

## LCQ21: Arrangement of designating the day following an election day as a school holiday

Following is a question by the Hon Judy Chan and a written reply by the Secretary for Constitutional and Mainland Affairs, Mr Erick Tsang Kwok-wai, in the Legislative Council today (November 15):

Question:

The Education Bureau announced in June 2020 that given that in the elections held in the preceding few years, school premises could only be returned to schools in the mornings following the election days for some polling stations, which had as a result affected the normal operation of the schools concerned, starting from the 2020-2021 school year, all schools offering formal curriculum, including public sector, Direct Subsidy Scheme and private secondary schools, primary schools, kindergartens and kindergarten-cum-child care centres, were required to designate the day following the election day of a major public election as a school holiday. In this connection, will the Government inform this Council:

(1) whether it has compiled statistics on the number of schools which lent out their school premises for use as polling stations and counting stations in the 2021 Legislative Council (LegCo) General Election as well as its percentage in the total number of schools (with a breakdown by school category (i.e. secondary school, primary school, kindergarten and kindergarten-cum-child care centre)); whether it has projected the relevant figures for the 2023 District Council Ordinary Election (DCOE) to be held next month; if so, of the details;

(2) whether, in the 2021 LegCo General Election, there were cases in which the authorities could only return school premises used as polling and counting stations to schools in the morning following the election day; if so, of the details;

(3) as there are views that the designation of the day following the election day of a major public election as a school holiday will result in more members of the public being unable to vote since they will make use of the three-day long weekend holiday for outbound travel, whether the authorities have reviewed if the arrangement of designating the day following an election day as a school holiday will lower the voter turnout rate; if they have, of the details; if not, the reasons for that; and

(4) whether it will introduce targeted measures to encourage members of the public to stay in Hong Kong and vote during the weekend when the 2023 DCOE is held; if so, of the details?

Reply:

President,

As school premises are more spacious and conveniently located, around half of the polling and counting stations are set up in various types of schools in every major public election, including secondary schools, primary schools and kindergartens. In the past, the Registration and Electoral Office (REO) must clear and return the premises concerned before 6 am on the day following the election day so as to enable the schools to resume their normal operation. In the event that the count has not been completed, the REO might have to relocate to a reserve counting station to continue the count.

The Electoral Affairs Commission (EAC) recommended for the first time in the Report on the 2016 Legislative Council General Election (LCGE) for the Government to consider designating the day following the Legislative Council election polling day as a school holiday, so that polling stations and counting stations that were set up in school premises need not relocate to a reserve counting station due to the need to return the premises by 6 am on the following day. Not only does this ensure the count would not be interrupted, it also effectively alleviates the work pressure on the counting staff as well as the impact on the operation of schools. The EAC reiterated the same recommendation in the Report on the 2019 District Council Ordinary Election (DCOE).

Having consulted the school sector on the recommendation in 2020, the Government issued the Education Bureau Circular No. 5/2020 to all public, Direct Subsidy Scheme and private secondary schools, primary schools, kindergartens and kindergarten-cum-child care centres to announce that, starting from the 2020/21 school year, the day after the election day of a major public election (viz. LCGEs and DCOEs) would be designated as a school holiday. The related arrangement was first implemented in the 2021 LCGE. Experience revealed that the measure promoted schools to lend their premises for the elections, and avoided the risks involved in the transport of the ballot papers and other election materials to the reserve counting stations.

In response to the Hon Chan's question, our reply is as follows:

(1) For the geographical constituency (GC) elections of the 2021 LCGE, a total of 384 schools were used as polling-cum-counting stations, whereas it is estimated that 363 schools will be used as polling-cum-counting stations in the 2023 DCOE. Please refer to details at Appendix.

(2) The time to complete the count in addition to the return of school premises are affected by many factors. For example, candidates, their election agents and/or counting agents can request for a re-count of valid votes for all counting stations of that District Council geographical constituency (DCGC) after the Returning Officer (RO) has announced the compiled counting results of all counting stations in that DCGC. Therefore, respective Presiding Officers must wait until the ROs have confirmed that no further re-count is required before wrapping and sealing the election

documents and ballot papers, and then clearing up the venues before returning the school premises. For the 2021 LCGE, the counting results of respective GCs were declared gradually from around 5.46am to 7.17am on the day following the polling day. Some 180 schools used as polling/ counting stations could not complete the count process and clearing up before 6am on the day following the election and could only be returned to the schools later during the day.

(3) The Government currently has no plans to make changes to the prevailing arrangement of having the day following the election as a school holiday. As we have all along been emphasising, the voter turnout rate could not be regarded as an indicator of success of the system and it is also affected by various factors at the same time. Therefore, we should not blindly go after the so-called "high voter turnout rate" or set any specific indicator. We will only endeavor our best efforts to continue with the relevant publicity works, and ensure the smooth operation of the new system, with a view to achieving the anticipated results of the system, benefiting the public's livelihood and ensuring the harmony and stability of the community.

(4) As emphasised by the Government, this District Council (DC) election is the first major territory-wide election after the improving district governance system and reforming the DCs, and is of particular significance. Therefore, the Government has all along spared no efforts in taking forward various publicity and promotional activities, to enable the public to fully understand that the new district governance system and DCs are crucial to building a better place to live in and work as well as improving people's livelihood. Hence, they are encouraged to vote on the election day for their preferred candidate who will serve the community together. Apart from the conventional and innovative promotional activities already launched, the Government will continue to roll out other different promotional activities. Details of the activities will be announcement at suitable juncture.

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## **LCQ22: Impacts of continued decline in property market**

Following is a question by the Hon Paul Tse and a written reply by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, in the Legislative Council today (November 15):

Question:

According to the Centa-City Leading Index, Hong Kong property prices have started to fall since the end of 2021, and have so far dropped by more than 15 per cent. In addition, the data from the Hong Kong Monetary Authority show that the number of residential mortgage loans in negative equity in Hong

Kong exceeded 11 000 at the end of September this year, involving an aggregate value of \$59.3 billion. On the other hand, it has been reported that in recent months, one after another, owners of private flats have been suddenly demanded by banks or finance companies to repay a portion of their mortgage loans early on the grounds that the valuation of their properties has declined, failing which they will be required to pay a mortgage rate of up to 10 per cent; and those who have pledged their commercial properties as collateral for commercial loans from banks have also been pursued by the latter on the same grounds to make up the shortfall between the loan amount and the latest valuation of their properties. Some members of the public are worried about the emergence of "a wave of banks calling in loans" if the property market continues to hit new lows. In this connection, will the Government inform this Council:

(1) whether it has compiled statistics on the current situation where owners of residential properties across the territory are being demanded to make early repayments on mortgage loans by various financial institutions; if so, of the number of cases and the amount involved; if not, whether it will compile statistics immediately;

(2) whether it is aware of the trend where banks are seeking to recover the shortfall between the loan amount and the latest property valuation from individuals or companies that have pledged their commercial properties as collateral for loans; if so, whether it has compiled statistics on the number of cases and the amount involved;

(3) whether it has formulated corresponding measures to assist owners of residential and commercial properties in tiding over the difficulties in the event of "a wave of banks calling in loans"; and

(4) whether it has assessed if the lowering of the valuations of Hong Kong's residential and commercial properties by local banks or financial institutions will necessitate corresponding downward adjustments of the reserve prices for land by the authorities when putting up new land (whether for residential or commercial use) for auction in the future, thereby further dampening the revenue from land sales?

Reply:

President,

Regarding the four parts of the question, having consulted the Development Bureau and the Hong Kong Monetary Authority (HKMA), my reply is as follows:

(1) Residential mortgage loans are mainly provided by banks. Although the banking sector saw an increase in the number of residential mortgage loans in negative equity during the third quarter of 2023 as property prices fell, the asset quality of banks' residential mortgage lending portfolio has remained sound. In particular, the overall delinquency ratio for residential mortgage loans increased only slightly from 0.04 per cent at the end of December 2021

to 0.07 per cent at the end of September 2023, while the delinquency ratio for residential mortgage loans in negative equity was even lower, standing at 0.02 per cent at the end of September 2023. The above figures are far below their peaks in the past, reflecting that a vast majority of borrowers are able to continue making payments on their mortgage loans.

Based on the HKMA's understanding, even if there is a decline in the value of the properties that are pledged as collateral, banks in general will not request early repayments so long as the borrowers are able to make payments on their residential mortgage loans according to schedule. Given that the delinquency ratio for residential mortgage loans of banks has remained low in recent years, there is no such situation where banks have on an extensive scale demanded repayment from borrowers in arrears with their residential mortgage payments.

(2) The case of mortgage loans for commercial properties is similar to that of residential mortgage loans. For companies which have obtained mortgage loans from banks for commercial properties, as long as they are able to make payments on the mortgage loans according to schedule, banks in general will not request early repayments from the companies. As for companies that have pledged their commercial properties as collateral for credit lines, banks will review the credit limits periodically, taking into account the companies' credit condition and repayment ability. Banks will not adjust the credit limits simply because of a change in collateral value. If banks need to adjust the credit limits after their reviews, they will notify the customers in advance and communicate with them effectively to provide the customers with sufficient time for preparation.

(3) With the successive rounds of countercyclical macroprudential measures introduced by the HKMA since 2009, banks have long been managing the risks associated with their mortgage business in a prudent manner. The average loan-to-value ratio of new residential mortgage loans was 59 per cent in the first half of 2023, while the average debt servicing ratio of mortgages stayed at a low level of 40 per cent. Borrowers are also subject to the interest rate stress test for mortgage loans. Even though interest rate has increased recently and there has been an adjustment in property prices, the repayment ability of mortgage borrowers remains generally sound and there has not been a widespread default in mortgage loans taken out with banks. The HKMA will continue to monitor market developments closely and introduce appropriate measures to safeguard banking stability.

If there are individual or corporate customers facing actual repayment difficulties, the HKMA expects banks to follow the approach set out in the "Hong Kong Approach to Consumer Debt Difficulties" and "Hong Kong Approach to Corporate Difficulties" guidelines and adopt a sympathetic stance in handling these cases. Banks should work out a mutually acceptable solution with the customers as far as possible, subject to prudent risk-management principles.

(4) As the Financial Secretary has mentioned, the Government has been taking heed of the market conditions in launching sites for sale. Government land is sold at no less than the reserve price. And when setting the reserve price on

the tender closing date, apart from the development conditions of the site, Lands Department's professional surveyors would also consider the market situation including recent land and property transactions and construction cost, economic environment, market outlook, etc.

## LCQ18: Supporting children of non-local talents to study in Hong Kong

Following is a question by the Hon Tang Fei and a written reply by the Secretary for Education, Dr Choi Yuk-lin, in the Legislative Council today (November 15):

Question:

As at the end of June this year, over 100 000 applications have been received under the various talent admission schemes of the Government, and it has been reported that according to the findings of a survey, 75.8 per cent of the non-local talents interviewed would choose to send their children to primary and secondary schools in Hong Kong. In this connection, will the Government inform this Council:

(1) whether it has compiled statistics on the number of students who came to Hong Kong to attend primary and secondary schools as at the end of last month in their capacity as dependants under the various talent admission schemes (i.e. the (i) Top Talent Pass Scheme, (ii) Quality Migrant Admission Scheme, (iii) Admission Scheme for Mainland Talents and Professionals, (iv) Technology Talent Admission Scheme, (v) General Employment Policy, (vi) Immigration Arrangements for Non-local Graduates and (vii) Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents), and set out in Tables 1 to 3 a breakdown by (a) type of school, (b) secondary level and (c) primary level; if it has not compiled such statistics, of the reasons for that;

Table 1

(a)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Government or aided schools							
Schools under the Direct Subsidy Scheme							
International schools or private schools							

Table 2

(b)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Secondary One							
.....							
Secondary Six							

Table 3

(c)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Primary One							
.....							
Primary Six							

(2) whether it has assessed the learning situation of the aforesaid students and if the relevant support measures (e.g. language support, study guidance and psychological counselling) are adequate; and

(3) of the measures in place to ensure the smooth integration of the aforesaid students into the local learning environment and community; whether it has organised relevant training or seminars to enable educators to better understand and assist these students?

Reply:

President,

The Government has implemented various talent admission schemes to attract talents from the Mainland and around the globe to come to Hong Kong for development, with a view to facilitating the growth of Hong Kong into an international talent hub and making new contributions to the country's high-quality development. Our consolidated reply to the question raised by the Hon Tang Fei, having consulted the Labour and Welfare Bureau (LWB), is as follows:

(1) The numbers of unmarried dependent children under the age of 18 permitted to come to Hong Kong as dependants under various talent admission schemes during the period from January to October 2023 are set out in the Annex.

Under the prevailing arrangement, persons who are permitted to reside in Hong Kong as dependants (including dependants of successful applicants under various talent admission schemes) are not required to obtain prior permission from the Director of Immigration for receiving education in Hong Kong. On the part of secondary and primary schools, they do not need to report to the Education Bureau (EDB) for admitting such dependants. Hence, the Government does not have statistics on the number of dependants studying in Hong Kong.

(2) and (3) The EDB provides school placement support services for all children aged six to 15 who are eligible to enrol in public sector schools, including students who are dependants of persons permitted to stay in Hong Kong under various talent admission schemes and study in secondary and primary schools, to receive free primary and secondary education. The four

Regional Education Offices under the EDB provide school placement services for the said eligible children in need. Parents may also make reference to the school lists by district on the EDB's website, as well as the Primary School Profiles or Secondary School Profiles on the website of the Committee on Home-School Co-operation and contact the schools concerned directly to apply for a place for their children if necessary.

To help newly arrived children adapt to the learning environment in Hong Kong and integrate into the local community, the EDB provides support services for them, including the six-month full-time Initiation Programme arranged by local schools and the 60-hour Induction Programme organised by non-governmental organisations. The contents of these programmes cover language education, learning skills, personal growth and development, and social adaptation. In addition, the EDB provides public sector schools and schools under the Direct Subsidy Scheme admitting newly arrived children with the School-based Support Scheme Grant, which they can utilise flexibly to provide school-based support services, such as arranging after-school supplementary lessons and organising orientation activities/guidance programmes/extra-curricular activities according to their needs. Persons permitted to stay under different talent admission schemes can also benefit from the above support services. We also encourage teachers to pay close attention to the needs and adaptation of the newly arrived children, and render necessary support to them inside and outside classroom.

Apart from the above, the physical office of Hong Kong Talent Engage Office under the LWB, officially established in end-October 2023, will reach out to recruit working partners for providing, through online and offline activities as well as services, talents interested in coming to Hong Kong or those who have just arrived with necessary support in living, work, children's education, etc, to facilitate their settlement in Hong Kong.

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## [Red flag hoisted at Silverstrand 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 (November 15) that due to big waves, the red flag has been hoisted at Silverstrand Beach in Sai Kung District. Beachgoers are advised not to swim at the beach.

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## LCQ11: Assisting small and medium-sized law firms in applying technologies

Following is a question by the Hon Maggie Chan and a written reply by the Secretary for Innovation, Technology and Industry, Professor Sun Dong, in the Legislative Council today (November 15):

Question:

There are views pointing out that although the Technology Voucher Programme (the Programme) is applicable to the legal sector, its effect on small and medium-sized law firms is limited because their applications for using technology vouchers to purchase hardware equipment are subject to certain conditions, and they cannot meet the application requirements of technology vouchers due to the greater costs of hardware equipment (which are often more than 50 per cent of project costs). In this connection, will the Government inform this Council:

(1) whether it will set up a dedicated scheme under the Programme to support small and medium-sized law firms in using the Judiciary's integrated Court Case Management System and other electronic technologies, with specific measures including relaxing the conditions for purchasing hardware equipment, expanding the scope of hardware equipment covered by technology vouchers (to, for example, cover small hardware equipment used by small and medium enterprises (SMEs) including small and medium-sized law firms), and allowing applicants to purchase hardware equipment directly without the need to purchase supporting software; if so, of the details; if not, the reasons for that; and

(2) whether it will provide SMEs including small and medium-sized law firms with cybersecurity defence equipment dedicated to their use under the Programme to assist them in protecting data; if so, of the details?

Reply:

President,

The Technology Voucher Programme (TVP) under the Innovation and Technology Fund was launched in 2016 to subsidise local enterprises/organisations in using technological services and solutions to improve productivity, or upgrade or transform their business processes with a view to enhancing their long-term competitiveness. At present, TVP provides funding support for up to three-quarters of the cost of each project, with a cumulative funding ceiling of \$600,000 for each enterprise/organisation. As at end-September 2023, 28 189 applications were approved under TVP, involving total funding commitment of around \$4.93 billion. Having coordinated information from the relevant parties, our consolidated reply to various

parts of the question is as follows:

TVP welcomes applications from enterprises/organisations from all industries. Since the launch of TVP, a total of 1 064 applications were received from enterprises of the professional services sector (including legal and accounting services), out of which 921 were approved, involving total funding commitment of up to \$145 million. There was a law firm which made use of TVP to install a document management system to digitise documents and file client emails automatically, thereby improving the efficiency of document searching and filing. There was also a law firm which set up an appointment scheduling system that enabled clients to check the availability of appointment time and make appointments online, reducing workload of staff and avoiding manual error in making more than one appointment for the same slot in the past.

TVP does not have pre-defined eligible types of technological services. Cybersecurity solution is among the list of typical technological services and/or solutions for reference by applicants in the TVP Guidance Notes for Applications. There are applicants who used TVP to customise software and upgrade cybersecurity system of the enterprise to protect customer privacy. Eligible applications will be considered by the TVP Committee.

TVP funding can be used to cover technology consultancy services, purchase, rental or subscription of equipment/hardware, software and technological services or solutions that are part of the project. We hope to encourage enterprises/organisations to review their businesses and adopt suitable technology to tackle business-related challenges, thereby improving productivity or upgrade or transform their business processes, instead of solely procuring off-the-shelf technological products or services. However, we are aware that technological services and solutions will inevitably involve some ready-made elements that are at the same time an essential part of the project. Balancing the considerations above, off-the-shelf/readily available items are generally allowed to constitute up to 50 per cent of the total project cost.

All along, the Innovation and Technology Commission values the industry's opinion on TVP, and conducts timely reviews of the funding arrangements and introduces enhancement measures to encourage and facilitate utilisation of TVP by the industry. TVP, through providing funding support, has been effectively facilitating the adoption of technological services and solutions by various industries to improve productivity, or upgrade or transform business processes and is well-received. We have no plan to introduce a dedicated funding programme for individual sector.

Meanwhile, to facilitate all court users (including the legal practitioners) to handle court documents electronically, it is the intention of the Judiciary that no special digital support facility is required for the use of the integrated Court Case Management System (iCMS). iCMS can be accessed using personal computers or mobile devices with internet connection, commonly used operating systems and browsers. Relevant technical requirements are available at [www.judiciary.hk/doc/en/e\\_courts/AI\\_TechReq\\_iCMS\\_e.pdf](http://www.judiciary.hk/doc/en/e_courts/AI_TechReq_iCMS_e.pdf).