

LCQ13: Protection for the privacy of members of the public

Following is a question by the Hon Cheung Kwok-kwan and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (January 16):

Question:

The TransUnion Limited (TransUnion) is the major credit reference agency in Hong Kong and it holds the personal data and credit records of 5.4 million members of the public. Earlier on, some reporters collected from the public domain the personal data of certain public figures and obtained, using such data, from TransUnion's website the credit records of those public figures, thereby revealing that the website had a serious security loophole. This incident, coupled with the fact that several other incidents of massive leakage of clients' personal data by commercial organisations have occurred recently, has aroused grave public concerns about the issue of information security of commercial organisations. In this connection, will the Government inform this Council:

- (1) whether it knows the channels through which TransUnion collects the credit data of members of the public, and the scope of such data;
- (2) given that at present, if members of the public indicate that they do not consent to financial institutions' provision of their personal data to TransUnion and access to their credit records, financial institutions will not approve their applications for personal loans or credit cards, whether the Government will review and improve this situation with a view to enhancing the protection for the privacy of members of the public;
- (3) whether it has studied how other jurisdictions regulate financial institutions' handling their clients' personal data and credit records;
- (4) whether it will review the role of credit reference agencies and consider subjecting such agencies to the regulation of the Hong Kong Monetary Authority; if so, of the details; if not, the reasons for that;
- (5) given that certain personal data of public officers, such as government officials and councillors, can be easily found through searching on the Internet, whether the Government will study how, on the premise that the transparency of governance will not be undermined, the protection for the personal data of such public officers against abusive use can be enhanced; and
- (6) whether it will examine conferring greater law enforcement powers on the Office of the Privacy Commissioner for Personal Data to enhance the protection for the privacy of members of the public?

Reply:

President,

(1) TransUnion mainly collects credit information from credit providers, public records and individuals. The scope of credit information collected by TransUnion is governed by the Code of Practice on Consumer Credit Data (PCPD Code) issued by the Privacy Commissioner for Personal Data (Privacy Commissioner), which includes among others (please see section 3.1 of the PCPD Code for details):

(i) general particulars of an individual (such as name, address, contact information, date of birth, Hong Kong Identity Card Number or travel document number;

(ii) credit information of an individual (such as credit application data, account general data, account repayment data); and

(iii) public record and related data (such as legal action for recovery of a debt, judgements for monies owed, information on the declaration or discharge of bankruptcy).

(2) Proper risk management plays a positive role in the day-to-day operations and long-term development of the credit market. For banks, using consumer credit data from Credit Reference Agency (CRA) is for assessing credit applications and conducting credit reviews is an essential part of the banks' credit risk management system during the processing of customer applications for loans, credit cards, or other credit facilities. Banks require complete information for accurate assessment of customers' creditworthiness, and better credit risk management, which reduces bad debts and ensures the stability of the banking system. Borrowing costs for borrowers with good credit ratings could also be reduced.

(3) Although regulatory arrangements for CRA vary from jurisdiction to jurisdiction, the main policy objective remains the protection of personal data privacy. In Hong Kong, banks must take reasonable and practicable steps to provide customers with the relevant Personal Information Collection Statement when collecting personal information from customers. This is a common practice elsewhere.

(4) The TransUnion incident involved suspected unauthorised access to customer data, which is a personal data protection issue. The Personal Data (Privacy) Ordinance (PDPO) has clear legal provisions on the protection of personal data privacy. Under the PDPO, CRA, when providing credit reference services to banks and other credit providers in Hong Kong, must comply with the PDPO and the PCPD Code issued under the PDPO. The PCPD Code covers requirements relating to the collection, accuracy, use, security, access and correction of data, including the requirement for CRA to take appropriate measures to protect personal credit data in its daily operations to prevent improper access. The Privacy Commissioner is responsible for enforcement and

supervision in relation to the PDPO and the PCPD Code.

The Hong Kong Monetary Authority (HKMA) has no plan to subject CRA to financial regulation. The HKMA regulates banks to safeguard depositors and promote the stability and soundness of the banking system. Credit reference services do not affect depositors and the soundness of the banking system. Therefore, TransUnion, like other third-party service providers, does not need to be regulated by the HKMA. The Privacy Commissioner will continue to be responsible for supervisory work for protection of personal data privacy. The HKMA will make reference to the outcome of the investigation being conducted by the Privacy Commissioner, and assist the Privacy Commissioner in liaising with the banking industry to review whether the contractual arrangements between the banking industry and CRA can be improved.

(5) and (6) The protection afforded by the PDPO applies to all data subjects. Personal data obtained in the public domain (including the Internet), regardless of the identity of the data subject, are protected by the PDPO. The Government is open to amending and improving the PDPO. Currently, the Constitutional and Mainland Affairs Bureau, together with the Office of the Privacy Commissioner for Personal Data (PCPD), has commenced reviewing the relevant regulations and penalties of the PDPO, and studying proposals including the establishment of a mandatory breach notification mechanism. The PCPD is now conducting compliance investigations on recent data breaches. The Government will keep a close watch on the investigations by the PCPD and reach a view on how the PDPO could be improved, having regard to the investigation results and recommendations by the PCPD, to enable the PCPD to effectively strengthen the regulation in relation to protection of personal data.

[LCQ21: The manpower situation of Lifeguards](#)

Following is a question by the Hon Wu Chi-wai and a written reply by the Secretary for Home Affairs, Mr Lau Kong-wah, in the Legislative Council today (January 16):

Question:

A lifeguard union has pointed out that currently, public swimming pools, public beaches and private swimming pools are often plagued by the problem of not having sufficient number of lifeguards on duty. In this connection, will the Government inform this Council:

(1) of the number of private swimming pools issued with a licence by the Food and Environmental Hygiene Department (FEHD) under the Swimming Pools

Regulation (Cap 132 sub leg CA) (the Regulation) as at December 31 last year, with a breakdown by District Council district set out in a table;

(2) as the Regulation stipulates that the licensee of a swimming pool shall, at all times during which the pool is open to swimmers, deploy not less than two lifeguards possessing valid certificates of competency in life saving and first aid to be in attendance at the pool, of (i) the number of inspections of licensed private swimming pools carried out by FEHD officers for this requirement, (ii) the respective numbers of cases of FEHD receiving reports and substantiating that a licensee has breached this requirement, and (iii) the details of the follow-up actions taken by FEHD on the substantiated cases, in each of the past three years;

(3) as a lifeguard union has pointed out that the pay levels of the lifeguards of the Leisure and Cultural Services Department (LCSD) are lower than the market levels, resulting in recruitment difficulties and insufficient lifeguards at public swimming pools and public beaches, of the respective pay levels of newly recruited civil service lifeguards and contract seasonal lifeguards under LCSD in each of the past three years, and how such pay levels compare with the market levels; and

(4) as LCSD requires that all serving and newly recruited lifeguards must possess the Pool Lifeguard Award and the Beach Lifeguard Award issued by the Hong Kong Life Saving Society, whether it knows the number of persons who took the examinations for lifeguard awards in each of the past three years; if such figures are not available, whether it will compile such statistics; whether it will adopt new measures to attract more people to take such examinations for lifeguard awards?

Reply:

President,

As regards the various parts of the question, after consulting the Food and Health Bureau and the Leisure and Cultural Services Department (LCSD), my reply is as follows:

(1) In accordance with the Swimming Pools Regulation (Cap 132CA) (the Regulation), any artificially constructed pool used for swimming or bathing and to which the public have access (whether on payment or otherwise) or which is operated by any club, institution, association or other organisation, is required to obtain a swimming pool licence from the Food and Environmental Hygiene Department (FEHD), unless not more than 20 residential units is served and the public have no access to it. As at December 31, 2018, there were 1 277 licensed swimming pools in Hong Kong. A breakdown of the number of licensed swimming pools by District Council districts is set out at Annex 1.

(2) Monthly inspection is conducted by the FEHD staff when the licensed swimming pool is open to swimmers to ensure compliance of the Regulation and licensing conditions by licensees. The inspection frequencies may be increased if necessary. According to the Regulation, the licensee of a

swimming pool shall, at all times during which the pool is open to swimmers, deploy not less than two lifeguards possessing valid certificates of competency in life saving and first aid to the pool, unless modification to the requirement is approved by the licensing authority.

During inspection, if FEHD staff found that licensed swimming pool breaches the Regulation, the licensee will be immediately prosecuted. If the licensee fails to comply with the relevant licensing conditions, including the provision of required number of lifeguards at the swimming pool as specified in the licence, warning will be issued to the licensee immediately. If the licensee fails to rectify the irregularities within the specific time or repeatedly violates the licensing conditions, FEHD will consider suspending or cancelling the licence.

Of the complaints concerning licensed swimming pools received by the FEHD in the past three years, there were 19 cases (in 2016), 12 cases (in 2017) and 14 cases (in 2018) against insufficient provision of lifeguards respectively. These complaints were found unjustified after investigation. During the period, there was no issue of warning, prosecution and suspension or cancellation of the swimming pool licence by FEHD in relation to insufficient provision of lifeguards at swimming pools.

(3) At present, civil service lifeguards recruited by the LCSD belong to the Artisan grade, with the starting pay point at Master Pay Scale point 5 (currently \$16,790). The Government adjusts the civil service pay scales under the established mechanism to adjust the pay for civil servants (including civil service lifeguards). The department has not encountered difficulties in recruiting civil service lifeguards.

As regards to the non-civil service contract (NCSC) seasonal lifeguards, in view of the short-term job nature, the mobility of NCSC seasonal lifeguards is comparatively higher. In order to maintain the attractiveness of the pay of seasonal lifeguards, LCSD adheres to the principle of keeping the pay of seasonal lifeguards broadly comparable with that of their private sector counterparts. To this end, starting from 2004, reference has been made to the local private employment market in terms of pay level of lifeguards and other important relevant factors, including LCSD's fiscal position and the Composite Consumer Price Index, etc. in determining the annual pay adjustment for seasonal lifeguards.

The salaries of civil service lifeguards and NCSC seasonal lifeguards recruited by the LCSD in the past three years are set out at Annex 2.

(4) The numbers of persons who took part in the examinations in respect of the Pool Lifeguard Award and Beach Lifeguard Award in the past three years, according to the information provided by the Hong Kong Life Saving Society (HKLSS), are set out at Annex 3. The HKLSS is the only body recognised by the International Life Saving Federation for assessing and awarding lifeguard qualifications in Hong Kong. LCSD will work closely with the HKLSS to encourage enhancement of publicity and promotional activities by the affiliated clubs to attract more people to participate in life-saving awards

training and examination.

LCQ18: Implementation of Cross-boundary Movement of Physical Currency and Bearer Negotiable Instruments Ordinance

Following is a question by the Hon Kenneth Leung and a written reply by the Secretary for Security, Mr John Lee, in the Legislative Council today (January 16):

Question:

Under the Cross-boundary Movement of Physical Currency and Bearer Negotiable Instruments Ordinance (Cap. 629) (the Ordinance), which has come into operation since July last year, if a traveller who arrives at a specified control point from a place outside Hong Kong is in possession of a large quantity of currency and bearer negotiable instruments (CBNIs) (i.e. CBNIs of a total value of more than HK\$120,000), he or she must make a written declaration to an authorised officer. Moreover, a traveller who is about to leave Hong Kong, or who arrives in Hong Kong (other than at a specified control point) from a place outside Hong Kong, must disclose, upon the requirement of an authorised officer, whether he or she is in possession of a large quantity of CBNIs, and a person disclosing that fact must make the aforesaid written declaration. Such declaration is also required for import or export of a large quantity of CBNIs under other circumstances as specified in the Ordinance. Regarding the implementation of the Ordinance, will the Government inform this Council:

- (1) of the number of declarations received by the Customs and Excise Department (C&ED) since the Ordinance came into operation and the total amount of money involved, with a breakdown by declarations made (i) by travellers and (ii) under other circumstances;
- (2) of the number of breaches of the declaration or disclosure requirements uncovered by C&ED since the Ordinance came into operation, as well as the respective numbers of (i) written warnings issued and (ii) prosecutions instituted against the persons concerned, and the total amount of money involved;
- (3) whether it has allocated additional manpower and other resources to C&ED for the enforcement of the Ordinance at various control points; if so, of the details; of the mechanism for selecting travellers for examination for the enforcement of the Ordinance, and the number of such examinations conducted

to date; and

(4) of the channels through which the Government has publicised such declaration or disclosure requirements to inbound travellers and Hong Kong residents, so as to prevent them from inadvertently breaching the law?

Reply:

President,

The Cross-boundary Movement of Physical Currency and Bearer Negotiable Instruments Ordinance (the Ordinance), commencing operation from July 16, 2018, implements Recommendation 32 of the Financial Action Task Force to detect cross-boundary transportation of large quantities of currency and bearer negotiable instruments (CBNIs), for anti-money laundering and counter-financing of terrorism. The Customs and Excise Department (C&ED) is the major law enforcement agency of the Ordinance.

Under the Ordinance, a traveller who arrives in Hong Kong via a specified control point (Note) and is in possession of a large quantity of CBNIs (i.e. the total value of which is more than HK\$120,000) must use the Red Channel under the Red and Green Channel System and make a written declaration on the CBNIs concerned to an C&ED officer. A traveller who is about to leave Hong Kong, or who arrives in Hong Kong not via a specified control point, must disclose upon the request of an C&ED officer whether he or she is in possession of a large quantity of CBNIs and, if so, make a written declaration.

For a large quantity of CBNIs imported or exported in a cargo consignment, an advance declaration must be made to the C&ED through its online Currency and Bearer Negotiable Instruments Declaration System (CDS).

Persons in breach of the declaration or disclosure requirements under the Ordinance are liable to a maximum penalty of a fine of HK\$500,000 and imprisonment for two years. Travellers who breach the relevant requirements for the first time and have not been previously convicted of money laundering or terrorist financing offences, and whose CBNIs are not reasonably suspected to be crime proceeds or terrorist property, may discharge their statutory liability by making a payment of HK\$2,000 in accordance with the Ordinance. Other cases are subject to criminal prosecution.

To assist travellers and relevant trades to comply with the new requirements, during the first three months of the commencement of the Ordinance, the C&ED issued written warnings as appropriate to persons who breached the declaration or disclosure requirements under the Ordinance for the first time.

For the questions raised by the Hon Kenneth Leung, the reply is as follows:

(1) Since the commencement of the Ordinance and up to December 31, 2018, the C&ED received 10 186 declarations made by travellers, which involved CBNIs of a total value of around HK\$113.2 billion. For cargoes, the C&ED received 4

863 declarations which involved CBNIs of a total value of around HK\$621.2 billion.

(2) In the first three months of the commencement of the Ordinance (i.e. July 16 to October 15, 2018), the C&ED detected 23 non-compliance cases, and issued 20 and three written warnings to travellers and persons responsible for the cargoes concerned respectively. After those three months and up to December 31, 2018, the C&ED detected 32 non-compliance cases committed by travellers, and all travellers concerned made a payment of HK\$2,000 in accordance with the Ordinance. For cargoes, one non-compliance case was detected in which one person was arrested. The case is under investigation. The 56 non-compliance cases mentioned above involved CBNIs of a total value of around HK\$41 million.

(3) For enforcing the Ordinance, the C&ED has made suitable redeployment of existing manpower and added 44 permanent posts. The C&ED has also procured four cash detector dogs and necessary equipment (e.g. cash-counting machines) to support law enforcement. Since the implementation of the Ordinance, the C&ED has been conducting inspections of travellers and cargoes at control points under a risk management approach. As the number of inspections involves enforcement operational planning, it is not appropriate to disclose the information concerned.

(4) The Security Bureau (SB) and C&ED rolled out extensive public education and publicity on the requirements of the Ordinance before and after its commencement, including the production and broadcast of television and radio Announcements in the Public Interest (APIs); making arrangements to broadcast the APIs at control points and on local and cross-boundary conveyances; and displaying and distributing publicity materials on the Ordinance and placing advertisements through other suitable platforms (e.g. travel agencies, money changers and online media). Before the implementation of the Ordinance, the C&ED also conducted briefings for organisations which frequently moved CBNIs into and out of Hong Kong (e.g. banks and security escort companies), at which the operation of CDS was explained and demonstrated to facilitate making declarations for cargoes. The SB and C&ED also publicised the requirements of the Ordinance with the assistance of Hong Kong's Economic and Trade Offices around the world, and introduced the Ordinance to other jurisdictions and law enforcement agencies through various appropriate channels (e.g. the World Customs Organization).

Note: There are currently 15 specified control points under the Ordinance, namely Lo Wu Control Point, Hung Hom Station, Man Kam To Boundary Control Point, Sha Tau Kok Boundary Control Point, Hong Kong-Macau Ferry Terminal, China Ferry Terminal, Lok Ma Chau Boundary Control Point, Hong Kong International Airport, Tuen Mun Ferry Terminal, Shenzhen Bay Port Hong Kong Port Area, Lok Ma Chau Spur Line Control Point, Kai Tak Cruise Terminal, Ocean Terminal, West Kowloon Station of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (other than the West Kowloon Station Mainland Port Area), and Hong Kong-Zhuhai-Macao Bridge Hong Kong Port.

LCQ4: Civil service lifeguards under the Leisure and Cultural Services Department

Following is a question by the Hon Ho Kai-ming and a reply by the Secretary for Home Affairs, Mr Lau Kong-wah, in the Legislative Council today (January 16):

Question:

Regarding the recruitment of civil service lifeguards under the Leisure and Cultural Services Department (LCSD) as well as the induction training and remuneration for them, will the Government inform this Council:

(1) as LCSD introduced last month a new test item under which applicants for the post of civil service lifeguard must be able to skin-dive to a depth of two metres for carrying out lifesaving duties, but lifeguards may need to skin-dive to a depth of more than two metres when performing lifesaving work, of the criteria adopted by LCSD for setting the requirements of the recruitment interview and trade test for civil service lifeguards;

(2) whether LCSD will require that civil service lifeguards must have completed all the induction training programmes before they are arranged to perform lifesaving work, so as to safeguard the life safety of swimmers; and

(3) given that the duties of civil service lifeguards include cleaning up oil spill at beaches as well as the faeces or vomit found in swimming pools, whether the Government will consider providing them with a hardship allowance for obnoxious duties; if so, of the details; if not, the reasons for that?

Reply:

President,

To protect the safety of swimmers, the Leisure and Cultural Services Department (LCSD) employs lifeguards to perform lookout, patrol, lifesaving and first aid duties etc. at its venues. As at August 1, 2018, there were 1,959 lifeguards in LCSD comprising civil service lifeguards and non-civil service contract (NCSC) seasonal lifeguards.

My reply to the three parts of the Hon Ho's question is as follows:

(1) LCSD requires that all serving and newly recruited lifeguards possess the Lifeguard Award issued by the Hong Kong Life Saving Society (HKLSS). HKLSS is the only body recognised by the International Life Saving Federation for

assessing and awarding lifeguard qualifications in Hong Kong. The entry requirements for NCSC seasonal lifeguards in LCSD are the possession of the Beach Lifeguard Award or Pool Lifeguard Award issued or reassessed by HKLSS within the past three years; whereas the entry requirements for civil service lifeguards include the possession of the Beach Lifeguard Award and Pool Lifeguard Award issued by HKLSS, as well as possession of a valid certificate from the St. John Ambulance Association, Hong Kong Red Cross or Auxiliary Medical Service. Applicants for the posts of civil service lifeguard and NCSC seasonal lifeguard also have to pass the selection interview and trade test. Other recruitment procedures, including integrity checking and medical examination etc., are also applicable.

The recruitment examination for civil service lifeguards conducted by LCSD consists of a selection interview and trade test, which aim to select the most suitable candidates from qualified applicants for the posts concerned having regard to the applicant's abilities, performance, character, physical competence and skills of lifesaving and first aid.

Before the launching of a new round of recruitment exercise for civil service lifeguards, LCSD will review the contents of the selection interview and trade test in the light of various factors, such as job requirements of the post, expected attributes of the suitable candidates, manpower resources, time and venue required for selection interview and trade test and their effectiveness, etc, and make appropriate changes. For instance, while candidates were only required to perform cross chest tow in previous rescue tests, candidates will be required, in the new round of recruitment exercise, to skin dive to the pool bottom at a depth of approximately two metres to search for a drowning manikin and then save it using cross chest tow in order to have a more comprehensive assessment of the candidates. The new rescue test is included taking into account of the actual operational needs since most of the swimming pools of LCSD have a water depth of two metres or less.

In addition, the selection board will assess the candidates' performance in the selection interview and trade test with reference to a set of objective, fair and measurable assessment criteria.

(2) All employed lifeguards had passed the assessments administered by professional bodies concerned and possessed recognised lifesaving qualifications. They have also passed LCSD's recruitment examination. To enable the new recruits to gain an understanding of lifesaving practice as soon as possible, LCSD provides them with a series of induction programme. The department has reviewed the design and arrangements of the induction programme for lifeguards. Starting from 2019, LCSD will arrange for newly employed civil service lifeguards and NCSC lifeguards on long-term employment to complete part of the induction programme before assuming duties, which include, introductory practical training, general training, and courses on advanced skills of skin diving rescue, and require them to pass a five-metre depth skin diving test. Furthermore, LCSD lifeguards will undergo enhanced training by means of regular drills at swimming pools/beaches, and through which they should possess sufficient skin diving skills and be physically competent to carry out search and rescue operation in deep water

at swimming pools/beaches, including deep diving pools.

(3) According to the Civil Service Regulations (the Regulations), "Hardship Allowances" is one of the categories under Job-Related Allowances (JRAs). Departments and their respective bureaux shall comply with the Regulations and the governing principles of JRAs when considering any proposal in relation to JRAs having regard to the operational needs of the department, inherent duties of individual grade and working conditions of staff. The relevant general principle stipulated in the Regulations includes that JRAs are only payable when the staff are required to deliver the extra or unusual duties for such duration and frequency as considered appropriate in the light of service need and operational efficiency or when the pay structure of the grade/rank concerned is such that the inherent duties cannot be fully reflected in the pay scale. In addition to the above general principle, as compensation, consideration may be given to paying "Hardship Allowances" under JRAs to officers who are subject to work environment which would render them liable to bodily harm or physical impairment of a degree not normally expected by staff in the same grade or rank.

The duties of lifeguards include rescuing drowning swimmers, ensuring the safety of swimmers, maintaining order and keeping beaches and swimming pools clean. In performing their daily cleansing work, lifeguards may be required to clean up vomitus or faeces found in swimming pools or assist in cleaning up oil spill or marine refuse occasionally found at beaches. Such work is not extra or unusual duties. Hence, having thoroughly considered the inherent duties and working conditions of lifeguards (including the time spent on and frequency of performing the tasks, bodily harm or risk which may arise from carrying out such duties) in accordance with the Regulations mentioned above, it is considered that there are not sufficient justifications to support the granting of "Hardship Allowances" to lifeguards. LCSD will continue providing suitable equipment and operational guidelines to ensure the safety of its staff working at beaches or swimming pools.

[Speech by CE at signing ceremony of Memorandum of Understanding for Establishing the Center for Neurodegenerative Diseases \(English only\) \(with photos\)](#)

Following is the speech by the Chief Executive, Mrs Carrie Lam, at the signing ceremony of the Memorandum of Understanding for Establishing The

Center for Neurodegenerative Diseases today (January 16):

Andrew (Chairman of the Council of the Hong Kong University of Science and Technology (HKUST), Mr Andrew Liao), Professor Shyy (President of HKUST, Professor Shyy Wei), Andy (British Consul General to Hong Kong and Macao, Mr Andrew Heyn), Thomas (Acting Consul General of the United States to Hong Kong and Macau, Mr Thomas Hodges), Professor Woolf (Director of F M Kirby Neurobiology Center of Boston Children's Hospital, Professor Clifford Woolf), Professor Rando (Director of the Paul F Glenn Center for the Biology of Aging of the Stanford University School of Medicine, Professor Thomas Rando), Professor Hardy (Professor of Neuroscience of University College London, Professor John Hardy), distinguished guests, ladies and gentlemen,

Good morning. I am delighted to join you for this signing ceremony today, which establishes the Center for Neurodegenerative Diseases in Hong Kong, the first of its kind here.

This milestone occasion brings together four of the world's leading universities – and from three continents – for pioneering medical research here in Hong Kong. It is indeed the fourth occasion of an MoU signing ceremony for such collaborative research that I had witnessed in the past seven months. The other three MoU signing occasions involved equally distinguished and renowned institutions from France, Germany and the United States. One could not help thinking that this is clear and compelling testimony of Hong Kong's singular ability to create connections, to help people, businesses and institutions excel, whatever they're pursuing, whatever their vision. That said, I must thank those overseas renowned universities and research institutions for placing their trust in us, and our local Consulates for helping us to connect. The presence today of the United Kingdom Consul General and the Acting Consul General of the United States is much appreciated.

Developing Hong Kong into an innovation and technology (I&T) hub is central to my Government's economic policy. In my maiden Policy Address delivered in October 2017, which is just three months after I have assumed the office of the Chief Executive, I set out eight major areas for our innovation and technology progress, including expanding our infrastructure, pooling technology talent and boosting R&D funding. Since then, my Government has allocated about US\$10 billion for I&T initiatives, including significant resources for R&D activities. Among other things, we are bolstering R&D in our universities and public research institutes. We have also instituted a super tax deduction of up to 300 per cent to private enterprises for their R&D expenditure.

No less important, we have set aside US\$1.3 billion to establish two research clusters – one for healthcare, the other for artificial intelligence and robotics. The good news is the newly created partnership we are witnessing today will apply for participation in the healthcare research cluster – known as health@InnoHK. Specifically, the Hong Kong University of Science and Technology, Boston Children's Hospital, a Harvard Medical School Teaching Hospital, Stanford University School of Medicine and University

College London will conduct research on neurodegenerative diseases, working out of Hong Kong Science Park.

As we all know, neurodegenerative diseases – particularly Alzheimer's – are becoming more prevalent in ageing populations. And while understanding of neurodegenerative diseases continues to advance, there are few effective treatments available, either to delay the onset or to affect the course of Alzheimer's and other daunting neurodegenerative diseases.

I am, however, hopeful that the combined excellence and collective commitment and expertise of four of the world's leading institutions, and their scientists and researchers, can lead to significant advances in the diagnosis and treatment of neurodegenerative diseases. I am also confident that this research consortium will create wide-ranging, world-class opportunities for the next generation of Hong Kong scientists and researchers, and in doing so, establish Hong Kong as an international centre for research in neurodegenerative diseases.

Ladies and gentlemen, I wish the four universities, and everyone behind this landmark collaboration in Hong Kong, a great success. Thank you very much.

