<u>Transcript of SCMA's remarks on HK TV</u> <u>station cameraman being taken away by</u> <u>police in Beijing</u>

Following is the transcript of remarks made by the Secretary for Constitutional and Mainland Affairs, Mr Patrick Nip, at a media session at the Legislative Council Complex today (May 16):

Reporter: What specific measures will you take to protect the safety of reporters in future?

Secretary for Constitutional and Mainland Affairs: I think we are very concerned about the safety of Hong Kong residents who are staying outside Hong Kong, including our reporters working outside Hong Kong, in the Mainland. We have immediately followed up with the Hong Kong and Macao Affairs Office of the State Council. We understand that they have already taken action to understand and to deal with the matter. I note that progress has been made and our Beijing Office (the Office of the Government of the Hong Kong Special Administrative Region of the People's Republic of China in Beijing) colleagues have contacted the reporter to offer all necessary assistance if required. We would continue to follow up with the Hong Kong and Macao Affairs Office of the State Council and see what further measures we could take to prevent the occurrence of similar incidents. So at this stage, it is better for us to understand what has happened and let the relevant authorities in the Mainland follow up the issue in accordance with the laws and regulations and the established mechanism in the Mainland.

(Please also refer to the Chinese portion of the transcript.)

LCQ5: Issues relating to the promotion of "Hong Kong independence"

Following is a question by Dr Hon Junius Ho and a reply by the Secretary for Education, Mr Kevin Yeung, in the Legislative Council today (May 16):

Question:

Subsequent to his initiation of the occupation movement in 2014, Associate Professor Benny Tai Yiu-ting, who teaches at the Faculty of Law of University of Hong Kong, attended an activity entitled "The 10th Anniversary of the Taiwan Youth Anti-Communist National Salvation Corps — A Forum on Freedom and Human Rights in Hong Kong, Macao, China, Taiwan and Multi-ethnic

Groups" held in Taipei on March 24 this year. When speaking at the forum, he said that "the autocratic regime in China will eventually come to an end one day... With the success in toppling the autocratic regime, it is necessary to build a democratic state and a democratic society... By then, Hong Kong people can decide whether or not to found an independent state or form a federation or confederation with the ethnic groups in other regions of China". On the 30th of last month, in response to the aforesaid remarks, the Government pointed out that any advocacy of "Hong Kong independence" ran against "one country, two systems" and the Basic Law as well as the overall and long-term interest of the society of Hong Kong, and strongly condemned the remarks of Professor Tai. Professor Tai said in response to the criticisms against him that "there is a solid academic thinking behind" his remarks, and "this was what a scholar did to put the outcome of his academic researches into personal practice". However, there are public criticisms that Professor Tai is actually promoting "Hong Kong independence" under the pretext of academic freedom. In this connection, will the Government inform this Council:

- (1) whether the law enforcement agencies have studied if Professor Tai has committed any criminal offence (including the offence of "seditious intention" under section 9 of the Crimes Ordinance) by making the aforesaid remarks; if they have not studied, of the reasons for that; if they have, the outcome; whether and when law enforcement actions will be taken; if no law enforcement actions will be taken, of the reasons for that;
- (2) whether the authorities will seek from Professor Tai or the University of Hong Kong the following information about the academic researches referred to by him: the titles and scopes of the research projects concerned; the commencement and completion dates of such researches; the dates of publication of the research outcome; the amounts of expenditure incurred on the researches and the sources of funding; the numbers of working hours Professor Tai spent on such researches and the numbers of workers participating in the researches; among these research workers, the ratios of full-time workers to part-time workers, and whether students were included; if students had participated in the researches, of the numbers of hours they worked: and
- (3) whether the Education Bureau has issued guidelines to various education institutions (including various tertiary institutions) to prevent school campuses from becoming the breeding ground for spreading the idea of "Hong Kong independence" or inciting students to conduct activities related to "Hong Kong independence"?

Reply:

President,

The Preamble of the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (Basic Law) spells out clearly that Hong Kong has been part of the territory of China since ancient times. Upholding national unity and territorial integrity, maintaining the prosperity and stability of Hong Kong, and taking account of its history and realities, the People's Republic of China (PRC) decided that upon its

resumption of the exercise of sovereignty over Hong Kong, a Hong Kong Special Administrative Region (HKSAR) would be established and the Basic Law would be enacted by the National People's Congress in accordance with the Constitution of the PRC (Constitution).

Article 1 of the Basic Law clearly points out that the HKSAR is an inalienable part of the PRC. Article 12 of the Basic Law also clearly elucidates that the HKSAR shall be a local administrative region of the PRC, which shall enjoy a high degree of autonomy and come directly under the Central People's Government. This shows that Hong Kong has always been an inalienable part of China. "One country, two systems" is the best institutional arrangement to ensure Hong Kong's long-term prosperity and stability after our return to the Motherland.

Everybody with a passion for Hong Kong has the responsibility to ensure that, here in Hong Kong, "one country, two systems" advances in the right direction, the obligation to say "no" to any attempt to threaten our country's sovereignty, security and development interests, as well as the duty to nurture our next generation into citizens with a sense of national identity, an affection for Hong Kong and a sense of social responsibility. Any advocacy of "Hong Kong independence" runs against "one country, two systems", the Basic Law as well as the overall and long-term interest of the society of Hong Kong. The community has high expectations of our teachers and professors in particular. The remarks by Associate Professor Benny Tai that Hong Kong could consider becoming an independent state were strongly condemned by the HKSAR Government on March 30, 2018.

Our reply to Dr Hon Junius Ho's question is as follows:

(1) The HKSAR Government reiterated in its statement on March 30, 2018 that any advocacy of "Hong Kong independence" runs against "one country, two systems", the Basic Law as well as the overall and long-term interest of the society of Hong Kong. When meeting the media in April 2018, the Chief Executive also pointed out that the HKSAR Government and Hong Kong society both had the responsibility to safeguard national security, territorial integrity and development interests. Hence, "Hong Kong independence", in word and deed, is totally unacceptable as it violates the Constitution and the Basic Law, undermines "one country, two systems" and the prosperity and stability of the HKSAR.

With regard to any acts that may constitute criminal offences, as in the past, law enforcement departments will handle such cases in accordance with the law.

(2) To set the record straight, the HKSAR Government issued a statement on March 30, 2018 to strongly condemn Associate Professor Benny Tai's remarks related to "Hong Kong independence". This was not an issue of freedom of speech or academic freedom.

We safeguard and respect academic freedom and institutional autonomy according to the law. The universities have the authority to decide on their research disciplines and projects and those of their academic staff.

According to the Notes on Procedures of the University Grants Committee (UGC), the initiation and acceptance of research proposals is a matter of institutional autonomy. That said, the Notes on Procedures also state that the autonomy does not exempt institutions from public interest. We trust that institutions will handle institutional affairs according to the law and established mechanisms. We do not maintain information on specific academic research projects.

Associate Professor Benny Tai's remarks have aroused public concern. In response to the question raised by Member of the Legislative Council, the Education Bureau (EDB) has made enquiries with the Research Grants Council (RGC) and the University of Hong Kong (HKU). According to the information provided by RGC, it has not funded Associate Professor Benny Tai to conduct any academic research projects that advocate "Hong Kong independence". HKU has advised that information on research findings, conference papers, publications, etc. of its academics (including Associate Professor Benny Tai) is available in detail at the HKU Scholars Hub (hub.hku.hk/) for public reference.

(3) Our stance all along is that any proposals or activities advocating "Hong Kong independence" should not be allowed on our campuses. We also request the education sector to guard against pro-independence activists from infiltrating into our campuses. We have all along maintained communication with the education sector on various matters and offer them support and advice as and when necessary. In fact, the education sector has gained considerable experience over the years in handling politicised incidents with appropriate responses, demonstrating professionalism in ensuring that students can study in a safe and orderly environment, are taught professionally and are offered counselling as needed.

Post-secondary institutions are autonomous bodies and the EDB believes that they have the responsibility as well as the ability to deal with incidents on their campuses properly while looking after their students' interests. Our post-secondary institutions are obliged to ensure that nothing in contravention of the Basic Law would occur in any aspect of their operation, including that none of their platforms and resources will be abused to advocate "Hong Kong independence" and promote such activities. Such obligation is in line with public expectations. In this connection, all our universities have clearly stated that they do not support "Hong Kong independence", recognising it a contravention to the Basic Law.

The Government and post-secondary institutions are committed to safeguarding academic freedom and freedom of expression as guaranteed by the Basic Law. Meanwhile, in view of the importance of higher education to the development of our society, it is incumbent upon the Government and the community at large to have a legitimate interest in the operation of the institutions. Both faculty and students should bear in mind Articles 1 and 12 of the Basic Law, respect law and order, and exercise their freedom of expression with caution.

In respect of elementary education, we elucidated in August 2016 our stance in a letter addressed to principals and teachers of all secondary

schools in Hong Kong, calling upon them to uphold professionalism in discharging their duties and protect students from being misled into taking part in the promotion of any activities that contravene the Basic Law or the law. The EDB officers meet with principals of the public sector and Direct Subsidy Scheme secondary schools from time to time. In these meetings, we discuss with the principals and advise them on the proposed approach to handling controversial issues, including "Hong Kong independence". In addition, the schools are urged to make the best endeavours to implement the Basic Law education effectively. The attendees also share their past experience of dealing with similar cases and explore concertedly how to guide students in developing proper concepts on the issues in question.

LCQ17: Impacts on HK's telecommunications services caused by sanction on telecommunications equipment supplier

Following is a question by the Hon Charles Mok and a written reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (May 16):

Question:

The authorities of the United States (US) announced on April 15 (US time) this year an immediate ban on US companies selling telecommunications equipment components to ZTE Corporation (ZTE) for a period of seven years up to March 13, 2025. It is learnt that ZTE's businesses include the supply of telecommunications equipment and network solutions. ZTE is also a supplier of mobile networks and broadband equipment for a number of telecommunications service operators (TSOs) in Hong Kong. Some members of the information technology sector are worried that the sanction will affect the stability of telecommunications services as well as commercial operations and public communications in Hong Kong. In this connection, will the Government inform this Council:

- (1) whether it knows, among the TSOs currently providing local fixed carrier services, fixed network broadband services and mobile network services, the respective numbers and detailed situations of those which are using (i) the network infrastructure equipment and (ii) other telecommunications products and services provided by ZTE, with a breakdown of such numbers and information by the service scope of the TSOs (set out in a table);
- (2) whether it has taken the initiative to request the various TSOs concerned

to draw up contingency plans and take appropriate measures to ensure that the telecommunications services that they provide will not be affected in the event that ZTE is unable to continue its supply of the necessary network infrastructure equipment and related services to them; and

(3) whether it has studied the impacts on the development of 5G mobile communications services by TSOs in Hong Kong (including the testing and the application of the relevant network technologies) in the event that the US authorities impose similar sanctions on other Chinese-funded telecommunications equipment suppliers?

Reply:

President,

My reply to the three parts of the question is as follows:

- (1) According to the information the Office of the Communications Authority (OFCA) obtained from the major local fixed network operators (FNOs) and mobile network operators (MNOs), at present four FNOs and two MNOs have respectively used some network equipment and some telecommunications equipment supplied by Zhongxing Telecommunications Equipment Corporation (ZTE).
- (2) OFCA has already reminded the relevant operators that they should assess the impact on their telecommunications services in light of the ban imposed on ZTE by the authorities of the United States, and adopt appropriate responsive measures to minimise any possible impact. After conducting internal assessments, the relevant operators considered that the incident would not cause any immediate impact on their services and network operations at this stage. Even if ZTE cannot continue to provide technical support, spare parts, or new equipment, they will be able to source such products from other suppliers in order to maintain the normal service operation.
- (3) So far, the United States authorities have not announced that it would impose trade restrictions or other sanctions against other Chinese telecommunications equipment suppliers. It would be difficult at this stage to assess the impact of any such restriction or sanction on the development of fifth generation (5G) mobile services in Hong Kong. The Government will keep a close watch on the situation.

LCQ11: Railway services in Northwest New Territories

Following is a question by the Hon Frankie Yick and a written reply by

the Acting Secretary for Transport and Housing, Dr Raymond So Wai-man, in the Legislative Council today (May 16):

Question:

Some residents in Northwest New Territories (NWNT) have relayed that with the rolling out of the Hung Shui Kiu New Development Area and Yuen Long South development projects by the Government, the population in NWNT will increase substantially in the coming decade, generating additional demand for railway services both within and outside the district. They have pointed out that NWNT residents currently have to take rather indirect routes for travelling to Hong Kong Island by railway. For example, they have to take the West Rail Line trains first, followed by a several-minute walk before interchanging for trains of the Tsuen Wan Line or Tung Chung Line, and the passenger throughputs of such railway lines have already reached the maximum capacities during peak hours. Moreover, as the East Rail Line and the Kwun Tong Line are very crowded during peak hours, the Northern Link, which is under planning, will bring little convenience to NWNT residents travelling to the Hong Kong Island by railway. In this connection, will the Government inform this Council:

- (1) given that it takes some 10 to 20 years to construct a new railway from feasibility study, inception to the commissioning of the railway, whether the Government will expeditiously embark on a study on the construction of a new railway which provides a direct link between NWNT and Hong Kong Island; if so, of the details; if not, the reasons for that; and
- (2) whether it will consider afresh the proposal to construct a Coastal Railway between Tuen Mun and Tsuen Wan, with a view to relieving the loading of the West Rail Line; if so, of the timetable and other details; if not, the reasons for that, and other measures to be put in place to cope with the additional demand for railway services arising from the development in NWNT?

Reply:

President,

My reply to the Hon Frankie Yick's question is as follows:

(1) At present, residents of the Northwest New Territories (NWNT) use the West Rail Line (WRL) to travel to the urban areas. The WRL originally operated with 7-car trains. In 2015, the hourly frequency at each direction was about 20 during the morning peak hours of weekdays, i.e. the headway was about three minutes. Under the Shatin to Central Link (SCL) project, the MTR Corporation Limited (MTRCL) has increased the number of train cars of WRL from seven to eight since 2016, through the purchase of 148 new train cars and modifications of existing trains. Comparing with 2015, the carrying capacity of WRL is expected to increase by at least 14 per cent when it is fully operated with 8-car trains in the second half of 2018. After the commissioning of the "Tai Wai to Hung Hom Section" of SCL in mid-2019, the WRL will be operated with 8-car trains and provide train services with

maximum hourly frequency of 24 at each direction. When comparing with 2015, there is an increase in carrying capacity of about 37 per cent. Subject to the actual patronage, the WRL can further increase its carrying capacity by increasing its fleet size after mid-2019. We expect that the ultimate carrying capacity of WRL will be provided by train services of 8-car trains with an hourly frequency of 28 at each direction. On this basis, the carrying capacity of WRL will increase by 60 per cent when comparing with that in 2015. In this regard, the MTRCL will strengthen the services of the WRL by increasing the train frequency.

After the completion of "Hung Hom to Admiralty Section" of SCL in 2021, the passengers from NWNT to Hong Kong Island can interchange for Tung Chung Line at Nam Cheong Station, or choose to interchange for SCL at Hung Hom Station in order to reach Exhibition Centre and Admiralty. The interchange arrangement for SCL at Hung Hom Station will be more convenient when comparing with the interchange for Tung Chung Line at Nam Cheong Station followed by interchange for Island Line at Hong Kong Station.

The Government is planning to take forward the "Strategic Studies on Railways and Major Roads beyond 2030" (RMR2030+ Studies). The RMR2030+ Studies would examine holistically, based on the latest planning data in Hong Kong, the transport demand of the whole territory from 2031 to 2041 (or later). In particular, the RMR2030+ Studies would take into account the recommendations of the planning study "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" being conducted by the Development Bureau and the Planning Department, including the transport demand of the two strategic growth areas (i.e. New Territories North and East Lantau Metropolis), for planning the necessary strategic transport infrastructure network (including railways and major roads). The RMR2030+ Studies would also explore whether it is necessary to construct a new heavy rail for connecting NWNT and the urban areas.

(2) The Transport and Housing Bureau announced the Railway Development Strategy 2014 (RDS-2014) in September 2014. Having regard to transport demand, cost-effectiveness and the development needs of New Development Areas, the RDS-2014 recommends that seven new railway projects be completed in the planning horizon up to 2031.

The RDS-2014 sets out the blueprint for territory-wide railway development based on the findings and final recommendations of the consultancy study. Apart from giving due consideration to the views collected during the public engagement exercises in 2012 and 2013, it takes into account a wide range of factors, including transport demand, land use planning, local development needs, as well as the economic and financial returns, social benefits, environmental impact and engineering feasibility of the railway projects.

Our consultant at that time evaluated in detail the feasibility of constructing a railway along the coastline between Tuen Mun and Tsuen Wan. According to the consultant's analysis, the local population is mainly concentrated at the eastern and western ends of the coastline between Tuen

Mun and Tsuen Wan; while the development density of the remaining areas is relatively low and no basis for new source of passengers is anticipated. Meanwhile, due to the technical difficulties involved, solely the construction cost of a railway along the coastline between Tuen Mun and Tsuen Wan is expected to be very high. The cost-effectiveness can hardly be established up to this point.

Furthermore, after the completion of the improvement works for Tuen Mun Road in 2014, the road network between Tuen Mun and the urban areas has been further improved. This helps shorten the journey time for the bus services between Tuen Mun and the urban areas. Insofar as time savings are concerned, more passengers may prefer to travel to and from Tuen Mun by buses, making the railway scheme relatively less attractive. Besides, implementation of this scheme will create negative visual and landscape impacts along the scenic coastal areas. In longer term, we would consider revisiting the railway proposal if there are further changes in the planning circumstances and population as well as an increase in transport demand in the coastal areas between Tuen Mun and Tsuen Wan, or other relevant new considerations in the planning for development in the region.

<u>Tender results of re-opening of 10-year Government Bonds under</u> <u>Institutional Bond Issuance Programme</u>

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces that a tender of 5-year Government Bonds through the re-opening of existing 10-year Government Bond issue 10GB2301 under the Institutional Bond Issuance Programme was held today (May 16).

A total of HK\$2.5 billion 5-year Government Bonds were offered today. A total of HK\$4.920 billion tender applications were received. The bid-to-cover ratio, i.e. the ratio of bonds applied for to bonds issued, is 1.97. The average price accepted is 93.90, implying an annualised yield of 2.507%.

HKSAR Government Institutional Bond Issuance Programme Government Bond Tender Results

Tender results of re-opening of 10-year Government Bonds under the Institutional Bond Issuance Programme:

Tender Date : May 16, 2018

Issue Number : 10GB2301 (Re-open)

Stock Code : 4215 (HKGB 1.10 2301)

Issue and Settlement Date

: May 17, 2018

Tenor

: 5-year

Maturity Date

: January 17, 2023

Coupon Rate

: 1.10%

Amount Applied

: HK\$4.920 billion

Amount Allotted

: HK\$2.5 billion

Bid-to-Cover Ratio*

: 1.97

Average Price Accepted

(Yield)

: 93.90 (2.507%)

Lowest Price Accepted

(Yield)

: 93.27 (2.658%)

Pro-rata Ratio

: About 68%

Average Tender Price

(Yield)

: 93.38 (2.632%)

 $^{\ ^{*}}$ Calculated as the amount of bonds applied for over the amount of bonds issued.