

LCQ17: Opening the facilities of the Hong Kong Design Institute for public use

Following is a question by the Hon Ma Fung-kuok and a written reply by the Secretary for Education, Mr Kevin Yeung, in the Legislative Council today (November 14):

Question:

In 2007, the Education Bureau (EDB) submitted a funding application to the Finance Committee (FC) of this Council for the Vocational Training Council (VTC) to construct a new campus at Tiu Keng Leng to accommodate the newly established Hong Kong Design Institute (HKDI). The EDB informed the FC then that the student sports and amenity facilities at HKDI's campus would be open for public use during non-school hours, and the Auditorium there would also be available for hire by the public when it was not in use. However, as pointed out in the Director of Audit's Report No. 69 published in October 2017, HKDI's tennis court had not been open for public use, and the availability rate of its multi-purpose hall (which had two badminton courts) for public use had been on the low side. It was reported last month by the media that although the Government had specified in the relevant land grant that HKDI was required to open up its sports facilities to outsiders with the relevant modus operandi and hire charges being subject to the regulation of the EDB, HKDI's tennis court had not been opened to outsiders, its badminton courts charged exorbitant hire charges, and the availability rate of its sports facilities for public use had all along been on the low side. In this connection, will the Government inform this Council:

- (1) whether it knows the number of hours, in each of the past three years, for which each sports facility of HKDI was hired by members of the public;
- (2) whether it knows the respective numbers of hours, in each of the past three years, for which HKDI's multi-purpose hall was (i) used for learning and teaching, (ii) used for lessons and activities held by HKDI and VTC, (iii) hired by outside organisations, and (iv) left idle;
- (3) whether it knows the respective numbers of days, in each of the past three years, on which HKDI's Auditorium and other venues (e.g. HKDI Gallery, d-mart and Lecture Theatres) were hired by outside organisations for holding activities, with a breakdown by types of organisations and activities;
- (4) whether it knows the hire charges of each sports facility, the Auditorium and other venues of HKDI;
- (5) as it has been reported that HKDI has planned to open up its tennis court for hire by youth groups and other visiting groups during after-school hours

starting from this academic year, whether the Government knows the specific arrangements concerned, and whether it has assessed if such arrangements meet public expectation;

(6) whether it knows what measures HKDI has adopted to (i) publicise among members of the public (in particular residents nearby) the availability of its sports facilities for public hire and the relevant details (including the time slots available for hire and the charges), and (ii) promote its Auditorium and other venues for hire by outside organisations; and

(7) whether it will regulate, pursuant to the terms of the relevant land grant, the rental matters in relation to the venues of HKDI, including requiring HKDI to set the venue hire charges at reasonable rates and streamline the hiring procedure?

Reply:

President,

Established under the Vocational Training Council Ordinance (the Ordinance), the Vocational Training Council (VTC)'s operation must meet the objectives and functions stipulated in the Ordinance. While the Government has granted land for VTC to operate as a non-profit-making post-secondary institution, the day-to-day operation of the campus facilities is managed by VTC's institutions in accordance with the Ordinance.

In consultation with the VTC, my reply to the Hon Ma's question is as follows:

(1) The Hong Kong Design Institute (HKDI) has four sports facilities including the swimming pool, basketball courts, tennis courts and the multi-purpose hall. The relevant opening hours of the swimming pool, basketball courts and the multi-purpose hall for public use in the past three years are shown below:

Facilities	2015/16 academic year	2016/17 academic year	2017/18 academic year
Swimming Pool Open from April to October every year for a total of 990 hours	6 047 (attendance)	5 085 (attendance)	5 897 (attendance)
Basketball Courts	129 hours	114 hours	134 hours
Multi-purpose Hall	70 hours	99 hours	106 hours

Since the tennis courts are located on the rooftop of the teaching building without public entrance for access, in the past three academic

years, having regard to security considerations HKDI has not yet worked out the arrangement to open the tennis courts to the public. HKDI will soon finalise the arrangement for opening the tennis courts to the public, it has also invited youth organisations in the neighbourhood to rent the tennis courts at specified timeslots to further enhance utilisation of its facilities. Please refer to part (5) of the reply for details.

(2) Utilisation of the multi-purpose hall at HKDI over the past three years is shown below:

Purpose	2015/16 academic year	2016/17 academic year	2017/18 academic year
Teaching & learning	521.5 hours	477 hours	458 hours
HKDI & VTC events	1 990.5 hours	1 932 hours	1 819 hours
Hired by external parties	70 hours	99 hours	106 hours
Total	2 582 hours	2 508 hours	2 383 hours

The multi-purpose hall is open for free use by students when it is not used for specific purposes or rented by external parties. Other time slots will be allocated for maintenance and cleaning. Since HKDI does not maintain a breakdown of the hours involved for such uses, the statistics on vacant hours is therefore not available.

(3) VTC has all along been renting out the VTC Auditorium, d-mart and Lecture Theatre to different bodies such as charitable organisations, government organisations and professional societies for organising various events. Please refer to the Annex for details of these events. Utilisation of the VTC Auditorium, HKDI Gallery, d-mart and Lecture Theatre over the past three years is shown below:

(a) VTC Auditorium:

Purpose	2015/16 academic year	2016/17 academic year	2017/18 academic year
Teaching & learning (Note 1)	78 days	78 days	78 days
HKDI & VTC events	138 days	178 days	171 days
Maintenance & repair works	112 days	103 days	58 days
Hired by external parties	2 days	3 days	14 days
Total	330 days	362 days	321 days

(b) HKDI Gallery:

Purpose	2015/16 academic year	2016/17 academic year	2017/18 academic year

HKDI & VTC events	312 days	311 days	336 days
Hired by external parties	/	/	/
Total	312 days	311 days	336 days

External parties can rent the HKDI Gallery for hosting events. Yet in the past three years, VTC have not received such applications. The design exhibitions organised by the HKDI at HKDI Gallery are open to the public for free entry.

(c) d-mart:

Purpose	2015/16 academic year	2016/17 academic year	2017/18 academic year
HKDI & VTC events	364 days	339 days	358 days
Hired by external parties	/	/	5 days
Total	364 days	339 days	363 days

(d) Lecture Theatre:

Purpose	2015/16 academic year (Note 2)	2016/17 academic year (Note 2)	2017/18 academic year
Teaching & learning	/	/	140 hours
HKDI & VTC events	/	/	1 358.5 hours
Hired by external parties	40 hours (5 days)	24 hours (3 days)	56 hours (7 days)
Total	/	/	1 554.5 hours

(4) VTC is considering ways to rationalise the arrangements and rental fees for the public's use of its recreational facilities during non-teaching hours. The exercise is expected to be completed in early 2019, and will be reviewed annually. Prior to the announcement of the review results, the existing rental charges for HKDI's facilities by the public or external parties are as follows:

Facility	Rental charge
Swimming Pool	Adult $\frac{1}{4}$ \$20 Children under 12 and senior citizen above 60 $\frac{1}{4}$ \$10
Basketball Courts	\$80 per hour
Multi-purpose hall (338.6 square metres)	\$710 per hour (all facilities inside the hall can be used)
VTC Auditorium (740 seats)	From \$2,280 per hour

HKDI Gallery (600 square metres)	From \$14,780 per day
d-mart (1 040 square metres)	From \$7,385 per day
Lecture Theatre (289 seats)	From \$1,605 per hour

(5) In respect of opening of the tennis courts for rental by youth and other visiting organisations, having regard to the views of the local community, HKDI has invited youth organisations in the neighbourhood to rent the tennis courts at specified timeslots to further enhance utilisation of the facilities. HKDI is actively preparing the rental guidelines and finalising the operational details with a view to announcing the arrangements in the second quarter of 2019.

(6) HKDI will publicise details of the opening hours and charges of its sports facilities by hoisting banners at prominent locations outside its swimming pool and basketball courts. Relevant information has also been published on the website of HKDI, the public may also make enquiries by phone (at 3928 2000) and email (hkdi@vtc.edu.hk). In addition, details of the VTC Auditorium and other event venues for rental at HKDI are also available on the website. Enquiries can be made by phone at 3928 2761 and through an online form (www.hkdi.edu.hk/en/about/#tabs-about-campus).

(7) The Government will monitor the VTC to ensure that its operation meets the objectives and functions as stipulated in the Ordinance, as well as the terms of its agreements with the Government. On the basis that the day-to-day operation of the campus facilities is managed by the VTC, it will be more appropriate for VTC to formulate arrangements for opening its facilities to the public having regard to the teaching needs of HKDI, utilisation by students for extracurricular activities, as well as the cost of operation, maintenance, etc. of the relevant facilities. Notwithstanding this, we will liaise with VTC from time to time to learn about the arrangements they put in place, and request HKDI to enhance such arrangements such as the opening hours, fees, etc. as necessary, with a view to optimising utilisation of these facilities.

Note 1: The VTC Auditorium is used for teaching and learning every Tuesday, Wednesday and Thursday. The figures are calculated based on 13 weeks per semester with two semesters in an academic year. However, event dates might occasionally overlap with scheduled classes.

Note 2: Information on the utilisation of the venues for teaching and learning and internal events for 2015/16 academic year and 2016/17 academic year is no longer available due to system constraints.

Civil Aviation Department follows up on runway incident

A runway incident occurred at Hong Kong International Airport yesterday evening (November 13). An arriving flight landed on a runway as instructed by an Air Traffic Control Officer (ATCO) while a business jet had yet to fully vacate the runway within the expected time. No one was injured and the operation of the airport was not affected by the incident.

A spokesman for the Civil Aviation Department (CAD) said, "At 7.47pm last night, a China Southern Airlines B738 airliner travelling from Zhejiang to Hong Kong landed at the North Runway (07L) as per the instruction of the ATCO, while the preceding business jet that had landed on the same runway had not vacated the runway completely. The pilot of the business jet had acknowledged the instruction of the ATCO to expedite vacating the runway. The runway is 3 800 metres long. According to the preliminary information, the two aircraft were more than 1 800m apart when the B738 airliner touched down."

The CAD has reported the incident to the Air Accident Investigation Authority and will continue to follow up on the incident in accordance with established procedures to prevent recurrence of similar incidents.

Managers and operators fined for illegal club operations

Two men, two women and a company were fined from \$2,000 to \$3,000 at Kowloon City Magistrates' Courts today (November 14) for contravening the Clubs (Safety of Premises) Ordinance.

The courts heard that in April this year, officers from the Office of the Licensing Authority (OLA) of the Home Affairs Department conducted inspections at two clubs on Shanghai Street and Argyle Street in Mong Kok, which had been operating with certificates of compliance (CoCs).

The staff of the club on Shanghai Street failed to show the registered drawings upon the OLA officers' request. Condition 17 of the CoC was breached. The woman, being the manager of the club, was charged with contravening section 21(1) (a) of the Ordinance and another woman, being the CoC holder of the club, was charged with contravening section 21(2) of the Ordinance.

During the investigation in the club on Argyle Street, the OLA officers

posed as customers and patronised the club for food and drinks without being asked to show their membership status or being invited to join the club as members. The club was also found to have a layout that deviated from the registered drawings and the staff of the club failed to show the registered drawings upon the OLA officers' request. Conditions 3, 17 and 19 of the CoC were breached.

The two men and the company, being the managers and the CoC holder of the club respectively, were charged with contravening section 21(1) (a) or section 21(2) of the Ordinance.

A spokesman for the department reminded all CoC holders to comply with the conditions as stipulated therein. Enforcement action will continue to be taken against illegal club operations.

[Speech by CE at Hong Kong Association of Banks Distinguished Speaker Luncheon \(English only\) \(with photos/video\)](#)

The following is the speech by the Chief Executive, Mrs Carrie Lam, at the Hong Kong Association of Banks Distinguished Speaker Luncheon today (November 14):

Diana (Chairperson of the Hong Kong Association of Banks, Ms Diana Cesar), ladies and gentlemen,

Good afternoon. I'm pleased to be here today, speaking to a distinguished audience from the Hong Kong Association of Banks. As this year marks the 40th anniversary of the country's reform and opening up, and with an objective of steering Hong Kong to better integrate into the national development, I would like to share with you my recent experiences and observations in taking part in several national events.

In April this year, I attended for the first time in my capacity as the Chief Executive of the Hong Kong Special Administrative Region the Boao Forum for Asia, which adopted the theme of an innovative and open Asia for the prosperous development of the world. In his keynote address, President Xi Jinping stressed that reform and innovation are the drivers of progress and the world must strive to work together through dialogue and shared responsibility. In respect of further opening up, President Xi announced important measures such as enlarging market access, creating a more attractive investment environment, strengthening intellectual property

protection and taking the initiative to broaden imports. Some of these measures are applicable to the financial services sector.

In August, I attended the inaugural Leading Group meeting chaired by Vice Premier Han Zheng as a full member to discuss the Guangdong-Hong Kong-Macao Greater Bay Area development. One of the initial focuses of the Greater Bay Area initiatives is to facilitate the flow of people, goods, capital and information within the Greater Bay Area, which naturally should be of considerable interest to the banking sector.

Then, earlier this month, I led two delegations to the Mainland: one to attend the First China International Import Expo in Shanghai and the other to Beijing and Shenzhen to celebrate the 40th anniversary of the reform and opening up of the nation. On the former occasion, I was pleased to hear President Xi's strong commitment to pursue a high level of opening up and to widen market access to the rest of the world. On the latter occasion, I was much encouraged by the clear recognition by President Xi of Hong Kong's contribution to the country's success in the past four decades.

Despite external uncertainties and the escalating trade conflicts around the world, principally between the world's two heavyweights, the United States of America and Mainland China, what I have seen and heard from our leaders have given me much hope and optimism for Hong Kong. I have no doubt that together with the Belt and Road Initiative, there are abundant opportunities for Hong Kong – the world's freest economy and an international financial centre after New York and London. The question is whether we – the Government and the industry – are sufficiently geared up to seize those opportunities in order to bring Hong Kong to a new height.

It has always been my conviction that Hong Kong's fundamentals are strong and Hong Kong people are talented. Despite being a small and open economy susceptible to global uncertainties, we are blessed with deep capital markets and a robust regulatory framework that will minimise any financial fallout. Indeed, the Hong Kong banking sector performed well in the first half of 2018. Of course in the same way the Hong Kong economy performed well in the first half of 2018, making a real growth of 4 per cent. The aggregate profit of retail banks increased by nearly 25 per cent in the first half of this year, year-on-year, while capital and liquidity positions remained strong. The average capital adequacy ratio of locally incorporated banks stood at 19.4 per cent, well above the international minimum requirement of 8 per cent.

But I believe the banking sector, like other sectors, will benefit from a more proactive government that stands ready to not only provide public service or regulate the market, but serve as a "facilitator" to create an environment that will enable our financial services sector to flourish while also acting as a "promoter" to market Hong Kong's strengths and competitiveness. Talking about promotion, I have brought with me a new publication on Hong Kong's financial connectivity and you can all pick up a copy when you leave this luncheon. We also need to play a more tech-savvy role to encourage innovation and technology in the banking sector. With this

objective in mind, financial technology, or fintech, is a priority of my Government. As I outlined in my Policy Address last month, the Government believes in fintech. In order to accelerate its development, we have adopted a five-pronged approach: promotion, facilitation, regulation, talent and funding.

Our long-awaited Faster Payment System is very much part of that approach. Launched in September, it sets in motion a new era for payment. The System is unique in supporting multi-currencies, instant payments on a round-the-clock basis and full connectivity between banks and stored-value facility operators. A common QR code standard was also launched. This enables retail payments across a variety of e-wallets, offering convenience to merchants and customers alike. By providing an open platform for access by retail banks and stored value facility operators in Hong Kong, the Faster Payment System provides a level playing field for healthy competition among banks and payment service providers, promoting innovation and bringing more efficient and user-friendly service to the public, which will in turn benefit the banking industry as well. At last count, 21 banks and 10 stored-value facility operators have embraced the System. As the System is still young, we will need to work together – government, regulators, the banking industry and the business community in general – to ensure that the System runs seamlessly for all concerned.

Another important development is the promotion of virtual banking, a much anticipated innovation with the promise of promoting financial inclusion by serving the retail segment, including SMEs. More than 60 local and overseas companies have indicated interest in applying for a virtual bank licence, and about 30 applications have been received to date. The Hong Kong Monetary Authority (HKMA) is now evaluating the applications and hopes to begin granting licences to virtual banks by the first quarter of next year.

As the Belt and Road Initiative gains momentum, demand for Hong Kong's financial services will surely proliferate. To help manage the demand, and create a clearing house for market information and communications, the HKMA set up the Infrastructure Financing Facilitation Office, the IFFO. To date, more than 90 stakeholders, including many from the banking sector, have joined the Office as partners. Indeed, the Hong Kong Association of Banks, in co-operation with the Office, organised in May a "Building a Sustainable Belt and Road" seminar, focusing on the potential for Belt and Road "partnership between Hong Kong banks and development banks".

My Government is also working to promote Hong Kong's advantages. We have many, from our extensive corporate and investment banking networks to our deep capital markets, including the world's largest offshore Renminbi market, and sophisticated financial and business services. Add our competitive and simple tax regime, and excellent communications and transportation networks, and it's clear we have what it takes to manage the treasury activities of multinational and Mainland corporations investing in the Belt and Road.

To create an even more tax-friendly environment for corporate treasury operations, we recently amended the Inland Revenue Ordinance, allowing

interest deductions under profits tax for corporate treasury centres. The amendment also reduces the profits tax of qualifying entities by 50 per cent. Industry feedback has been positive, with more than 140 corporations benefiting to date.

Risk management is essential to the projects of the Belt and Road, and we have the potential to emerge as the Belt and Road's risk management centre. A number of multinational insurers and reinsurers in Hong Kong have the experience and knowledge to underwrite major infrastructure risks. In this regard, the Insurance Authority and the China Banking and Insurance Regulatory Commission have come to an agreement. When a Mainland insurer cedes business to a qualified Hong Kong professional reinsurer, the capital requirements of the Mainland insurer will be reduced. This will increase the competitiveness of Hong Kong reinsurers in capturing reinsurance business ceded by Mainland insurers.

The Insurance Authority is also setting up the Belt and Road Insurance Facilitation Platform. It will bring together key stakeholders to provide insurance and reinsurance services. It will also help Mainland companies taking part in Belt and Road projects find the insurance services they need right here in Hong Kong.

As for the Guangdong-Hong Kong-Macao Greater Bay Area, with nearly 70 million people and a collective GDP of about US\$1.5 trillion, Hong Kong as an international financial centre is well placed to provide the financial services to support its development.

While physical connectivity in the Greater Bay Area has been much enhanced by the recent opening of two major cross-boundary infrastructure projects – the Hong Kong section of the Guangzhou-Shenzhen-Hong Kong high-speed train and the Hong Kong-Zhuhai-Macao Bridge, we plan to boost demand for cross-boundary financial services, thereby creating more opportunities for the financial services sector. We are also exploring ways to provide more financial services to Hong Kong residents living in the Greater Bay Area, from simplifying procedures for opening a bank account to allowing the use of Hong Kong e-wallets.

Indeed, some connectivity has already taken place. Hong Kong Fintech Week, which ended early this month, illustrates the promise of innovation and technology for Hong Kong and the Greater Bay Area. This five-day event, which drew more than 8 000 professionals from more than 50 economies, became the world's first cross-border fintech gathering, moving the proceedings to Shenzhen on the final day.

It's estimated that there are about 35 companies in the Greater Bay Area with a value of more than US\$100 billion. My Government is committed to enhancing the competitiveness of our financial services sector so as to unleash the potential of these Greater Bay Area companies. We are determined to stay ahead of the curve, welcoming a new economic environment, while making Hong Kong's listing platform more attractive to issuers from a great variety of jurisdictions. That's why, earlier this year, we expanded our

listing regime to allow the listing of companies from emerging and innovative sectors. As at the end of October, two companies with dual-class share and four pre-revenue biotech companies have listed on our stock exchange under the new regime. And by the way, also for the first 10 months of this year, Hong Kong ranked the world's number one in terms of funds raised through IPOs amounting to HK\$250 billion.

The Greater Bay Area development is a great opportunity to cement our position as the key international gateway to the Mainland. With the support of the Central Government, multiple mutual access arrangements between Hong Kong and Mainland financial markets are in place. The launch of Stock Connect, Bond Connect and the mutual recognition of funds arrangement over the last few years are testimony to Hong Kong's indispensable role in the internationalisation of the Renminbi and the opening up of the Mainland markets. And it was gratifying to hear President Xi himself acknowledging Hong Kong's contributions. Through the Greater Bay Area, we hope to expand further the channels for two-way, cross-border Renminbi fund flow, strengthening financial co-operation within the region.

These, and many other promising opportunities, cannot become reality without the talent to drive them. With that in mind, I welcome the HKMA's recommendation which we have accepted to establish an Academy of Finance in Hong Kong in mid-2019. The Academy will develop tomorrow's financial leaders, while serving as a centre for monetary and financial research.

The HKMA also launched the Fintech Career Accelerator Scheme with the Hong Kong Applied Science and Technology Research Institute and 12 banks in 2017-18 to expand the fintech talent pool in Hong Kong. The Accelerator Scheme was upgraded in January this year to help nurture talent at varying degrees of career development, offering a full-time placement programme, summer internships and a graduate programme organised with Cyberport and Hong Kong Science Park.

We also welcome fintech talent from the Mainland and overseas. Indeed, Hong Kong's first Talent List, which was launched in September to attract quality people from around the world in a more effective and focused manner to support Hong Kong's development, features 11 targeted professions, including fintech.

Ladies and gentlemen, I am confident that talent, coupled with the unwavering commitment of this Government as well as yours, will bring the banking and financial services sector as well as the Hong Kong economy to new heights. I look forward to working closely with you all as we take forward initiatives to consolidate Hong Kong's leading position as an international financial centre.

Once again, my thanks to the Hong Kong Association of Banks for inviting me to speak to you today. I wish you all the best of business. Thank you very much.



[24-hour A&E and inpatient services commence at Tin Shui Wai Hospital](#)

The following is issued on behalf of the Hospital Authority:

The Tin Shui Wai Hospital (TSWH) announced today (November 14) that the accident and emergency (A&E) services will be extended to 24 hours a day beginning next Wednesday (November 21) and a 32-bed mixed specialty ward will open the same day.

The TSWH will provide round-the-clock A&E services to provide emergency medical care to residents of Tin Shui Wai area from 8am, November 21, while a mixed specialty ward managed by emergency physicians with a joint-consultation service will commence service at the same time.

The Hospital Chief Executive of TSWH, Dr Deacons Yeung, said, "With due consideration to service demand of Tin Shui Wai residents, we further extend the operation of A&E to 24 hours and commence inpatient service upon completion of our preparations. Patients will receive initial treatment at the A&E department and be admitted to the mixed specialty ward for joint-consultation by emergency physicians and physicians for more comprehensive treatment and care.

"The opening of inpatient service at TSWH will help apportion the service demand pressure of the New Territories West Cluster in the upcoming service surge."

The operation of TSWH A&E has been smooth since service commencement in March last year, and it is currently providing a 12-hour service daily from 8am to 8pm. With an average daily attendance of around 250 and the peak attendance of 364, the TSWH A&E has effectively alleviated the service demand pressure of Tuen Mun Hospital and Pok Oi Hospital A&E.

TSWH, the fifth hospital of NTWC, is currently providing A&E, special

outpatient clinic, renal dialysis, allied health, diagnostic radiology, pharmacy and community nursing services.