Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Wednesday, January 17, 2024 is 105 (up 0.4 against yesterday's index).

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LCQ17: Financial returns on government assets

Following is a question by Dr the Hon Kennedy Wong and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (January 17):

Ouestion:

Regarding the financial returns on government assets, will the Government inform this Council:

- (1) of the amount of net earnings and the rate of return on average net fixed asset of the following government assets or items which are non-□trading funds in each of the past five years (set out in a table):
- (i) approximately 75 per cent shareholding of MTR Corporation Limited;
- (ii) West Rail Property Development Limited;
- (iii) Airport Authority Hong Kong;
- (iv) all government toll-tunnels and bridges, including:
 - (a) Cross-Harbour Tunnel;
 - (b) Eastern Harbour Crossing;
 - (c) Western Harbour Crossing;
 - (d) Tate's Cairn Tunnel;
 - (e) Aberdeen Tunnel;
 - (f) Lion Rock Tunnel:
 - (g) Shing Mun Tunnels;
 - (h) Tseung Kwan O Tunnel;

- (i) Route 8K;
- (j) Lantau Link (including Tsing Ma Bridge); and
- (k) Hong Kong-Zhuhai-Macao Bridge Hong Kong Section;
- (v) the Hong Kong-Macau Ferry Terminal in Sheung Wan and the China Ferry Terminal in Tsim Sha Tsui;
- (vi) Waterworks;
- (vii) Sewage Services;
- (viii) Government buildings (including car park rentals/disposal proceeds);
- (ix) Hongkong International Theme Parks Limited;
- (x) Hong Kong Cyberport Development Holdings Limited;
- (xi) Hong Kong Science and Technology Parks Corporation;
- (xii) Hong Kong IEC Limited; and
- (xiii) Urban Renewal Authority;
- (2) of the target rate of return on fixed assets of the following trading funds and the amount of related income in each of the past five years (set out in a table):
- (i) Companies Registry Trading Fund;
- (ii) Electrical and Mechanical Services Trading Fund;
- (iii) Land Registry Trading Fund;
- (iv) Office of the Communications Authority Trading Fund; and
- (v) Post Office Trading Fund; and
- (3) how the Government handles the financial returns generated by government assets mentioned in (1) and (2)?

Reply:

President,

Our reply to the question raised by Dr the Hon Kennedy Wong is as follows:

(1) In the past five years, the amount of net earnings or cash dividends received from the following government assets or items are set out as follows:

Item	Net earnings or cash dividends received by the Government (\$ million)					
	2018-19 2019-20 2020-21 2021-22 2022-23					
(i) MTR Corporation Limited	0 (Note 5,561.0 5,700.0 5,700.0 6,673.2					
(ii) West Rail Property Development Limited	8,000.0	Θ	Θ	0	0	

(iv) Tunnels and bridges (Note 2)	2,568.3	2,208.7	1,943.3	2,043.9	1,989.2
(v) Marine ferry terminals (Note 3)	190.2	103.9	1.3	0.3	1.7
(vi) Waterworks (Note 4)	2,749.9	2,484.2	2,401.8	2,221.3	2,208.3
(vii) Sewage service (Note 5)	1,500.0	1,317.7	1,093.1	978.1	992.0
<pre>(viii) Government properties (Note 6)</pre>	1,943.0	1,371.8	477.5	464.3	646.8

The Government did not receive any cash dividend in the past five years from items (iii) Airport Authority Hong Kong (Note 7), (ix) Hong Kong International Theme Parks Limited, (x) Hong Kong Cyberport Development Holdings Limited, (xi) Hong Kong Science and Technology Parks Corporation, and (xii) Hong Kong IEC Limited (Note 8) as mentioned in the question.

As for item (xiii), the Urban Renewal Authority (URA) was established in May 2001 under the Urban Renewal Authority Ordinance as the statutory body to undertake, encourage, promote and facilitate urban renewal of Hong Kong, with a view to addressing the problem of urban decay and improving the living conditions of residents in old districts. The URA does not have a shareholding structure and does not declare dividends to the Government.

Besides, as revealed in the operating accounts in respect of government utilities over the past five years, the rate of return on average net fixed assets (ANFA) are set out as follows:

Item	Rate of return on ANFA				
I celli	2018-19	2019-20	2020-21	2021-22	2022-23
(iv) Government toll tunnels and bridges (Note 9)	2.4%	1.8%	0.6%	0.8%	-0.3%
(v) Marine ferry terminals	-1.5%	-23.3%	-46.3%	-41.5%	-43.4%
(vi) Waterworks	-2.7%	-2.6%	-2.7%	-2.9%	-3.2%

Note: as mentioned above, the continued impact of COVID-19 on economic activities together with concession measures on some charges have impacts on the rates of return on ANFA.

Since the introduction of the sewage services charging scheme in 1995, the sewage charge and trade effluent surcharges have been set based on only the operating cost of sewage services but not the capital cost. As such, the figures in respect of the return on ANFA are not available in the operating

accounts of sewage services.

Regarding other government assets or items raised in the question, given that the Government does not keep information on their ANFA, we are unable to provide figures in respect of their rates of return on ANFA.

(2) Trading funds are distinct accounting entities established under the Trading Funds Ordinance (Cap. 430) for the provision of specific government services. While remaining as part of the Government, they are allowed greater financial and operational flexibilities to run their operations as businesses with a view to improving the quality of services and responding to customer demands.

Generally, the Government will, based on the target rates of return on ANFA of trading funds and taking into consideration their respective operating results and financial situation in a particular year, direct the transfer of statutory return from the trading funds into the general revenue in the following financial year. In the past five years, the transfer of statutory return from trading funds are set out as follows:

II .	Transfer of Statutory Return (\$ million)				
	2018-19	2019-20	2020-21	2021-22	2022-23
(i) Companies Registry Trading Fund	19.4	19.6	21.9	26.4	31.7
(ii) Electrical and Mechanical Services Trading Fund	56.7	63.6	73.5	82.8	89.6
(iii) Land Registry Trading Fund	16.3	16.6	17.7	19.7	20.3
(iv) Office of the Communications Authority Trading Fund	7.7	7.5	Θ	Θ	Θ
(v) Post Office Trading Fund	Θ	Θ	0	0	0

The target rates of return on ANFA for the five trading funds adopted in the above corresponding years are 5.7 per cent for Companies Registry Trading Fund, 6.4 per cent for Electrical and Mechanical Services Trading Fund, 5.9 per cent for Land Registry Trading Fund, 5.5 per cent for Office of the Communications Authority Trading Fund and 2.6 per cent for Post Office Trading Fund.

(3) Pursuant to section 3 of the Public Finance Ordinance (Cap. 2), any moneys raised or received for the purposes of the Government shall form part of the general revenue. Therefore, the financial returns generated from government assets or items in (1) and (2) above shall be covered in the Government's General Revenue Account.

Notes:

- 1. The Government opted for scrip dividends in lieu of cash dividends in 2018-19.
- 2. Include government toll tunnels and bridges in items (iv) (a), (b) and (d) to (j). Since the Western Harbour Crossing (item (iv) (c)) was not yet taken over by the Government before August 2023 and the Hong Kong Section of Hong Kong-Zhuhai-Macao Bridge (item (iv) (k)) is not toll charging, they are not taken into account.
- 3. The closure of the boundary control points at Hong Kong-Macau Ferry Terminal in Sheung Wan and China Ferry Terminal in Tsim Sha Tsui from early 2020 to early 2023 as a result of COVID-19, together with the abolition of embarkation fee for cross-boundary ferry passengers with effect from August 2020, have impacts on the receipts from marine ferry terminals.
- 4. In view of the continued impact of COVID-19 on economic activities, the Government has reduced 75 per cent water charges for non-domestic accounts during the period from December 2019 to July 2023 in order to support enterprises and trades. The concession measure has impacts on the receipts from waterworks.
- 5. In view of the continued impact of COVID-19 on economic activities, the Government has reduced 75 per cent sewage charges for non-domestic accounts during the period from December 2019 to July 2023 and waived trade effluent surcharges fully during the period from January 2020 to December 2023 in order to support enterprises and trades. The concession measures have impacts on the receipts from sewage services.
- 6. Include rents from government properties and proceeds from sales of government properties by the Government Property Agency. In view of the continued impact of COVID-19 on economic activities, the Government has provided rental concessions to eligible tenants of government properties during the period from April 2020 to December 2023 in order to support enterprises and trades. The concession measure has impacts on the rental income from government properties.
- 7. No dividend has been declared by the Airport Authority Hong Kong since 2014-15 in order to preserve capital for the purpose of funding the Three-runway System project.
- 8. Hong Kong IEC Limited has become a wholly-owned subsidiary of Airport Authority Hong Kong since March 31, 2022.
- 9. Include only those government-built toll tunnels and bridges (i.e. the Aberdeen Tunnel, Lion Rock Tunnel, Shing Mun Tunnels, Tseung Kwan O Tunnel, Route 8 (Kowloon section) and Lantau Link (including Tsing Ma Bridge)). For Lantau Link and Tseung Kwan O Tunnel which were no longer toll charging with effect from December 2020 and December 2022 respectively, they were excluded from the operating accounts of that year. There is no relevant information

for other toll free tunnels and road infrastructure taken over or operated by the Government, including Cross-Harbour Tunnel, Eastern Harbour Crossing, Western Harbour Crossing, Tate's Cairn Tunnel and the Hong Kong Section of Hong Kong-Zhuhai-Macao Bridge.

LCQ14: City Gallery

Following is a question by the Hon Chan Chun-ying and a written reply by the Secretary for Development, Ms Bernadette Linn, in the Legislative Council today (January 17):

Ouestion:

The City Gallery is Hong Kong's first exhibition hall with the theme of urban planning and large-scale infrastructure development. To celebrate the 25th anniversary of Hong Kong's return to the motherland, the Development Bureau and the Planning Department jointly hosted a special exhibition with the theme of Envisioning Beyond Legacy at the City Gallery from July to November 2022, which included displaying an exhibit to collect the views of the public on the uses of land on the future Kau Yi Chau Artificial Islands. In this connection, will the Government inform this Council:

- (1) of the number of thematic exhibitions held at the City Gallery in each of the past five years (with a breakdown by theme (i.e. (i) Hong Kong's major planning proposals, (ii) Hong Kong's major infrastructure projects, and (iii) the city's future development outlook), and the contents of those exhibitions:
- (2) of the total attendance at the City Gallery in each of the past five years;
- (3) of the respective numbers of secondary schools and primary schools participating in the City Gallery's School Thematic Tour Scheme in each of the past five years, with a breakdown by the learning unit (i.e. "Today's Hong Kong" as well as "Energy Technology and the Environment") in which they participated, and the number of students participating in the activities each time;
- (4) of the amount and contents of public views collected on the uses of land on the future Kau Yi Chau Artificial Islands in the special exhibition of Envisioning Beyond Legacy; and
- (5) whether it has plans to adjust the exhibition contents and directions of the City Gallery and introduce innovative elements; if so, of the details; if not, the reasons for that?

Reply:

President,

The reply to the various parts of the questions is as follows:

- (1) The City Gallery (CG) showcases the achievements of Hong Kong's planning and infrastructure development. It provides a venue for permanent exhibitions and thematic exhibitions, and acts as a platform for collaboration and exchange of planning ideas as well as public engagement. Besides permanent exhibitions, 40 thematic exhibitions were conducted in the past five years. The number and the contents of the thematic exhibitions in each of the past five years are set out at Annex.
- (2) The total number of visitation at the CG in each of the past five years is set out below:

Year (Note 1)	Number of visitation in the whole year		
2019	147 778		
2020	10 940 (on-site: 4 776 and online: 6 164)		
2021	69 333 (on-site: 58 463 and online: 10 870)		
2022	325 926 (Note 2) (on-site: 133 696 and online: 192 230)		
2023 (Note 3)	96 067 (on-site: 83 455 and online: 12 612)		

(3) From September 2014 to June 2019, CG organised "School Thematic Tour Scheme" programmes with different themes each year. This Scheme mainly aimed to introduce the interactive exhibits of the CG systematically via guided tour, encourage students to learn proactively and enhance their understanding about the planning and infrastructural developments of Hong Kong in the past, present and future. The themes for 2019 were "Today's Hong Kong" and "Energy Technology and the Environment", with six participating schools (a total of 10 tours) and 274 participating students in total. The breakdown is set out below:

Learning unit	15(110015	No. of participating students on each tour	
"Today's Hong Kong"	schools	32 / 30 / 30 / 28 persons 25 / 26 / 33 / 34 / 16 persons	
"Energy Technology and the Environment"	One secondary school	20 persons	

In addition to the above, the CG had arranged 67 other guided tours for 43 schools (a total of 2 498 students had participated) in 2019. To maintain the provision of services during the pandemic and the renovation works from late 2019 to early 2022, the CG had continued to organise online guided tours and workshops for schools in situations where on-site educational activities and public guided tour services (including "School Thematic Tour Scheme" programmes) had to be suspended. The CG has resumed guided tour services since May 2022, with a focus on the permanent exhibits and "Envisioning Beyond Legacy", an exhibition staged to celebrate the 25th anniversary of the establishment of the Hong Kong Special Administrative Region. In addition, the CG has organised summer planning schools for primary and secondary school students, as well as Youth Ambassador Schemes for university students and youths. Riding on the recent renovation of the CG with new exhibition themes and innovative curatorial models, we will actively reach out to more schools and provide students with guided tour services with a view to enhancing the new generation's understanding of the future planning and development in Hong Kong.

- (4) The "Envisioning Beyond Legacy" thematic exhibition was open at the CG from July 6 to November 30, 2022, and one of the thematic exhibition areas introduced the preliminary planning concept and infrastructure development proposal of the Kau Yi Chau Artificial Island (KYCAI) project. Visitors had the opportunity to understand some of the considerations in land planning, and plan for their ideal KYCAI through the "Build the Islands of the Future" town planning game. Later on, from December 2022 to March 2023, the study team launched public engagement activities on the preliminary proposals for four aspects (including the reclamation extent, broad land use, strategic transport infrastructure and possible financing options) of the project. About 7 800 public comments were received and the relevant Public Engagement Report has been uploaded to the website of the project study (www.centralwaters.hk).
- (5) We will update the exhibits in a timely manner so as to provide the latest information on Hong Kong's planning and infrastructures for visitors through interactive and user-friendly means. The five floors of the CG had been or planning to be renovated in recent years, including the works on the G/F, 3/F and 4/F were completed in 2021 to update the exhibits regarding the planning history of Hong Kong, the evolution of skylines and coastlines, the contrast of Hong Kong now and then and so on. In addition, renovation works on the 2/F have just been completed to showcase, in an innovative interactive way with technology, Hong Kong's macro planning, the two major strategic growth areas (Northern Metropolis and the KYCAI), transportation and other infrastructure projects. We are planning for the renovation on the 1/F, and exhibits in relation to the theme on sustainable development will be included upon completion of works, such as green living and nature conservation, and interesting parent-child interactive curatorial models will also be adopted to attract more different types of visitors.
- Note 1: The CG was closed intermittently from January 29, 2020 to April 25, 2022, due to the COVID-19 pandemic.
- Note 2: The number of visitation of the exhibition "Envisioning Beyond

Legacy" (264 000 in total, including on-site: 111 000 and online: 153 000) has been included. The exhibition, jointly presented by the Development Bureau and the Planning Department, was held from July 6 to November 30, 2022, (the outdoor exhibition ended on January 2, 2023) to celebrate the 25th Anniversary of the establishment of the Hong Kong Special Administrative Region.

Note 3: The CG was closed from December 20, 2022, to March 31, 2023, to facilitate repair works of air-conditioning facilities.

LCQ7: Dental hygienists

Following is a question by the Hon Holden Chow and a written reply by the Secretary for Health, Professor Lo Chung-mau, in the Legislative Council today (January 17):

Question:

Regarding dental hygienists, will the Government inform this Council:

- (1) of the number of persons enrolled as dental hygienists in Hong Kong in each of the past five years;
- (2) of the number of graduates from the Higher Diploma in Dental Hygiene programme jointly offered by the School of Professional and Continuing Education of the University of Hong Kong and the Prince Philip Dental Hospital in each of the past five years, and among which the number of those who have enrolled as dental hygienists;
- (3) whether the authorities have plans to amend the Dentists Registration Ordinance (Cap. 156) and the relevant subsidiary legislation to relax the requirement for dental hygienists to undertake specified work in accordance with the directions of a registered dentist who is available in the premises when the work is being carried out, so as to enable them to perform and handle independently some of the dental care work (e.g. cleaning and scaling of teeth, and exposure of oral X-ray films), thereby releasing the manpower of dentists to cope with the public's demand for dental services; if so, of the details; if not, the reasons for that; and
- (4) whether the authorities have plans to increase the number of dental hygienists; if so, of the details; if not, the reasons for that?

Reply:

President,

The Chief Executive announced in the 2022 Policy Address to conduct a comprehensive review of the dental services provided or subsidised by the

Government. The Working Group on Oral Health and Dental Care (Working Group) was subsequently established in December 2022. The review covers policy objectives, implementation strategies, service scopes and delivery models of oral health and dental care, existing local dental services and supporting arrangements, primary dental services and manpower resources of dental professionals. With reference to the preliminary recommendations made by the Working Group earlier, the Chief Executive announced in the 2023 Policy Address a series of measures, to increase the manpower resources of dental professionals, including the introduction of the amendment bill to the Dentists Registration Ordinance (Cap. 156) into the Legislative Council to modernise the regulatory framework for dentists and ancillary dental workers (including dental hygienists and dental therapists), and to gradually increase training places for ancillary dental workers from 2023/24 academic year, with a view to meeting the needs of enhancing the dental services for different age groups and target groups.

At present, there are two types of ancillary dental workers who provide dental care services to patients in Hong Kong, namely dental hygienists and dental therapists. Dental hygienists can work in the public or private sector, and may perform preventive dental care (e.g. education, consultation, risk assessment, regular screening, application of fluorides and scaling) in accordance with the directions of a dentist who is available in the premises at all times when such work is being carried out. Dental therapists work only under the Department of Health (DH) to provide the School Dental Care Service. Dental therapists may perform preventive dental care and basic curative dental care (e.g. dental restoration and extraction) in accordance with the directions of a dentist who is available in the premises at all times when such work is being carried out.

The reply to the questions raised by the Hon Holden Chow is as follows:

(1) and (2) According to the information provided by the Dental Council of Hong Kong, as at December 2023, the total number of dental hygienists enrolled under the Ancillary Dental Workers (Dental Hygienists) Regulations (Cap. 156B) is 612.

In the past five years, the number of newly enrolled dental hygienists in Hong Kong each year, who are graduates from the two-year Higher Diploma in Dental Hygiene programme co-organised by the Prince Philip Dental Hospital (PPDH) and the School of Professional and Continuing Education of the University of Hong Kong (HKU SPACE) or holders of non-local qualifications, are tabulated below:

	Number of newly enrolled dental hygienists
2019	23
2020	2
2021	34
2022	27

2023	54	
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Note: As a result of class suspension due to the COVID-19 epidemic, the enrolment of graduates for the Higher Diploma in Dental Hygiene programme from 2019/20 to 2021/22 academic year was postponed by one year respectively.

As for dental therapists, they are ancillary dental workers currently not required for statutory registration or enrolment. At present, all dental therapists posts are under the School Dental Care Service of the DH. As at December 2023, there are 237 dental therapists in the DH. Currently, persons who have graduated from the one-year Advanced Diploma in Dental Therapy programme jointly organised by the PPDH, the DH and the HKU SPACE (or equivalent qualifications) meet the professional requirement for the application of dental therapist.

In the past five academic years, the respective number of graduates from the programmes of Higher Diploma in Dental Hygiene and Advanced Diploma in Dental Therapy are tabulated as follows:

	Number of graduates	
Academic Year		Advanced Diploma in Dental Therapy
2018/19	22	10
2019/20	33	10
2020/21	27	9
2021/22	28	12
2022/23	26	10

(3) In its interim report recently released in December 2023, the Working Group considered that it is insufficient to merely rely on the dentist workforce to meet the needs for enhancing dental care services, and that ancillary dental workers could play a more significant role in dental care services. It also suggested exploring whether ancillary dental workers should be allowed to perform more primary dental services. The Government is considering to enable dental hygienists and dental therapists to perform preventive dental care (e.g. education, consultation, risk assessment, regular screening and application of fluorides) without the presence of a dentist, and dental therapists to perform basic curative dental care (e.g. dental restoration and extraction) in accordance with the directions of a dentist who is available in the premises at all times when such work is being carried out.

The Government plans to introduce the amendment bill to the Dentists Registration Ordinance into the Legislative Council in the first half of this year, which covers suitably adjusting the scope of work of ancillary dental workers, and introducing a statutory registration system for both dental hygienists and dental therapists to enhance the standard of professional training and management of ancillary dental workers under the regulatory

control of the Dental Council of Hong Kong, with a view to establishing their professional status and ensuring patients' safety and service quality. After enhancing the training and professional development pathways for dental therapists, the Government will enable dental therapists to work in the public or private sectors in a timely manner so as to tie in with their roles in dental care services.

(4) To enhance local training, in addition to increasing training places for the current programmes of Higher Diploma in Dental Hygiene and Advanced Diploma in Dental Therapy, the Government is currently liaising with the Vocational Training Council for organising new course. The provision of training places of dental hygienists and dental therapists will be increased to nearly double from 95 in the 2023/24 academic year to 185 in the 2024/25 academic year.