development of the cultural affairs of Hong Kong. I noticed that the Chief Executive-elect also indicated that he would broadly adopt the above proposal. The current-term Government will provide full support and submit the relevant proposals as well as the necessary legislative amendments, establishment and finance proposals to the Legislative Council as soon as possible, in the hope that the new government structure can commence operation smoothly on 1 July. Under the tremendous support of the Central Authorities and the leadership of the new Policy Bureau, the utmost effort will be made to take forward the new positioning of an East-meets-West centre for international cultural exchange.

President, I will now give a detailed account of the specific policies and measures of the SAR Government under the five major strategies that I mentioned in my opening speech.

- (I) Developing world-class cultural facilities and a pluralistic cultural environment

Diversified cultural venues or spaces of different scales provide a variety of breeding grounds for nurturing artists, the relevant practitioners in arts groups and an audience, which is conducive to multi-dimensional arts and cultural creations. The West Kowloon Cultural District (“WKCD”), the largest cultural development project in the history of Hong Kong, is developed and operated by the West Kowloon Cultural District Authority.

The Xiqu Centre, which opened in 2019, is tasked to facilitate the development, promotion and preservation of Xiqu, a world-class intangible cultural heritage; the Freespace, which opened in the same year, provides a world-class stage for contemporary performing arts; and the Lyric Theatre Complex to be completed in 2024 will provide a well-equipped, high-end performance venue for dance, drama and other performing arts.

Besides, the M+ Museum, which opened last November and showcases contemporary visual culture, has recorded more than 380 000 visitors in the first two months since its opening; and the

Hong Kong Palace Museum, which is greatly supported by the Central People's Government, will open in the middle of this year and by then, the public will be able to view and appreciate national treasures that are rarely exhibited. These two world-class museums with unique architectural features, together with the expanded Hong Kong Museum of Art reopened in 2019, will form a world-class cluster of museums at the Tsim Sha Tsui waterfront. These three museums will actively forge greater cooperation with Mainland and overseas institutions to promote arts and cultural education, nurture museum talents and administrators, and create a rich pool of talents for Hong Kong and the Mainland.

The Leisure and Cultural Services Department ("LCSD") provides many important cultural facilities all over Hong Kong, including 16 performance venues and 14 museums, two visual arts centres and a film archive. The East Kowloon Cultural Centre will open in phases at the end of next year, and the pre-construction works of the cultural centre located in Fanling of the Northern Metropolis are near completion, and we will seek funding for the actual construction works shortly. This aside, the Government is taking forward a number of major museum projects, i.e. the new Heritage Conservation and Resource Centre and the expansion of the existing Hong Kong Science Museum and Hong Kong Museum of History. These cultural facilities will be conducive to enhancing exchanges and cooperation with cultural institutions in the Mainland and worldwide.

Apart from world-class purpose-designed arts and cultural facilities, the SAR Government is committed to creating a pluralistic environment for culture and creativity in various districts in Hong Kong and through the revitalization of historic and old buildings into unique cultural carriers, we hope to cultivate a cultural and creative spirit in all districts to create a cultural and creative ambience, so as to provide more opportunities for the public to come into contact with arts, culture and creativity. For example, historic buildings are put to new uses through their conservation and revitalization. Many of these historic buildings have been transformed into cultural and

creative landmarks that have won many major international awards. The Tai Kwun-Centre for Heritage and Arts, PMQ, and the three groups of historic buildings at the Central Market located in the core business district in Central are good examples. Moreover, through the Revitalising Historic Buildings Through Partnership Scheme, the Government has worked with non-profit-making organizations to revitalize and reuse government-owned historic buildings in innovative ways, and under this Scheme there are also many cultural projects, such as the Jao Tsung-I Academy, Haw Par Music, and the Blue House Cluster.

The Victoria Harbour is an important natural heritage of Hong Kong. In recent years, the SAR Government has been committed to turning the Victoria Harbourfront into sitting-out areas with respective characteristics and cultural venues displaying cultural, arts and creative elements for all to enjoy. The goal of the SAR Government is to extend the promenade from the current 24 km to 34 km by 2028 and provide open space measuring about 35 hectares at the waterfront. We will continue to include more arts and cultural installations to enrich the cultural atmosphere.

Through the revitalization of industrial buildings, old industrial buildings are transformed into diversified venues that can better meet the needs of modern industries, and many of these successful examples have served the dual purposes of innovation and conservation. Examples include The Mills and the Jockey Club Creative Arts Centre. Through wholesale conversion, many old industrial buildings can be turned into art space and provide office and rehearsal venues for artists and art groups. Under the current revitalization scheme for industrial buildings, with respect to the exemption of waiver fees for wholesale conversion projects, an additional condition has been imposed to require the owner to designate no less than 10% of the converted floor space for specific uses prescribed by Government, such as uses relating to the arts and cultural sector.

(II) Strengthening our connections with overseas arts and culture organizations

We will actively strengthen our ties with overseas arts and cultural organizations on all fronts to further enhance Hong Kong's standing in the international arts arena, so that we can have more room and channels to promote the Chinese culture, increase the exchange opportunities for local artists and arts groups, and provide more opportunities for the public to experience the customs and traditions of places around the world. Through many years of efforts, Hong Kong has established extensive and in-depth cultural ties with the international community. To date, the SAR Government has signed Memorandum of Understanding for cultural exchange with 20 countries, including many great cultural powers, laying a solid foundation for cultural exchanges between China and the West. The Home Affairs Bureau and LCSD have all along worked closely with consulates general and their cultural institutions in Hong Kong to organize various cultural events in Hong Kong, such as the French May Arts Festival, Italia Mia, Festive Korea, and Asian Ethnic Cultural Performances, which are events with ethnic characteristics.

On the promotion of performing arts and cultural exhibitions, we host "Hong Kong Week" in various cities around the world, arrange for local artists and arts groups to perform outside Hong Kong, invite renowned artists and arts groups to perform in Hong Kong, and also organize and support performances and arts festivals of various types and themes, including New Vision Arts Festival, Chinese Opera Festival, International Arts Carnival, etc. In respect of exhibitions, the Hong Kong Museum of Art has a rich collection of Chinese antiquities and paintings, including Chinese calligraphy and paintings, historical pictures, and the world's largest collection of Mr WU Guanzhong and the Ming loyalists, providing an important base for cultural and arts exchanges between Hong Kong and the international community. In recent years, LCSD has organized large-scale exhibitions jointly with world-renowned cultural institutions such as the Louvre in France, The Uffizi Galleries in Italy, and the Centre Pompidou in Paris. Moreover, the SAR Government will continue to organize large-scale and international cultural forums, including the

Asia Cultural Co-operation Forum and the International Museum Summit to be held in December this year.

The SAR Government has been actively promoting cultural exchange and cooperation between Hong Kong and cultural institutions in the Mainland and overseas. Starting from 2018-2019, we have gradually increased the recurrent funding for cultural exchange to \$50 million annually, in order to strengthen cooperation with Mainland provinces and cities, overseas governments and cultural institutions. The SAR Government will continue to support the Hong Kong Arts Festival, which has a history of nearly five decades, to expand its scale and influence by presenting in Hong Kong a large number of outstanding Mainland and overseas programmes every year, so that it can become an arts festival comparable to the Edinburgh Festival, the Venice Biennale, and Festival d'Avignon, creating a sweeping cultural ambience in all parts of Hong Kong and attracting high-end visitors.

To further consolidate Hong Kong's role as an East-meets-West centre for international cultural exchange, the SAR Government has specifically allocated \$42 million for organizing the first Hong Kong Performing Arts Market within two years to facilitate exchange between the Mainland, overseas and local arts and cultural sectors, expand the trading market of performing arts programmes, and explore new opportunities for arts groups and practitioners, with a view to promoting the development of the arts and cultural sector. Later, when the epidemic subsides, and after the resumption of cross-boundary travel between Hong Kong and the Mainland and when the flow of people resumes normal, both visitors and arts groups can physically take part in these exchanges and mutual visits.

Hong Kong is a premier destination for many prestigious art exhibitions and in particular, Art Basel Hong Kong has become an international visual arts event in less than a decade since it was first launched in Hong Kong in 2013, attracting participation from over 200 top galleries from many countries and regions around the world each year. Over 100 contemporary galleries from around the world

also exhibit the cutting-edge works by emerging artists at Art Central each year, making Hong Kong a universally recognized art capital in Asia.

There are currently about 50 private museums in Hong Kong. The SAR Government welcomes and encourages private museums and galleries to work jointly with public museums to facilitate the development of a diverse cultural and arts ecology in Hong Kong.

In recent years, many well-known international auction houses, such as Christie's and Sotheby's, have set foot in Hong Kong and this, coupled with the vibrant development of art exhibitions, has led to the emergence of the art trade and auction market in Hong Kong. Hong Kong is now one of the three largest art markets in the world, and according to the statistics of art market analysis firms, the share of Hong Kong in the global art market has increased from 17.5% in 2019 to 23.2% in 2020, surpassing London for the first time and being only second to New York. According to the statistics of the Census and Statistics Department, the total value of Hong Kong's imports and exports of art, collectibles and antiques reached HK\$33.6 billion in 2020, nearly doubling the amount in 2017. This series of economic activities related to international art trade has also indirectly spurred the development of local galleries.

There are currently around some 80 high-end private galleries in Hong Kong. Hong Kong implements a low and simple tax regime and does not levy tariffs, value-added tax or estate duty on art works; we have a well-established system for the protection of intellectual property rights, and we provide comprehensive private wealth management services for artists. These advantages have made it possible for Hong Kong to rapidly develop into a major global art trading centre. Looking ahead, we will make continuous efforts to attract renowned cultural institutions from the Mainland and elsewhere worldwide to Hong Kong; we will promote art trading as a major part of Hong Kong's cultural industry and asset management business. Notably, the Asia IP Exchange operated by the Hong Kong

Trade Development Council has successfully formed alliances with over 35 strategic partners from around the globe. Over 28 000 tradable intellectual property rights listings are available free of charge for online access by users and intermediaries of intellectual property rights worldwide, which helps facilitate trading of intellectual property rights.

(III) Enhancing cultural exchange and cooperation with the Mainland

We must continuously expand our network to explore opportunities for local arts groups and artists to achieve sustainable development. The third strategy is to enhance cultural exchange and cooperation with the Mainland. Since July 2016, a new Cultural Exchange Division has been set up for the first time by the Office of the Government of the Hong Kong Special Administrative Region in Beijing. The SAR Government has also provided funding for other Economic and Trade Offices in the Mainland to recruit additional and dedicated staff locally to perform duties relating to cultural exchange. The SAR Government has signed Memorandum of Understanding or agreements for cultural cooperation with seven Mainland provinces/municipalities/SAR, namely Beijing, Shanghai, Zhejiang, Hubei, Guangdong, Yunnan and Macao SAR. Mainland provinces/municipalities and their cultural sectors can leverage Hong Kong's convenient and easily accessible platform to organize in Hong Kong more cultural and arts exchange activities of different types to showcase our splendid Chinese culture to the world.

LCSD has been conducting exchanges with Mainland cultural institutions and collaborating with them to organize large-scale exhibitions of national treasures or art works in an effort to promote Chinese history and culture. LCSD has been allocated a five-year funding of \$140 million from 2018-2019 onwards to actively promote cultural exchanges and activities in the Greater Bay Area ("GBA"), thereby showcasing Hong Kong's arts and culture and providing new opportunities for artists and arts groups in Hong Kong, while nurturing arts administrators and programme impresarios for the future. In

recent years, LCSD has organized a total of 127 performances of local productions for 45 programmes in 7 cities in the Guangdong-Hong Kong-Macao GBA (including Guangzhou, Shenzhen, Zhuhai, Zhongshan, Foshan, Dongguan and Huizhou). LCSD will continue to strengthen liaison with venue operators in GBA and forge new brands with them to provide more performance opportunities for local arts groups.

Since 2019, the SAR Government has organized the “Hong Kong Week” in the Mainland to promote cultural and talent exchanges between Hong Kong and the Mainland, and to enhance the understanding of Mainland residents about Hong Kong. After the first “Hong Kong Week” was successfully held in Shanghai in November 2019, the second “Hong Kong Week” was held in Guangzhou from April to June with both online and in-venue programmes. The SAR Government is now actively preparing for the next “Hong Kong Week” to be held in Wuhan in the fourth quarter of this year, in order to continuously deepen the understanding of Mainland residents about the arts groups/artists and creative industry of Hong Kong while at the same time exploring more opportunities for them.

The SAR Government is grateful to the Central People’s Government for the its various major initiatives adopted to support the development of HKSAR into an East-meets-West centre for international cultural exchange. In particular, under the support of the China Federation of Literary and Art Circles (“CFLAC”) and the relevant Mainland authorities, the CFLAC Hong Kong Member Association was established in November 2020, and the Bauhinia Culture Holdings, a state-owned cultural enterprise, was also set up in Hong Kong to unify the work in publishing, journalism, film and television, and so on. The SAR Government will continue to strengthen its cooperation with the state-owned cultural enterprises of the CFLAC Hong Kong Member Association comprehensively.

(IV) Leveraging technology

We will promote the application of technology by providing support in terms of policies and resources to enhance the capacity and capability of the arts and cultural sector, so that the sector can have more room to give play to its creativity. With the advancement of technology, the integration of arts and Innovation and Technology (“I&T”) has become a new trend of arts development. The Chief Executive proposed in the 2020 Policy Address to actively promote and support the development of arts technology (“Art Tech”). In terms of resources, a total of \$100 million has been earmarked through various funds or schemes under the relevant Policy Bureaux of the SAR Government for application by those who are interested in the promotion of Art Tech. As of February this year, over \$36 million has been approved for 149 arts and I&T groups to take forward Art Tech projects. The promotion of Art Tech can provide artists and professionals in the creative and technology industries with opportunities for employment and development in the industries.

In the face of the digitization of global industries, coupled with the catalyst of the need to maintain certain social distancing measures under the epidemic, leveraging technology to develop and promote arts, culture and creativity has become increasingly important. The SAR Government is strengthening its support and assistance for the cultural and creative industries in their digital transformation by making optimal use of various online and in-venue activities and platforms to organize or participate in projects involving cross-territorial and cross-sectional collaboration. This not only can maintain the ties with the local and even international audiences and organizations but the use of digital means can also facilitate connection with new markets, target audience and participants.

Looking ahead, the SAR Government will invest more resources in Art Tech. Starting from this year, the Government will allocate \$85 million each year to support the development of the East Kowloon Cultural Centre, which will open in phases from next year, into a hub

and cradle of Art Tech and launch systematic training programmes. The SAR Government will also set aside \$70 million to upgrade the facilities at the performing arts venues of LCSD to enable arts groups to apply technology more frequently and in a better way in their performances to enrich audiences' experience. Besides, the SAR Government will allocate \$30 million to implement an Arts Technology Funding Pilot Scheme, with the objective of encouraging the nine major performing arts groups to apply Art Tech to enrich their stage production; and \$10 million will also be injected into the Arts Capacity Development Funding Scheme to inspire small and medium-sized arts groups to explore the use of more Art Tech, in order to further promote the development of Art Tech.

(V) Nurturing talents

I have broadly outlined the ecosystem of the arts and cultural sector—including diversified cultural and arts venues and infrastructure, a boundless network for exchange to create unlimited development opportunities, a career and training ladder, and the related toolkits to upgrade the skills and contents of the sector. What comes next is the nurturing of talents. Talents are a valuable resource of society, and a source of development. The SAR Government is always committed to nurturing a wide array of human resources to make our talent pool bigger and stronger. In order to create an East-meets-West centre for international cultural exchange, the SAR Government will work with many major partners, including the West Kowloon Cultural District Authority, the Hong Kong Academy for Performing Arts (“HKAPA”), the Hong Kong Arts Development Council (“HKADC”), and the Hong Kong Arts Centre to take forward initiatives for nurturing talents.

HKAPA is the only higher education institution in Hong Kong that provides education and training in performing arts and related technical arts, enjoying high reputation in the world. In the QS World University Rankings for Performing Arts released in April this year, HKAPA ranked first in Asia for the fourth consecutive year and

remained among the top 10 globally. In the 2021-2022 academic year, HKAPA will provide training to about 1 000 full-time equivalent students, and around 250 students will graduate each year. According to the 2019 Graduate Employment Survey, about 67% of the respondents were engaged full-time in performing arts, giving play to their talents and putting what they have learnt into practice, and they form the mainstay of Hong Kong's performing arts sector.

Apart from HKAPA, many government funded-universities in Hong Kong also offer programmes related to arts and culture, and some will even provide undergraduate programmes in Art Tech to nurture the talents required in the industry. The Research Grants Council ("RGC"), which administers many research funding schemes, also welcomes proposals from universities on Art Tech and other cultural studies. For instance, a research project on Art Tech led by the Hong Kong Baptist University, namely "Building Platform Technologies for Symbiotic Creativity in Hong Kong", was awarded research funding of close to HK\$53 million by RGC in July last year. The research results of this project will include an art data repository, an artificial intelligence creative algorithm system, a research theatre, a digital art and policy network, and some unique and creative application projects.

Arts administrators are an integral part of the arts and culture sector, playing a crucial role in supporting the work of arts groups. In this connection, the Government allocated a time-limited funding of \$150 million in total from 2013-2014 to 2017-2018 for LCSD and HKADC to provide a total of 693 internship, scholarship and on-the-job training places in an effort to enhance various programmes for training arts administrators. In view of the demand for arts administrators remaining keen, the SAR Government has continued to inject \$216 million for six years from 2018-2019 to provide about 700 training places through LCSD and HKADC to nurture more arts talents and support the future development of arts and culture in Hong Kong.

Furthermore, given the upcoming commissioning of more large-scale cultural facilities, there is a very keen demand for conservators in the industry. The SAR Government has allocated \$37 million over the next six years to provide professional training for conservators of LCSD and the Hong Kong Palace Museum to be opened soon, and increase the number of places under the museum trainees (conservation) programme and the summer internship programme to enhance the training of young people and the local conservation work. It is expected that these measures will benefit more than 150 people. The Hong Kong Palace Museum will, in collaboration with the Palace Museum in Beijing, invite scholars and conservators from the Palace Museum to be in residence at the Hong Kong Palace Museum to conduct academic visits and provide expert advice for public education activities. It is planned that the partnership arrangement will be extended to other top-notch museums in the Mainland and internationally in the future to promote cultural and arts exchange and cooperation between the East and the West.

The SAR Government is committed to promoting the preservation and development of Cantonese Opera. Following an injection of \$70 million into the Cantonese Opera Development Fund in 2018-2019, the SAR Government will further inject \$100 million this year to further support the practitioners in pursuing professional advancement and continuous training, and encourage innovative short to medium plays or productions, with a view to promoting the long-term development of this world-class intangible cultural heritage. LCSD also commissions the production of new Cantonese opera repertoires and stages infrequently performed traditional Cantonese operas every year to encourage creativity works while emphasizing the preservation of the tradition of Cantonese opera.

In July last year, the China National Arts Fund fully opened for the first time to the Hong Kong SAR and Macao SAR for general project applications, allowing arts institutions and practitioners in Hong Kong and Macao to apply for funding directly and providing them with a wider scope of development. And for the first time, nine Hong Kong arts projects are selected and funded by the China National Arts Fund 2022, covering the categories of performing arts productions, cultural exchange, training of arts talents, and visual arts creations. This is a

most encouraging achievement. Once again, I thank our country for its support to the development of arts and culture in Hong Kong, which enables Hong Kong to better grasp and give play to its new positioning as an East-meets-West centre for international cultural exchange.

Conclusion

As an East-meets-West centre for international cultural exchange, Hong Kong can assist our country in strengthening its international communication capabilities and make positive contributions as required of us for telling China's story well. Leveraging the international network that Hong Kong has built up over the years and its relationship with overseas arts and cultural institutions, the SAR can work in concert with the Mainland to organize various types of arts and cultural activities, such as exhibitions of cultural relics, art performances, creative activities, films and international conferences, etc., to enable people around the world to have a more comprehensive and accurate understanding about the Chinese culture and Chinese values, so that we can effectively carry out work in international communication for the country to present to people around the world the true, multi-dimensional and panoramic view of China.

Under our positioning as stated in the 14th Five-Year Plan and the support of the Central Authorities, the SAR Government will adopt a more macroscopic perspective in developing the arts and cultural sector in Hong Kong and provide more employment opportunities for young people, for this will not only strengthen the sense of belonging to the Motherland among Hong Kong people but also help our country develop stronger soft powers and composite national strength on the world stage.

President, the SAR Government will continue to spare no effort in achieving the objective of developing Hong Kong into an East-meets-West centre for international cultural exchange under the 14th Five-Year Plan, promote the development of the industrialization of arts and culture and facilitate the development of Hong Kong into a vibrant international cultural metropolis. The SAR Government is most grateful to our country for its support to Hong Kong. This is a recognition for Hong Kong and will bring numerous development opportunities to the industry.

Thank you, President. I so submit.

PRESIDENT (in Cantonese): I now call upon Mr Kenneth FOK to move an amendment.

MR KENNETH FOK (in Cantonese): President, I move my amendment.

The amendment moved by Mr Kenneth FOK (See the marked-up version at Appendix 4)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Mr Kenneth FOK be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of each of the two groups of Members present, that is, those returned by the Election Committee and those returned by functional constituencies and geographical constituencies.

I declare the amendment passed.

PRESIDENT (in Cantonese): Dr Stephen WONG, as Mr Kenneth FOK's amendment has been passed, you may move your further amendment.

DR STEPHEN WONG (in Cantonese): President, I move my further amendment.

The further amendment moved by Dr Stephen WONG (See the marked-up version at Appendix 5)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Dr Stephen WONG's further amendment be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of each of the two groups of Members present, that is, those returned by the Election Committee and those returned by functional constituencies and geographical constituencies.

I declare the amendment passed.

PRESIDENT (in Cantonese): Mr YIU Pak-leung, as the amendments of Mr Kenneth FOK and Dr Stephen WONG have been passed, you may move your further amendment.

MR YIU PAK-LEUNG (in Cantonese): President, I move my further amendment.

The further amendment moved by Mr YIU Pak-leung (See the marked-up version at Appendix 6)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr YIU Pak-leung's further amendment be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of each of the two groups of Members present, that is, those returned by the Election Committee and those returned by functional constituencies and geographical constituencies.

I declare the amendment passed.

PRESIDENT (in Cantonese): Mr Sunny TAN, as the amendments of Mr Kenneth FOK, Dr Stephen WONG and Mr YIU Pak-leung have been passed, you may move your further amendment.

MR SUNNY TAN (in Cantonese): President, I move my further amendment.

The further amendment moved by Mr Sunny TAN (See the marked-up version at Appendix 7)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr Sunny TAN's further amendment be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of each of the two groups of Members present, that is, those returned by the Election Committee and those returned by functional constituencies and geographical constituencies.

I declare the amendment passed.

PRESIDENT (in Cantonese): Mr MA Fung-kwok, as the amendments of Mr Kenneth FOK, Dr Stephen WONG, Mr YIU Pak-leung and Mr Sunny TAN have been passed, you may move your further amendment.

MR MA FUNG-KWOK (in Cantonese): President, I move my further amendment.

The further amendment moved by Mr MA Fung-kwok (See the marked-up version at Appendix 8)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr MA Fung-kwok's further amendment be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of each of the two groups of Members present, that is, those returned by the Election Committee and those returned by functional constituencies and geographical constituencies.

I declare the amendment passed.

PRESIDENT (in Cantonese): Ir LEE Chun-keung, as the amendments of Mr Kenneth FOK, Dr Stephen WONG, Mr YIU Pak-leung, Mr Sunny TAN and Mr MA Fung-kwok have been passed, you may move your further amendment.

IR LEE CHUN-KEUNG (in Cantonese): President, I move my further amendment.

The further amendment moved by Ir LEE Chun-keung (See the marked-up version at Appendix 9)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Ir LEE Chun-keung's further amendment be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of each of the two groups of Members present, that is, those returned by the Election Committee and those returned by functional constituencies and geographical constituencies.

I declare the amendment passed.

PRESIDENT (in Cantonese): Mr Vincent CHENG, you still have 12 seconds to reply. Then, the debate will come to a close.

MR VINCENT CHENG (in Cantonese): President, I would like to thank once again the Members who have spoken and expressed their support. I hope Members will support my motion on “Formulating policy and development blueprint on arts and culture for the next five years”. Thank you.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Vincent CHENG, as amended by Mr Kenneth FOK, Dr Stephen WONG, Mr YIU Pak-leung, Mr Sunny TAN, Mr MA Fung-kwok and Ir LEE Chun-keung, be passed. Will those in favour please raise their hands?

(Members raised their hands)

PRESIDENT (in Cantonese): Those against please raise their hands.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of each of the two groups of Members present, that is, those returned by the Election Committee and those returned by functional constituencies and geographical constituencies.

I declare the motion as amended passed.

SUSPENSION OF MEETING

PRESIDENT (in Cantonese): I now suspend the meeting until 9:00 am tomorrow.

Suspended accordingly at 5:06 pm.

REQUEST FOR POST-MEETING AMENDMENTS

The Secretary for Transport and Housing requested the following post-meeting amendments in respect of a supplementary question to Question 4

Line 3, second paragraph, page 40 of the Confirmed version

To amend “There were 2 cases of running aground and foundering, making a total of 5 incidents.” as “For the current year (as at 30 April), there were 2 cases of running aground and foundering, making a total of 5 incidents.” (Translation)

(Please refer to line 4 to 5, third paragraph, page 2253 of this Translated version)

WRITTEN ANSWER

Written answer by the Secretary for Transport and Housing to Mr Frankie YICK's supplementary question to Question 4

In the past five years (2017-2021), a majority of the prosecution cases instigated by the Marine Department ("MD") in Aberdeen Typhoon Shelters involved expired operating licence, speeding, operating a vessel without valid operators' licence and berthing within passage area etc. The breakdown of successful prosecution cases concerning using pleasure vessels ("PV") for non-pleasure purposes instigated by MD in the past five years (2017-2021) is as follows:

Successful prosecution cases concerning using PVs for non-pleasure purposes instigated by Marine Department, 2017-2021

Nature of case	Number of case
Use of PVs for guesthouse purpose	8
Use of PVs for organising marine activities	7
Use of PVs for providing ferry services	7
Use of PVs for marine works	2
Use of PVs for conveying cargoes	2
Use of PVs for providing electric power to other vessels	1
Total	27

LEGCO QUESTION NO. 7

(Written Reply)

Asked by Dr Hon Wendy HONG

Date of meeting : 11 May 2022

Replied by : Secretary for Transport
and Housing

Reply

President,

To consolidate and enhance Hong Kong's status as an international aviation hub, the Hong Kong Government and the Airport Authority Hong Kong are carrying forward various measures and works projects, including the planned commissioning of the Third Runway this year and the targeted completion of the Three-Runway System ("3RS") in 2024, and working closely with the Civil Aviation Administration of China ("CAAC") and the Civil Aviation Authority of Macao ("AACM") on air traffic management issues in the Greater Bay Area ("GBA"). In respect of the airspace development in the GBA, our reply is as follows –

CAAC, Civil Aviation Department ("CAD") of Hong Kong and AACM jointly established a Pearl River Delta Region Air Traffic Management Planning and Implementation Tripartite Working Group ("TWG") in 2004 to collaboratively formulate appropriate measures, with a view to allowing every airport in the region to operate most efficiently. The TWG takes into account the development of airports in the region and the actual situation of airspace in a holistic manner, including the operational need of the Hong Kong International Airport ("HKIA") under the 3RS and the future development need of other airports in the GBA, with a view to seeking a mutually optimal proposal. Over the years, a number of air traffic control improvement measures have already been implemented, which optimise the air traffic control management in the region and allow the air traffic in the region to grow sustainably in a safe and efficient manner.

The TWG completed a GBA Airspace Fast Time Simulation Modelling Report in 2021. The report explores new ideas about airspace development in the GBA and lays a solid foundation for continuing to promote closer co-operation among the three parties. The experience of the tripartite modelling work shows that synergy is beneficial to the overall development of the airport cluster in the GBA, including promoting the co-ordinated development of all airports in the region in

achieving their respective capacity targets. The report also points out the importance of optimising peripheral flight routes in the GBA to satisfy the ever-growing air traffic demand in the GBA and the Mainland China, as well as the Asia-Pacific region. The TWG will launch a study on airspace planning of the airport cluster in the GBA and will continue to proactively explore suitable application of new technologies to promote advancement and enhancement of air traffic control operations in the GBA through innovation. CAD will continue to collaborate with CAAC and AACM to actively study and implement various measures for the optimisation of GBA airspace management, with a view to enabling the 3RS of the HKIA to progressively achieve the target runway capacity of 102 air traffic movements per hour in the long run, and strengthening Hong Kong's status as an international and regional aviation hub.

LEGCO QUESTION NO. 8

(Written Reply)

Asked by : Hon Lillian KWOK Ling-lai Date of meeting : 11 May 2022

Replied by : Secretary for Labour
and Welfare

Reply

President,

The vast development potential of the Guangdong-Hong Kong-Macao Greater Bay Area (“Greater Bay Area”) not only provides new impetus for Hong Kong’s future economic development but will also be where major opportunities for Hong Kong’s economic recovery after the pandemic lie. The Government launched the Greater Bay Area Youth Employment Scheme (“the Scheme”) in January 2021 to encourage enterprises with business in both Hong Kong and the Greater Bay Area Mainland cities to employ university graduates in Hong Kong and station them to work in the Greater Bay Area Mainland cities. Graduates who are legally employable in Hong Kong and holding bachelor’s degrees or above awarded in 2019 to 2021 may participate in the Scheme. Participating enterprises shall employ the target graduates according to Hong Kong laws with a monthly salary of not less than HK\$18,000. The Government will pay a monthly allowance of HK\$10,000 to the enterprises for each qualified graduate employed for a maximum period of 18 months.

Participating graduates employed under the Scheme have all reported for duty. The Labour and Welfare Bureau and the Labour Department are conducting an evaluation study on the Scheme which is expected to be completed within this year. The Government will map out the way forward, taking into account the survey results and the views of stakeholders.

After consulting the Home Affairs Bureau, my reply to the Member’s question is as follows:

- (1) The Government has launched a series of publicity activities to encourage graduates and enterprises to participate in the Scheme. The Government has advertised in various newspapers, recruitment magazines, job-hunting websites (including the Joint Institutions Job Information System (JIIS)) and major means of transport; launched radio announcements and promoted the Scheme on various websites, mobile applications and online search tools to reach out to more young people and encourage graduates to join the Scheme. In addition, the Government has organised a large-scale online cum physical thematic job fair to provide a convenient and effective platform for participating enterprises to conduct recruitment and graduates to submit job applications. A series of online briefing sessions were co-organised with employer associations and universities to introduce the Scheme and encourage enterprises and graduates to join it.

The Scheme has received from 417 enterprises a total of some 3 500 job vacancies, about half of which are innovation and technology posts. Graduates have submitted over 20 000 job applications. These show that the publicity work has effectively encouraged enterprises and graduates to participate in the Scheme. The evaluation study being conducted on the Scheme also covers the effectiveness of the publicity work.

- (2) The Government has set up a thematic website upon launching of the Scheme. All job vacancies submitted by enterprises were uploaded to the website after vetting for eligible graduates to choose. The website also has online application function to facilitate graduates to make job applications. In addition, the Government has uploaded details of the Scheme, as well as practical information on working and living in the Greater Bay Area on the thematic website, which is hyperlinked to a number of related websites so that graduates can obtain more information relevant to the Greater Bay Area. The Government welcomes all eligible enterprises to join the Scheme and is not bounded by a target number.
- (3) The Government has been closely monitoring the possible impact of the COVID-19 pandemic on the Scheme, and has followed up with the enterprises on their arrangement for the employed graduates to work in the Greater Bay Area Mainland cities and offered necessary assistance. As of end of February 2022, about 85% of the recruits under the Scheme have already been working on the Mainland, and the remaining 15% are mainly

employed in innovation & technology posts. According to the Scheme requirements, the latter recruits should be stationed in Hong Kong and the Greater Bay Area Mainland cities for about 6 to 12 months, and so some of them are still working in Hong Kong.

Apart from the above-mentioned Scheme, the Home Affairs Bureau has launched two funding schemes on support for young people starting their businesses in Hong Kong and the Greater Bay Area Mainland cities, namely the Funding Scheme for Youth Entrepreneurship in the Guangdong-Hong Kong-Macao Greater Bay Area (Funding Scheme for Youth Entrepreneurship) and the Funding Scheme for Experiential Programmes at Innovation and Entrepreneurial Bases in the Guangdong-Hong Kong-Macao Greater Bay Area (Funding Scheme for Experiential Programmes), providing entrepreneurial support and incubation services to young people. The Funding Scheme for Youth Entrepreneurship supports 16 non-governmental organisations (NGOs) to organise youth entrepreneurship projects, providing capital subsidy to about 230 youth start-ups (involving more than 800 Hong Kong young entrepreneurs) and rendering entrepreneurial support and incubation services to about 4 000 young entrepreneurs. Funded NGOs have started rolling out youth entrepreneurship projects and the response has thus far been positive. Subject to the latest situation of the pandemic, the funded organisations will gradually assist young entrepreneurs in settling in innovative and entrepreneurial bases in the Mainland cities of the Greater Bay Area. The Funding Scheme for Experiential Programmes supports 15 NGOs to organise short-term experiential projects at innovative and entrepreneurial bases in the Mainland cities of the Greater Bay Area, with a view to deepening Hong Kong young people's understanding of such entrepreneurial bases, as well as the relevant policies and support measures on innovation and entrepreneurship. About 700 young people are expected to benefit from the projects.

LEGCO QUESTION NO. 9

(Written Reply)

Asked by Hon Alice MAK

Date of meeting : 11 May 2022

Replied by : Secretary for Food and Health

Reply

President,

The Government attaches importance to cancer prevention and control as an important strategy to prevent and control non-communicable diseases. As early as 2001, the Government established the Cancer Coordinating Committee (“CCC”). Chaired by the Secretary for Food and Health and comprising members who are cancer experts, academics, doctors in public and private sectors as well as public health professionals, the CCC formulates strategies on cancer prevention and control and steers the direction of work covering prevention and screening, surveillance, research and treatment. The Cancer Expert Working Group on Cancer Prevention and Screening (“CEWG”) set up under the CCC regularly reviews international and local evidence and makes recommendations on cancer prevention and screening applicable to the local setting. In addition to CEWG, the structure of the CCC also comprises the Department of Health (“DH”), the Hong Kong Cancer Registry (“HKCaR”), the Hospital Authority (“HA”) and the Research Office of the Food and Health Bureau which oversees cancer surveillance, treatment and research respectively, and directly report to the CCC.

Having consulted the DH and the HA, my reply to various parts of the question raised by the Hon Alice MAK is as follows -

(1) and (3)(iii)

In 2019, the Government promulgated the Hong Kong Cancer Strategy (“HKCS”), which sets out the holistic plan for cancer prevention and control for Hong Kong and the directions laid down herein include reducing risk factors

leading to cancer and providing evidence-based screening. Relevant measures and publicity work include -

- (a) starting from the 2019/20 school year, the DH has rolled out the human papillomavirus (“HPV”) vaccination programme to Primary 5 and 6 female students under the Hong Kong Childhood Immunisation Programme as a public health strategy to prevent cervical cancer. The first dose of HPV vaccine will be given to Primary 5 female students at their schools, and the second dose will be given to the girls when they reach Primary 6 in the following school year. The financial provision of HPV vaccination programme in 2021-22 and 2022-23 is around \$91 million in each year;
- (b) As a tool for secondary prevention, screening aims to detect cancers early or to identify precancerous disease in apparently healthy (asymptomatic) individuals so that treatment can be carried out more effectively. Based on the recommendations of the CEWG, the Government has launched the territory-wide Cervical Screening Programme and the Breast Cancer Screening Pilot Programme (the “Pilot Programme”) under a risk-based approach. The financial provision of the Cervical Screening Programme in 2021-2022 and 2022-23 is about \$21 million per year, whereas the financial provision of the Pilot Programme in the two financial years is about \$23 million annually; and
- (c) The DH has been promoting a healthy lifestyle as the primary strategy for cancer prevention. Over the past three years, the DH had strengthened public education relating to female cancers in order to raise public awareness on cancer prevention and screening. Communication channels included websites, printed materials, published articles, social media, web-based publicity, telephone education hotline, media interviews, etc. For example, short videos promoting cervical screening were launched in 2020, and two Announcements in the Public Interest in promoting breast awareness and breast cancer prevention were launched in 2021. The DH has also produced health information on the prevention and screening of cervical and breast cancers in seven languages (including Hindi, Nepali, Urdu, Thai, Bahasa Indonesia, Tagalog and Vietnamese) for ethnic minorities. Relevant work will continue in 2022-23. The resources and manpower involved in the work on cancer prevention and education cannot be separately quantified as they are absorbed by the DH’s overall provision for prevention and control of diseases.

According to the information of HKCaR, the numbers of new cases of (female) breast cancer, cervical cancer, ovarian cancer and corpus uteri cancer from 2017 to 2019 are shown below -

Year	(Female) breast cancer	Cervical cancer	Ovarian cancer	Corpus uteri cancer
2017	4 373	516	627	1 076
2018	4 618	582	603	1 165
2019	4 761	520	665	1 198

The numbers of registered deaths resulted from (female) breast cancer, cervical cancer, ovarian cancer and corpus uteri cancer from 2017 to 2019 are shown below -

Year	(Female) breast cancer	Cervical cancer	Ovarian cancer	Corpus uteri cancer
2017	721	150	218	114
2018	753	163	229	115
2019	852	162	235	134

The numbers of new cases and registered deaths for the abovementioned cancers in 2020 and 2021 are not yet available now.

(2)

The numbers of patient attendances for receiving mammography (“MMG”) screening in the HA over the past five years is listed below -

Year	2017-18	2018-19	2019-20	2020-21	2021-22 (Provisional figures)
Total	21 690	23 409	25 593	26 033	32 526

The age breakdown on the numbers of patient attendances for MMG screening has been available in the HA since 2021-22 as set out in the table below. The HA does not maintain the statistics on the number of patient attendances and the breakdown according to their age for breast ultrasound scanning –

Age group	Number of patient attendances for MMG screening (Provisional figures)
44 or below	3 599
45-54	9 207
55-64	10 300
65-69	4 013
70 or above	5 406
All ages	32 526 *

* The sum of each age group may not equal to the total number of patient attendances for MMG screening for all ages due to the inclusion of patients with unknown age.

Over the past five years, the number of persons receiving MMG screening and breast ultrasound scanning at the Woman Health Service (“WHS”) of the DH is as follows. The DH does not maintain the information by age groups.

Year	2017	2018	2019	2020 (January)*	2021 (September to December)*
MMG screening	1238	1055	1063	72	1 072
Breast ultrasound scanning	106	118	93	12	275

* In view of the COVID-19 epidemic situation, WHS of the DH was suspended from February 2020 onwards and three Woman Health Centres (“WHCs”) have resumed normal service since 6 September 2021.

3(i), (ii), (iv) and (v)

The DH rolled out the Pilot Programme at its three WHCs from 6 September 2021 and 18 Elderly Health Centres from 13 December 2021 for two years. The Pilot Programme provides breast cancer screening services for eligible women aged between 44 and 69, based on the recommendations of CEWG on breast cancer screening and personalised breast cancer risk assessment tool, which is accessible at the Cancer Online Resource Hub (www.cancer.gov.hk/en/bctool). Women identified to be at increased risk of breast cancer by the breast cancer risk assessment tool will be referred by the DH to the outsourced imaging centre for MMG screening and supplementary breast ultrasound scanning, if necessary.

As at 31 March 2022, about 6 000 women received breast cancer risk assessment, with breakdown below -

	Received breast cancer risk assessment	Arranged to receive MMG screening (and breast ultrasound scanning, if necessary)
Total number of women	5 935	2 044 (34.4%)
(a) Women aged 44 - 64	5 491	1 974 (35.9%)
(b) Women aged 65 - 69	444	70 (15.8%)

In general, appointments for MMG screening can be arranged within one to two weeks and the service can largely meet the demand. To evaluate the effectiveness of the Pilot Programme, the Government will conduct a review after the screening services has been fully implemented in order to decide on the next phase for breast cancer screening, including engaging non-governmental organisations for provision of screening services.

-End-

LEGCO QUESTION No. 10

(Written Reply)

Asked by: Hon KWOK Wai-keung Date of meeting: 11 May 2022
Replied by: Secretary for Financial
Services and the Treasury

Reply

President,

The eMPF Platform is a centralized and integrated electronic platform that will standardize, streamline and automate the administration processes of Mandatory Provident Fund (“MPF”) schemes, thereby enhancing the operational efficiency of the MPF System, reducing administration costs and improving user experience. To take forward the eMPF Platform Project (“the Project”), the Mandatory Provident Fund Schemes Authority (“MPFA”) established the eMPF Platform Company Limited (“eMPF Company”) as its wholly owned subsidiary in March 2021 for the design, building and operation of the eMPF Platform. Our target is to complete the development of the eMPF Platform by the end of 2022 at the earliest to enable sequential and orderly onboarding of MPF trustees and their schemes to the Platform starting from around April 2023, thereby making the Platform fully functional in 2025.

Our reply to the various parts of Hon Kwok’s question is as follows:

(1)

According to the contract awarded by the MPFA, the work to be delivered by the Project contractor includes three main components, namely the software component (including functional design, system development and testing), the hardware component (such as the setting up and maintenance of the production data centre for the eMPF Cloud) and the operation and service component (such as the setting up of frontline service centres and back-end administration offices). The high-level timetable of the Project is set out below –

Stage	Target Completion Date
System development	End-2022
System testing	1 st Quarter of 2023
System ready for onboarding by MPF schemes in sequence	End-April 2023
Completion of onboarding by all MPF schemes	End-April 2025

The eMPF Platform is a public utility carrying important mission and involving the retirement protection of many scheme members. Hence, the Project team must ensure that the contractor implements the Project in accordance with their contractual requirements. In this regard, since the award of the contract in January 2021, the MPFA and the eMPF Company have been working closely with the contractor on building the eMPF Platform in full steam. To achieve the above targets, control of time and quality is of utmost importance. The MPFA and the eMPF Company have been steadfast in supervising the contractor's work progress, including the quality and timeliness of the deliverables, through a multi-level and proactive monitoring and reporting mechanism. If the progress or quality of work is found to be unsatisfactory, the MPFA and the eMPF Company will immediately request the contractor to propose and implement improvement measures. Should the contractor fail to complete the above building work and deliver the Platform on schedule according to contract terms, the MPFA and the eMPF Company can penalize the contractor pursuant to the contract terms.

The Project team is committed to working at full speed to take forward the Project. The MPFA and the eMPF Company are working to achieve the target of enabling MPF trustees to transfer their MPF schemes' account information to the eMPF Platform in a sequential and orderly manner starting from around end-April 2023. The data migration process for all MPF schemes is expected to complete by around end-April 2025. The Management Board of the MPFA and the Board of Directors of the eMPF Company will continue to closely monitor the progress of the Project, identify any bottleneck issues and demand prompt handling as necessary.

(2)

Effective enhancement of user experience and promoting digital take-up of the eMPF Platform are the key success factors for the implementation of the Platform. To this end, the MPFA and the eMPF Company together with the contractor kicked off a six-month stakeholder consultation exercise in December 2021. The objective of the exercise is to introduce the Project's background, policy objectives and implementation timeline, as well as to showcase the design of the

two main user portals for scheme members and employers and demonstrate the interface functions for gauging users' views and ensuring that the design of the eMPF Platform would cater for the needs of different users.

As at end-April 2022, the Project team has organised 25 consultation sessions participated by over 650 representatives from over 60 groups, including labour unions, business chambers, small and medium enterprises associations, self-employed person ("SEP") groups, representatives of employees and employers under the MPF industry schemes, human resources bodies, MPF industry practitioners (including MPF intermediaries, fund managers, Fintech industry players, financial planners and retirement planning educators), Legislative Council Members and financial regulators. The MPFA's Friends of MPF and awardees of Good MPF Employer Award as well as media were also engaged. The views collected during the consultation sessions held so far can be broadly summarized into three categories as follows:

1. Overall impression of the eMPF Platform: e.g. many stakeholders considered that performing functions such as access to MPF information and transfer between accounts via a "one-stop" centralized electronic platform would be more user-friendly than the existing decentralized mode. Meanwhile, some stakeholders opined that more support and education should be provided to scheme members and micro enterprises who were not conversant with the use of electronic tools;
2. Views on the design of the user portal: e.g. how to save data, amend instructions, check information such as funds' fees and charges, past performance and risk levels, etc. in the course of operation; whether the eMPF Platform would provide automatic contribution calculation, contribution reminder or confirmation functions; and how the Platform would interface with electronic payment tools and existing human resources management software, etc.; and
3. Overall operation of the Platform: e.g. cybersecurity measures for handling and storing voluminous data, operational workflows, employer's authorization for third party access, etc.

The Project team would record and conduct a detailed analysis of the views collected during the consultation exercise to study the feasibility of incorporating them into the design and building of the eMPF Platform.

The fifth wave of the COVID-19 epidemic situation has had, to some extent, short-term impact on the above stakeholder consultation exercise. For example, some consultation sessions had to be conducted online to reduce social contact, while some organizations preferred to arrange meetings when the epidemic situation stabilises. As the epidemic situation is gradually subsiding,

consultation activities have been going back to normal since end-March 2022. It is expected that the original target of the consultation can be achieved as planned.

(3)

The transition of all MPF schemes to the eMPF Platform will involve data migration of some 10 million MPF accounts under 27 schemes managed by 13 trustees using different scheme administration systems. Without affecting the day-to-day live administration of the MPF schemes, the technical complexity of such mega-scale data migration process must not be underestimated. Apart from building the Platform, we also need to allow sufficient time for planning the operation of the administration centres, service centres and call centres; for trustees to revamp their operation systems; and for carrying out briefings and promotion work targeting at the 4.6 million scheme members and 330 000 employers, to ensure a smooth and seamless transition between the old and new systems. As such, we are already working under a very tight project schedule. In a bid to manage risks and ensure a smooth transition, the MPFA and the eMPF Company will strive to achieve the original working target.

As regards publicity and promotion, the MPFA has since 2018 been actively promoting the use of electronic means among scheme members and employers in their MPF management to prepare for the future implementation of the eMPF Platform. Besides, the contractor of the eMPF Platform is required under the contract to develop and execute effective promotional programmes to boost registration by employers and scheme members for the use of the Platform, with a view to achieving the target of 90% digital take-up rate within five years after operating the Platform. In this connection, the MPFA, the eMPF Company and the contractor are developing a large-scale community-wide publicity, promotion and public education campaign for the phased commencement of the eMPF Platform scheduled for next year, with the following objectives:

1. To promote public awareness of the eMPF Platform in Hong Kong through mass publicity channels and enhance understanding of employees, SEPs and employers about the policy objectives and features of the eMPF Platform as well as the benefits to be brought by the use of a centralised electronic platform, including cost savings in MPF administration and improved user experience.
2. To tie in with the sequential and orderly onboarding by trustees and their MPF schemes to the eMPF Platform, so that employees and employers would have a clear understanding about the onboarding schedule and arrangements of the MPF schemes in which they are participating;

3. To conduct targeted promotion on the support services to be provided by the contractor for employees, SEPs and scheme members of different background and employers of varying business scale;
4. To boost the digital take-up rate of the eMPF Platform by rolling out effective and attractive marketing activities; and
5. To explore collaboration with and arrange training programmes and seminars for different stakeholder groups such as labour unions, business chambers and professional bodies to promote the usage of the Platform.

Regarding the supporting measures in relation to the abolition of the MPF offsetting arrangement, the MPFA and the eMPF Company will render full assistance to the Labour and Welfare Bureau and the Labour Department in this regard, including the detailed operation and publicity and promotion work about the Designated Savings Accounts Scheme, and have commenced the preparatory work concerning the relevant interface issues.

- End -

LEGCO QUESTION No. 11

(Written Reply)

Asked by: Hon SHIU Ka-fai

Date of meeting: 11 May 2022

Replied by: Financial Secretary

Reply:

President,

To combat the fifth-wave of the COVID-19 pandemic, the Government has implemented a series of social distancing measures and measures to tighten requirements on group gatherings by phases. These measures included imposing restrictions upon and suspending the operation of scheduled premises under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F). To support these scheduled premises affected by the fifth-wave of the pandemic, the Government introduced the fifth and the sixth rounds of Anti-epidemic Fund (AEF) measures.

In response to the various parts of the question, on behalf of the Chief Secretary for Administration's Office, my reply is as follows:

Parts (1)

Since the beginning of the pandemic, the dates on which and the total number of days for which the various types of scheduled premises are required to suspend operation are set out in Annex I.

Part (2)

The Government introduced 11 and 13 measures respectively under the fifth and the sixth rounds of AEF to support business premises directly affected by the tightening of the social distancing measures. The progress of the relevant

measures introduced under the two rounds of AEF are respectively set out in Annex II and Annex III. As at 29 April, under the fifth and the sixth rounds of AEF, 8 and 6 measures had completed respectively, with 3 and 7 measures remained ongoing.

Part (3)

The relevant implementation departments and units of the following measures under the fifth and the sixth rounds of AEF have set up enquiry hotlines:

Fifth-round AEF	Sixth-round AEF
1. Catering Business Subsidy Scheme	1. Catering Business Subsidy Scheme
2. Commercial Bathhouse Licence Holder Subsidy Scheme	2. Commercial Bathhouse Licence Holder Subsidy Scheme
3. Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms	3. Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms
	4. Subsidy Scheme for Hair Salons and Barber Shops

Relevant implementation departments and units of these measures did not receive complaint from the public towards their enquiry hotline services.

Part (4)

Given that some measures remained ongoing, it is difficult for the relevant implementation departments and units to estimate the number of applications for AEF measures involving fraud or abuse at this juncture. If an applicant is found to have willfully submitted false, misrepresented or misleading documents and information at the vetting, appeal, or review stage, the implementation departments and units would refer such cases to the Police for follow up. For example, the implementation department and unit of the Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms are further verifying the information

provided by nearly 1 000 applications of such nature, so as to determine the follow-up actions to be taken. The circumstances of these applications include multiple applications submitted in respect of the same premise, suspicious business nature, non-existence of the relevant businesses before the designated date of the measure as stipulated under the measure, premises not operating the business as claimed, same shop photo(s) submitted in applications involving different premises, and shop photo(s) submitted not matching the address as claimed. In view of the not insignificant number of these kinds of applications, as well as the additional manpower and procedures required for handling these applications, the overall progress of application processing would inevitably be affected to a certain extent.

Part (5)

All measures under the fifth and the sixth rounds of AEF were approved by the AEF Steering Committee (SC) chaired by the Chief Secretary for Administration (CS). Relevant implementation departments and units are required to implement the measures in accordance with the criteria and details approved. The vacancy of the office of CS would not affect the implementation of approved measures. To continuously monitor the progress of AEF measures, the Secretariat of the SC regularly invites departments and units to submit progress report on the measures. The Directors of relevant bureaux are also responsible to supervise the smooth implementation of measures under their purview. In addition, the Government also submits quarterly report to the Legislative Council to report on the latest progress of various measures.

Part (6)

In introducing the fifth and the sixth rounds of AEF measures, the Chief Executive had already requested the implementation departments to simplify the vetting procedures to the extent possible, with a view to disbursing the subsidies as soon as possible. In this regard, relevant departments adopted different arrangements to facilitate and expedite the processing of applications in implementing AEF measures, including minimising the documentary proof required as well as

information to be filled and verified for application to the extent possible, and to prioritise the processing of successful applications under previous rounds of AEF. In addition, in implementing the sixth-round AEF, individual measure disbursed both subsidies under the fifth and the sixth rounds of AEF in one go based on the application information submitted for the fifth-round AEF, and did not require separate applications to be filed for the subsidy under the sixth-round AEF.

- End -

Annex 1

Periods and Number of Days Scheduled Premises were Required to Suspend Operation According to Government Regulations¹

	Scheduled premises	Period of suspension of operation (as at 11th May 2022)	Total no. of days
1	Amusement Game Centres	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 10 th September 2020; 2 nd December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	281
2	Bathhouses	28 th March 2020 to 28 th May 2020; 15 th July 2020 to 17 th September 2020; 26 th November 2020 to 28 th April 2021; 7 th January 2022 to 11 th May 2022	406
3	Fitness Centres	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 3 rd September 2020; 10 th December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	266
4	Places of amusement	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 3 rd September 2020 (Public skating rinks were closed until 10 th September 2020); 2 nd December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	274 Public skating rink: 281
5	Places of public entertainment - cinemas	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 27 th August 2020; 2 nd December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	267
	Places of public entertainment – theme parks	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 17 th September 2020; 2 nd December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	288
	Places of public entertainment – exhibition	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 17 th September 2020; 2 nd December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	288

¹ Some scheduled premises were subject to social distancing measures but were not required to suspend operation, including catering premises, hotels and guesthouses, shopping malls, department stores, markets and supermarkets, etc.

	Scheduled premises	Period of suspension of operation (as at 11th May 2022)	Total no. of days
	venues (except museums)		
	Places of public entertainment – performance venues	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 10 th September 2020; 10 th December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	273
	Other places of public entertainment (except cinemas, theme parks, exhibition venues, and performance venues)	28 th March 2020 to 7 th May 2020; 15 th July 2020 to 10 th September 2020; 2 nd December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	281
6	Party rooms	28 th March 2020 to 28 th May 2020; 15 th July 2020 to 17 th September 2020; 22 nd November 2020 to 28 th April 2021; 7 th January 2022 to 11 th May 2022	410
7	Beauty parlours	10 th April 2020 to 7 th May 2020; 15 th July 2020 to 27 th August 2020; 10 th December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	246
8	Club-houses	15 th July 2020 to 27 th August 2020 (During the aforementioned period, facilities other than catering premises within club-houses were required to close.) (Note: Scheduled premises within club-houses are required to close according to the applicable directions.)	44
9	Clubs or nightclubs	1 st April 2020 to 28 th May 2020; 15 th July 2020 to 17 th September 2020; 26 th November 2020 to 28 th April 2021; 7 th January 2022 to 11 th May 2022	402
10	Karaoke establishments	1 st April 2020 to 28 th May 2020; 15 th July 2020 to 17 th September 2020; 2 nd December 2020 to 28 th April 2021; 7 th January 2022 to 11 th May 2022	396

	Scheduled premises	Period of suspension of operation (as at 11th May 2022)	Total no. of days
11	Mahjong-tin kau premises	1 st April 2020 to 7 th May 2020; 15 th July 2020 to 10 th September 2020; 2 nd December 2020 to 28 th April 2021; 7 th January 2022 to 11 th May 2022	368
12	Massage establishments	10 th April 2020 to 7 th May 2020; 15 th July 2020 to 3 rd September 2020; 10 th December 2020 to 17 th February 2021; 7 th January 2022 to 20 th April 2022	253
13	Sports premises [@]	29 th July 2020 to 10 th September 2020 (Reopened starting from 28 th August 2020 by phases); 10 th December 2020 to 17 th February 2021 (Reopened part of the outdoor sports premises starting from 4 th February 2021); 7 th January 2022 to 20 th April 2022 (Reopened partially starting from 7 th April 2022 for elite athletes)	218
14	Swimming pools [@]	29 th July 2020 to 17 th September 2020; 2 nd December 2020 to 31 st March 2021; 7 th January 2022 to 4 th May 2022 (Reopened partially starting from 7 th April 2022 for elite athletes)	289
15	Cruises [#]	7 th January 2022 to 11 th May 2022	125
16	Event premises [^]	10 th February 2022 to 20 th April 2022	70
17	Hair salons and barber shops [*]	10 th February 2022 to 9 th March 2022	28
18	Religious premises [*]	10 th February 2022 to 20 th April 2022	70

[@] Included as a Cap. 599F scheduled premises with effect from 29th July 2020.

- # Included as a Cap. 599F scheduled premises with effect from 24th June 2021. “Cruise-to-nowhere” itineraries were resumed from 30th July 2021 onwards.
- ^ Included as a Cap. 599F scheduled premises with effect from 22nd July 2021.
- * Included as a Cap. 599F scheduled premises with effect from 10th February 2022.

(Note: The Government promulgated the Prevention and Control of Disease (Requirement and Directions) (Business and Premises) Regulation (the Regulation) (Cap. 599F) during the second wave of the COVID-19 epidemic. Relevant regulations took effect starting from 28th March 2020. Premises listed in items 7 to 12 above were included as Cap. 599F scheduled premises with effect from 1st April 2020.)

Fifth-round Anti-epidemic Fund (AEF) measures for premises required to close or with operation substantially restricted under Cap. 599F

(as at 29 April 2022)

Measure	No. of application received	No. of application approved	No. of application rejected	No. of appeal	Progress of measure (completed/ ongoing)	Reasons why vetting of applications remains ongoing
1. Catering Business Subsidy Scheme	20 482	19 184	745	3	Ongoing	Pending supplementary information/ documentary proof from applicants
2. Commercial Bathhouse Licence Holder Subsidy Scheme	46	46	0	0	Completed	N/A
3. Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms						
- Beauty parlours, massage establishments and party rooms (Note: the Government would disburse the applicable level of subsidy under both the fifth and the sixth rounds of AEF in one go to successful applicant under the fifth-round AEF, without requiring them to file separate application for the subsidy under the sixth-round AEF)	13 013	9 730	1 568	1 090	Ongoing	In view of the significant number of applications received, various business natures being covered under the measure and the lack of a licensing regime for regulation of these premises at present, longer time is required in vetting applications. Of the remaining approximately 1 700 cases to be processed, around 500 cases are to be approved (pending submission by and verification with applicants on bank account documents and bank account information), with another approximately 1 000 cases to be followed up as

Measure	No. of application received	No. of application approved	No. of application rejected	No. of appeal	Progress of measure (completed/ongoing)	Reasons why vetting of applications remains ongoing
						explained under Part (4) of our reply
- Pleasure vessels	897 ¹	854	40	0	Ongoing	Pending supplementary information/ documentary proof from ship owners
4. Cinemas Subsidy Scheme	14	14	0	0	Completed	N/A
5. Fitness Centre and Sports Premises Subsidy Scheme	2 813	2 083	71	0	Ongoing	Most of the outstanding applications are pending supplementary information/ documentary proof from applicants
6. Club-house Subsidy Scheme	525	522	3	0	Completed	N/A
7. Places of Public Entertainment Licence Holder Subsidy Scheme	396	376	20 ²	0	Completed	N/A
8. Amusement Game Centres Subsidy Scheme	224	221	3 ³	0	Completed	N/A
9. Sports and Recreational Sites Subsidy Scheme	78	77	1	0	Completed	N/A
10. Places of Amusement Licence Holders Subsidy Scheme	57	57	0	0	Completed	N/A
11. Mahjong/Tin Kau Licence Holder Subsidy Scheme	66	66	0	0	Completed	N/A

¹ Application is not required. The Marine Department (MD) sent out 886 invitations to pleasure vessel owners holding valid operating licences endorsed to be let for hire or reward. MD also received 11 applications from ineligible vessel owners. As such, MD needed to process 897 cases.

² Including six withdrawn applications.

³ Including one withdrawn application.

Sixth-round Anti-epidemic Fund (AEF) measures for premises required to close or with operation substantially restricted under Cap. 599F

(as at 29 April 2022)

Measure	No. of application received	No. of application approved	No. of application rejected	No. of appeal	Progress of measure (completed/ ongoing)	Reasons why vetting of applications remains ongoing
1. Catering Business Subsidy Scheme	19 738	18 640	475	8	Ongoing	Pending supplementary information/ documentary proof from applicants
2. Commercial Bathhouse Licence Holder Subsidy Scheme	44	44	0	0	Completed	N/A
3. Subsidy Scheme for Beauty Parlours, Massage Establishments and Party Rooms						
- Beauty parlours, massage establishments and party rooms (Note: the Government would disburse the applicable level of subsidy under both the fifth and the sixth rounds of AEF in one go to successful applicant under the fifth-round AEF, without requiring them to file separate application for the subsidy under the sixth-round AEF)	13 013	9 730	1 568	1 090	Ongoing	In view of the significant number of applications received, various business natures being covered under the measure and the lack of a licensing regime for regulation of these premises at present, longer time is required in vetting applications. Of the remaining approximately 1 700 cases to be processed, around 500 cases are to be approved (pending submission by and verification with applicants on bank account documents and bank account information), with another approximately 1 000 cases to be followed up as explained under Part (4) of our reply

Measure	No. of application received	No. of application approved	No. of application rejected	No. of appeal	Progress of measure (completed/ ongoing)	Reasons why vetting of applications remains ongoing
- Pleasure vessels	833 ¹	800	0	0	Ongoing	Pending supplementary information/ documentary proof from ship owners
4. Subsidy Scheme for Hair Salons and Barber Shops	4 628	3 938	326	71	Ongoing	Most of the outstanding applications are pending supplementary information/ documentary proof from applicants or being followed up on inaccurate bank account information provided by applicants, etc
5. Cinemas Subsidy Scheme	14	14	0	0	Completed	N/A
6. Sports Premises Subsidy Scheme	224	168	0	0	Ongoing	Most of the outstanding applications are pending supplementary information/ documentary proof from applicants
7. Fitness Centre Subsidy Scheme	2 620	1 739	31	0	Ongoing	Most of the outstanding applications are pending supplementary information/ documentary proof from applicants
8. Club-house Subsidy Scheme	505	501	1	0	Ongoing	Pending supplementary information/ documentary proof from applicants

¹ Application is not required. Marine Department sent out 833 invitations to pleasure vessel owners holding valid operating licences endorsed to be let for hire or reward.

Measure	No. of application received	No. of application approved	No. of application rejected	No. of appeal	Progress of measure (completed/ ongoing)	Reasons why vetting of applications remains ongoing
9. Places of Public Entertainment Licence Holder Subsidy Scheme	337	332	1	0	Ongoing	Pending supplementary information/ documentary proof from applicants
10. Amusement Game Centres Subsidy Scheme	223	222	1	0	Completed	N/A
11. Sports and Recreational Sites Subsidy Scheme	76	75	1	0	Completed	N/A
12. Places of Amusement Licence Holders Subsidy Scheme	58	58	0	0	Completed	N/A
13. Mahjong/Tin Kau Licence Holder Subsidy Scheme	66	66	0	0	Completed	N/A

LEGCO QUESTION 12

(Written Reply)

Asked by: Hon Jeffrey LAM

Date of meeting: 11 May 2022

Replied by: Secretary for Food and Health

Reply:

President,

In view of the latest developments of the epidemic situation, and considering the recent volume of inbound passenger flow and the corresponding number of imported cases, the capacity in tackling the local epidemic, as well as overall socio-economic needs, the Government allowed non-Hong Kong residents (HKRs) to enter Hong Kong from overseas places starting from May 1, and the route-specific flight suspension mechanism has been suitably adjusted with rapid antigen tests (RATs) added to the “test-and-hold” arrangement at the airport. The aim is, on the premise of maintaining the strategy to guard against the importation of cases and continuing stringent quarantine measures, and as far as risks could be properly managed, to alleviate as much as possible the uncertainty of Hong Kong-bound passengers’ journeys in reserving flights and designated quarantine hotels (DQHs), as well as to streamline the testing and quarantine procedures upon arrival, in response to the needs of HKRs that need to return to Hong Kong as well as the strong demands from the relevant trade.

In consultation with the Transport and Housing Bureau, my reply to the various parts of the question raised by Hon Jeffrey LAM is as follows:

(1)

As commercial organisations, airlines generally formulate their flight operating plans based on commercial considerations such as the demand for air services, operating costs, etc. Since the outbreak of COVID-19, factors including the evolving epidemic situation, immigration and quarantine requirements of various jurisdictions have also become considerations based on which airlines adjust their flight frequencies. In practice, airlines are not required to submit to the Government the booking situation which is commercial information. Therefore, the Government does not have the relevant information.

In light of the development of the epidemic, the Government adjusted the place-specific flight suspension mechanism from April 1. In anticipation of the growing number of returning HKRs, to meet the demand, the Government has adjusted the number of quarantine rooms in accordance with the actual situation, such that the number of rooms has gradually increased from around 6 000 rooms in end March to around 20 000 rooms now. According to the room booking statistics provided by hotels, as at May 6, the overall booking rate for May was 60%. As for January to March, the overall average occupancy rate was 42%.

(2)

The global pandemic situation remains severe. Under the policy of dynamic “zero infection”, Hong Kong needs to continue to prevent the importation of cases, and cannot afford to drop its guard on the prevention and control measures for arrivals from overseas places. The SAR Government has all along been adopting stringent boarding, quarantine and testing measures to tighten inbound control measures for travellers arriving from overseas in order to build an anti-epidemic barrier to prevent the importation of cases, so as to prevent as far as possible the importation of cases into the community from outside of Hong Kong. Anyone who boards a flight for Hong Kong from overseas places has to comply with three basic requirements, including:

- (a) Holding prior to boarding (i) a negative result proof of a polymerase chain reaction (PCR)-based nucleic acid test for COVID-19 conducted within 48 hours before the scheduled time of departure of the aircraft and (ii) confirmation of room reservation at a DQH for the required compulsory quarantine duration;
- (b) Being subject to the “test-and-hold” arrangement at the airport upon arrival in Hong Kong; and
- (c) Being transferred on board designated transport arranged by the Government to a DQH to undergo compulsory quarantine under closed-loop management.

All passengers who have stayed in any overseas places in the previous 14 days can only board a flight for Hong Kong if they have been fully vaccinated and hold a recognised vaccination record. The basic quarantine requirement for the

relevant persons is to undergo compulsory quarantine for 14 days in a DQH. They are subject to daily RATs, as well as PCR-based nucleic acid tests on the fifth and 12th days of arrival at Hong Kong. As the relevant persons have been fully vaccinated, as per the isolation and quarantine arrangements of local cases, if the results of the PCR-based nucleic acid test conducted on the fifth day and the RATs conducted on the sixth and seventh days are all negative, they can be discharged from compulsory quarantine earlier. However, they will be required to undergo self-monitoring for seven days, and undergo a compulsory PCR-based nucleic acid test on the 12th day of arrival at Hong Kong at a community testing centre or a mobile testing station, or arrange a self-paid test by professional swab sampling at a local medical institution recognised by the Government. If inbound travellers choose to complete the whole 14-day compulsory quarantine period in the DQH, they can only leave the DQH upon confirmation of negative results of the PCR-based nucleic acid test conducted on the 12th day and the RAT conducted on the 14th day.

As some of the imported cases were confirmed in DQHs, the Government has conducted in-depth investigation on each case to further reduce the risk of transmission. Additional infection control and monitoring measures will be formulated having regard to the results of investigation for compliance by all DQHs, including installing air purifiers in appropriate locations of all rooms and corridors; requiring hotels to strengthen ventilation and infection control measures; disinfecting rooms and common areas such as corridors thoroughly; reminding guests to wear a suitable surgical mask when opening the doors of their rooms; and requiring hotel staff to undergo regular testing.

If a patient involved in an Omicron case has stayed in a DQH, the Centre for Health Protection (CHP) will arrange for guests staying in adjacent or opposite rooms of the Omicron case to undergo daily testing until the seventh day after the patient has left the hotel. As for guests who stayed in adjacent or opposite rooms of the Omicron case at the same time but have already completed compulsory quarantine, the Centre will require them to undergo additional testing in the community and recommend them to avoid group gatherings until they complete an additional surveillance period of seven days.

The compliance team of the Office of the Designated Quarantine Hotel Scheme will also monitor the daily operation of the hotels to ensure that they comply with all infection control measures.

Furthermore, the Government has been adhering to the principle of “early identification, early isolation and early treatment” to prevent the spread of the disease in the community. The CHP conducts epidemiological investigations of confirmed cases and traces their close contacts, in order to identify people who have been exposed to those confirmed cases through such investigations. Confirmed cases and close contacts will be arranged for isolation and quarantine according to the prevailing multi-tiered triage and treatment strategy to prevent community transmission. The CHP also conducts genetic analysis on the samples of confirmed cases to determine whether they are locally infected, imported or re-positive cases.

(3)

Currently, all inbound persons who have stayed in overseas places or Taiwan can only board a flight for Hong Kong if they fulfil a number of requirements, including holding a negative result proof of a PCR-based nucleic acid test for COVID-19 conducted within 48 hours before the scheduled time of departure of the aircraft. The proof should include a test report in Chinese or English which bears the name of the relevant inbound person, that the test was a PCR-based nucleic acid test for COVID-19 and that the result was negative. The proof should also include documentary proof in English or Chinese to show that the laboratory or healthcare institution is ISO 15189 accredited or is recognised or approved by the relevant authority of the government of the place in which the laboratory or healthcare institution is located.

- End -

LEGCO QUESTION NO. 13

(Written Reply)

Asked by Dr Hon David LAM

Date of meeting : 11 May 2022

Replied by : Secretary for Food and Health

Reply

President,

The Government has been committed to promoting the development of Chinese medicine (CM) in Hong Kong, and re-affirmed in the 2018 Policy Address the positioning of CM in the development of the healthcare system in Hong Kong. Specifically, we have incorporated CM into the healthcare system in Hong Kong through the Government subsidising defined CM services including subsidised in-patient services with integrated Chinese-Western medicine (ICWM) treatment provided by the Hospital Authority (HA) at specific public hospitals, subsidised out-patient services provided at the district level by the 18 Chinese Medicine Clinics cum Training and Research Centres (CMCTRs) over the territory, and subsidised in-patient and out-patient services provided by the future Chinese Medicine Hospital. The aforementioned three components are complementary in terms of service scope, which will provide a comprehensive network for the delivery of government-subsidised CM services.

To help gather experiences in the operation of ICWM and CM in-patient services, the HA launched the ICWM Pilot Programme in September 2014 to provide ICWM treatment to HA in-patients of selected disease areas (namely stroke care, musculoskeletal pain management and cancer palliative care) through the CMCTRs. At present, services are provided at eight public hospitals (including Kwong Wah Hospital, Pamela Youde Nethersole Eastern Hospital, Princess Margaret Hospital, Prince of Wales Hospital, Shatin Hospital, Tuen Mun Hospital, Tung Wah Hospital and United Christian Hospital), covering all seven hospital clusters of the HA. Under the aforementioned services, CM and western medicine (WM) experts collaborated in formulating clinical treatment protocol for each of the selected disease areas. The team comprising CM practitioners and WM doctors will jointly assess the suitability of in-patients for receiving CM treatment. CM practitioners will conduct ward rounds and consultations with

WM doctors during the patients' hospitalisation in providing ICWM treatment services.

To tie in with the policy direction of long term development of CM, the HA will continue to explore enhancing ICWM in-patient services at public hospitals by increasing the number of participating hospitals and selected diseases areas, as well as exploring the regularisation of the services concerned.

Furthermore, the HA has been supporting the Government in promoting the development of CM by providing services, training and conducting research through the 18 CMCTRs over the territory. Each CMCTR operates on a tripartite collaboration model involving the HA, a non-governmental organisation (NGO) and a local university. The NGOs are responsible for the day-to-day clinic operation. The 18 CMCTRs have been providing government-subsidised CM services at the district level starting from March 2020, while continuing the provision of other non-government-subsidised services (e.g. Tianjiu and expert consultation, etc.).

The Government continues to earmark relevant recurrent funding for the HA for the operation of the 18 CMCTRs to provide government-subsidised services and CM practitioner trainee programme, operation of the Toxicology Reference Laboratory, quality assurance and central procurement of CM drugs, development and provision of training in "evidence-based" CM, enhancement to and maintenance of the CM Information System and development of new information technology system to support the provision of CM services at the CMCTRs, etc. The Government will continue to allocate more resources to promote the development of CM services, and will continue to discuss with the HA the long-term development of CM out-patient services, including reviewing the service model and fee levels in a timely manner.

ENDS

LEGCO QUESTION NO. 14
(Written Reply)

Asked by Hon CHAN Han-pan

Date of meeting: 11 May 2022

Replied by: Secretary for the Environment

Reply

President,

The objectives of the Government's energy policies are to ensure energy needs of the community are met safely, reliably and efficiently at reasonable prices, and to minimise the environmental impact of energy production and use. Amid the geopolitical crisis in Russia and Ukraine and hence fluctuations in oil prices in recent months, the Government has kept abreast of market developments and maintained close dialogues with relevant trades. So far, fuel supply in the global market has remained largely stable.

Regarding the question raised by Hon CHAN Han-pan, our responses are as follows:

(1)&(3) In a free market economy, oil companies procure oil products from the global market having regard to commercial principles. The role of the Government is to make best effort to ensure a stable fuel supply, maintain an open market and remove barriers to market entry, and at the same time enhance the transparency of the prices of fuel products so that consumers can make informed choices, which will in turn promote competition.

Mechanism has been put in place to set out minimum reserve levels of essential fuels and address situations arising from disruption of fuel supply. The stock and supply situation of oil products in Hong Kong is monitored on a regular basis to ensure that sufficient reserves of essential fuels are available to tide Hong Kong over in case of a temporary disruption of fuel supply. In addition, under the Oil (Conservation and Control) Ordinance (Cap. 264), the Government could regulate the storage, supply, acquisition, disposal or consumption of oil under special circumstances. We have also drawn up contingency plan to co-ordinate the implementation of energy conservation measures by both the public

and private sectors, as well as the allocation and consumption of oil in the event of a disruption in oil supply.

The Government liaises with relevant Mainland authorities and oil companies on the situation of local fuel supply. According to our observation, the trend movements of local retail prices of auto-fuels and those of international oil prices were generally in line over the past year. Major oil companies have indicated that their current supply of related refined oil products are normal. It is understood that oil companies have put in place mechanisms to address market volatility. For instance, they have made agreements with various suppliers in the global market to control and diversify the risks of their fuel supply mix, thereby ensuring stable supply and hence smooth business operation as well as competitiveness. Nevertheless, oil companies consider information on their global sourcing strategies commercially sensitive and thus not appropriate for disclosure. The mode and timing of procuring oil products are oil companies' commercial decisions and the Government should not intervene.

- (2) The COVID-19 pandemic has caused severe disruption to economic activities at large and all walks of life have been seriously affected. Business of petrol filling stations ("PFS") is no exception. It is understood that when Hong Kong was hard hit by COVID-19 earlier this year, oil companies had to aptly adjust the operating hours of their PFS due to circumstances that some frontline staff were tested positive for COVID-19 and thus absent from duty, and the PFS concerned had to undergo cleansing and disinfection. Relevant information was instantly disseminated via oil companies' online platforms and their customers were also notified at once by the corresponding sales teams to minimise the inconvenience caused. Moreover, oil companies deployed their manpower with flexibility in order to maintain the overall services of PFS as far as practicable. As the epidemic situation has stabilised in Hong Kong, the services of PFS have largely resumed normal.
- (4) The international maritime industry is increasingly concerned about issues on environmental protection. As an international maritime centre, the Government has been promoting the development of green port through different measures and encouraging the industry to adopt more sustainable shipping initiatives. As set out in the Hong Kong's Climate Action Plan 2050, Hong Kong will strive to achieve carbon neutrality before 2050. To this end, the Government will examine various means to reduce carbon emissions, which include exploring different types of zero-carbon energy and decarbonisation technology, gradually reducing

and ceasing the use of fossil fuels, promoting zero-carbon vehicles and other green transportation, etc. We must reduce transport-related carbon emissions. The general consensus of the international community is also the same, that is, to increase the use of clean energy and develop various kinds of green transportation, and to move towards carbon neutrality to combat climate change. Our country has even included carbon peaking and carbon neutrality in her overall plan for ecological conservation, and will gradually reduce fossil energy consumption and promote the development of green transport. To increase the costs of using non-clean energy for enterprises and consumers, many overseas places have imposed carbon taxes in recent years, and some places have also increased fuel taxes, thereby promoting the development of clean energy. On the other hand, the Government has been actively promoting the use of clean energy by ocean-going vessels (“OGVs”), such as examining measures to take forward the adoption of liquefied natural gas (“LNG”) in OGVs, with a view to attracting more LNG-using OGVs to call Hong Kong port for replenishment. Therefore, currently there is no reason to reduce or remove fuel duties from the environment angle. The Government will continue to listen to the views of the trades concerned.

- End -

Legislative Council Question No. 15

(Written Reply)

Asked by: Hon Benson LUK

Date of Sitting: 11 May 2022

Replied by: Secretary for Innovation
and Technology

Reply:

President,

Digital economy is a global trend. In light of the COVID-19 epidemic over the past two years and our experience in the distribution of consumption vouchers last year, electronic payment and electronic consumption are becoming more popular. In order to expedite the development process of digital economy in Hong Kong and promote digital transformation across different industries, the Government announced in this year's Budget that a "Digital Economy Development Committee" led by the Financial Secretary will be set up. Members of this Committee will comprise industry practitioners, experts, scholars, and representatives from relevant bureaux/ departments (B/Ds). We are now taking forward the relevant preparatory work in full speed.

In consultation with the Home Affairs Bureau, the Financial Services and the Treasury Bureau, the Commerce and Economic Development Bureau and the Education Bureau, my reply to Hon LUK's question is as follows:

- (1) Digital economy brings different new development trends. In recent years, digital encrypted art has gained worldwide popularity. A number of Hong Kong artists and arts creators have attempted and explored the use of Non-fungible token (NFT), a non-homogeneous token, in aspects including arts creation and trading, etc. With a free economy and a talent pool in fintech, law and intellectual property, Hong Kong possesses favourable conditions for arts and culture creation in the form of NFT and lawful trading on NFT platforms which are conducive to the development of digital arts and culture. The Home Affairs Bureau will continue to pay attention to the operation of NFT online trading platforms. The Bureau is also pleased to see the success of relevant industries, including artists and art groups in their development in this area.

- (2) The 14th Five-Year Plan supports Hong Kong to develop into an international innovation and technology hub and put forth nurturing and building up of emerging digital industries, including artificial intelligence (AI), blockchain, cloud computing and cyber security, etc. in the era of digital economy. In the past few years, the current-term Government actively promotes the development of smart city and digital economy by implementing a series of initiatives through a data-driven approach.

To this end, following the publishing of the first Smart City Blueprint for Hong Kong in 2017, the Government published the Smart City Blueprint for Hong Kong 2.0 in December 2020, setting out over 130 smart city initiatives under six smart areas, including “Smart Government” and “Smart Economy”.

For “Smart Government”, the Government announced the new open data policy in September 2018 and released the open data of the Government and public and private organisations for free use through the “data.gov.hk” portal since 2019. We have also completed the construction of different digital infrastructure including the Next Generation Government Cloud, Big Data Analytics Platform and “iAM Smart” one-stop personalized digital services platform launched in 2020. We are currently developing a shared blockchain platform, which is expected to commence operation in the middle of this year, to promote the use of advanced technology by different government departments all-round.

To actively promote digital transformation of government departments, we have implemented different schemes including the TechConnect (block vote), the Public Sector Trial Scheme under the Innovation and Technology Fund and the Smart Government Innovation Lab.

Besides, data centre is an important infrastructure for digital economy development. The Government has been proactively driving forward the development of data centres in Hong Kong which include providing land for the development of high-tier data centres, encouraging conversion of industrial buildings and use of industrial lots to develop into high-tier data centres, so as to promote Hong Kong as the prime location for data centres in the Asia Pacific region.

In addition, 5G technology opens up vast potential for various innovative commercial services and smart city applications in digital economy. We have promoted 5G development on various fronts, which include supplying spectrum, opening up suitable government premises for base station installations, subsidising the extension of fibre-based broadband to remote villages, and subsidising the use of 5G technology.

For “Smart Economy”, the Government is actively strengthening the current economic pillar of Hong Kong by leveraging innovation and technology (I&T). The Hong Kong Monetary Authority (HKMA) is actively developing the Commercial Data Interchange (CDI). It seeks to allow financial institutions, with the consent of enterprises (especially small and medium enterprises (SMEs)), to obtain more commercial data for conducting credit analysis in a more precise manner, thereby enabling SMEs to utilise their own data to receive more convenient and effective financing services. CDI is expected to be formally launched by end-2022. The HKMA and the Insurance Authority are also actively promoting the implementation of the Open Application Programming Interface for the banking and insurance sectors, with a view to allowing third-party service providers to gain programmatic access to the internal IT systems and data of banks and insurance companies, including information of various products and services, and aggregate the information under the same website/application, thereby enabling more innovative financial products and customer experience.

We have also introduced the Technology Voucher Programme (TVP) which supports local enterprises/ organisations to use technology services and solutions so as to improve productivity or to upgrade and transform the business processes.

B/Ds would continue to pursue and implement the initiatives related to digital economy, and will timely review and update the development goals in view of the latest development in smart city and I&T.

In fact, the Government also attaches great importance to cyber security when developing digital economy. Various government IT infrastructure projects (including the Next Generation Government Cloud Platform, Big Data Analytics Platform, “iAM Smart” one-stop personalised digital services platform and Shared Blockchain

Platform) are implemented in accordance with the “Government IT Security Policy and Guidelines”. Independent professionals are engaged to conduct regular information security risk assessments and audits to ensure the security of information and systems of these IT infrastructure.

To effectively enhance the cyber security of the community as a whole, the Government has all along been actively collaborating with different stakeholders to enhance the awareness and protection capability of the business sectors, in particular small and medium enterprises (SMEs), as well as the general public through various measures. They include subsidising local enterprises to enhance their systems and cyber security measures through the TVP; providing cyber security information, free website scanning service, online self-assessment tools and suspicious email detection system for SMEs; joining hands with industry organisations to organise promotional and educational activities; and promoting exchange of cyber security information among public and private organisations through the cross-sector “Partnership Programme for Cyber Security Information Sharing” Programme.

Meanwhile, the Government is undertaking preparatory work to clearly define the statutory cyber security obligations of critical infrastructure operators through legislation in order to strengthen the cyber security of the critical infrastructures, which could make Hong Kong a safer and more secure smart city and facilitate the robust development of digital economy.

- (3) The Education Bureau (EDB) has been committed to promoting STEM education (i.e. Science, Technology, Engineering and Mathematics related curricula) in primary and secondary schools through implementation of various support strategies, including updating curriculum, enhancing teacher training, providing learning and teaching resources, etc. The Bureau actively encourages schools to adopt a cross-disciplinary approach in arranging diversified “hands-on and minds-on” activities suitable for the primary and secondary levels both inside and outside the classroom to enhance students’ ability in integrating and applying STEM-related knowledge and skills, as well as lay a foundation for their further learning of emerging topics in the future. To keep the school curriculum abreast of the times and the latest social and technological development, the EDB will keep in view the learning

elements relating to I&T and their applications. The Bureau will also review the curriculum according to the learning needs and abilities of students at secondary and basic education levels, so as to cultivate students' interests in learning I&T, creativity and problem-solving skills.

Besides, apart from school curriculum, in order to nurture local students' creative thinking and interest in I&T at an early age, the Government has launched the "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes to provide funding support for publicly-funded secondary and primary schools respectively to organise IT-related extra-curricular activities with topics covering AI, coding and big data, etc. The programmes enable students to acquire I&T knowledge as early as possible, thereby building a solid foundation for their future integration into digital economy and smart city development. As at end-April 2022, over 490 applications from the two programmes were approved, involving a funding of over \$160 million.

-End-

LEGCO QUESTION No. 16

(Written Reply)

(Translation)

Asked by: Ir Hon Gary ZHANG

Date of Meeting: 11 May 2022

Replied by: Secretary for Financial
Services and the
Treasury

Reply:

President,

Having consulted the Chief Secretary for Administration's Private Office, Home Affairs Bureau (HAB) / Home Affairs Department (HAD), Development Bureau (DEVB), Education Bureau (EDB), Environment Bureau (ENB), Food and Health Bureau (FHB), Labour and Welfare Bureau (LWB) and Transport and Housing Bureau (THB), we provide a consolidated reply to the Member's question as follows:

- (1) The Financial Services and the Treasury Bureau (FSTB) proposed to reserve funds under the sixth round of the Anti-epidemic Fund (AEF 6.0) to implement a support measure to provide allowance to frontline cleansing workers, toilet attendants and security workers working in government premises, public areas and public housing estates engaged under service contracts of Government departments, Hong Kong Housing Authority (HA) and Hong Kong Housing Society (HS). The measure aims to provide financial support in recognition of their anti-epidemic efforts and committed services during the severe epidemic.

The measure is implemented for five months from February to June 2022, during which a monthly allowance of \$2,000 will be provided. The procuring departments of the Government, HA and HS (collectively known as the departments) are responsible for implementing the measure and disbursing the monthly allowance through the service contractors to the outsourced workers concerned.

Frontline workers and contractors are not required to submit application for the allowance. The departments will obtain the headcount of frontline workers eligible for the allowance (including part-time or relief workers) from their contractors on a monthly basis,

after which relevant funding will be disbursed through the contractors to the outsourced workers concerned. The departments have entered into agreements with their contractors to ensure that the latter disburse the allowance, with a view together with the monthly payroll, to the eligible frontline workers. After the contractors' disbursement of the allowance to the eligible workers, the contractors are required to submit written records to the departments to confirm that the allowance has been received by eligible frontline workers. The departments will conduct random checks based on the written records provided by the contractors to ensure that all allowances passed to the contractors have been disbursed to the frontline workers.

Since the implementation of the measure, more than 70 departments have disbursed over \$430 million of allowance through their contractors to the outsourced workers who performed duties in February, March and April, with the monthly number of beneficiaries being over 72 000 frontline workers.

- (2) For the support measure coordinated by FSTB in part (1) above, if there is a replacement of service contractor engaged by the department during the implementation of the measure, the relevant department will enter into a new agreement with the new contractor separately to continue the disbursement of monthly allowance in accordance with the arrangements in part (1) above to the relevant frontline workers engaged by the new contractor (i.e. frontline workers and contractors are not required to submit application for the allowance).

As for the "Anti-epidemic Support Scheme for Environmental Hygiene and Security Staff in the Property Management Sector" (ASPM) under AEF 6.0 launched by HAD, its objective is to provide frontline property management (PM) workers performing duties relating to environmental hygiene or security in private residential, composite (i.e. commercial cum residential), industrial and commercial (including shopping malls) building blocks (collectively known as eligible building blocks), including the following frontline PM workers in eligible building blocks:

- (i) those employed by PM companies (PMCs) or owners' organisations;
- (ii) those employed by premises within eligible building blocks; and
- (iii) those employed by cleansing / security service contractors or their subcontractors (including part-time or relief workers),

including those serving the so-called “three-nil buildings” (i.e. buildings that do not have owners’ corporations or any form of residents’ organisations, or have not engaged PMCs),

each with a monthly allowance of \$2,000 for five months (i.e. February to June 2022).

During the subsidy period, if an eligible building block replaces PMC, the new PMC may, even though it has not officially commenced provision of service to the eligible building block, submit application by the application deadline (i.e. 31 May 2022) for its frontline PM workers employed given its imminent management responsibility of that building. The implementation agency of the ASPM (i.e. the Property Management Services Authority (PMSA)) will disburse allowance according to the number of frontline PM workers and number of service months as stated in the application. When that PMC officially starts providing PM service to the eligible building block, if there is any change in the actual number of frontline PM workers employed by the PMC, the PMSA will adjust the amount of allowance based on the supplementary information provided by the PMC. For instance, PMSA will disburse additional allowance in case of new recruits, or claw back surplus allowance in case of reduction in manpower, in order to ensure the proper use of public funds.

The HAD and PMSA have been implementing a series of publicity work on ASPM, including issuing press releases, informing PMCs via emails, organising briefing sessions, placing advertisements on radio and newspapers, publicising on PMSA’s social media platforms, setting up a thematic website etc., to appeal to PMCs to submit applications for their eligible frontline PM workers.

(3) We have consulted the relevant bureaux. In addition to the support measures mentioned in parts (1) and (2) above, upon further consideration by the relevant bureaux and departments of the actual situation of frontline workers under their purview, FHB, EDB, THB, LWB, DEVB and ENB have introduced a series of measures from March 2022 onwards to provide a monthly allowance of \$2,000 to frontline cleansing and security workers of various sectors for a period of five months, including:

(i) cleansing and security workers engaged by the service contractors of the Hospital Authority;

- (ii) cleansing and security staff engaged by post-secondary education institutions, non-government schools and kindergartens (and their service contractors);
- (iii) cleansing and security workers engaged by local public transport operators (including the MTR Corporation Limited, franchised bus operators, franchised and licensed ferry operators, the Hong Kong Tramways Limited, green minibus operators and non-franchised bus operators);
- (iv) cleansing and security workers employed by a company which is a licensee or franchisee of the Airport Authority Hong Kong (AAHK), or a company which is a holder of an operating permit issued by AAHK, or the contractors of the aforesaid companies, and work at the Hong Kong International Airport;
- (v) cleansing and security workers engaged by welfare services units operated by non-government organisations through their service contractors;
- (vi) cleansing and security staff engaged by non-government works contractors (as well as their sub-contractors) for working in construction sites;
- (vii) cleansing and security workers engaged by the two power companies;
- (viii) drivers and assistants of drivers of municipal solid waste and domestic sewage collection vehicles; and
- (ix) frontline recycling staff.

It is estimated that the above measures could benefit about 80 000 cleansing and security workers.

Moreover, HAB will consider, where feasible and appropriate, whether to further enhance the support measure above to cover more frontline workers.

- End -

LEGCO QUESTION NO. 17
(Written Reply)

Asked by Hon Joephy CHAN

Date of meeting : 11 May 2022

Replied by : Secretary for
Constitutional and Mainland Affairs

Reply

President,

The sixth-term Hong Kong Special Administrative Region (HKSAR) Chief Executive Election was conducted successfully on 8 May in a fair, just and open manner. The unreasonable interference by foreign forces would not succeed.

As the HKSAR Government had repeatedly pointed out, the so-called “sanctions” imposed by foreign forces against government officials and individuals of the Central People’s Government and the HKSAR Government were totally unjustified, representing blatant and barbaric interference in the internal affairs of the People’s Republic of China. The move was despicable, shameless, and utterly disrespectful to our country, the HKSAR and relevant persons. The HKSAR Government strongly opposes such move. The HKSAR Government will spare no efforts in providing assistance to our current or former officials who have been sanctioned by foreign authorities for performing public duties to safeguard national security in accordance with the law and to protect the life and interests of Hong Kong people and our Mainland compatriots. Government bureaux and departments will also exercise their best possible flexibility and discretion to provide timely and appropriate assistance to the sanctioned officials.

The HKSAR Government and all sectors of society strongly opposed and expressed extreme outrage at any form of interference in the affairs of Hong Kong by foreign forces, which includes affecting the smooth holding of the sixth-term Chief Executive Election through undermining the freedoms of speech and of the information dissemination, as well as the fairness and impartiality of the Internet. The so-called “sanctions” imposed by the US are blatant interference in the internal affairs of the People's Republic of China, in the pretext of human rights, democracy and autonomy. The political structure of the HKSAR is a matter within the purview of the Central Authorities. The international community

should fully acknowledge this fact and stop interfering in Hong Kong affairs which are internal affairs of China.

The HKSAR Government will not be intimidated by any “sanctions” by foreign governments and will fully support the Central Government to adopt counter-measures. We will continue to discharge our responsibility of safeguarding national security to ensure the steadfast and successful implementation of “one country, two systems”.

LEGCO QUESTION NO. 18

(Written Reply)

Asked by Hon Edward LEUNG

Date of meeting : 11 May 2022

Replied by : Secretary for Development

Reply

President,

According to the prevailing policy of the Urban Renewal Authority (URA), domestic tenants affected by URA redevelopment projects (including domestic tenants evicted by property owners between the time of the freezing survey and the time of the successful acquisition of the relevant properties by the URA) who are eligible for public rental housing (PRH) will be rehoused to PRH units in urban districts. Domestic tenants who, due to various reasons, have not been rehoused to PRH units will be granted an ex-gratia allowance or rehoused to the URA rehousing block temporarily subject to fulfilling the eligibility criteria of the URA.

To ensure the turnover of the rehousing block units, tenants whose monthly total incomes or total net asset value have exceeded the limits of the eligibility criteria, being allocated a PRH flat or having secured a long-term accommodation, are required to vacate their units of the rehousing blocks.

Based on the information provided by the URA, my reply to the four parts of the question is as follows:

- (1) In the 2017 Policy Address, the Government supported the Community Housing Movement (CHM) initiated by the Hong Kong Council of Social Service (HKCSS) on a pilot basis and encouraged the URA to participate in the CHM. Since December 2017, the URA has leased under different phases a total of 119 vacant units of its three rehousing blocks in Sham Shui Po, Mong Kok and the Western District to the HKCSS for use as transitional housing units under the CHM operated by the HKCSS. The leasing period of the units is generally three years. As the rehousing blocks have their original use, in determining the leasing period for the aforesaid units as transitional housing, the URA has to consider whether the units

could be recovered in a timely manner to rehouse residents affected by redevelopment projects.

The above arrangement aims to provide short-term housing to individuals or families in need through transitional housing and support services to relieve their congested living condition. The rents of the units provided by the URA to the HKCSS are charged at 50% of the rateable values of the properties. The URA also provides extra rent free period to the HKCSS. The target service recipients of the CHM include people:

- (i) proven to be in need of transitional housing (queued for PRH for no less than three years, or with other long-term housing arrangement);
- (ii) living in dismal and inadequate housing conditions;
- (iii) with low-income and in urgent need of community support.

(2) The latest situation as at 4 May 2022 of the units in the three URA rehousing blocks leased for use under the CHM is set out below:

	12 Soy Street, Mong Kok	Rich Building, Sham Shui Po	Shun Sing Mansion, Sai Wan
Number of units leased	49	9	8
Percentage of units leased compared to the total units of the block	17.6%	30.0%	5.3%
Remarks	--	--	The above figures reflect the position as at 4 May 2022. Another 65 newly renovated units have been set aside for leasing to the operator in August 2022, by

			then the percentage of units used under the CHM will be increased to 48.7%.
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Units in another URA rehousing block located on Bedford Road in Tai Kok Tsui have not been used for the CHM as most of the units therein have been used to rehouse the domestic tenants affected by the URA redevelopment projects.

- (3)&(4) The URA will lease another 65 units in the Shun Sing Mansion to the HKCSS for use under the CHM in August 2022.

As the URA will continue undertaking redevelopment projects with large-scale planning in future, the URA anticipates an increasing demand for rehousing block units and there is not much room to allocate units in large scale for transitional housing. The URA will review the demand for the rehousing block units from time to time to ensure optimal use of housing resources.

LEGCO QUESTION NO. 19
(Written Reply)

Asked by Hon TANG Fei

Date of meeting : 11 May 2022

Replied by : Secretary for Education

Reply

President,

The Education Bureau (EDB) has been closely monitoring the recruitment and wastage of teachers in public sector schools and Direct Subsidy Scheme (DSS) schools every year to ensure the quality of education and smooth operation of schools. The data would also serve as reference for the Government in planning the education policies. There are various reasons for teacher wastage, which mainly include retirement, pursuing further studies, changing to other types of schools¹, taking up employment outside the teaching profession, and leaving the post due to other personal reasons. According to our observation, although the wastage rate is slightly higher this year, the operation of schools is smooth in general and schools have employed sufficient qualified teachers. With the declining school-aged population, the demand for teachers would decrease correspondingly. The EDB must make optimal use of the limited public resources so as to ensure the proper use of education spending with a view to providing quality education for students.

Our reply to the Hon TANG Fei's question is as follows:

- (1) In respect of public sector schools and DSS schools^{Note 1}, the numbers and percentages of newly recruited teachers^{Note 2} and drop-out teachers^{Note 3} from the 2017/18 to 2021/22 school years are as follows:

¹ For example, teachers may transfer from local schools to schools offering non-local curriculum, from ordinary schools to special schools, etc.

Item	Finance type	School year				
		2017/18	2018/19	2019/20	2020/21	2021/22 (Provisional)
No. of newly recruited teachers ^(Notes 2 & 6)	Public sector	3 240	2 840	2 620	2 400	3 140
	DSS	440	420	500	440	650
Percentage (%) of newly recruited teachers ^(Note 4)	Public sector	7.1	6.1	5.5	5.0	6.6
	DSS	8.1	7.7	9.2	8.0	11.7
No. of drop-out teachers ^(Notes 3 & 6)	Public sector	1 860	2 130	2 090	2 100	3 580
	DSS	300	290	290	280	470
Wastage rate (%) ^(Note 5)	Public sector	4.2	4.7	4.5	4.4	7.5
	DSS	5.5	5.4	5.3	5.0	8.4

Notes:

1. As the arrangements for appointment of teachers in private or international schools are different from that of public sector schools and DSS schools, the table above shows only the related figures of public sector schools and DSS schools. Public sector schools include government schools, aided schools and caput schools, and include primary schools, secondary schools and special schools.
2. “Newly recruited teachers” refer to teachers who had not served in any of the local schools (irrespective of whether primary or secondary schools) as at mid-September of the preceding school year but were serving in a local public sector / DSS school as at mid-September of the school year concerned, except as at mid-October for the 2020/21 school year. They included those who had not been serving as teachers in local schools before as well as those re-joining the teaching profession after having left the teaching profession for more than one year.
3. “Drop-out teachers” refer to teachers who were serving in local public sector / DSS schools as at mid-September of the preceding school year but were no longer

serving in any of the local schools (irrespective of whether primary or secondary schools) as at mid-September of the school year concerned, except as at mid-October for the 2020/21 school year. Teachers transferred from ordinary schools to special schools (and vice versa) were counted as “drop-out teachers”.

4. “Percentage of newly recruited teachers” refers to the number of “newly recruited teachers” as a percentage of the total number of teachers concerned as at mid-September/mid-October (for the 2020/21 school year only) of the same school year.
5. “Wastage rate” refers to the number of “drop-out teachers” as a percentage of the total number of teachers concerned as at mid-September/mid-October (for the 2020/21 school year only) of the preceding school year.
6. The numbers of teachers are rounded to the nearest ten.

The EDB does not collect information on the lengths of service of the leaving teachers, and is therefore not able to provide the relevant figures.

- (2) The Government has been prudent in the planning for teacher education places under the triennial planning cycle to meet the changing needs of our society. In view of the anticipated declining demand for teachers in the coming years, the University Grants Committee funded first-year first-degree intake places for the teacher education-related disciplines in the 2022/23 to 2024/25 triennium will be reduced.

As it is anticipated that the future decrease in school-age population will not be transient but structural, the EDB will adopt a multi-pronged approach in addressing the challenges posed by the structural changes in student population in the long term². We will maintain close communication with the sector, encourage the sector to plan ahead for effective arrangements for manpower resources according to the school-based situation, and to positively address the challenges arising from the decline in student population.

² Please refer to LC Paper No. CB(4)1638/20-21(02) dated 18 October 2021 for details.
<https://www.legco.gov.hk/yr20-21/english/panels/ed/papers/ed20211018cb4-1638-2-e.pdf>

LEGCO QUESTION NO. 20

(Written Reply)

Asked by : Hon CHAN Hak-kan

Date of meeting : 11 May 2022

Replied by : Secretary for Labour
and Welfare

Reply

President,

Having consulted the relevant bureau and departments, my consolidated response to the Member's question is as follows:

- (1) Given that the Mandatory Provident Fund (MPF) Scheme, Social Security Allowance (SSA) Scheme, Elderly Health Care Voucher Scheme (EHVS) and allocation of public rental housing (PRH) each has its own policy objectives, eligibility criteria and operating parameters, and that the personal data privacy of service recipients is subject to protection, the relevant bureau and departments do not have information on the number of persons who continue to receive SSA, health care vouchers or live in PRH flats after they have withdrawn their MPF benefits on the grounds of permanent departure from Hong Kong.
- (2) In relation to the SSA Scheme, recipients who have resided in Hong Kong for not less than 60 days in a payment year are entitled to a full-year allowance. Those who have resided in Hong Kong for less than 60 days in a payment year are only entitled to allowance for the periods during which they have resided in Hong Kong. Recipients need to declare to the Social Welfare Department (SWD) in case of any changes in circumstances, including absences from Hong Kong exceeding the permissible limit. SWD will also conduct data matching with the Immigration Department on a monthly basis to ascertain recipients' compliance with the residence requirements. SWD will recover overpayments from recipients whose absences from Hong Kong exceed

the permissible limit. Notwithstanding, in view of the pandemic, SWD has implemented a special arrangement since January 2020 to give consideration to disregard absences from Hong Kong of applicants or recipients of various social security schemes (including the SSA Scheme).

Under the EHVS, eligible elderly persons should receive the healthcare services provided by the enrolled healthcare service providers (including ten types of healthcare professionals who are registered in Hong Kong, District Health Centres and District Health Centre Expresses, as well as designated Outpatient Medical Centres and Medical Service Departments of the University of Hong Kong – Shenzhen Hospital) in person before they can use their vouchers to settle the relevant service fees. Vouchers must be used on the elderly person himself/herself and cannot be transferred to or shared with another person. Moreover, vouchers cannot be issued in advance or redeemed for cash.

With respect to PRH, according to the Tenancy Agreement (TA) signed between the Hong Kong Housing Authority (HA) and PRH tenants, tenant and family members listed in the TA should take up tenancy within one month after commencement of the tenancy and retain regular and continuous residence in the leased premises. Tenants should notify HA immediately of any changes in the family condition for tenancy record updating. HA will check the occupancy position of PRH households during biennial inspections, as well as act on complaints for detecting irregularities. Should irregularities be detected, HA will contact the households concerned to verify the position, and depending on the situation, take necessary enforcement actions.

The relevant bureau and departments have no plan to revise the arrangements above.

LEGCO QUESTION NO. 21

(Written Reply)

Asked by Dr Hon Priscilla Leung

Date of meeting: 11/05/2022

Replied by: Secretary for the Environment

Reply

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 the Hon Priscilla Leung is as follows:

- (1) The overall Water Quality Objectives (WQOs) compliance rate of marine water in the Victoria Harbour Water Control Zone (WCZ) in the past five years are tabulated below:

Year	Overall WQOs compliance rate of marine water in the Victoria Harbour WCZ
2017	83%
2018	97%
2019	97%
2020	90%
2021	100%

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

Cases of foul sewer misconnection found in Victoria Harbour WCZ

District	Number of foul sewer misconnection cases (Number of cases rectified)				
	2017	2018	2019	2020	2021
Central and Western	9 (8 cases)	10 (3 cases)	6 (4 cases)	4 (2 cases)	9 (2 cases)
Eastern	3 (2 cases)	15 (9 cases)	11 (7 cases)	4 (2 cases)	12 (7 cases)
Wan Chai	10 (8 cases)	15 (13 cases)	7 (3 cases)	3 (1 case)	4 (1 case)
Kowloon City	64 (59 cases)	15 (14 cases)	8 (7 cases)	6 (2 cases)	7 (0 case)
Kwun Tong	3 (All)	10 (9 cases)	0	3 (1 case)	5 (1 case)
Sham Shui Po	6 (2 cases)	7 (6 cases)	1 (All)	6 (2 cases)	5 (All)
Wong Tai Sin	4 (All)	7 (All)	5 (All)	2 (All)	2 (0 case)
Yau Tsim Mong	27 (24 cases)	45 (33 cases)	63 (30 cases)	45 (18 cases)	46 (11 cases)
Kwai Tsing	0	2 (All)	0	2 (All)	4 (2 cases)
Tsuen Wan	10 (6 cases)	7 (4 cases)	7 (5 cases)	3 (2 cases)	13 (7 cases)
Total	136 (116 cases)	133 (100 cases)	108 (62 cases)	78 (34 cases)	107 (36 cases)

- (3) Among the 562 cases mentioned in (2) above, 223 cases were rectified by owners after issuance of warnings or advice, 125 cases were rectified by owners after the statutory repair or removal orders were served, while 106 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 Government has all along been planning and implementing pollution control and sewerage projects in the Victoria Harbour Water Control Zone. Relevant works projects completed in the past 5 years and under construction are listed below:

(i) Works projects completed in the past 5 years:

	Project	Completion Year	Project Cost (Note 1)
1	Habour Area Treatment Scheme Stage 2A – Upgrading of Stonecutters Island Sewage Treatment Works and Preliminary Treatment Works	2018	\$7,910 million
2	Upgrading of West Kowloon and Tsuen Wan Sewerage – Phase 1	2022	\$280 million

Note 1: The project costs stated are approved project estimates.

(ii) Works projects under construction:

	Project	Expected Completion Year	Project Cost (Note 2)
1	Construction of Dry Weather Flow Interceptor at Cherry Street Box Culvert	2022	\$660 million
2	Upgrading of Kwun Tong Preliminary Treatment Works	2022	\$350 million
3	Enhancement Works for Kwun Tong Sewage Pumping Station	2022	\$1,050 million
4	West Kowloon and Tsuen Wan Village Sewerage – Phase 1	2023	\$100 million
5	Sewerage to Lei Yue Mun Village	2023	\$260 million
6	Revitalization of Tsui Ping River (Associated Works for Dry Weather Flow Interceptor)	2024	\$50 million
7	Upgrading of Central and East Kowloon Sewerage – Phase 3	2024	\$680 million
8	Upgrading of West Kowloon and Tsuen Wan Sewerage – Phase 2	2026	\$2,290 million

Note 2: The project costs stated are approved project estimates

Regarding works projects that are pending for funding approval by the Legislative Council (LegCo), the Government will submit a funding application to the LegCo in June this year for a project for the construction of village sewerage at Lo Wai, Chuen Lung and Kau Wa Keng Old Village to cut down sources of pollutants being discharged into the Tsuen Wan Bay and Rambler Channel and to improve environmental hygiene of rural areas. The project is expected to complete in 2025, and its estimated cost is around \$170 million. Furthermore, the planning of newly designed dry weather flow interceptors to be installed along Victoria Harbour has fully commenced, with those projects located in 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 for proceeding with the associated investigation and design works in full swing. Subject to support from local communities and completion of relevant procedures, and with funding approved by the LegCo in the coming two years, these projects are expected to be commissioned and completed in stages between 2026 and 2028, with an estimated project cost of about several hundred million dollars each. Other projects under planning include Enhancement Works for Preliminary Treatment Works at Harbourside and Construction and Rehabilitation of Trunk Sewage Rising Mains in Cheung Sha Wan, which are expected to be completed in 2030, and their project estimates will be assessed upon completion of their designs.

- (5) The Government has completed the consultancy study on “Further Enhancing Quality of Coastal Waters of Victoria Harbour” and has been progressively implementing a series of measures based on the study recommendations to improve the near-shore environment of Victoria Harbour. In addition to the work on rectification of sewer misconnections and relevant pollution control projects mentioned in the replies to items (2) to (4) above, the Government is carrying out inspection, maintenance and desilting of public sewers and stormwater drainage systems on a regular basis. The Government has also started in March 2021 regular and extensive application of “Malodour Control Hydrogel” at stormwater outfalls along the shorelines of Victoria Harbour and nearby locations with potential odour problems to mitigate odour. “Malodour Control Hydrogel” is a new technology jointly developed by the Drainage Services Department and the Hong Kong University of Science and Technology, and has been proven through on-site tests to be effective in reducing odour in drains.

The Government will continue to take enforcement actions to rectify sewer misconnections, implement works projects for reducing the discharge of pollutants into Victoria Harbour and implement odour mitigation measures in order to improve the near-shore environmental and odour problems.

- End -

LEGCO QUESTION NO. 22

(Written Reply)

Asked by: Hon CHAN Chun-ying

Date of meeting: 11 May 2022

Replied by: Secretary for Financial
Services and the Treasury

Reply

President,

As an international financial centre, Hong Kong possesses unique qualities including institutional advantages under “One Country, Two Systems”, a fine tradition of rule of law, a market-oriented and internationalised business environment, robust infrastructure support, internationally aligned regulatory regimes, a full range of financial products, free flow of information and capital, etc. The National 14th Five-Year Plan supports Hong Kong in enhancing its status as an international financial centre, strengthening Hong Kong’s development as a global offshore Renminbi (“RMB”) business hub, an international asset management centre and a risk management centre, deepening and widening mutual access between the financial markets of the Mainland and Hong Kong, and taking forward the high-quality development of the Guangdong-Hong Kong-Macao Greater Bay Area (“GBA”).

The steady development of our country provides the most solid backing for Hong Kong, while serving our country’s needs is the core duty of Hong Kong in developing as an international financial centre. Under the “dual circulation” framework, our country’s continuous reform, high-quality two-way opening up, ongoing RMB internationalisation, transformation to a green and zero-emission economy, etc., have brought Hong Kong new opportunities. We will continue to make good use of national policies and our own advantages, and play a bridging and platform role at the intersection of domestic and international circulations well. We will connect domestic and foreign markets as well as investors, assist Mainland enterprises to explore the international market, and develop a more vibrant and diversified financial market in terms of the type of investment products, risk management tools, appropriate corporate financing arrangement, treasury management needs, etc..

My reply to the three parts of the question is as follows:

- (1) The Government has commenced the implementation of a series of measures in developing the financial services industry under the 2021 Policy Address and the 2022-23 Budget. The major measures are summarised below:
 - (i) We will continue to expand mutual access with the Mainland financial market. In December 2021, the Hong Kong Exchanges and Clearing Limited (“HKEX”), Shanghai Stock Exchange, Shenzhen Stock Exchange and China Securities Depository and Clearing Corporation Limited reached an agreement on the Stock Connect inclusion arrangements for exchange traded funds (“ETFs”). The parties are working closely on the business and technical preparations with a view to facilitating trades as soon as possible. Cross-boundary Wealth Management Connect (“WMC”) in the GBA was formally launched in September 2021 and banks commenced relevant business in October the same year. In light of actual operational experience and market feedback, we are exploring relevant measures to enhance WMC in an incremental manner, such as allowing more participating financial institutions and improving sales arrangements, etc. The Government also aims to move a resolution in June 2022 to amend the Mandatory Provident Fund Schemes (General) Regulation (“Regulation”) by including the Central People’s Government, People’s Bank of China (“PBoC”) and three Mainland policy banks as “exempt authority” under the Regulation, so as to facilitate Mandatory Provident Fund (“MPF”) investment in debt securities issued or unconditionally guaranteed by those Mainland authorities.
 - (ii) To further develop offshore RMB financial products available in Hong Kong and enhance demand for the issuance and trading of RMB securities by the market, a working group, formed by the Securities and Futures Commission (“SFC”), HKEX and the Hong Kong Monetary Authority (“HKMA”) last year, has completed the feasibility study on allowing stocks traded via the Southbound Trading of Stock Connect to be denominated in RMB. The working group is proceeding with the necessary preparation in this regard and discussing with the regulatory authorities and

relevant organisations in the Mainland. The Government will roll out supporting measures to increase the liquidity of RMB-denominated stocks alongside the launch of the initiative and is undertaking preparatory work on the necessary legislative amendments.

- (iii) Following the annual RMB sovereign bond issuance by the Ministry of Finance in Hong Kong for 13 years consecutively since 2009 and the established regular mechanism of central bank bill issuance in Hong Kong by PBoC, the Shenzhen Municipal People's Government issued offshore RMB municipal government bonds in Hong Kong in October 2021. In respect of interest paid or profit received arising from the debt instruments issued in Hong Kong by the Shenzhen Municipal People's Government, the Government will exempt the payment of profits tax. This is the first time a Mainland municipal government issues bonds outside the Mainland. This enriches our spectrum of RMB financial products, thereby promoting RMB internationalisation further. We will continue to facilitate bond issuances in Hong Kong by relevant authorities in future.

- (iv) On securities market, the listing regime for overseas issuers was further enhanced in January 2022, including allowing Greater China companies without weighted voting rights structure and which are from traditional sectors to seek secondary listing in Hong Kong, and offering more flexibility to issuers seeking dual primary listings. In the same month, HKEX established the listing regime for Special Purpose Acquisition Companies ("SPACs"), broadening the channels for enterprises to seek financing and listing in Hong Kong. Considering the fact that there are some large-scale advanced technology enterprises which require substantial capital for their research and development work but are not qualified for listing as they fail to meet the profit and trading record requirements, SFC and HKEX are reviewing the Main Board Listing Rules and, having due regard to the risks involved, examining the revision of the listing requirements to meet the fundraising needs of such enterprises.

- (v) On bond market, we will implement the recommendations of the Steering Committee on Bond Market Development in Hong Kong progressively, including launching the inaugural 20-year Hong Kong Dollar government bond under the Government Bond Programme in 2022. The Government has expanded the scale of the Government Green Bond Programme, doubling the borrowing ceiling to \$200 billion. The Government will also issue green bonds totalling \$175.5 billion within the five years from 2021-22, having regard to the market situation. In addition, we have launched the inaugural retail green bond for public subscription in April 2022.
- (vi) On asset management, the Government proposed to provide tax concessions for the eligible family investment management entities managed by single-family offices. We are formulating the legislative proposals concerned and our target is to introduce the amendment bill into the Legislative Council (“LegCo”) in the second half of 2022.
- (vii) On MPF, we are working in full steam on the development work of the eMPF Platform, with a view to enabling sequential and orderly onboarding of trustees and their MPF schemes to the Platform starting from around April 2023 at the earliest, thereby making the eMPF Platform fully functional in 2025.
- (viii) On insurance, we have completed three rounds of Quantitative Impact Studies in preparation for the implementation of a Risk-based Capital (“RBC”) regime and briefed the LegCo Panel on Financial Affairs. Our target is to submit the relevant bill into the LegCo in the fourth quarter of 2022. The Insurance Authority (“IA”) is also conducting a consultancy study to review parameters relevant to the establishment of a Policy Holders’ Protection Scheme (“PPS”). We will conduct public consultation on the specific content of the proposed PPS this year, and prepare the relevant draft bill after considering the views collected during the public consultation, with a view to better protecting policyholders in case an insurance company becomes insolvent.

- (ix) On promoting green and sustainable finance, the Cross-Agency Steering Group (“Steering Group”) was established in May 2020 to co-ordinate the management of climate and environmental risks to the financial sector, accelerate the growth of green and sustainable finance in Hong Kong and support the Government’s climate strategies. The Steering Group published in March 2022 a preliminary feasibility assessment for Hong Kong to pursue carbon market opportunities and will proceed with next steps with a view to developing Hong Kong into a regional carbon trading centre. It will consider which market and regulatory model would be the most appropriate, and prepare a detailed roadmap, implementation plan and indicative timeline after consulting market experts and relevant authorities.

- (x) On promoting financial technology (“Fintech”), we are taking forward formation of a one-stop sandbox network with the Mainland to facilitate financial institutions and information and technology companies to test cross-boundary fintech applications. HKMA and PBoC have signed a Memorandum of Understanding in October 2021 on provision of the one-stop platform. In addition, we will launch the new round of the Fintech Proof-of-Concept Subsidy Scheme this year to promote continuous innovation by encouraging the financial industry to conduct Proof-of-Concept projects on more financial services and products.

- (xi) On nurturing financial talent, the first batch of Fintech professional qualifications for the banking sector is expected to be rolled out this year. We will also conduct a consultancy study to continue developing fintech professional qualifications for different financial sectors, thereby promoting professional development of fintech talent. In addition, a new round of the Financial Practitioners Fintech Training Programme was implemented in February 2022, comprising the Webinars Series and Incentive Scheme. The Webinars Series has attracted applications from over 7 100 financial practitioners, while we expect that at least 10 training programmes organized by trade associations will benefit from the Incentive Scheme. Having regard to the new trend of developing low carbon and sustainable economy, the Government also plans to launch a three-year

Pilot Green and Sustainable Finance Capacity Building Support Scheme. Under the scheme, subsidies will be provided for the training and acquisition of relevant professional qualifications, so as to encourage practitioners in the financial and other relevant sectors to participate in the training.

- (2) As the global pandemic situation remains, stringent inbound control measures are needed to guard against the importation of cases under the dynamic “zero infection” policy. The Government has already suitably adjusted the boarding, quarantine, and testing arrangements applicable to persons arriving at Hong Kong as far as risks could be properly managed, including allowing non-Hong Kong residents to enter Hong Kong from overseas places and suitably adjusting the route-specific flight suspension mechanism with effect from 1 May, so as to alleviate as much as possible the uncertainty of Hong Kong-bound passengers' journeys in reserving flights and designated quarantine hotels, in response to the strong demands from the relevant trade.

The Government will continue to closely monitor the epidemic situation of different places in accordance with the principles of guarding against the importation of cases, and will consider a basket of factors under the risk-based principle, including public health factors such as epidemic situation in particular places, testing rate, vaccination rate, volume of arrivals and actual imported cases, as well as the developments of the local epidemic situation and relevant local socio-economic factors in adjusting the boarding, quarantine and testing arrangements for overseas arrivals based on risk levels as the situation warrants.

- (3) The Government has all along been promoting a favourable image of Hong Kong internationally and in the Mainland through different channels. Outbound visits by senior government officials are one of the channels to intensify the promotion. While physical outbound visits have been temporarily suspended or postponed due to the pandemic and related travel restrictions, all government bureaux and departments have, as far as practicable, attended activities and meetings online in order to continuously connect with other parts of the world. For instance, the Secretary for Financial Services and the Treasury has arranged to meet with esteemed business leaders from Malaysia and Sydney online later this month and in mid-June respectively, so as to share Hong Kong's positive progress on areas

such as asset management, fintech and green finance in recent years, and promote the possibility in strengthening co-operation between Hong Kong and the Association of Southeast Asian Nations (“ASEAN”) as well as Australia in different economic and financial aspects. Physical outbound visits will be gradually taken forward as the global pandemic situation improves with travel restrictions lifted.

In this connection, HKEX and financial regulators have already arranged outbound visit programmes. Among others, Chairman of HKEX has planned to attend the World Economic Forum in Davos, Switzerland in May, while HKMA and IA have also planned to participate in international conferences in May and June respectively, with a view to sharing the latest situation of Hong Kong, connecting with overseas financial regulators and financial institutions, as well as promoting the future development and opportunities in Hong Kong.

-End-

**The marked-up version of the amendment moved by Mr Kenneth FOK
(Translation)**

That as the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange *in the 14th Five-Year Plan* and the Chief Executive also proposed in the proposal of reorganizing the government structure the setting up of a Culture, Sports and Tourism Bureau for consideration by the next-term Government, coupled with the gradual commissioning of world-class arts and cultural facilities in the West Kowloon Cultural District, this Council *therefore* urges the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong; specific measures include: establishing a commission on cultural industry and setting up an arts and culture foundation to actively plan and promote the development of the arts and culture as well as the creative industries, so as to nurture new areas of growth for the Hong Kong economy; ~~promoting integration of the arts and technology~~ *providing support to the cultural sector in digital transformation, so as to facilitate the upgrading of arts technology and the industry; strengthening the protection of intellectual property rights for the arts and culture as well as the creative industries*; strengthening the support for arts and cultural practitioners and organizations, endeavouring to create more cultural brands of Hong Kong and ~~assisting~~ *engaging the Economic and Trade Offices in the Mainland and overseas to assist* the relevant brands to enter the Mainland and international markets; strengthening cooperation and exchange with the Mainland, especially the Guangdong-Hong Kong-Macao Greater Bay Area, and places outside Hong Kong to better promote Chinese culture and tell China's story and Hong Kong's story well; fostering local arts and cultural activities ~~and encouraging public participation~~ *to promote public interest and participation in arts appreciation*; strengthening arts and cultural education and training of talents; better conserving and promoting local tangible and intangible cultural heritage to facilitate the integration of culture and tourism so that Hong Kong will become a city of cultural vibrancy.

Note: Mr Kenneth FOK's amendment is marked in *bold and italic type* or with deletion line.

The marked-up version of the further amendment moved by Dr Stephen WONG (Translation)

That the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan and the Chief Executive also proposed in the proposal of reorganizing the government structure the setting up of a Culture, Sports and Tourism Bureau for consideration by the next-term Government, coupled with the gradual commissioning of world-class arts and cultural facilities in the West Kowloon Cultural District, this Council therefore urges the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong; specific measures include: establishing a commission on cultural industry and setting up an arts and culture foundation to actively plan and promote the development of the arts and culture as well as the creative industries, so as to nurture new areas of growth for the Hong Kong economy; providing support to the cultural sector in digital transformation, so as to facilitate the upgrading of arts technology and the industry; strengthening the protection of intellectual property rights for the arts and culture as well as the creative industries; strengthening the support for arts and cultural practitioners and organizations, endeavouring to create more cultural brands of Hong Kong and engaging the Economic and Trade Offices in the Mainland and overseas to assist the relevant brands to enter the Mainland and international markets; strengthening cooperation and exchange with the Mainland, especially the Guangdong-Hong Kong-Macao Greater Bay Area, and places outside Hong Kong to better promote Chinese culture and tell China's story and Hong Kong's story well; fostering local arts and cultural activities to promote public interest and participation in arts appreciation; strengthening arts and cultural education and training of talents, *formulating a long-term plan for future skills training; strengthening the capacity of government-subsidized performing arts groups to train local talents under the model of collaboration among the industry, academic and research sectors; establishing a mechanism for collaboration in training and research and development for the Guangdong-Hong Kong-Macao Greater Bay Area to promote exchanges among cultural and creative talents*; better conserving and promoting local tangible and intangible cultural heritage to facilitate the integration of culture

and tourism so that Hong Kong will become a city of cultural vibrancy; *this Council also urges the Government, by drawing reference from the 14th Five-Year Plan for Development of the Cultural Industry and the 14th Five-Year Plan for Technology and Innovation in Culture and Tourism promulgated by the Ministry of Culture and Tourism in 2021, to formulate policy measures on arts and culture including focusing on supporting content creation and development for enhancing the content creativity of the cultural industry as well as promoting cross-disciplinary collaborations among industries; fostering transformation of the cultural industry through technology; developing digital infrastructure in respect of cultural data and intellectual property, as well as leveraging the advantage of Hong Kong as a regional intellectual property trading centre to facilitate cultural decisions, promotion and marketing, and fostering more cross-disciplinary collaborations.*

Note: Dr Stephen WONG's amendment is marked in *bold and italic type*.

The marked-up version of the further amendment moved by Mr YIU Pak-leung (Translation)

That the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan and the Chief Executive also proposed in the proposal of reorganizing the government structure the setting up of a Culture, Sports and Tourism Bureau for consideration by the next-term Government, coupled with the gradual commissioning of world-class arts and cultural facilities in the West Kowloon Cultural District, this Council therefore urges the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong; specific measures include: establishing a commission on cultural industry and setting up an arts and culture foundation to actively plan and promote the development of the arts and culture as well as the creative industries, so as to nurture new areas of growth for the Hong Kong economy; providing support to the cultural sector in digital transformation, so as to facilitate the upgrading of arts technology and the industry; strengthening the protection of intellectual property rights for the arts and culture as well as the creative industries; strengthening the support for arts and cultural practitioners and organizations, endeavouring to create more cultural brands of Hong Kong and engaging the Economic and Trade Offices in the Mainland and overseas to assist the relevant brands to enter the Mainland and international markets; strengthening cooperation and exchange with the Mainland, especially the Guangdong-Hong Kong-Macao Greater Bay Area, and places outside Hong Kong to better promote Chinese culture and tell China's story and Hong Kong's story well; fostering local arts and cultural activities to promote public interest and participation in arts appreciation; strengthening arts and cultural education and training of talents, formulating a long-term plan for future skills training; strengthening the capacity of government-subsidized performing arts groups to train local talents under the model of collaboration among the industry, academic and research sectors; establishing a mechanism for collaboration in training and research and development for the Guangdong-Hong Kong-Macao Greater Bay Area to promote exchanges among cultural and creative talents; better conserving and promoting local tangible and intangible cultural heritage to facilitate the integration of culture and tourism so that Hong Kong will

become a city of cultural vibrancy; this Council also urges the Government, by drawing reference from the 14th Five-Year Plan for Development of the Cultural Industry and the 14th Five-Year Plan for Technology and Innovation in Culture and Tourism promulgated by the Ministry of Culture and Tourism in 2021, to formulate policy measures on arts and culture including focusing on supporting content creation and development for enhancing the content creativity of the cultural industry as well as promoting cross-disciplinary collaborations among industries; fostering transformation of the cultural industry through technology; developing digital infrastructure in respect of cultural data and intellectual property, as well as leveraging the advantage of Hong Kong as a regional intellectual property trading centre to facilitate cultural decisions, promotion and marketing, and fostering more cross-disciplinary collaborations; ***this Council also urges the Government to explore more routes for cultural tours, actively improving tourism ancillaries at cultural and community facilities and hosting more international arts and cultural events while developing tourism products with characteristics through reorganizing such forms of culture as music, drama, performance and traditional festivals as well as tourism activities.***

Note: Mr YIU Pak-leung's amendment is marked in ***bold and italic type***.

**The marked-up version of the further amendment moved by Mr Sunny TAN
(Translation)**

That the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan and the Chief Executive also proposed in the proposal of reorganizing the government structure the setting up of a Culture, Sports and Tourism Bureau for consideration by the next-term Government, coupled with the gradual commissioning of world-class arts and cultural facilities in the West Kowloon Cultural District, this Council therefore urges the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong; specific measures include: establishing a commission on cultural industry and setting up an arts and culture foundation to actively plan and promote the development of the arts and culture as well as the creative industries, so as to nurture new areas of growth for the Hong Kong economy; providing support to the cultural sector in digital transformation, so as to facilitate the upgrading of arts technology and the industry; strengthening the protection of intellectual property rights for the arts and culture as well as the creative industries; strengthening the support for arts and cultural practitioners and organizations, endeavouring to create more cultural brands of Hong Kong and engaging the Economic and Trade Offices in the Mainland and overseas to assist the relevant brands to enter the Mainland and international markets; strengthening cooperation and exchange with the Mainland, especially the Guangdong-Hong Kong-Macao Greater Bay Area, and places outside Hong Kong to better promote Chinese culture and tell China's story and Hong Kong's story well; fostering local arts and cultural activities to promote public interest and participation in arts appreciation; strengthening arts and cultural education and training of talents, formulating a long-term plan for future skills training; strengthening the capacity of government-subsidized performing arts groups to train local talents under the model of collaboration among the industry, academic and research sectors; establishing a mechanism for collaboration in training and research and development for the Guangdong-Hong Kong-Macao Greater Bay Area to promote exchanges among cultural and creative talents; better conserving and promoting local tangible and intangible cultural heritage to facilitate the integration of culture and tourism so that Hong Kong will

become a city of cultural vibrancy; this Council also urges the Government, by drawing reference from the 14th Five-Year Plan for Development of the Cultural Industry and the 14th Five-Year Plan for Technology and Innovation in Culture and Tourism promulgated by the Ministry of Culture and Tourism in 2021, to formulate policy measures on arts and culture including focusing on supporting content creation and development for enhancing the content creativity of the cultural industry as well as promoting cross-disciplinary collaborations among industries; fostering transformation of the cultural industry through technology; developing digital infrastructure in respect of cultural data and intellectual property, as well as leveraging the advantage of Hong Kong as a regional intellectual property trading centre to facilitate cultural decisions, promotion and marketing, and fostering more cross-disciplinary collaborations; this Council also urges the Government to explore more routes for cultural tours, actively improving tourism ancillaries at cultural and community facilities and hosting more international arts and cultural events while developing tourism products with characteristics through reorganizing such forms of culture as music, drama, performance and traditional festivals as well as tourism activities; ***this Council also urges the Government, when promoting the development of the arts and culture as well as the creative industries, to enhance the support for local fashion designers to promote Hong Kong's fashion design brands.***

Note: Mr Sunny TAN's amendment is marked in ***bold and italic type***.

The marked-up version of the further amendment moved by Mr MA Fung-kwok (Translation)

That the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan and the Chief Executive also proposed in the proposal of reorganizing the government structure the setting up of a Culture, Sports and Tourism Bureau for consideration by the next-term Government, coupled with the gradual commissioning of world-class arts and cultural facilities in the West Kowloon Cultural District, this Council therefore urges the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong; specific measures include: establishing a commission on cultural industry and setting up an arts and culture foundation to actively plan and promote the development of the arts and culture as well as the creative industries, so as to nurture new areas of growth for the Hong Kong economy; providing support to the cultural sector in digital transformation, so as to facilitate the upgrading of arts technology and the industry; strengthening the protection of intellectual property rights for the arts and culture as well as the creative industries; strengthening the support for arts and cultural practitioners and organizations, endeavouring to create more cultural brands of Hong Kong and engaging the Economic and Trade Offices in the Mainland and overseas to assist the relevant brands to enter the Mainland and international markets; strengthening cooperation and exchange with the Mainland, especially the Guangdong-Hong Kong-Macao Greater Bay Area, and places outside Hong Kong to better promote Chinese culture and tell China's story and Hong Kong's story well; fostering local arts and cultural activities to promote public interest and participation in arts appreciation; strengthening arts and cultural education and training of talents, formulating a long-term plan for future skills training; strengthening the capacity of government-subsidized performing arts groups to train local talents under the model of collaboration among the industry, academic and research sectors; establishing a mechanism for collaboration in training and research and development for the Guangdong-Hong Kong-Macao Greater Bay Area to promote exchanges among cultural and creative talents; better conserving and promoting local tangible and intangible cultural heritage to facilitate the integration of culture and tourism so that Hong Kong will

become a city of cultural vibrancy; this Council also urges the Government, by drawing reference from the 14th Five-Year Plan for Development of the Cultural Industry and the 14th Five-Year Plan for Technology and Innovation in Culture and Tourism promulgated by the Ministry of Culture and Tourism in 2021, to formulate policy measures on arts and culture including focusing on supporting content creation and development for enhancing the content creativity of the cultural industry as well as promoting cross-disciplinary collaborations among industries; fostering transformation of the cultural industry through technology; developing digital infrastructure in respect of cultural data and intellectual property, as well as leveraging the advantage of Hong Kong as a regional intellectual property trading centre to facilitate cultural decisions, promotion and marketing, and fostering more cross-disciplinary collaborations; this Council also urges the Government to explore more routes for cultural tours, actively improving tourism ancillaries at cultural and community facilities and hosting more international arts and cultural events while developing tourism products with characteristics through reorganizing such forms of culture as music, drama, performance and traditional festivals as well as tourism activities; this Council also urges the Government, when promoting the development of the arts and culture as well as the creative industries, to enhance the support for local fashion designers to promote Hong Kong's fashion design brands; ***this Council also urges the Government to establish a dedicated arts and cultural exchanges development fund to encourage various large, medium and small cultural groups to engage in two-way exchanges.***

Note: Mr MA Fung-kwok's amendment is marked in ***bold and italic type***.

The marked-up version of the further amendment moved by Ir LEE Chun-keung (Translation)

That the Central Authorities support the development of Hong Kong into an East-meets-West centre for international cultural exchange in the 14th Five-Year Plan and the Chief Executive also proposed in the proposal of reorganizing the government structure the setting up of a Culture, Sports and Tourism Bureau for consideration by the next-term Government, coupled with the gradual commissioning of world-class arts and cultural facilities in the West Kowloon Cultural District, this Council therefore urges the Government, on the existing basis and by drawing reference from the experience of the Mainland and places outside Hong Kong and leveraging the unique advantage of Hong Kong as a place where Eastern and Western cultures meet, to formulate policy measures and a development blueprint on arts and culture for the next five years, in order to further enhance the knowledge of Hong Kong people about Chinese culture and upgrade the cultural appeal of Hong Kong; specific measures include: establishing a commission on cultural industry and setting up an arts and culture foundation to actively plan and promote the development of the arts and culture as well as the creative industries, so as to nurture new areas of growth for the Hong Kong economy; providing support to the cultural sector in digital transformation, so as to facilitate the upgrading of arts technology and the industry; strengthening the protection of intellectual property rights for the arts and culture as well as the creative industries; strengthening the support for arts and cultural practitioners and organizations, endeavouring to create more cultural brands of Hong Kong and engaging the Economic and Trade Offices in the Mainland and overseas to assist the relevant brands to enter the Mainland and international markets; strengthening cooperation and exchange with the Mainland, especially the Guangdong-Hong Kong-Macao Greater Bay Area, and places outside Hong Kong to better promote Chinese culture and tell China's story and Hong Kong's story well; fostering local arts and cultural activities to promote public interest and participation in arts appreciation; strengthening arts and cultural education and training of talents, formulating a long-term plan for future skills training; strengthening the capacity of government-subsidized performing arts groups to train local talents under the model of collaboration among the industry, academic and research sectors; establishing a mechanism for collaboration in training and research and development for the Guangdong-Hong Kong-Macao Greater Bay Area to promote exchanges among cultural and creative talents; better conserving and promoting local tangible and intangible cultural heritage to facilitate the integration of culture and tourism so that Hong Kong will

become a city of cultural vibrancy; this Council also urges the Government, by drawing reference from the 14th Five-Year Plan for Development of the Cultural Industry and the 14th Five-Year Plan for Technology and Innovation in Culture and Tourism promulgated by the Ministry of Culture and Tourism in 2021, to formulate policy measures on arts and culture including focusing on supporting content creation and development for enhancing the content creativity of the cultural industry as well as promoting cross-disciplinary collaborations among industries; fostering transformation of the cultural industry through technology; developing digital infrastructure in respect of cultural data and intellectual property, as well as leveraging the advantage of Hong Kong as a regional intellectual property trading centre to facilitate cultural decisions, promotion and marketing, and fostering more cross-disciplinary collaborations; this Council also urges the Government to explore more routes for cultural tours, actively improving tourism ancillaries at cultural and community facilities and hosting more international arts and cultural events while developing tourism products with characteristics through reorganizing such forms of culture as music, drama, performance and traditional festivals as well as tourism activities; this Council also urges the Government, when promoting the development of the arts and culture as well as the creative industries, to enhance the support for local fashion designers to promote Hong Kong's fashion design brands; this Council also urges the Government to establish a dedicated arts and cultural exchanges development fund to encourage various large, medium and small cultural groups to engage in two-way exchanges; ***the Government should also take the initiative to gain an understanding from the relevant sectors the unique advantage of Hong Kong in terms of arts and culture to bring about synergy with the reorganized Home and Youth Affairs Bureau, the Education Bureau, etc., as well as develop the arts and culture at full steam while holding discussion with the Ministry of Culture and Tourism for more collaboration opportunities; after the reorganization of policy bureaux, new departments should be set up with additional manpower and resources under the Culture, Sports and Tourism Bureau to coordinate and implement different cross-cutting policies; and young people's interests in Eastern and Western arts and culture should also be cultivated from a young age to facilitate the development of Hong Kong into an East-meets-West centre for international cultural exchange.***

Note: Ir LEE Chun-keung's amendment is marked in ***bold and italic type***.