

Action

Minutes of the 7th Meeting of the Eastern District Council

Date : 7 March 2017 (Tuesday)
Time : 2:30 pm
Venue : Eastern District Council Conference Room

<u>Present</u>	<u>Time of Arrival</u> <u>(pm)</u>	<u>Time of Departure</u> <u>(pm)</u>
Mr TING Kong-ho, Eddie	2:30	end of meeting
Mr WONG Chi-chung, Dominic	2:30	end of meeting
Mr WONG Chun-sing, Patrick	2:30	end of meeting
Mr WONG Kwok-hing, BBS, MH	2:30	end of meeting
Mr KU Kwai-yiu	2:30	end of meeting
Mr HO Ngai-kam, Stanley	2:30	end of meeting
Ms LI Chun-chau	2:30	end of meeting
Mr LEE Chun-keung	2:30	end of meeting
Mr LAM Sum-lim	2:30	end of meeting
Mr LAM Kei-tung, George	2:30	end of meeting
Mr SHIU Ka-fai	2:50	end of meeting
Mr HUNG Lin-cham	3:30	end of meeting
Mr CHUI Chi-kin	2:30	end of meeting
Mr CHEUNG Kwok-cheong, Howard	2:30	end of meeting
Mr LEUNG Siu-sun, Patrick	2:35	end of meeting
Mr LEUNG Kwok-hung, David	2:30	end of meeting
Ms LEUNG Wing-man, Bonnie	2:41	end of meeting
Mr HUI Lam-hing	2:30	end of meeting
Mr HUI Ching-on	2:30	3:30
Mr KWOK Wai-keung, Aron	2:30	4:45
Mr MAK Tak-ching	2:30	end of meeting
Mr WONG Kin-pan, BBS, MH, JP (Chairman)	2:30	end of meeting
Mr WONG Kin-hing	2:30	4:00
Mr YEUNG Sze-chun	2:30	end of meeting
Mr CHIU Ka-yin, Andrew	2:30	end of meeting
Mr CHIU Chi-keung (Vice-chairman)	2:30	end of meeting
Mr LAU Hing-yeung	2:30	end of meeting
Ms CHOY So-yuk, BBS, JP	2:40	4:30
Mr CHENG Chi-sing	2:30	end of meeting
Mr CHENG Tat-hung	2:50	end of meeting
Mr LAI Chi-keong, Joseph	3:00	end of meeting
Mr NGAN Chun-lim, MH	2:30	end of meeting
Mr LO Wing-kwan, Frankie, MH	2:30	end of meeting
Mr KUNG Pak-cheung, MH	2:30	end of meeting

Absent with Apologies

Ms LAM Chui-lin, Alice, MH (absent with consent)

Action

In Regular Attendance (Government Representatives)

Ms TENG Yu-yan, Anne, JP	District Officer (Eastern) Eastern District Office
Miss NGAI Lai-ying, Angora	Assistant District Officer (Eastern) 1 Eastern District Office
Mr CHUI Cheuk-yin, Matthew	Assistant District Officer (Eastern) 2 Eastern District Office
Mr Rupert Timothy Alan DOVER	District Commander (Eastern District) Hong Kong Police Force
Mr LAM Kin-tat	Police Community Relations Officer (Eastern District) Hong Kong Police Force
Mr HSU Kam-lung, Virgil	Chief Manager/Management (Hong Kong Island and Islands) Housing Department
Mr HO Kwan-hang, Albert	Chief Transport Officer/Hong Kong Transport Department
Mr SUM Siu-hin	District Environmental Hygiene Superintendent (Eastern) Food and Environmental Hygiene Department
Mr WONG Wai-leung	Chief Health Inspector 1 (Eastern) Food and Environmental Hygiene Department
Mr LUK Chi-kwong	Chief Leisure Manager (Hong Kong East) Leisure and Cultural Services Department
Ms LOK Mee-mee, Mimi	District Leisure Manager (Eastern) Leisure and Cultural Services Department
Mr LAU Wai-lun, Eddie	Senior Liaison Officer (1) Eastern District Office
Ms WONG Sze-man, Queenie	Senior Liaison Officer (2) Eastern District Office
Ms KONG Kei-kei, Hayley	Senior Executive Officer (District Management) Eastern District Office
Mr LEUNG Kin-tak, Kenneth	Executive Officer (District Management) Eastern District Office

In Attendance by Invitation (Representatives from the Government and Organisations)

Ms LINN Hon-ho, Bernadette, JP	Director of Lands Lands Department
Mr KWOK Kin-man, Alex	Acting District Lands Officer/Hong Kong East Lands Department
Ms HO Mun-ye, Money	Senior Estate Surveyor/Hong Kong East Lands Department
Ms LOU Yin-ye, Joanne	Senior Estate Surveyor/Training Lands Department
Ms MOK Ka-wing, Jessica	Estate Surveyor Graduate Lands Department

Action

Secretary

Miss WAH Pui-ye, Vivian

Senior Executive Officer (District Council)
Eastern District Council

Opening Remarks

The Chairman welcomed Councillors and government representatives, particularly Ms Bernadette LINN, JP, Director of Lands, Mr Alex KWOK, Acting District Lands Officer/Hong Kong East, Ms Money HO, Senior Estate Surveyor/Hong Kong East and Ms Joanne LOU, Senior Estate Surveyor/Training of the Lands Department (LandsD) to the meeting.

2. He also welcomed Mr Rupert DOVER, District Commander (Eastern District) of the Hong Kong Police Force (HKPF), who had succeeded Mr Graham MITCHELMORE on transfer; Mr SUM Siu-hin, District Environmental Hygiene Superintendent (Eastern) of the Food and Environmental Hygiene Department (FEHD); and Mr Matthew CHUI, Assistant District Officer (Eastern) 2, who had succeeded Mr LAI Ho-chun on transfer. The Chairman, on behalf of all Councillors, thanked Mr Graham MITCHELMORE and Mr LAI for their contributions to Eastern District during their terms of office.

3. The Chairman asked Councillors to declare interests if necessary.

I. Confirmation of Minutes of the Sixth Eastern District Council Meeting

4. The minutes were confirmed without amendment.

II. Director of Lands to Meet Eastern District Council Members

5. Ms Bernadette LINN, JP, Director of Lands, briefed Councillors on the work of the LandsD.

6. 23 Councillors expressed their views and raised enquiries as summarised below:

- (a) Mr Eddie TING expressed concerns about the problems caused by skips in the district, especially along the roadside of Quarry Bay, including inconvenience caused to nearby residents and obstruction of traffic. He pointed out that skip operators did not have to pay for placing their skips at the roadside. At present, skips causing serious obstruction or imminent danger in public places were handled by the HKPF while non-urgent cases were referred to the LandsD for follow-up. He hoped that the LandsD could step up regulation such as adopting the past approach for dealing with on-street clothes cages by instituting prosecution under the Summary Offences Ordinance.
- (b) Mr Patrick WONG enquired whether cases in which advice and/or warnings had been issued to operators for unauthorised placing of skips in 2016 involved

Action

repeated offenders and whether the Government would adopt a licensing system or other means for enhanced regulation. Moreover, with the current compulsory sale application threshold requiring only 80% of ownership, he hoped that apart from handling compulsory sale applications through the Lands Tribunal, the LandsD could provide support for minority owners whose properties were subject to compulsory sale and consider introducing further arrangement for provision of assistance.

- (c) Mr KU Kwai-yiu expressed concerns about the bicycles chained to railings along the roadside. He stated that upon receipt of complaint, it often took three to four days for the District Lands Office/Hong Kong East (DLO/HKE) to take enforcement action with posting of the relevant notice. He urged the LandsD to expedite action. In addition, he said that the contractor had improperly removed his banners during the Legislative Council (LegCo) election. The contractor had notified him of the removal of eight banners without giving any prior notice. He asked the LandsD to improve the arrangement.
- (d) Mr Stanley HO commended DLO/HKE for their work. He pointed out that the temporary car park adjacent to Heng Fa Chuen Block 30 would be developed into a sitting-out area, and the temporary car park to the north of the Sheung Tat Street Substation in Chai Wan would be used as an alternative. He hoped that the LandsD could implement suitable transition arrangement to ensure sufficient parking spaces in the district to meet the needs. Furthermore, given the shortage of parking spaces for commercial and heavy vehicles as well as the tight supply of temporary car parks in Eastern District, he requested the LandsD to consider requiring the provision of parking spaces when approving applications for land grant for development in the district. Otherwise, the problem of illegal parking would be aggravated. Since Hong Kong Island was densely populated, he also hoped that the LandsD would identify other sites for reprovisioning of the existing recycling yards and oil depots that caused nuisance to nearby residents.
- (e) Ms Bonnie LEUNG said that the Audit Commission's report indicated that the Government's enforcement action against roadside skips were ineffective. The Public Accounts Committee of the LegCo also recommended the Government to study measures for regulating roadside skip operations properly. She said that upon receipt of a complaint lodged against the skips placed on the roadside outside Kornhill Plaza earlier, the LandsD issued a 24-hour notice according to the existing legislation. Nonetheless, the skip user concerned would not be prosecuted as long as the skips were moved away from their original location before the expiry of the posted notice and they could be moved back to the same location afterwards. She hoped that the department would implement measures to tackle this problem effectively.
- (f) Mr Patrick LEUNG indicated that the LandsD was responsible for approving deeds of mutual covenant (DMCs) which could contain different terms. Although new DMCs had to comply with the existing Guidelines for Deeds of Mutual Covenant which provided for manager's remuneration, similar arrangements might not be available under older DMCs. He called on the

Action

department to formulate guidelines for older DMCs. Besides, he was concerned about the unlawful occupation of public space in breach of the land lease and enquired if the LandsD had conducted any inspections in this regard.

- (g) Mr Howard CHEUNG said that land leases might contain an offensive trade clause. Under the existing mechanism, the owner could apply to the LandsD for a licence to remove such restrictions so that the property on the lot could be used for purposes such as restaurants. He enquired whether transparency would be enhanced and whether the affected residents would be consulted when processing such applications.
- (h) Mr CHUI Chi-kin enquired about the progress of the proposed footbridge to be linked up with the pedestrian passage required under the land lease of Lok Hin Terrace, which had not yet been constructed after so many years. He also expressed concern that part of the public space of the footbridge connecting Kornhill Gardens was leased for commercial use. He enquired whether the LandsD would conduct site inspection against breach of land lease conditions. Besides, he suggested the Government establish a “one-stop” service platform to handle bazaar applications for better use of public space. He also hoped that the department could implement measures to tackle the problems caused by skips.
- (i) Mr WONG Kwok-hing suggested that the Government should consider amending the legislation for effective regulation of skips. He further stated that as no reflective strips were affixed on the existing skips, accidents might easily occur in the dark. He urged the LandsD to follow up actively on this issue.
- (j) Mr George LAM appreciated the LandsD’s efforts in revitalising industrial buildings. He said that the area around Shau Kei Wan Main Street East was congested with insufficient parking spaces, and the supply of local parking spaces would worsen after the completion of the Eastern District Cultural Square. He suggested the LandsD and the relevant departments jointly consider converting the site underneath the flyover section near Tung Hei Road into a car park to alleviate the problem.
- (k) Mr LAM Sum-lim said that illegal parking had been a long standing problem in Shau Kei Wan. Many temporary car parks had been converted to other uses leading to keen local demand for car parks. He suggested the LandsD include the provision of public car parks in the land lease conditions when approving the land grant applications to relieve the shortage of parking spaces in the district.
- (l) Mr Aron KWOK considered that the current Government’s effort in securing land supply was worth encouraging. He hoped the LandsD would proactively invite relevant departments to construct service buildings or multi-storey car parks on vacant sites in the district to respond to local demands. As for the revitalisation of industrial buildings, he said that the LandsD often restricted the use of such premises by arts organisations as their activities tended to attract large crowds of visitors. He hoped for greater flexibility in processing

Action

their applications.

- (m) Mr MAK Tak-ching said that the Policy Address had announced the conduct of a technical feasibility for a sports and recreational facility at Aldrich Bay and enquired whether sports facilities would be constructed. He also enquired how the building height restriction of the proposed six-storey Government Joint User Complex at Lei King Wan adjacent to Eastern Law Courts Building was set. Moreover, he hoped that the LandsD could change the use of the subway across Oi Shun Road, which had a low patronage, for uses such as activity venue or exhibition hall to avoid wasting land resources. He was also concerned about the removal of unauthorised banners by contractors. He queried the contractor's interpretation of the Management Scheme for the Display of Roadside Non-commercial Publicity Materials Implementation Guidelines (Guidelines) and urged the department to strengthen supervision of contractors. He added that owing to font size, the requirement under the Guidelines for the characters/digits of the approval number not to be smaller than 2.5cm x 2.5cm in size was difficult to comply. He hoped that the LandsD could review the requirement and allowed for the use of smaller fonts.
- (n) Mr YEUNG Sze-chun enquired about the unauthorised building works of an international school at Lei King Wan. Even though the LandsD had noted the alteration and breach of land lease conditions in its reply to the Office of the Ombudsman several years ago, no enforcement action had been taken. The international school had even been permitted later to conduct local consultation after the completion of the alteration works. He enquired whether the above arrangement was the established practice and requested LandsD to give serious attention to the matter and provide a response.
- (o) Mr Andrew CHIU strongly demanded the DLO/HKE and the relevant departments to take serious enforcement actions against unauthorised placing of skips and step up regulation of skip operations for the sake of pedestrian and traffic safety. Besides, he said that the LandsD could not regulate the dance rooms and other premises in the industrial buildings in Tai Koo which did not meet the fire safety requirements due to the terms of their old DMCs. He said that the Government should review the relevant policies. Regarding the Guidelines, he had proposed for a long time that the designated spots for banners for each elected Eastern District Council Member should be increased to 12 but there had not been any progress. The Guidelines provided that the actual number of designated spots for each elected DC Member was subject to any advice of individual DC to the DLO concerned and each elected DC Member could be allocated up to 15 spots in some districts such as Sham Shui Po. Hence, he requested the LandsD to follow up on the matter as soon as possible. Furthermore, as some fonts might not meet the requirement of not to be smaller than 2.5cm x 2.5cm in size, he suggested the LandsD should review the size requirement.
- (p) Mr LAU Hing-yeung urged the LandsD to address and deal with the commercial banners or easy-mount frames fixed to pedestrian railings. In addition, the Link Asset Management Limited had sold Hing Man Shopping Centre to a private developer last year, resulting in the closure of some shops

Action

and restaurants without catering for the basic needs of local residents. He enquired whether the public space under the purview of the Housing Department could be converted for temporary commercial use to meet the local needs. He hoped that the LandsD could exercise discretion in dealing with this case.

- (q) Mr Frankie LO indicated that the placing of skips at multiple locations in Tseung Kwan O Industrial Estate had been reduced after the relevant departments had been requested to follow up on the situation. Nonetheless, waste skips or empty skips were found from time to time at remote locations. He hoped that the LandsD would strengthen the relevant work. On applications for increasing floor area, he stated that a car park site in Fortress Hill had been approved by the DLO/HKE for construction of a six-storey building of 650 square feet on each floor. He enquired whether the additional floor area of 650 square feet fell within the level permitted under the existing regulations.
- (r) Mr NGAN Chun-lim said that illegal parking was serious in the district and hoped that the LandsD would construct a large local car park or use the site underneath the flyover section near Tung Hei Road as a car park. Besides, he suggested enacting legislation to regulate skip operations so as to prevent skips from causing obstruction or danger to the public or other vehicles.
- (s) Mr Joseph LAI suggested that the LandsD should clearly show the locations of public space to prevent occupation by private developers. He also expressed concern over the banner removal procedure of contractors which might not be made known to the FEHD or the DLO/HKE. Furthermore, as some nanny van drivers had reflected the shortage of parking spaces for their vans in the district, he called on the DLO/HKE to liaise closely with the Transport Department (TD) to provide parking spaces for various types of vehicles.
- (t) Mr CHENG Chi-sing stated that the hawker stalls along the section of Marble Road near Tin Chiu Street to Kam Hong Street had been relocated to another section of Marble Street for continued operation after rearrangement by the FEHD. To address the serious problem of illegal parking around Marble Street, he suggested the LandsD consider converting the vacant stalls there into parking spaces. On the other hand, he said that although there were guidelines in place requiring, among others, the use of reflective strips and the provision of contact number on every skip, skip operators often failed to follow the guidelines. He hoped for the enactment of legislation to regulate roadside skips which would help eradicate the problem.
- (u) Ms LI Chun-chau was concerned about a case where an elderly person had been prosecuted by the DLO/HKE during a land resumption operation at Lee Chung Street in Chai Wan. She enquired whether the LandsD had rendered proper assistance to the person involved. She also expressed concerns over the problem of illegal parking with many vehicles parked along Chai Wan Road at night and urged the relevant departments to take improvement measures. In addition, she called for implementation of effective measures to strengthen enforcement and regulatory efforts against the serious problem of

Action

skips in Eastern District.

- (v) The Vice-chairman remarked that the existing legislation regulating skip operations was outdated as the 24-hour notice period had rendered enforcement difficult. He called for early legislative amendment. Moreover, he hoped that the LandsD could utilise vacant sites at sparsely-populated areas as heavy vehicle car parks to meet the relevant demand.
- (w) The Chairman pointed out the serious shortage of sports facilities in the district since the completion of Independent Commission Against Corruption Headquarters Building and Customs Headquarters Building and the transfer of Victoria Park to Wan Chai District. He hoped the LandsD could consider the inclusion of sports facilities in the land lease conditions of redevelopment projects. As regards the serious shortage of parking spaces in the district, he suggested the LandsD make reference to the arrangements of the development in the North Point and include the provision of public car parks in land lease conditions.

7. Ms Bernadette LINN, JP, Director of Lands responded to the views and enquiries of Councillors as follows:

- (a) Concerning the shortage of parking spaces in the district, several Councillors had suggested requiring the provision of an appropriate number of public parking spaces in suitable private development projects through land grant conditions. Some Councillors were also concerned about the reprovisioning of parking spaces upon resumption of temporary car parks on short-term tenancy (STT). The LandsD would consider the matter having regard to the assessment of the TD on the supply and demand situation of parking spaces in the district and the demand for parking spaces by vehicle types.
- (b) With regard to the issue of roadside skips, there was a division of responsibilities between the LandsD and the HKPF. The LandsD was responsible for taking enforcement action against unauthorised placing of roadside skips on government land that caused neither imminent danger nor serious obstruction. Under the Land (Miscellaneous Provisions) Ordinance (Cap. 28), the LandsD should put up a notice advising the skip operator to remove its skip by the deadline specified. If the operator failed to comply with the notice, the LandsD could only institute prosecution when the threshold for criminal prosecution was met. To tackle such issue, the Government had set up an inter-bureau and inter-departmental Joint Working Group on Management of Roadside Skips (JWG), which had recommended identifying suitable sites for leasing as STT sites to skip operators for storing skips, with a view to reducing the number of such skips placed on roads or in public places. The relevant departments would also continue to take enforcement actions. Besides, the JWG would conduct a further study on whether to introduce licensing measures or legislative amendment.
- (c) As regards public space, the LandsD had uploaded onto its website a list of provision of facilities required under land lease for use by the public in private developments completed in or after 1980. On receipt of complaints and

Action

referrals in relation to unauthorised occupation of public space, the department would conduct inspections. The department would consider exploring the Councillor's suggestion of putting up display at the relevant locations to deter unauthorised occupation.

- (d) On the removal of banners, the LandsD and the FEHD were responsible for different areas of work. The LandsD was mainly responsible for processing banner display applications and verifying if the complaints received involved approved banners, while the FEHD or its contractors were responsible for taking enforcement actions. As regards the concerns about the poor communication between the contractors of the LandsD and Councillors, the department would follow up and strengthen supervision of its contractors.
- (e) Regarding the setting up of bazaars, the LandsD would continue to consult the relevant departments and the local community on traffic and transport, pedestrian safety, impact on nearby residents and other relevant factors in accordance with the existing mechanism upon receipt of applications for use of unleased government land. Besides, the Food and Health Bureau was coordinating the relevant bureaux and departments to consider the recommendations made by the relevant LegCo Subcommittee.
- (f) The recycling sites along the waterfront had to be retained in that the Environmental Protection Department had yet to identify other sites for reprovisioning. In the long run, the reprovisioning of the relevant facilities would only be considered upon identification of other suitable sites.
- (g) Applications for removal of the offensive trades clause usually involved applications for licenses from other departments as well. For example, food business licence was required for the catering industry. Having noted the Councillor's request for adequate local consultation on applications for removal of land lease conditions, the LandsD would explore ways of coordinating with other licensing departments.
- (h) The LandsD would provide supplementary information on individual cases or remaining matter separately.

8. The Chairman thanked Ms Bernadette LINN, JP, Director of Lands and her colleagues for attending the meeting. He also invited her to note Councillors' views and provide supplementary information after the meeting.

III. Discussion on the 2017 Policy Address

9. The Chairman said that the Policy Address announced on 18 January 2017 had been sent to Councillors.

(The Vice-chairman took the chair of the meeting.)

10. Eight Councillors expressed their views and raised enquiries as summarised below:

Action

- (a) Mr NGAN Chun-lim welcomed the provision of sports and recreation facilities as proposed in the Policy Address. He called for early commencement of the technical feasibility study for the project of sports centre and open space at Aldrich Bay to facilitate the implementation of the project. He opined that the sports centre should not only include a swimming pool for meeting the local demand but also be equipped with ancillary facilities, especially a car park.
- (b) Mr Aron KWOK stated that measures proposed in the Policy Address to care for the elderly and cater for their needs, including adjustment of the amount of Old Age Living Allowance (OALA) and lowering of the eligible age for the Elderly Health Care Voucher (HCV) from 70 to 65 could help tackle the problem of ageing population in Hong Kong. He was also pleased to see the introduction of the Fujian Scheme and hoped that the Government would keep up the good work on elderly care with enhanced provision and regulation of residential care services as well as provision of OALA under the Fujian Scheme and the Guangdong Scheme for enhancing the protection of the elderly.
- (c) Mr Andrew CHIU expressed his regrets that the Policy Address did not enhance the function and role conferred upon DCs by legislation on district administration. The Policy Address had only proposed the provision of an additional funding of \$100 million to the Community Involvement (CI) Programme from the next financial year. As the existing resources had mainly been allocated to a small number of district organisations without benefitting the general public directly, he hoped the Home Affairs Department could enhance the management and declaration of interest mechanism of the CI Programme to ensure fair public use of such resources.
- (d) Mr HUNG Lin-cham acknowledged various measures proposed in the Policy Address, especially those concerning elderly care, support for the disadvantaged and community development, namely relaxation of the asset limits for OALA, addition of a layer of enhanced assistance under OALA, lowering of the eligible age for the HCV to 65 and proposed progressive abolishment of the offsetting arrangement of the Mandatory Provident Fund (MPF). He hoped for early implementation of these policies by the current Government to benefit the public. Nevertheless, he considered that requests such as lowering the eligible age for non-means-tested Old Age Allowance (OAA) to 65 and alleviating the difficulties of young people in purchasing their own homes were not fully addressed.
- (e) Mr CHUI Chi-kin was disappointed with the Policy Address. On elderly care, the number of vouchers under the Pilot Scheme on Community Care Service Voucher for the Elderly had only been increased to 3 000, which was insufficient to meet the demand. On retirement protection, no progress had been made on the establishment of a universal retirement protection system for the society so far. As regards education, although the number of subsidised places had been increased to 3 000 per cohort, additional resources for education were still far from enough with inadequate support for young people or school children.

Action

- (f) Mr Eddie TING was pleased that after repeated lobbying, the Policy Address had included, among others, the introduction of the Fujian Scheme under which OAA would be provided for eligible elderly persons who chose to reside in Fujian on a monthly basis. He hoped that the elderly persons concerned could also be eligible for OALA currently available for Hong Kong residents in the future. At the next stage, he wished to strive for extension of the welfare to more elderly persons residing outside Hong Kong.
- (g) Mr WONG Kwok-hing welcomed the Policy Address on the whole, hoping that the current Government would put the Policy Address and the proposals in the Budget into full implementation in the remainder of its term. He pointed out that the Government should continue to put forward proposals to help address current issues in Hong Kong, including long-term plan.
- (h) The Vice-chairman was in support of the Policy Address announced by the current Government whose term would soon end. He urged for active implementation of the uncompleted projects to benefit the elderly, students and elderly persons who chose to reside in the Mainland at the earliest possible time.

11. In closing, the Vice-chairman indicated that the Secretariat would relay Councillors' views on the Policy Address to the Chief Executive's Office for reference.

IV. Urging the Government to Abolish the Offsetting Mechanism of the Mandatory Provident Fund Scheme as soon as possible

(EDC Paper No. 1/17)

12. The Vice-chairman invited Mr Aron KWOK to brief the meeting on Paper No. 1/17.
13. Councillors noted the reply from the Policy and Project Co-ordination Unit under the Chief Secretary for Administration's Office.
14. Eight Councillors expressed their views and raised enquiries as summarised below:
- (a) Mr SHIU Ka-fai held that the offsetting arrangement was a consensus reached after extensive consultation in enacting the MPF legislation. The abolishment of such arrangement would increase the financial burden of employers, in particular small and medium-sized enterprises, and affect the business environment. The Government should discuss the proposal thoroughly with stakeholders including the business sector, so as to strike a proper balance between the interests of employees and the affordability of employers.
 - (b) Mr HUNG Lin-cham said that with the ageing population, it was highly important to consider how the society could provide people with quality life after their retirement, and the MPF was an important pillar of retirement protection. He welcomed the Government's proposal of progressively abolishing the offsetting of severance payment (SP) or long service payment (LSP) with the MPF. He also urged the Government to commence consultation as soon as possible to gauge the views of various stakeholders,

Action

with a view to reaching a consensus on the proposal of abolishing the offsetting mechanism.

- (c) Mr Stanley HO was disappointed that the Government did not have any representatives attending the meeting despite the Government's response had mentioned the conduct of an in-depth discussion with the business and labour sectors to gauge their views. He opined that the Government should take a proactive approach to foster a consensus among the business and labour sectors for early abolition of the offsetting mechanism and not to affect the retirement protection for employees.
- (d) Mr WONG Kwok-hing pointed out that the abolition of the offsetting mechanism should be addressed in the long run to protect the interests of employees in view of the ageing population. He suggested the Government take the lead to abolish the offsetting arrangement for its contract staff as the first step in taking forward the matter.
- (e) Mr Eddie TING supported the paper. While the offsetting arrangement was detrimental to the interests of employees, the abolition of the offsetting of LSP with the MPF would increase the operating costs of enterprises. He hoped that the new-term Government could take into account the views of labour unions or relevant groups on the proposal made in the Policy Address and explore various options that balanced different groups' concerns while providing employees with adequate protection.
- (f) Mr CHUI Chi-kin stated that a time-limited subsidy had been proposed to reduce the immediate impact on employers and provide them with adequate transition to respond to the abolition. However, he was concerned that some employers might dismiss their employees in order to be eligible for the subsidy under the new policy. If the requirements on making LSP under the Employment Ordinance were inconsistent with the proposal, employers might even exploit the loophole to the detriment of the employees.
- (g) The Vice-chairman supported the paper and considered that the new proposal with the provision of a buffer period for the business sector would help resolve the issue. He also pointed out that it was unjustifiable for the Government to fully support the retirement life of all workers. Besides, he hoped that the Government would set an example as a good employer by abolishing the offsetting arrangement for its outsourced workers.
- (h) Mr Aron KWOK shared that more benefits for the employees meant higher operating costs for employers. Nonetheless, the abolition of the offsetting arrangement of the MPF would not be totally disadvantageous to employers. In the case that the offsetting of the LSP and SP was not required, employers could retain talents more easily while the employees could enjoy better protection, thereby reducing the Government's future expenditure on poverty alleviation and elderly care. Regarding some Councillors' concerns about the possible layoffs, it had been proposed in the Policy Address that a ten-year fund would be set up to lower the possibility of immediate layoffs as well as to share part of the risk of employers. In addition, he was of the view that the

Action

amount of LSP and SP payable should be maintained at the existing entitlement of two-thirds of the last month's wages instead of adjusting downwards to half of the last month's wages. He called on the Government to listen to the views of the labour sector during consultation.

(The Chairman resumed the chair.)

15. Mr Aron KWOK made a statement on behalf of Mr WONG Kwok-hing, Mr CHIU Chi-keung, Mr David LEUNG, Mr HUI Lam-hing and Mr Stanley HO as follows:

“We consider that to protect the entitlements of employees under the Employment Ordinance, the amount of SP and LSP payable should not be reduced. Meanwhile, we urge the Government to commence consultation on the specific details of the abolition of the MPF offsetting mechanism as early as possible, and to work out the implementation details and timetable during its current term.”

V. Information Items

Chairman's Report on the Discussion Items of the Regular Meeting

16. The Chairman reported that the discussion items of the regular meetings held in January and February 2017 had been set out in the report of Chairman/Vice-chairman in detail. The regular meeting of March 2017 was scheduled on 16 March. Councillors could send their enquiries or views to the Chairman or the Vice-chairman for relaying at the regular meeting to be held in March 2017.

VI. Application for DC Funds for Employing Dedicated Staff to Assist District Council to Discharge its Duties

(EDC Paper No. 2/17)

17. Councillors endorsed the funding application in the paper.

VII. Financial Position of Eastern District Council Funds

(EDC Paper No. 3/17)

18. The Secretary briefed the meeting on Paper No. 3/17.

19. Mr Andrew CHIU enquired if the cash flow of the CI Programme was sufficient to cover the over-commitment of funds. The Secretary responded that since the surplus funds of other projects/remaining funds from completed activities could cover the over-commitment of funds, no additional funding was required. Councillors noted the financial position of the above funds.

VIII. Report on the Seventh Meeting of District Facilities Management Committee

(EDC Paper No. 4/17)

Action

20. Councillors noted the above report and endorsed the funding applications under items I, III, V, VIII and XV in the paper.

IX. Report on the Sixth Meeting of Culture, Leisure, Community Building and Services Committee

(EDC Paper No. 5/17)

21. Councillors noted the above report.

X. Report on the Seventh Meeting of Traffic and Transport Committee

(EDC Paper No. 6/17)

22. Councillors noted the above report.

XI. Report on the Seventh Meeting of Food, Environment and Hygiene Committee

(EDC Paper No. 7/17)

23. Councillors noted the above report.

XII. Reports on the Sixth and Seventh Meetings of Vetting Committee

(EDC Paper Nos. 8/17 and 9/17)

24. Councillors noted the above reports and endorsed the amended arrangement on declaration of interests in vetting funding applications. The arrangement would be adopted by the EDC and its committees/working groups/task groups.

XIII. Report on the Fifth Meeting of Task Group on Publicity about the Work of Eastern District Council

(EDC Paper No. 10/17)

25. Councillors noted the above report.

XIV. Reports on the 218th and 219th Meetings of the Eastern District Management Committee

(EDC Paper Nos. 11/17 and 12/17)

26. Councillors noted the above reports, including (i) the work direction of the District-led Actions Scheme in Eastern District for 2017-18; and (ii) the celebration events of the 20th anniversary of the establishment of the HKSAR in Eastern District and their funding allocation for 2017-18 as set out in Paper No. 12/17.

XV. Any Other Business

Action

(A) Meeting Arrangement

27. The Chairman said that according to Order 15(2) of the EDC Standing Orders, Councillors could not act in such a way as to disrupt the orderly conduct of meetings of the EDC and its committees/working groups. If a Councillor acted in such a way as to disrupt the orderly conduct of a meeting, the Chairman might issue warnings to the Councillor. The Chairman might order the Councillor to leave the place of the meeting if the Councillor persisted with such acts despite warnings. He added that Councillors must preserve the order of meetings and respect all attendees. Video recording or broadcasting of any meetings was prohibited.

XVI. Date of the Next Meeting

28. The meeting ended at 5:00 pm. The 8th EDC meeting would be held at 2:30 pm on 25 April 2017 (Tuesday).

Eastern District Council Secretariat
April 2017