

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Wednesday, February 20, 2019 is 103.3 (down 0.6 against yesterday's index).

LCQ3: Alleviating the pressure on the services of public hospitals

Following is a question by the Hon Chan Hoi-yan and a reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (February 20):

Question:

It is learnt that in recent years whenever there was an influenza surge, the Accident and Emergency Departments (AEDs) and in-patient services of public hospitals were invariably severely overloaded and faced with immense challenges. There are views that apart from deploying additional resources, the Government should make efforts to prevent an outbreak of influenza and divert patients to the private healthcare system, so as to alleviate the pressure on the services of public hospitals. In this connection, will the Government inform this Council:

- (1) of the respective seasonal influenza vaccination uptake rates of kindergarten, primary school and secondary school students in each of the past three years; whether it will set targets on the uptake rates of students and the entire population of Hong Kong; if so, of the details; if not, the reasons for that;
- (2) whether it will regularise the existing School Outreach Vaccination Pilot Programme and extend the scope of the Programme to cover all kindergartens, primary schools and secondary schools across the territory; if so, of the details and implementation timetable; if not, the reasons for that; and
- (3) whether it will set up outpatient clinics staffed by private medical practitioners next to the AEDs of public hospitals during influenza surges, so that AED patients categorised as semi-urgent and non-urgent may choose to seek medical consultation at those clinics, thereby alleviating the pressure on the services of AEDs; if so, of the details and implementation timetable; if not, the reasons for that?

Reply:

President,

To cope with the winter influenza season and the expected winter surge each year, the Department of Health (DH) and the Hospital Authority (HA) have been implementing a series of measures to minimise the impact of a seasonal influenza outbreak on the community and the resultant pressure on the public healthcare system, including strengthening disease prevention and surveillance, stepping up publicity and education, increasing bed capacity, recruiting part-time and temporary healthcare staff, and enhancing collaboration with external parties, etc. Having consulted the DH and HA, the reply to the three parts of the question is as follows:

(1) Vaccination is one of the effective means to prevent seasonal influenza and its complications. It also reduces the risks of flu-associated in-patient admission and mortality. Therefore, the Government has all along been encouraging the public to receive vaccination as early as possible. Under the Government Vaccination Programme and the Vaccination Subsidy Scheme, the Government provides free and subsidised seasonal influenza vaccination (SIV) respectively for eligible high-risk groups (details at the Annex).

To further encourage students to receive vaccination, the DH rolled out the School Outreach Vaccination Pilot Programme in 2018/19 to reach out to primary schools and provide SIV for students through a government outreach team or a Public-Private-Partnership team, and increased the amount of subsidy for vaccination. The new measures have proved to be effective. As at February 17, 2019, the number of primary schools that had arranged for outreach vaccination increased from 65 in 2017/18 to 402 in 2018/19, with the coverage rate for primary school students reaching 55.3 per cent. Overall speaking, around 371 000 doses of SIV have been administered in 2018/19 under the above programmes for children aged 6 months to under 12 years, representing an increase of about 118.4 per cent over the corresponding period in the previous year.

In 2016/17, 2017/18 and 2018/19 (as at February 17, 2019), the number of children aged 6 months to under 12 years receiving SIV accounted for 17.4 per cent, 23.0 per cent and 45.4 per cent of the children in the age group respectively. These figures do not include those children receiving SIV outside the above vaccination programmes. The DH does not have relevant figures for secondary students as they are not eligible under the above vaccination programmes.

The DH will continue to review from time to time the scope of eligible groups and take proactive measures to raise the SIV coverage rate of the eligible groups as well as that of the total population in Hong Kong.

(2) Given the effectiveness of the 2018/19 School Outreach Vaccination Pilot Programme, the DH will regularise the programme from next year onwards, covering more primary schools and extending its coverage to kindergartens (KGs) and child care centres (CCCs) on a pilot basis. The DH is currently evaluating the arrangements for the pilot programme. The DH will assess various options in implementing the enhancement measures in consultation with

relevant stakeholders, so as to come up with the best mode in providing outreach vaccination service at KGs and CCCs. The DH will announce the details in due course so that interested private doctors, private medical institutions, primary schools, KGs and CCCs can make early preparation.

(3) To ensure that patients with more serious conditions are accorded higher priority in receiving medical treatment, the HA adopts a triage system which classifies patients attending the Accident and Emergency Departments (AEDs) into the following five categories according to their clinical conditions: critical, emergency, urgent, semi-urgent and non-urgent. The HA has set performance pledges on the waiting time for treatment so as to ensure that patients who need urgent medical attention are treated within a reasonable time.

To alleviate the pressure on the services of AEDs, the HA has introduced measures to increase manpower and provide the public with relevant medical service information. For instance, the A&E Support Session Programme and the Special Honorarium Scheme have been implemented to recruit additional healthcare staff to handle semi-urgent and non-urgent cases, so that healthcare staff in AEDs may focus on the treatment of patients who are in critical, emergency or urgent conditions. Also, the Locum Recruitment Website was launched in November 2018 to recruit more part-time healthcare staff in a more flexible and efficient manner. The HA would also increase 25 000 consultation quotas of General Out-patient Clinics during the winter service surge 2018/19 in order to address the service demand.

Besides, the HA's webpage and its mobile application HA Touch provide relevant information including the waiting time in AEDs of public hospitals, web links to private healthcare services and private doctors directories for public reference. During the recent Chinese New Year holidays, the HA set up the "One-stop medical services information portal during Chinese New Year Holidays" on its webpage to provide the public with information on private and charity group healthcare services (including Chinese medicine services) available during the period, with a view to alleviating the pressure on the services of AEDs.

LCQ16: Alleviating the financial burden on parents of students

Following is a question by the Hon Alice Mak and a written reply by the Secretary for Education, Mr Kevin Yeung, in the Legislative Council today (February 20):

Question:

According to the results of a survey conducted in 2017, 90 per cent of the parents surveyed indicated that the expenses on kindergarten (KG) education had posed a heavy financial burden on their families. In addition, some parents of primary and secondary students (particularly those belonging to the sandwich class) have pointed out that the expenses on textbooks and transportation for their children are costly, and they are unable to benefit from the School Textbook Assistance Scheme (STAS) and the Student Travel Subsidy Scheme (STSS) implemented by the Government because the application thresholds of those Schemes are too high. In this connection, will the Government inform this Council:

(1) among the pupils currently studying in KGs which have joined the Free Quality Kindergarten Education Scheme, of the number and percentage of those who are required to pay school fees; whether the Education Bureau (EDB) will consider enhancing the Scheme by providing KGs with subsidies that are sufficient to meet all operating expenses, so that all pupils in half-day, whole-day and long whole-day KGs are not required to pay school fees, thereby offering genuinely free KG education;

(2) whether the EDB has regularly reviewed and compiled statistics on the items and levels of miscellaneous fees collected by KGs; if so, of the total amount of miscellaneous fees collected on average from each pupil by KGs in each of the past three years; whether the EDB will cap the miscellaneous fees that KGs may collect from pupils;

(3) among primary and secondary students in each of the past three years, of the respective numbers and percentages of those who benefited from STAS and STSS; whether the EDB will lower the application thresholds for those Schemes, including revising the "Adjusted Family Income" Formula and adding tiers of assistance, so that more students can benefit; and

(4) as quite a number of parents have pointed out that the existing subsidy schemes have failed to alleviate their financial burden, whether the EDB will grant an allowance annually to each of the KG pupils as well as primary and secondary students for meeting the expenses arising from the commencement of a new school year, with a view to alleviating their families' financial burden; if not, of the EDB's ways to alleviate the financial burden on parents?

Reply:

President,

My reply to the question raised by the Hon Alice Mak is as follows:

(1) The Government has implemented the new kindergarten (KG) education policy starting from the 2017/18 school year. The objectives of the policy are to provide good quality and highly affordable KG education, enhance the accessibility of students to different modes of services that suit their specific needs and, in tandem, maintain a high level of flexibility, diversity and vibrancy in KG operation. Under the new policy, in principle,

government subsidies should be sufficient for KGs joining the kindergarten education scheme (Scheme) to provide quality half-day (HD) services. Individual KGs may need to charge school fees mainly to defray rental expenses that are not fully covered by rental subsidy.

For whole-day (WD) KGs, existing evidence from researches and studies preclude drawing conclusions that WD programmes are more favourable to young children than HD programmes. Although many countries offer WD services for parents as an option, it is not a common practice internationally to provide free WD KG service for all children from three to six years of age. On the basis of co-payment of the Government and parents, WD pupils need to pay part of the cost. Notwithstanding this, to unleash the potential of the local labour force under the population policy, we provide an additional subsidy for WD and Long WD (LWD) services. Parents only need to pay part of the cost. Needy families can be granted fee remission for HD or WD services.

In the 2018/19 school year, 753 KGs have joined the Scheme. Among them, about 520 KGs are offering HD programmes and about 90 per cent of them are free. In terms of the number of pupils, among the about 84 400 eligible HD pupils studying in KGs which have joined the Scheme (Scheme-KGs), around 8 600 (10 per cent) need to pay school fees (provisional figures for September 2018). Separately, about 630 Scheme-KGs are offering WD/LWD programmes. The median school fee per instalment is around \$790 and the overall school fees are at a low level. In terms of the number of pupils, among the about 47 500 eligible WD/LWD pupils studying in Scheme-KGs, around 33 700 (71 per cent) need to pay school fees (provisional figures for September 2018).

(2) KGs selling or providing paid items/services (such as textbooks, exercise books, school uniforms, schoolbags, tea and snacks, stationery, etc., which are generally referred as "miscellaneous charges") must observe the guiding principles set out in relevant Education Bureau (EDB) circulars, including that the purchase of such items or services is entirely voluntary; schools should avoid charging parents in one lump-sum for the whole package of items or services required for the whole school term; the items or services should be directly related to teaching and learning activities; return/refund arrangements should be set out; no profit should be made from the sale of textbooks; and profit for other items, if any, should not exceed the profit limit of 15 per cent of the cost price, etc. KGs should also state clearly in relevant school circulars or letters that the purchase of educational items or services is entirely voluntary and that parents can select the items according to their individual needs.

As the same items for sale (such as tea and snacks, summer uniforms, winter uniforms, exercise books, etc.) may vary widely in ingredients/materials, quantities, etc. among different schools and the items chosen to buy by individual parents may also be different, it is not appropriate to consolidate the data or present the situation in terms of the average fees, or to set a cap on the fees of the items concerned. Since such items are sold by schools or acquired by schools on behalf of students, the premise is whether parents may purchase them on a purely voluntary basis. To allow parents a better understanding of the situation of individual schools

on selling such items or services or purchasing them on behalf of students, all Scheme-KGs are required to list the reference prices of the major items for sale or paid items on their schools' websites and in the Profile of Kindergartens and Kindergarten-cum-Child Care Centres.

(3) and (4) The School Textbook Assistance Scheme (STAS) provides assistance for financially needy primary and secondary students in government, aided, per caput grant schools and local schools under the Direct Subsidy Scheme to cover the costs of essential textbooks and miscellaneous school-related expenses. The Student Travel Subsidy Scheme (STSS) provides travel subsidy for financially needy students receiving formal primary, secondary education or attending a full-time course up to first degree level in an acceptable institution, residing beyond 10-minute walking distance from school and travelling to school by public transport. We encourage parents to send their children (in particular pre-primary children) to schools near their places of residence so as to minimise the time and energy spent by children in commuting. This can also reduce students' travelling expenses. For the school years from 2016/17 to 2018/19 (as at January 31, 2019), the numbers of primary and secondary students benefitting from the above schemes are as follows –

	2016/17 School Year	2017/18 School Year	2018/19 School Year (as at January 31, 2019)
STAS (percentage of the overall population of primary and secondary students (Note 1))	208 316 (34 per cent)	203 521 (33 per cent)	198 015 (32 per cent)
STSS (percentage of the overall population of primary and secondary students (Note 2))	144 424 (21 per cent)	142 896 (20 per cent)	139 128 (19 per cent)

Notes:

(1) The total numbers of primary and secondary students for the school years from 2016/17 to 2018/19 are 620 525, 624 048 and 626 684 respectively (the figures showing the position as at mid-September of the respective school years). The figures cover government, aided, per caput grant schools, local schools under the Direct Subsidy Scheme and special schools.

(2) The total numbers of primary and secondary students for the school years from 2016/17 to 2018/19 are 702 664, 708 645 and 713 979 respectively (the figures showing the position as at mid-September of the respective school years). The figures cover government, aided, per caput grant schools, local schools under the Direct Subsidy Scheme, local private schools, international schools and special schools.

The Government's policy on student finance is to ensure that no student is denied access to education due to a lack of means. The various financial assistance schemes provide support to students and the Government reviews the various student financial assistance schemes from time to time. For instance, the Government reviewed in the 2011/12 school year the income test mechanism for the various student financial assistance schemes and relaxed the income ceiling for full level of student financial assistance under the income test mechanism. Consequent upon the implementation of the improvement measure, the percentage of students receiving full level of assistance increased significantly from about 30 per cent of the beneficiaries in previous academic years to about 60 per cent. The Government also keeps the various student financial assistance schemes under review and will expand the scope of subsidies to enhance support for students from needy families where necessary. For example, the assistance programme "Enhancement of the flat rate grant under the School Textbook Assistance Scheme" under the Community Care Fund has been incorporated into the Government's regular assistance programme starting from the 2014/15 school year; and a "Grant for School-related Expenses for Kindergarten Students" has been provided to eligible KG students to defray school-related expenses incurred from the students' KG education starting from the 2017/18 school year.

On textbook expenses, there are no specified teaching contents for the KG Education curriculum. All along, the EDB emphasises that KG teachers may apply their professional knowledge to design or select different types of learning and teaching resources so as to cater for the physical and psychological development needs of children at different stages and their daily life. As for primary and secondary schools, teachers are also encouraged to develop or select other teaching materials to meet the learning needs of students. The EDB has provided different types of free learning and teaching resources for teachers, such as learning and teaching resource packages for different subjects, the Web-based Resource Platform for Liberal Studies, and the e-learning resources uploaded onto EDB One-stop Portal for Learning and Teaching Resources, so that teachers could select from a wide range of other learning and teaching resources apart from textbooks.

LCQ19: Unauthorised building works and related prosecutions

Following is a question by the Hon Chu Hoi-dick and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (February 20):

Question:

On December 21 last year, the Director of Public Prosecutions (DPP)

issued a statement expounding the prosecution decisions made by him in respect of the unauthorised building works (UBWs) at House 3 and House 4 of Villa de Mer, Tuen Mun. DPP would not institute any prosecution against the Secretary for Justice (SJ) on the grounds that there was no evidence indicating that the UBWs at House 4 were constructed subsequent to SJ's acquisition of the unit. As to the UBWs at House 3, DPP would institute prosecution against only one of the two owners of the property (i.e. the husband of SJ). On the other hand, it has been reported that the sale and purchase agreement through which SJ acquired a property in Repulse Bay had expressly stated the existence of UBWs in that property. In this connection, will the Government inform this Council:

(1) whether the authorities instituted, by invoking sections 14(1) and 40(1AA) of the Buildings Ordinance (Cap. 123), prosecutions in the past 10 years against those persons who had commenced or carried out UBWs in their properties but subsequently sold the properties concerned; if so, of the number and details of such cases; if not, the reasons for that;

(2) whether the Buildings Department (BD) will institute prosecution(s) against the former owner(s) of House 4 who carried out the UBWs therein; if so, of the details; if not, the reasons for that;

(3) whether BD has investigated if the UBWs at the aforesaid property in Repulse Bay had been constructed by the person(s) who sold the property to SJ;

(4) of the circumstances, in general, under which a person who holds part of the title to a property (i) is required and (ii) is not required to bear the legal liability for the commencement or carrying out of UBWs at that property; and

(5) as section 14(1) of Cap. 123 stipulates that "[s]ave as otherwise provided, no person shall commence or carry out any building works...without having first obtained from the Building Authority... his approval...and...consent...", whether the authorities regard a property owner who has engaged a contractor to carry out UBWs as a person who has commenced or carried out UBWs under that provision; if so, of the details?

Reply:

President,

The policy that has all along been adopted by the Buildings Department (BD) in its enforcement against unauthorised building works (UBWs) is to require the owner to rectify the irregularities as soon as practicable. If an owner does not comply with BD's statutory orders, the department will consider instigating prosecution. On the other hand, under normal circumstances, the department will not proactively initiate criminal investigation on whether there have been contraventions of the Buildings Ordinance (BO) (Cap. 123), unless there is information showing that registered building professionals under the BO are suspected to be involved

in the erection of UBWs, or that any person knowingly submits misrepresented documents to BD or knowingly contravenes section 14(1) of the BO, etc. Under these circumstances, BD will undertake follow-up action, including initiating criminal investigation and considering instigating prosecution subject to the result of such investigation.

The above principle of enforcement policy on whether to initiate criminal investigation applies to all cases related to UBWs. The identity and social status of the person involved are not amongst the considerations. In fact, in handling UBW cases, BD has been acting in accordance with the law and is impartial to all; it has been taking appropriate actions pursuant to the BO and the prevailing enforcement policy.

In consultation with BD, the Development Bureau provides a consolidated reply as follows:

(1) If BD decides to conduct criminal investigation into an UBW case per the above enforcement policy, the investigation target will include any registered building professionals who are suspected to be involved in the erection of UBWs, or any person knowingly submits misrepresented documents to BD or knowingly contravenes section 14(1) of the BO, including current and any former owners. BD will consider whether the evidence is sufficient in deciding whether to instigate prosecution procedures. BD will seek legal advice from the Department of Justice (DoJ) timely as needed. Having checked the records, in the past 10 years, BD had not instigated prosecution against persons who have already sold their properties concerned by invoking section 40(1AA) of the BO.

(2) Regarding the UBWs at House 4 of Villa De Mer, Tuen Mun, as there is no sufficient evidence to establish that any registered building professional is suspected to be involved in the erection of UBWs, or there is any person knowingly submitted misrepresented documents to BD or knowingly contravened section 14(1) of the BO, BD did not instigate prosecution against any person.

(3) Following the above enforcement policy on whether criminal investigation should be initiated, BD did not conduct criminal investigation into the case concerned.

(4) and (5) Under section 40(1AA) of the BO, any person who knowingly carries out building works without having first obtained the approval and consent from the Building Authority (BA) shall be guilty of an offence. If BD conducts an investigation per the above enforcement policy on whether criminal investigation should be initiated, BD will consider whether the evidence collected could sufficiently demonstrate that the persons involved (including the persons who carry out the works and the persons who appoint other persons to carry out the works, no matter whether such persons hold the entire or part of the title to the premises) knowingly contravene the requirements for obtaining prior approval and consent from the BA in deciding if prosecution should be instigated. If necessary, BD will seek legal advice from DoJ timely.

LCQ18: "Smart Tender" building rehabilitation facilitating services

Following is a question by the Hon Yung Hoi-yan and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (February 20):

Question:

The Urban Renewal Authority (URA) has implemented the "Smart Tender" building rehabilitation facilitating services since May 2016, with an aim to provide technical support to property owners/Owners' Corporations (OCs) of private buildings in respect of building maintenance and help reduce the chance of bid-rigging by works contractors. In this connection, will the Government inform this Council:

(1) whether it knows the respective numbers of complaints and reports in respect of suspected bid-rigging activities in building rehabilitation works received last year by URA from property owners/OCs participating in "Smart Tender" (with a breakdown by District Council district) and, among such complaints and reports, the respective numbers of cases referred to law enforcement agencies for follow-up; the respective numbers of cases in which the persons concerned were prosecuted and convicted, as well as the penalties generally imposed and the maximum penalty imposed on the convicted persons;

(2) whether it knows the respective numbers of applications received and approved by URA since the launch of "Smart Tender", as well as the average processing time of the approved applications; among the approved applications, the respective numbers of cases in which the building rehabilitation works have (i) commenced and (ii) been completed and, in respect of the completed cases, the average and the longest time spent on providing services under "Smart Tender" to such cases;

(3) whether it knows if URA has estimated (i) the average number of applications for participating in "Smart Tender" to be received, and (ii) the average manpower and expenditure required for implementing "Smart Tender", in each of the coming three years; whether URA will consider recruiting additional manpower to strengthen the services; and

(4) as some property owners/members of the management committees of the OCs participating in "Smart Tender" have indicated that (i) the various arrangements under "Smart Tender" (e.g. engagement of independent professional, and preparation of inspection reports and tender documents by Authorised Person/Registered Inspector) are time-consuming, and (ii) due to their old age and lack of professional knowledge, it may not be easy for them to understand the advice given by independent professionals on building

rehabilitation works, whether the Government knows the measures URA has put in place to improve such situations?

Reply:

President,

The Urban Renewal Authority (URA) has launched the "Smart Tender" building rehabilitation facilitation services scheme in May 2016 with a view to assisting owners in adopting good practices in undertaking building repair and maintenance projects and crowding out the opportunity for bid-rigging syndicates to interfere with the fair operation of the market during the process. "Smart Tender" provides property owners with a series of technical assistance and information to facilitate owners to deliberate and decide on the employment of contractors. Services provided by "Smart Tender" include:

- (a) a "DIY tool-kit" to provide guidelines in organising maintenance works;
- (b) technical advice and cost estimate of the works offered by an independent third-party advisor; and
- (c) an electronic tendering platform for recruiting contractors.

To encourage more property owners to join "Smart Tender", the Government has earmarked \$300 million to enable owners of private buildings to participate in "Smart Tender" at a concessionary rate, and has launched the concessionary scheme in partnership with the URA since October 3, 2017.

In consultation with the URA, the Development Bureau provides a reply to the question as follows:

(1) The URA has not received any complaints or reports from property owners or owner corporations joining "Smart Tender" on the suspected bid-rigging activities since the launch of "Smart Tender".

(2) Since the launch of "Smart Tender" up to January 31, 2019, the URA has received about 700 applications of which some 570 were approved; some 40 were withdrawn by the applicants themselves and some 90 were being processed. The URA advised that the average processing time of an application is about two months, subject to the time required for owners to provide relevant information (e.g. meeting minutes of owners' general meeting).

"Smart Tender" aims to provide assistance to owners in engaging contractors. The service covers the period from owners' engagement of consultants to owners' selection of contractors by convening owners' general meeting. Of the completed cases, the average period of service is 21 months with 24 months being the longest case. Currently, owners of seven applications have already convened owners' general meetings to engage their contractors of which two applications have completed the required building rehabilitation works.

(3) The URA has been actively promoting "Smart Tender". Specifically, all buildings joining the "Operational Building Bright 2.0" and "Fire Safety Improvement Scheme" are mandated to join "Smart Tender". The number of

buildings joining "Smart Tender" is subject to considerations such as whether owners are willing to carry out the building rehabilitation for their buildings, etc, and that the URA is unable to forecast the number of applications for "Smart Tender" in the future. The URA is responsible for the administration of "Smart Tender" as well as the necessary manpower resources and expenditures. The URA indicated that they have adequate manpower and resources to handle "Smart Tender" at present, and they will timely review the relevant requirement.

(4) As mentioned above, "Smart Tender" seeks mainly to provide assistance to owners in engagement of contractors. Therefore, preparation of inspection report and tender documents by Authorised Person or Registered Inspector are the responsibilities of owners and are outside the scope of service under "Smart Tender". Nonetheless, the URA will provide advice to the relevant tasks.

Specifically, the general public may lack the relevant knowledge on engagement of contractors and building rehabilitation, the URA will assign case officer to all buildings joining "Smart Tender" to render assistance including explaining to owners and members of owners' corporations the reports on cost estimates and tendering documents prepared by the independent advisor assigned by the URA.