

LCQ3: Handling of construction waste and management of public fill

Following is a question by the Hon Chan Hak-kan and a written reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (May 9):

Question:

It has been reported that incidents of people illegally dumping construction waste in public places or rural areas have happened from time to time in recent years. The Audit Commission and the Office of the Ombudsman released reports in 2016 and 2018 respectively, criticising that the law enforcement agencies had been ineffective in combating such acts. On the other hand, as there have been few reclamation works carried out in Hong Kong in recent years, the quantity of construction and demolition materials used for reclamation and site formation works has declined, resulting in an excess supply of public fill over the demand and the saturation of the existing four public fill reception facilities and two fill banks. As such, the Government can only deliver the surplus public fill to places outside Hong Kong. In this connection, will the Government inform this Council:

- (1) of the respective numbers of (i) proactive inspections conducted to combat acts of illegal dumping of construction waste, (ii) relevant complaints received, and (iii) prosecutions instituted against the persons concerned, by the Environmental Protection Department and the Planning Department in each of the past five years; the new measures to be taken by these two departments in the coming five years to further combat such kind of illegal acts;
- (2) of the quantity of public fill generated in Hong Kong, and the respective (i) quantities of public fill received, (ii) total amounts of fees collected, and (iii) operational expenses incurred, by the four public fill reception facilities and the two fill banks in each of the past five years;
- (3) of (i) the quantity and percentage of the surplus public fill exported (with a breakdown by export destination), and (ii) the quantity and percentage of the surplus public fill discarded at the landfills, by the Government in each of the past five years;
- (4) as I have learnt that the demand of the Mainland construction industry for fill materials has gradually decreased in recent years, of the Government's measures to cope with the situation where the Mainland stops receiving fill materials from Hong Kong; and
- (5) of the respective current percentages of locally recovered glass materials that have been reused or used as fill materials (i) in Hong Kong and (ii) after exportation; given that there is currently an excess supply of fill materials, whether it has plans to take measures to raise the percentage

of glass materials to be recovered for reuse?

Reply:

President,

Regarding the questions raised by the Hon Chan Hak-kan, our responses are as follows:

(1) Illegal land filling and fly-tipping of construction waste involve issues pertaining to various policy portfolios, with the concerned activities regulated by existing legislation on environmental protection, town planning, land management, buildings, drainage, public safety, public health or country parks. Relevant government departments enforce these legislation under their respective jurisdictions and statutory powers, and will conduct joint operations as and when necessary.

Figures on inspections conducted by the Environmental Protection Department (EPD) and the Planning Department (PlanD), public reports received and prosecutions instituted against illegal dumping of construction waste for the past five years are set out at the Annex.

To strengthen the monitoring and tackling of illegal disposal of construction waste, the EPD has installed surveillance camera systems at around 50 construction waste fly-tipping black spots on government land and in public places to facilitate law enforcement and achieve greater deterrence against fly-tipping. The EPD plans to further extend the coverage to a total of about 70 locations by the end of this year and is in the process of preparing for the tendering exercise. Moreover, the EPD and other relevant departments will progressively introduce surveillance camera systems on the smart lampposts under a pilot scheme of "Multi-functional Smart Lampposts" as proposed in the 2017 Policy Address.

To achieve greater deterrence against illegal activities, the EPD will through various channels continue to raise public awareness on environmental protection, encourage the public to report illegal disposal of waste, enhance collaboration with relevant stakeholders, install surveillance camera systems at fly-tipping black spots and display warning posters at prominent places, etc.

Regarding the unauthorised land filling cases found in the rural New Territories, the PlanD will continue to provide additional manpower resources and closely monitor the situation. Timely and appropriate enforcement and prosecution actions will be taken under the Town Planning Ordinance (Cap 131).

(2) Each year, the construction industry generates a large quantity of inert construction and demolition (C&D) materials (also known as public fill) which can be reused in reclamation or site formation works. While part of the public fill generated in Hong Kong is transferred to suitable construction sites for direct reuse, the rest is delivered to the public fill reception facilities for temporary storage and future reuse. Currently, there are four

public fill reception facilities, namely the two temporary fill banks in Tseung Kwan O Area 137 and Tuen Mun Area 38, the Chai Wan Public Fill Barging Point and the Mui Wo Temporary Public Fill Reception Facility. The quantity of public fill locally generated and the respective quantity received by the four public fill reception facilities in each of the past five years are tabulated below:

Year	Quantity Generated (million tonnes)	Quantity Received (million tonnes)
2013	22.8	12.9
2014	19.6	12.3
2015	22.8	16.0
2016	22.8	15.0
2017	17.9	13.3

Separately, the amount of public fill charges collected by the four public fill reception facilities and the expenditure incurred by the Government on public fill management in each of the past five financial years are tabulated below:

Financial Year	Charges Collected (\$ million)	Expenditure (\$ million)
2013-14	350	690
2014-15	360	910
2015-16	440	920
2016-17	410	1 180
2017-18	790 (Note 1)	1 070 (Note 2)

Note 1: The increased construction waste disposal charges (including public fill charge, sorting charge and landfill charge) were effective from April 7, 2017.

Note 2: The expenditure is provisional actual figure subject to adjustment.

(3) As local reuse cannot absorb all of the public fill generated in Hong Kong in recent years, the Government has been delivering surplus public fill to Taishan in the Guangdong Province for disposal since 2007. No surplus public fill has been disposed of at local landfills.

The quantity of surplus public fill delivered to the Mainland for reuse in the past five years are tabulated below:

Year	Quantity (million tonnes)
2013	9.8
2014	10.2

2015	13.0
2016	13.6
2017	13.5

(4) The Government has been closely liaising with relevant Mainland authorities on the delivery of surplus public fill to the Mainland to ensure its smooth operation. In addition, the Government has put in place suitable measures to encourage and help the construction industry to reduce and reuse C&D materials as far as possible. Particularly, we have been encouraging suitable reclamation projects that are on-going or under planning in the territory to absorb more local public fill, such as the current Three-Runway System project and the Tung Chung New Town Extension project.

(5) Currently, glass containers collected locally will be, after treatment, mainly used for producing eco-pavers. Some will be exported for recycling. Besides, the Civil Engineering and Development Department has drawn up technical guidelines on the use of recycled glass materials as fill materials. The use of recycled glass materials in public works projects has already started. We envisage that the glass materials locally collected can be fully absorbed through these outlets. Meanwhile, we have encouraged the glass management contractors hired by the Government to proactively expand recycling outlets for recycled glass materials, such as using them as raw materials for producing eco-cement and decorative tiles, and exporting them for recycling into new glass products.

The overall quantity of glass materials recycled in 2016 was 9 300 tonnes. We do not have a breakdown by the use of such recycled glass materials.

LCQ17: Promotion of green bonds

Following is a question by the Hon Chan Chun-ying and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (May 9):

Question:

The Chief Executive stated in the Policy Address delivered in October last year that the Government would take the lead in the issuance of a green bond in the 2018-2019 financial year and would continue to encourage public sector bodies to issue green bonds in Hong Kong, and promote local entities' establishment of green bond certification schemes that meet with international standards. In this connection, will the Government inform this Council:

(1) whether it will promote the inclusion of the green bonds issued in Hong

Kong in the scope of eligible securities for the southbound trading of the mutual bond market access between Hong Kong and the Mainland (commonly known as "Bond Connect") which will be implemented in future, so as to increase the number of potential investors of such bonds; if so, of the details; if not, the reasons for that;

(2) given that the Hong Kong Quality Assurance Agency started to provide third-party conformity assessments for green finance issuers early this year, whether it knows (i) the number of certificates issued so far, and (ii) the anticipated number of applications for certificates the vetting of which will be completed this year, by the Agency; and

(3) whether it has considered following the practice of other bond markets and preparing actively for the launch of a green bond index; if so, of the details; if not, the reasons for that?

Reply:

President,

Our replies to the three parts of the question are as follow:

(1) The Hong Kong Monetary Authority has been maintaining close dialogue with the People's Bank of China and the relevant Mainland institutions on enhancements to the Bond Connect, including introducing Southbound Trading, which aims to enable Mainland investors to invest in the Hong Kong bond market through mutual access between the financial infrastructure institutions of the two places. The suggestion of including green bonds issued in Hong Kong in the scope of tradable products of Bond Connect would be taken into account when the detailed proposal is explored.

(2) According to the public information available from the Hong Kong Quality Assurance Agency, the list of certification under its Green Finance Certification Scheme (GFCS) as of March 26, 2018 includes 3 Pre-issuance Stage Certificate issuances. The Government will continue to support GFCS's implementation and encourage local, Mainland and overseas enterprises to make use of the Scheme and our capital markets for financing their green projects.

(3) The green bond market, which is still in its development stage, is fast evolving. While focusing on the development of the green bond market in Hong Kong at present, we are open to further promoting the market development of other green financial products.

The Hong Kong Exchanges and Clearing Limited has been engaging with various stakeholders and academia to explore business initiatives regarding green finance, such as creating green bond/stock index. Provided that there is a sufficient market depth of green financial products, green bond/stock index may be developed in response to market needs.

LCQ14: Withdrawal of benefits by Mandatory Provident Fund scheme members

Following is a question by the Hon Chan Kin-por and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (May 9):

Question:

At present, Mandatory Provident Fund (MPF) scheme members may opt to withdraw their MPF accrued benefits (benefits) in their MPF accounts by instalments or in a lump sum upon their retirement or early retirement. Among those MPF scheme members who withdrew their benefits in 2016 and 2017 on grounds of retirement or early retirement, a vast majority (99 per cent) opted to withdraw their benefits in a lump sum (192 874 cases involving a total sum of \$15,884 million), and only 1 per cent opted to withdraw their benefits by instalments (2 169 cases involving a total sum of \$285 million). In this connection, will the Government inform this Council:

(1) whether it knows, among the MPF scheme members who reached the age of 65 in each of the past two years, the number and percentage of those who have not withdrawn any benefits so far;

(2) whether it knows, among the MPF scheme members who withdrew their benefits in a lump sum in the past three years, the number of those whose benefits received were less than the sum of the contributions made over the years by themselves and their employers; and

(3) given that upon retirement at the age of 65, MPF scheme members generally still have years of post-retirement living, whether the Government will consider introducing measures to encourage soon-to-retire people to retain in their MPF accounts a portion of benefits which is not needed for immediate purpose, so that the retained portion of benefits can grow in value through investment, with a view to providing more ample funds to meet their needs in twilight years, thereby achieving the original purpose of establishing MPF System?

Reply:

President,

The replies to the questions raised by the Hon Chan are as follows:

(1) As at the end of December 2015 and December 2016 (Note), the numbers of accounts held by Mandatory Provident Fund (MPF) scheme members who are aged 65 or above were approximately 128 000 and 151 000 respectively. The balances of accrued benefits in these accounts were about \$7.47 billion and \$8.87 billion respectively.

The above figures include accounts of those scheme members who have reached the age of 65 but have never withdrawn their MPF accrued benefits and those who have made partial withdrawals. The Mandatory Provident Fund Schemes Authority (MPFA) does not have information on the number and percentage of eligible scheme members to withdraw their MPF accrued benefits who have reached age 65 but have never done so.

(2) The MPFA does not have information on the amount of contributions, investment return and balance of accrued benefits in respect of a MPF scheme member.

The MPF System is mandatory in nature. Employers and employees are required to make monthly contributions. Generally speaking, with the compounding effect of MPF returns, the longer the investment period, the more assets will be accumulated, and the accrued benefits of scheme members should increase gradually over time. Of course, the actual situation of each individual member is subject to the investment decisions made by the member throughout the accumulation period.

In fact, the total assets of the MPF System grew extensively by more than 22 times from about \$36 billion as at the end December 2001 (i.e. one year after the implementation of the System) to \$843.5 billion as at the end of December 2017 (i.e. 17 years after the implementation of the System), of which about \$267.4 billion is net investment return after deducting charges and expenses, representing about one-third of the total assets. The annualised return for the period from December 2000 to December 2017 was 4.8 per cent, which was higher than the 1.8 per cent inflation rate over the same period.

(3) To provide more flexibility in withdrawal options to facilitate scheme members to better plan and manage their MPF accrued benefits to meet their needs after retirement, we have implemented phased withdrawal of MPF benefits in 2016. When scheme members retire or early retire, apart from withdrawing their MPF benefits in a lump sum, they can also choose to withdraw them by instalments. The accrued benefits retained in MPF schemes will continue to be invested.

The MPFA reminds scheme members from time to time that they may consider retaining their MPF accrued benefits in their personal accounts for rollover and continuous investment if there is no urgent need to withdraw them upon retirement for use. They may withdraw their benefits thereafter as needs arise.

Scheme members should consider whether or not to withdraw their MPF benefits by instalments, the number of withdrawals as well as the amount of MPF accrued benefits to be withdrawn each time in light of their personal needs and circumstances.

Note: Information as at the end of December 2017 is not yet available.

Red flag hoisted at Clear Water Bay First Beach

Attention TV/radio announcers:

Please broadcast the following as soon as possible:

Here is an item of interest to swimmers.

The Leisure and Cultural Services Department announced today (May 9) that due to big waves, red flag has been hoisted at Clear Water Bay First Beach in Sai Kung District. Beach-goers are advised not to swim at the beach.

LCQ7: Curbing the prevalence of youth gambling

Following is a question by the Hon Vincent Cheng and a written reply by the Secretary for Home Affairs, Mr Lau Kong-wah, in the Legislative Council today (May 9):

Question:

As incidents in which young people committed suicide in an attempt to dodge the huge debts built up by gambling have been heard from time to time in recent years, some concern groups have all along been requesting, over the years, the Government to raise the legal gambling age from 18 to 21. On the other hand, the Government established the Ping Wo Fund (the Fund) in 2003 to sponsor preventive and remedial measures for gambling-related problems. To enhance the promotion of anti-gambling messages among young people and in the community, the Fund introduced the Ping Wo Fund Sponsorship Scheme and the Ping Wo Fund School Project Grants (the two sponsorship schemes) to sponsor non-governmental organisations and schools respectively for organising anti-gambling publicity and education activities. In connection with curbing the prevalence of youth gambling, will the Government inform this Council:

(1) whether it knows, in each of the 2015-2016 and 2016-2017 financial years, (i) the betting turnover received by the Hong Kong Jockey Club (HKJC) in respect of each type of betting activities and the respective percentage of each of such betting turnover in the total betting turnover (set out in a table), and among such betting turnover, (ii) the year-on-year growth rate of

football betting turnover and the percentage of football bets which were placed online;

(2) whether it knows, in each of the past five years, the number and percentage of HKJC betting account holders who were aged below 21; whether the authorities will examine afresh the proposal to raise the legal gambling age to 21; if so, of the details; if not, the reasons for that;

(3) given that HKJC has in recent years upgraded its mobile betting services (such as placing bets via mobile applications) and introduced different betting types, whether the authorities will study if such practices have resulted in the prevalence of youth gambling; if so, of the details; if not, the reasons for that;

(4) whether the authorities have assessed the effectiveness of the Fund; if so, of the details; if not, the reasons for that; given the upcoming World Cup which is a widely attention-grabbing sports event among young people, whether the authorities have conducted targeted public education and publicity work to curb the prevalence of youth gambling; if so, of the details; if not, the reasons for that;

(5) of the respective numbers of applications received and approved, and the total amounts of grants allocated, by the two sponsorship schemes in each of the past five years (set out in a table);

(6) whether it knows the numbers of requests for assistance received by the gambling counselling hotlines operated by various community organisations, and the attendances of the services provided by the four counselling and treatment centres financed by the Fund, in each of the past five years (set out in a table); and

(7) of the respective numbers of persons prosecuted and convicted for participating in illegal football betting activities in each of the past five years, and the total betting turnover involved; whether the authorities have reviewed the effectiveness of the related law enforcement operations; if so, of the details; if not, the reasons for that?

Reply:

President,

It is the Government's policy not to encourage gambling as gambling addiction may cause harm to individuals and to society. However, we understand that there is a certain demand for gambling in society and it is a pragmatic approach to allow a limited number of authorised gambling channels. Attaching great importance to prevention and alleviation of problems arising from gambling, the Home Affairs Bureau (HAB) has adopted a multi-pronged strategy including regulation over gambling activities through legislation, law enforcement against illegal gambling, public education and publicity on harm of gambling addiction, and provision of counselling and support services to people in need.

To finance preventive and remedial measures for problems arising from

gambling, the Government established the Ping Wo Fund (the Fund) in 2003 which provides sponsorship for: (1) researches of gambling-related issues and problems; (2) public education and other measures to prevent and alleviate gambling-related problems; and (3) counselling, treatment and other support services for people with gambling disorder and those affected by them.

The reply to the question raised by the Hon Vincent Cheng is as follows:

For 2015-16 and 2016-17 financial years (Note 1), the Hong Kong Jockey Club (HKJC) recorded respectively total betting turnovers of \$202.7 billion and \$216.5 billion from various betting activities, among which about 60 per cent were bets placed online. A breakdown of betting turnover by betting activity is tabulated below:

Betting turnover (\$)	2015-16 financial year (% in total betting turnover)	2016-17 financial year (% in total betting turnover) / [year-on-year change]
Horse racing	107.4 billion (53.0%)	115.8 billion (53.5%) / [+7.8%]
Football	86.8 billion (42.8%)	92.7 billion (42.8%) / [+6.8%]
Mark Six Lottery	8.5 billion (4.2%)	8 billion (3.7%) / [-5.9%]

Note 1: The HKJC's financial year runs from July 1 to the following June 30.

(2) According to the HKJC, the percentage of betting account holders aged below 21 remained at around 1.3 per cent to 1.7 per cent in all account holders over the past five years.

The age of 18 is generally regarded as the indicator of adulthood in Hong Kong, and it is also the statutory age for legal gambling. As revealed by the Hong Kong Polytechnic University's study on Hong Kong people's participation in gambling activities, commissioned by the Fund and completed in 2017, over 60 per cent of the respondents considered it appropriate to set the legal gambling age at 18.

We note that certain countries and places have their legal gambling ages set at 21. Nevertheless, given that these overseas places do not share the same background and objective factors with Hong Kong, their approaches may not be directly applicable here. In fact, restrictions on the gambling age differ around the world and there is no standardised practice. For example, in the United Kingdom, people can enter casinos when they are aged 18 but the minimum age for buying lottery tickets is only 16; in Singapore, the statutory age for entering casinos is 21 but that for participating in betting on horse racing or sports and buying lottery tickets remains at 18; and in Macao, people aged below 21 are prohibited from entering casinos but the age for legal participation in betting on horse racing, football, basketball, etc. remains at 18.

Regarding any proposal to raise the legal gambling age in Hong Kong, the Government has to examine prudently and consider if it will, on the contrary, increase the risk of young people aged between 18 and 21 participating in illegal gambling and developing gambling behavioural problems. Raising the legal gambling age may not necessarily be the most effective way to tackle the gambling-related problems (in particular, illegal online gambling) of youth.

(3) to (6) The Government attaches great importance to prevention of problems arising from gambling, especially those among young people. At present, a number of conditions have been imposed under the licences of betting on horse racing, Mark Six Lottery and football issued to the HKJC requiring the licensee to adopt measures to minimise the negative impact of gambling on the public, especially young people (e.g. the licensee shall not permit juveniles to enter its betting centres, shall display notices to remind the public of the gravity of excessive gambling and provide relevant information, shall not target juveniles in its advertising or promotional activities, shall not exaggerate the likelihood of winning or imply that betting is a means of increasing income, etc.).

The Fund currently finances four counselling and treatment centres to provide people with gambling disorder and those affected by them with various services, including telephone counselling, face-to-face counselling and mutual help groups as well as psychiatric treatment in serious cases. These four centres are the Tung Wah Group of Hospitals Even Centre, the Zion Social Service Yuk Lai Hin Counselling Centre, the Caritas Addicted Gamblers Counselling Centre and the Sunshine Lutheran Centre of the Hong Kong Lutheran Social Service. People with gambling disorder and their family members may call the gambling counselling hotline (183 4633) to receive preliminary counselling services immediately. Information on other community organisations providing such services is not available.

The number of enquiries received by the four counselling and treatment centres via the Fund's hotline and the number of beneficiaries receiving their counselling and treating services in the past five years are tabulated below:

	Number of enquiries received via Fund's hotline	Number of beneficiaries receiving counselling and treatment services
2013	9 064	1 989
2014	8 975	1 913
2015	8 429	1 933
2016	8 818	1 927
2017	9 636	2 229

Public education and prevention of gambling-related problems are also key areas of work of the Fund. The Fund implements ongoing public education on prevention of gambling-related problems to enhance promotion of anti-

gambling messages among the public (especially young people). The Fund introduced the Ping Wo Fund Sponsorship Scheme and the Ping Wo Fund School Project Grants in 2009 and 2010 respectively to sponsor non-governmental organisations and schools for organising anti-gambling publicity and education activities. The number of applications received by and sponsorship granted under the two schemes in the past five years are tabulated below:

Ping Wo Fund Sponsorship Scheme

	Number of applications received	Number of applications approved	Amount of sponsorship granted (\$)
2013	24	12	3,370,000
2014	26	14	3,940,000
2015	23	21	7,560,000
2016	44	24	8,460,000
2017	29	17	4,260,000

Ping Wo Fund School Project Grants

	Number of applications received	Number of applications approved	Amount of sponsorship granted (\$)
2013	47	44	110,000
2014	39	36	110,000
2015	52	50	150,000
2016	65	65	230,000
2017	53	52	180,000

As indicated in the report of the Hong Kong Polytechnic University's study mentioned in my reply to part (2), there was a decreasing trend in the prevalence rate of gambling among Hong Kong people (especially young people). The prevalence rate of gambling among secondary students dropped from 33.5 per cent in 2012 to 21.8 per cent in 2016. The drop was significant as compared to the rate of 54.0 per cent recorded in 2001. On football betting, the prevalence rate of gambling among secondary students decreased significantly from 4.7 per cent in 2012 to 1.2 per cent in 2016, and this was far lower than 6.8 per cent in 2005. The report also pointed out that such continuous improvement might be resulted from publicity and education efforts jointly made by the Government and the Ping Wo Fund Advisory Committee as well as other remedial measures.

The 2018 World Cup will be held from June to July 2018. In this connection, the Fund and the HAB have started since March 2018 and will continue until September 2018 a large-scale territory-wide "Enjoy the Game, Say No to Gambling" publicity campaign, under which a series of activities and publicity events will be held across the territory and at district level. We will also step up online publicity to raise public awareness of

gambling disorder and promote the messages against excessive gambling. The campaign comprises a series of district and territory-wide activities, such as the launch of a publicity truck, a carnival, a game to break the Guinness World Records and football matches, for members of the public to participate free-of-charge. Separately, the HAB has produced a new Announcement in the Public Interest for television and radio broadcast to discourage excessive gambling among the public and encourage people with gambling disorder and those affected by them to call the gambling counselling hotline for help. During the World Cup period, the four counselling and treatment centres financed by the Fund will specifically enhance support for the gambling counselling hotline.

(7) In the past five years (i.e. from 2013 to 2017), the Police arrested a total of 397 persons in law enforcement operations against bookmaking in at least 250 cases involving football betting and mixed betting (i.e. a mix of horse-racing, football, Mark Six, etc.). The betting slips or cash seized in these operations amounted to around HK\$1.8 billion. The Police do not maintain relevant prosecution and conviction figures.

The Police strive to combat illegal football gambling through a four-pronged approach of prevention, education, intelligence-gathering and enhanced law enforcement, and evaluate the effectiveness from time to time. The Police's Organized Crime and Triad Bureau will, in collaboration with various police districts, closely monitor the illegal gambling activities which may take place during the 2018 World Cup, proactively gather intelligence, and plan for law enforcement operations in light of the circumstances in order to combat such crimes.