

Lido Beach and Casam Beach temporarily closed

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 (June 13) that Lido Beach and Casam Beach in Tsuen Wan District are temporarily closed until further notice for maintenance of shark prevention nets. Red flags have been hoisted at the beaches. Beach-goers are advised not to swim at the beaches.

LCQ4: Boosting development of industries that enjoy advantages in process of Hong Kong's re-industrialisation

Following is a question by the Hon Wu Chi-wai and a reply by the Secretary for Innovation and Technology, Mr Nicholas W Yang, in the Legislative Council today (June 13):

Question:

The Policy Address published in January last year stated that industries enjoying advantages in the process of Hong Kong's re-industrialisation (advantageous industries) included biotechnology. It is learnt that quite a number of Mainland and overseas cities have implemented various concessionary measures in respect of land, capital and taxation to attract innovation and technology enterprises to establish their bases there. However, Hong Kong has not implemented similar measures, nor did it provide with concessions in taxation, housing, etc to attract innovation and technology talents to come to Hong Kong for career development. On the other hand, some academics have pointed out that Hong Kong should leverage its strength in higher education by establishing a higher education institution that aims to nurture students' business start-up capability so as to boost the development of advantageous industries. In this connection, will the Government inform this Council:

(1) whether it will, by making reference to the practices of Mainland and

overseas cities, formulate more competitive measures to attract enterprises in advantageous industries to establish their bases in Hong Kong, and to attract relevant talents to come to Hong Kong for career development; if so, of the details; if not, the reasons for that;

(2) whether it has examined if Hong Kong's existing policies on land and taxation, infrastructure facilities, pool of talents, etc are sufficient to meet the needs of biomedicine enterprises in terms of factory sites and scientific research talents; if so, of the details; if not, the reasons for that; and

(3) whether it will consider allocating lands in the Lok Ma Chau Loop or other suitable locations for the construction of a superb scientific research base that will bring together the scientific research strengths of various universities in Hong Kong, and for the construction of a business start-up institution to boost the development of advantageous industries; if so, of the details; if not, the reasons for that?

Reply:

President,

Innovation and technology (I&T) is the driving force of economic development in the new era. Promoting re-industrialisation is an important part of the Government's I&T policy. Over the past few years, an atmosphere favourable to I&T development has gradually built up in Hong Kong, with internationally renowned research institutions settling herein one by one. We will continue to focus on promoting the development of targeted technology areas, including: biotechnology, artificial intelligence (AI), robotics, smart city etc.

Our reply to the various parts of the question is as follows:

(1) and (2) With an independent judicial system and intellectual property protection system, a world-class financial centre, a level-playing field and comprehensive infrastructure, as well as the unique edges under "one country, two systems" and the huge opportunities brought about by the development of the Guangdong-Hong Kong-Macao Bay Area, Hong Kong is among the first choices of business destinations for Mainland and multinational companies.

Using the examples of healthcare technologies, AI and robotics technologies, the Government is working on the establishment of the research clusters on healthcare technologies and on AI and robotics technologies in the Hong Kong Science Park (Science Park). We have set aside \$10 billion to provide financial support to non-profit-making research centres or laboratories operating at the two clusters.

Separately, the Government will allocate \$10 billion to the Hong Kong Science and Technology Parks Corporation (HKSTPC) for constructing research-related infrastructure and facilities for common use to strengthen Hong Kong's research and development (R&D) capabilities, and for enhancing support

for the HKSTPC's tenants and incubatees, which includes expanding its Corporate Venture Fund and Incubation Programme, as well as attracting international technology enterprises to set up bases in the Science Park through providing incentives.

As regards healthcare technologies, the Biomedical Technology Support Centre in the Science Park is now providing more than 80 types of ready-to-use life science experimental instruments for use by tenants or incubatees. The HKSTPC will make use of the allocation to construct specialised facilities for healthcare technologies, including pilot batch production facilities, animal research and drug testing facilities, and bio bank and medical informatics, etc. Also, there are 23 pharmaceutical plants in the three Industrial Estates (IEs) managed by the HKSTPC, occupying an area of more than 200 000 square metres. To tie in with the development of the upstream, midstream and downstream industrial chain of healthcare technologies, the Government will explore with the HKSTPC to identify suitable premises in the IEs of Tai Po or Yuen Long for developing healthcare technology industry upon conversion and remodelling.

Stage 1 of the Science Park Expansion Programme is now underway. Upon expansion, some floors will be set aside for laboratory and research work spaces for healthcare and AI/robotics technologies. The HKSTPC will also convert a building in the Science Park for healthcare research laboratory.

In recent years, the Government has invested a large sum of resources to improve the I&T ecosystem in Hong Kong through various targeting measures, with a view to attracting to Hong Kong top research institutions and technology enterprises as well as technology talents from the Mainland and overseas. Relevant measures include –

(i) On land and infrastructure, the Government actively identifies land to dovetail with I&T development, and is developing the Hong Kong-Shenzhen Innovation and Technology Park (the Park) in the Lok Ma Chau Loop, thereby facilitating the sustainable development of I&T and re-industrialisation in Hong Kong.

(ii) On funding support, to encourage enterprises to carry out more R&D projects locally, we will provide enhanced tax deduction for the qualifying local R&D expenditure incurred by enterprises. The relevant Amendment Bill was introduced to the Legislative Council on May 2, 2018 for scrutiny.

(iii) On pooling talent, we have announced the introduction of the pilot Technology Talent Admission Scheme to facilitate the admission of overseas and Mainland technology talent to work in Hong Kong by tenants and incubatees of the HKSTPC and Cyberport that are engaged in certain technology areas. We will also launch the pilot Technology Talent Scheme to nurture local technology talent in the third quarter of this year. Besides, the InnoCell will provide residential units and ancillary facilities to target tenants, incubatees and overseas/Mainland visitors in the Science Park starting from 2021.

The Government will from time to time review existing policies and measures, and make enhancement as and when appropriate, having regard to the need arising from I&T development, thereby maintaining Hong Kong's competitiveness.

The Innovation and Technology Bureau will collaborate with the Invest Hong Kong and the Economic and Trade Offices in overseas and Mainland to promote Hong Kong's latest I&T situation and opportunities, thereby attracting international R&D institutions and technology enterprises to Hong Kong.

(3) In accordance with the Memorandum of Understanding on Jointly Developing the Lok Ma Chau Loop by Hong Kong and Shenzhen, both sides have agreed to set up an integrated advanced training platform in the Park, with a focus on the provision of postgraduate programmes and professional training courses on new or advanced technology, aiming to nurture talents, and engender synergy and clustering effects with the facilities in the Park. We encourage the world's top higher education institutions to set up I&T related branches or facilities in the Park. With reference to the overall development plan of the Park, the Education Bureau will commence discussion and study on the details of establishing higher education facilities in the Park in due course.

Regarding the setting up of a superior scientific research base, the Government has proposed to establish two research clusters with an aim to attract top-notch local, Mainland and overseas research institutions. We will consider whether to expand the scale of the two clusters and whether to establish new clusters having regard to the experience of the implementation of the two research clusters and the global technology development, etc.

[LCQ15: Plans for increasing public hospital beds](#)

Following is a question by the Hon Jimmy Ng and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (June 13):

Question:

It is learnt that all public hospitals experience an overflow of patients every year when Hong Kong enters an influenza peak season. It has been reported that since 1997, the total number of public hospital beds has increased only slightly by 2.9%, which is far lower than the 11% growth of Hong Kong's population during the same period. This, coupled with the increasing demand for medical services arising from an increasingly ageing population, has resulted in a persistent short supply of public hospital

beds. In this connection, will the Government inform this Council:

(1) of the authorities' plans to increase public hospital beds and construct new hospitals in the coming five years and the latest progress of such plans (including the timetable), as well as how such plans will address the increased healthcare needs brought about by the ageing population in Hong Kong; and

(2) as the "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" projects that special medical facilities (including a Chinese medicine hospital and testing centre) will, in addition, take up about five hectares of land, of the criteria and assumptions adopted by the Government in arriving at that projected figure on land demand, and the relevant details?

Reply:

President,

Having consulted the Development Bureau, my reply to the various parts of the question raised by the Hon Jimmy Ng is as follows:

(1) In the recent years, a number of hospital redevelopment, expansion and development projects have been completed and put into operation including the development of North Lantau Hospital, Tin Shui Wai Hospital, Main Clinical Block and Trauma Centre of Prince of Wales Hospital, Ambulatory Care Block of Tseung Kwan O Hospital, phase 2 redevelopment of Caritas Medical Centre and redevelopment of Yan Chai Hospital. Hong Kong Children's Hospital is scheduled to commence service by phases from the fourth quarter of 2018.

To cater for the growing healthcare service demand and to improve existing services, \$200 billion has been earmarked for the Government and the Hospital Authority (HA) to implement the first 10-year Hospital Development Plan (HDP) in 2016. The first 10-year HDP covers the construction of a new acute hospital, redevelopment and expansion of 11 hospitals, construction of three community health centres and one supporting services centre. In terms of deliverables, the first 10-year HDP will provide around 5 000 additional beds, 94 additional operating theatres, 30 haemodialysis day beds, three oncology centres and one state-of-the-art neuroscience centre, and also increased capacity of specialist outpatient clinics and general outpatient clinics.

In response to the increasing demand for healthcare services due to demographic changes, the Government has invited the HA to start planning the second HDP. In formulating the second HDP, the HA will take into account a number of factors, including demographic changes, service utilisation and changes in service delivery models of each district, with a view to having a comprehensive projection of the future demand for public healthcare services, including the demand for hospital beds.

Besides, HA will continue to provide additional beds for existing and

newly completed hospitals through its annual plan. HA has provided 250, 231 and 229 new beds in 2015-16, 2016-17 and 2017-18 respectively. To meet the growing demand arising from the growing and ageing population, HA will open a total of 574 additional beds in 2018-19.

The HA will regularly monitor and review the utilisation rates and demand trend of various healthcare services. It will also enhance the service capacity, undertake hospital development projects and implement other suitable measures to ensure that public healthcare services can meet the public needs.

(2) Medical facilities occupy mainly "Government, Institution or Community" (G/IC) land. The estimates on the future G/IC land requirement in "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" (Hong Kong 2030+) are mainly categorised into two broad types. The first is the major special facilities, which are those facilities supported by specific policies and are not tied to population level according to the Hong Kong Planning Standards and Guidelines (HKPSG). These land requirements are provided by relevant policy bureaux. Table 3-1 of the topical paper "Consolidated Land Requirement and Supply Analysis" (Topical Paper), prepared for Hong Kong 2030+, summarises the land requirement assessment regarding these major special facilities. Medical facilities in the table mainly include a Chinese medicine hospital and testing and quarantine facilities as mentioned in the question. The link to the Topical Paper is as follows:

www.hk2030plus.hk/document/Consolidated%20Land%20Requirement%20and%20Supply%20Analysis_Eng.pdf.

The second type is population-based facilities, which generally refer to those having population-based requirements under HKPSG, including schools, district recreational facilities, medical facilities, etc. For these facilities, we mainly adopted the land/person ratio to estimate their future land requirements. With reference to the recommended planned provisions of relevant facilities for the Kwu Tung North New Development Area, a 3.5 square meters land/person ratio is adopted in the aforementioned Topical Paper. The estimated G/IC land requirement calculated according to the above ratio is about 343 hectares, including population-based medical facilities, such as the land requirement arising from general hospitals, clinics and community health centres.

LCQ16: Aviation security at Hong Kong International Airport

Following is a question by the Hon Kenneth Leung and a written reply by the Secretary for Security, Mr John Lee, in the Legislative Council today (June 13):

Question:

Pursuant to the guidelines of the International Civil Aviation Organization, the Hong Kong International Airport has implemented new security requirements for cabin baggage since March 21, 2007. Such requirements include: all travellers carrying liquids, gels and aerosols should have them carried in containers with a capacity not greater than 100 ml; any container with a capacity greater than 100 millilitres (ml), even if it is not fully filled with the aforesaid articles, will not be accepted. Travellers who carry with them articles which do not meet the aforesaid requirement must follow the instructions of security screening officers at the security screening check point by either discarding such articles or checking in the baggage concerned before they may pass the security screening. In this connection, will the Government inform this Council:

(1) of the number of cases in each of the past five years in which travellers insisted on carrying on board an aircraft articles which did not meet the aforesaid requirement; the procedure followed by security screening officers in handling such cases;

(2) whether the travellers mentioned in (1) committed any criminal offence; if so, of the penalty concerned, as well as the respective numbers of prosecutions and convictions in each of the past five years and the penalties imposed on the convicted persons; and

(3) whether a mechanism is in place to (i) ensure that security screening officers perform duties pursuant to the law and (ii) review the workflow at the security screening check point on a regular basis to ensure that there is no security loophole; if so, of the details; if not, the reasons for that?

Reply:

President,

The Government attaches great importance to the aviation security at the Hong Kong International Airport (HKIA). According to the requirements of the International Civil Aviation Organization (ICAO), all liquids, aerosols and gels (LAGs) carried by passengers shall be contained in containers with capacity not exceeding 100 millilitres (ml). Any container with a capacity greater than 100 ml, even if it is only partially filled with LAGs, must not be brought into the restricted area of the airport. The requirement is applicable to the HKIA, and the Airport Authority Hong Kong (AAHK) is responsible for its implementation, to ensure that the LAGs carried by all passengers comply with the said requirement.

Based on the information provided by the Civil Aviation Department (CAD) and the AAHK, my reply to Hon Kenneth Leung's question is as follows:

(1) & (2) The AAHK, responsible for the operations of the HKIA, shall ensure that the cabin baggage carried by all departing passengers complies with the

relevant security requirements of the ICAO. If a passenger is found carrying any container with a capacity exceeding 100 ml with LAGs inside, the security personnel will take out the relevant item, display to the passenger an information sheet containing the relevant security requirement, and advise the passenger how the item may be handled, including disposal at the scene or returning the item to the airline's check-in counter for checking in as hold baggage, etc., and the passenger should not be allowed to carry such an item into the restricted area of the airport. This security requirement is a direction given by the Director-General of Civil Aviation to the AAHK pursuant to section 37(1)(a) of the Aviation Security Ordinance (Cap 494). The AAHK must implement it as required by the law. For the incident on May 21, 2018, the CAD has requested the AAHK to submit a report, so as to ensure the LAGs carried by all passengers fulfil the requirement of the ICAO, and prevent recurrence of similar incidents. According to the information provided by the AAHK and its subsidiary, the Aviation Security Company Limited (AVSECO), there was no record of other similar incidents in the past five years.

(3) For any aviation security-related incident at the airport, the AVSECO as the aviation security service provider at the airport will conduct investigation and submit a report to the AAHK, including whether human errors were involved, and how the case was handled. Upon examination of the report, the AAHK will submit a report to the CAD, including recommendations and improvement measures to prevent recurrence of similar incidents. The CAD will also proactively initiate audits on compliance with the aviation security requirements. If it is discovered that an organisation does not fully fulfil the security requirements issued by the CAD, the latter will require the organisation to submit and implement improvement plans.

LCQ1: Site reserved for second phase development of Hong Kong Disneyland

Following is a question by the Hon Tony Tse and a reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (June 13):

Question:

In December 1999, the Government signed an agreement with The Walt Disney Company for a joint venture to develop the Hong Kong Disneyland (HKDL). The Government reserved a 60-hectare site immediately to the east of HKDL for the second phase development of HKDL (Phase 2 site). Under the relevant Option Deed, the Hongkong International Theme Parks Limited (HKITP), which develops and operates HKDL, was given an option with a validity period of 20 years to buy the Phase 2 site. However, given the slow pace of HKDL's

expansion in recent years, Phase 2 site has all along been left vacant. In this connection, will the Government inform this Council:

(1) whether it knows the respective estimated and actual attendances of HKDL in each year from 2005, in which HKDL commenced operation, to 2017, and the estimated attendance in each year from 2018 to 2030, as well as the basis for the estimation;

(2) whether it has studied ways to better utilise the vacant Phase 2 site before HKITP exercises the aforesaid option; if so, of the details and outcome, and whether it will let the site by way of short-term tenancies; if it has not studied, whether it will expeditiously conduct such a study; and

(3) given that the aforesaid option, which will expire in 2020, is subject to two five-year extensions by HKITP according to the provisions in the Option Deed, of the details of the relevant provisions (including the years for using the site once the option is exercised, restrictions on uses, as well as the method and criteria for calculating the land premium); whether the Government will discuss with HKITP the early cancellation of the option, with a view to better utilising the site for other uses as early as possible?

Reply:

President,

Thanks the Hon Tony Tse for the question.

In 1999, the Government and the Walt Disney Company (TWDC) reached an agreement to develop the Phase 1 of Hong Kong Disneyland Resort (HKDL) at a reclaimed site of about 126 hectares at Penny's Bay, Lantau Island. Since its opening in September 2005, HKDL has been in operation for nearly 13 years. It is a major component of the tourism infrastructure in Hong Kong and one of the most popular tourist attractions for both local and non-local visitors. It also helps consolidate our position as an international premier tourist destination.

In its first 12 years of operation, HKDL received over 70 million guests. Their additional spending in Hong Kong was around \$166.2 billion, which generated total value-added of \$90.9 billion for Hong Kong's economy, equivalent to 0.35 per cent of Hong Kong's gross domestic product. HKDL also created a total of 232 500 jobs for Hong Kong's economy over the same period, providing considerable job opportunities for frontline workers and Hong Kong's tourism industry.

Over the years, HKDL has been strengthening its appeal to visitors through sustained efforts to enrich its attractions and entertainment offerings. Apart from the new ride Iron Man Experience and the new hotel Disney Explorers Lodge launched last year, HKDL has been actively taking forward its expansion and development plan since the second half of last year and various newly built attractions would be launched progressively from this year to 2023.

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

(1) As mentioned above, HKDL received over 70 million guests in its first 12 years of operation, which exceeded the Government's relevant estimation for the same operating period made in 2009 when considering HKDL's expansion with three new themed areas, i.e. 59 million. HKDL's actual annual attendance from its opening to fiscal year 2017 is at Annex. In gist, HKDL's attendance had been increasing during the first nine years after its opening, reached the highest in 2014, dropped in 2015 and 2016, and picked up in 2017.

Looking ahead, taking into account the relevant attendance data of HKDL's operation and after its expansion in the past, it is estimated that HKDL's attendance, with the progressive launch of new attractions under the expansion and development plan and the overall improvement in the tourism industry, would regain growth momentum. We estimate that HKDL's attendance would be around 9.1 million to 9.3 million in fiscal year 2030.

(2) & (3) When the development of HKDL was finalised in 1999, the Government, considering the future expansion and development of the resort, agreed to reserve a reclaimed site of around 60 hectares to the east of HKDL for its possible Phase 2 development (the Phase 2 site).

According to the Option Deed signed in 2000 between the Government and the Hongkong International Theme Parks Limited (i.e. the joint venture with the Government and TWDC as shareholders, "the joint venture"), the joint venture has an Option to purchase the Phase 2 site for taking forward HKDL's further development. Such option is valid for 20 years until 2020 and may, in accordance with the Option Deed, be extended twice, each for five years. During the validity period of the Option, if the joint venture purchases the Phase 2 site in accordance with the Option Deed, the land premium, as per the Deed, would base on the amount of \$2.812 billion at 1999 prices which would be adjusted for inflation between 1999 and the time of purchase in line with the Composite Consumer Price Index. Considering that the Phase 2 development is one of the proposals for HKDL's overall development in future, the Government and TWDC as shareholders of the joint venture would review the development situation as appropriate. Currently, we have no intention to change the original arrangements.

The Government understands the concerns of this Council and the general public about better utilisation of land. Thus, the Government explores and considers from time to time whether the Phase 2 site can be put to compatible use(s) that would better utilise the site and, at the same time, benefit the tourism industry or the community.

Before the joint venture exercises the Option, the Phase 2 site can currently be used for various short-term uses as listed in the Deed of Restrictive Covenant, including recreational, sports and cultural facilities, etc. When considering these short-term uses, we also need to take into account whether such uses are compatible with the use and atmosphere of HKDL. In fact, the Phase 2 site was used for hosting some short-term activities in

the past, such as sports activities and group events. Recently, we have also received some proposals, and are exploring and discussing with the relevant parties. When there is progress and at an appropriate juncture, we would finalise them and make announcement. We will continue to actively pursue the better utilisation of the Phase 2 site to further exploiting the recreation, entertainment and tourism positioning in the vicinity of HKDL. This would be conducive to HKDL's on-going development, Hong Kong's tourism industry and overall economy.