(Translation)

Minutes of Meeting of Islands District Council

Date : 24 February 2020 (Monday)
Time : 10:30 a.m.
Venue : Islands District Council Conference Room, 14/F, Harbour Building, 38 Pier Road, Central, Hong Kong.

Present

<u>Chairman</u> Mr YU Hon-kwan, Randy, MH, JP

<u>Vice-Chairman</u>

Mr WONG Man-hon

Members

Mr CHOW Yuk-tong, SBS, MH Mr YUNG Chi-ming, BBS, MH Mr CHAN Lin-wai, MH Mr WONG Hon-kuen, Ken Mr HO Chun-fai Mr HO Siu-kei Ms WONG Chau-ping Ms YUNG Wing-sheung, Amy Ms TSANG Sau-ho, Josephine Mr KWOK Ping, Eric Mr TSUI Sang-hung, Sammy Mr FONG Lung-fei Ms LAU Shun-ting Mr LEE Ka-ho Mr LEUNG Kwok-ho Mr WONG Chun-yeung

(Left around at 2:45 p.m.)

<u>Attendance by Invitation</u> Ms CHU Wai-sze, Fiona

Ms HO Kit-ying, Florence

Chief Transport Officer/Planning/Ferry Review, Transport Department Senior Transport Officer/Planning/Ferry 2 Transport Department

In Attendance

Mr LI Ping-wai, Anthony, JPDistrict Officer (Islands), Islands District OfficeMr LI Ho, ThomasAssistant District Officer (Islands)1, Islands District OfficeMs LEUNG Tin-yee, ChristyAssistant District Officer (Islands)2, Islands District OfficeMr MOK Sui-hungSenior Liaison Officer (1), Islands District OfficeMr CHAN Yat-kin, KaiserSenior Liaison Officer (2), Islands District OfficeMs LAI Wing-sau, WinsyDistrict Environmental Hygiene Superintendent (Islands),
Food and Environmental Hygiene Department

<u>Secretary</u> Ms Dora CHENG

Senior Executive Officer (District Council), Islands District Office

I. <u>Election of Chairmen and Vice-Chairmen of Committees</u>

<u>The Chairman</u> welcomed Members to the second meeting of the sixth-term Islands District Council (IDC). In light of the seriousness of the Novel Coronavirus (COVID-19) outbreak, the Government implemented the work-from-home arrangement and the meeting would give priority to the more pressing issues, with the other issues to be dealt with when the Secretariat staff resumed work as usual.

2. <u>Ms Amy YUNG</u> asked the Chairman the criteria used to determine the order for discussion, and said that her questions were raised earlier than others but were not included in the agenda.

3. <u>The Chairman</u> said there was a need to elect the chairmen and vice-chairmen of the committees of the sixth term IDC promptly for implementing the work of committees. Election would be conducted first at the meeting. He opined that issues relating to the outbreak, especially those concerning CSI surgical masks provided for the Government's frontline staff should be given priority. The licences of six major island ferry routes would soon expire and were also needed to be put forward for discussion promptly for the relevant departments to proceed with the tendering.

4. <u>Mr LEUNG Kwok-ho</u> appreciated the Chairman's concern over the coronavirus and agreed that the outbreak and the six major ferry routes' licence period should be given priority. However, he disagreed leaving the remaining items for the next meeting instead of getting them done that day. He opined that if the items were dealt with at two separate meetings, Members and the Secretariat staff working from home would have to gather once more, thus increasing the risk of infection.

5. <u>Ms Amy YUNG</u> agreed that while the chairmen and vice-chairmen of the committees of the sixth term IDC should be elected promptly, Hong Kong people were also concerned about other discussion items. The webcasting of meetings raised by her was important and should not be left for discussion at the next meeting.

6. <u>The Chairman</u> agreed that all issues raised by Members for discussion at the meeting were very important and adequate discussion should be allowed. Nevertheless, given that mass gathering would increase the risk of infection (e.g. the recent increased confirmed cases associated with the Buddhist temple) amid the serious outbreak, the Government earlier implemented the work-from-home arrangement to lower the risk and he hoped that the most pressing and urgent issues would be discussed that day, leaving other items to be dealt with after the easing of the outbreak and civil servants were back to work as usual.

7. <u>Mr Sammy TSUI</u> understood that mass gathering would probably increase the risk of infection amid the outbreak and the Government earlier implemented the work-from-home arrangement. As civil servants worked from home, the meeting could not convene as scheduled and Members were unable to discuss a number of livelihood issues and convey their views to relevant departments. If the livelihood issues were not discussed at the meeting that day, district work projects could not be implemented. He queried why the Innovation and Technology Bureau (ITB) did not provide technical support to facilitate the Council conducting video meetings. He emphasised that the Government should address livelihood issues to meet the needs of the community but it was disappointing that livelihood issues were not included in the agenda that day.

8. <u>The Chairman</u> said that election would begin after Mr LEUNG Kwok-ho and Mr WONG Chun-yeung had voiced their views.

9. <u>Mr LEUNG Kwok-ho</u> was not pleased that the Chairman proceeded with the election without responding to Members' enquiries and demanded the Chairman to give a response. He was aware that Mr WONG Chun-yeung had requested the Chairman to convene an urgent meeting the previous week for discussion of matters relating to the outbreak but the request was rejected without reasons given. The Chairman said earlier that the outbreak was serious but he opined that the severity level of the previous week was even higher which called for immediate discussion on precautionary measures, but the Chairman deferred the meeting till that day which he considered as unreasonable. As Mr Sammy TSUI said earlier, a number of livelihood issues were pending as civil servants worked from home and the meeting could not be held as scheduled and the district work projects not implemented. The Chairman said no livelihood matters would be dealt with at the meeting that day and the discussion had to be left until next meeting which he opined absolutely unreasonable. He queried the criteria used for deciding the order of agenda items.

10. <u>Mr WONG Chun-yeung</u> said that he had contacted the Chairman in mid-February by phone and via instant messaging applications for requesting to convene an urgent meeting for discussion of livelihood issues, the shortage of face masks in particular. He believed that even if the District Officer did not attend the meeting or provide secretariat support, IDC meeting should be convened immediately for discussion of pressing concerns. At the first meeting, a number of members had agreed to put emphasis on livelihood issues and not to trigger political conflicts, but this time the Chairman did not allow to convene an urgent meeting to discuss livelihood issues. He asked whether Members understood the extent of face masks shortage and the functions and ambits of the former Urban Council that he suggested several times modelling on it. He said IDC did not convene meetings immediately, leaving residents unhappy. He found the decision of Chairman disappointing. He opined that if the council genuinely cared for people's livelihood, an audio meeting could be held even in the absence of secretariat or technical support from the Secretariat and ITB.

11. <u>The Chairman</u> understood the concerns of Members over livelihood issues and their displeasure over the meeting arrangement. Earlier, he and the Secretariat strived to increase the fund for acquisition of face masks to \$300,000 from \$100,000 but no contractor was found suitable subject to regulation under the Stores and Procurement Regulations of the Hong Kong Government. As earlier stated, the experts advised against mass gathering and the implementation of work from home arrangement by the Government, so the meeting could not be held as scheduled. If members held meetings themselves, the risk of infection would rise and the discussion was not legally binding. Although the outbreak had not yet eased, he understood that Members wanted to attend to more pressing issues. Therefore the meeting was held today as scheduled with secretariat support provided to help speed up the work. He hoped that more pressing issues would be dealt with first to reduce the time of gathering.

12. <u>Mr LEUNG Kwok-ho</u> said given that the Chairman noted the severity of COVID-19 and the warning against mass gathering, he was puzzled why all the items were not discussed at the meeting that day, instead of arranging another day for a further meeting. He asked whether a video meeting was possible.

13. <u>The Chairman</u> said that all 18 members present had public mandate. Even if they were oblivious to their own safety, they should pay heed to the safety of the civil servants, staff members, reporters and attendees at the meeting. He understood that Members hoped that the departments would arrange representatives to attend the meeting to respond to questions, but owing to the work-from-home arrangement being made for civil servants, only written replies could be provided by the departments and no representatives were arranged. Therefore, even all agenda items were addressed at the meeting today, there could not be a full discussion. In view of the severity of the outbreak, he considered the present arrangement appropriate and hoped to speed up the discussion to reduce the time of gathering.

(The election of chairmen and vice-chairmen of committees began.)

14. <u>The Chairman</u> said that the Secretariat had earlier sent to Members the name list of members of each committee under IDC as well as the nomination forms for committee chairmen and vice-chairmen, and announced that the election started.

Election of Chairman of District Facilities Management Committee

15. <u>The Chairman</u> said that at the closure of nomination at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, two nominations for the chairman of District Facilities Management Committee (DFMC) were received with nominees

Mr Ken WONG (No.1) and Mr LEE Ka-ho (No.2). He asked Members to vote by secret ballot and said that each DFMC Member would be distributed ballot paper by the Secretariat staff.

16. <u>Ms Amy YUNG</u> requested the Chairman to allow candidates to make a self-introduction.

17. <u>Mr LEUNG Kwok-ho</u> enquired whether the candidates had declared interests and opined that Members should know whether a conflict of interests arose with the position as the chairman.

18. <u>The Secretary</u> said that the Secretariat had not received any declaration of interests from the candidates relating to the election of the chairman of DFMC.

19. <u>Mr WONG Chun-yeung</u> suggested that the candidates introduce themselves in more detail and did not just give their names.

20. <u>Mr LEUNG Kwok-ho</u> enquired whether the Secretariat had not received any declaration of interests from the candidates or the candidates had no conflict of interests with the election of the chairman of DFMC.

21. <u>The Secretary</u> said that the Secretariat did not know whether the candidates had any conflict of interests with the election of the chairman of DFMC and that the candidates should decide whether they had an interest required to be declared.

22. <u>Mr LEUNG Kwok-ho</u> enquired of the Secretariat whether no candidates besides the Chairman had declared interests with regard to the election of the chairmen and vice-chairman of the committees under IDC.

23. <u>The Secretary</u> said that no candidates had declared interests with regard to the election of the chairmen and vice-chairman of the committees under IDC.

24. <u>The Chairman</u> said that besides declaring interests for the election of the chairmen and vice-chairmen of the committees under IDC, the committee chairmen and vice-chairmen as well as members would, he believed, declare interests timely in matters under discussion where necessary. He asked the candidates to make a self-introduction briefly before the election began.

25. <u>Ms Amy YUNG</u> said that the Chairman had mentioned right now that the committee chairmen and vice-chairmen as well as members should declare interests timely in matters under discussion where necessary. She pointed out that when the election of the Chairman and Vice-chairman of IDC was held last time, the candidates should make a declaration of interests but the Chairman refused to respond to a question about conflict of interests while the Vice-chairman only gave his name and said he was the chairman of a rural committee (RC). When being asked by Members to declare interests, both refused to do so, which was to the contrary to what the Chairman said just now.

26. <u>Ms Josephine TSANG</u> said that each Member had filled out a declaration of interests form and if Members persisted to squabble over the matter of declaration of interests, this would take up meeting time and impede the discussion on livelihood matters.

27. <u>Mr Sammy TSUI</u> considered it reasonable to request the candidates to declare interests with regard to the election of chairmen and vice-chairmen of the committees under IDC to avoid any conflicts of interests in the future meetings. He opined that all Members present had public mandate with the responsibilities to serve the public, and he hoped that the candidates would mention their vision, matters of concern as well as competence for the post of chairman or vice-chairman for Members' consideration before voting.

28. <u>The Chairman</u> said that the Council had a well-established system for declaration of interests and the relevant committee chairmen and vice-chairmen as well as members would declare interests that they might have in matters where necessary. He noted the views of Mr Sammy TSUI and said that the candidates could decide the contents of introduction themselves. He asked the candidates Mr Ken WONG (No.1) and Mr LEE Ka-ho (No.2) to make a brief self-introduction.

29. <u>Mr Ken WONG</u> said that he was the current chairman of Peng Chau RC and DFMC chairman of the last DC term. Although he was an ex-officio member, he was elected by some 2 000 voters. He knew from experience as a DC member of the last term that many district works were costly, resulting in failure of implementation of projects affecting livelihood as scheduled to address the pressing needs. For example, constructing an elevator to facilitate public access to a clinic in Cheung Chau hillside was supported by many Members during the last term and the project went ahead only when the cost was slashed to under \$30 million from over the maximum ceiling of \$30 million after coordination by various parties. If he was elected, he would continue to push for implementation of livelihood projects to bring benefits to the public.

30. <u>Mr LEE Ka-ho</u> said that he was newly elected in this term and hoped that fresh thinking could be brought to DFMC. He supported the proposal of Mr WONG Chun-yeung for re-introduction of the Urban Council, the function of which he opined was similar to the Leisure and Cultural Services Department (LCSD) and Food and Environmental Hygiene Department (FEHD) with DFMC handling the leisure and cultural matters. If he was elected chairman of DFMC, he would ensure that the committee would better play its role. With rapid development in Tung Chung in recent years, a number of housing estates would soon be completed in Tung Chung West and there was large scale reclamation work in Tung Chung East. He considered that the development of district facilities was closely related to people's livelihood and would strive to improve these facilities and serve the community.

31. <u>The Chairman</u> announced that voting began.

(Voting proceeded.)

32. <u>The Chairman</u> announced that voting ended and the counting of votes began. There were a total of 18 valid ballot papers in the ballot box without abstention, and that the counting of votes (reading aloud the votes cast) began formally.

(The Secretary read aloud the number of valid votes each candidate got.)

33. <u>The Chairman</u> asked if any Members wanted to have the votes checked.

(No members requested to check the votes.)

34. <u>The Chairman</u> announced the result of voting: the first candidate Mr Ken WONG got 11 votes, and the second candidate Mr LEE Ka-ho seven votes. Since Mr Ken WONG received an absolute majority of votes, the Chairman announced that Mr Ken WONG was elected chairman of DFMC and election of vice-chairman would then begin.

Election of Vice-Chairman of District Facilities Management Committee

35. <u>The Chairman</u> said that as at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, one nomination for the vice-chairman of DFMC was received. As only one valid nomination was received and the nominee was Mr WONG Chun-yeung, the Chairman officially announced that Mr WONG Chun-yeung was automatically elected vice-chairman of DFMC.

Election of Chairman of Community Affairs, Culture and Recreation Committee

36. <u>The Chairman</u> said that as at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, two nominations for the chairman of Community Affairs, Culture and Recreation Committee (CACRC) were received, and the nominees were Mr WONG Man-hon (No.1) and Mr WONG Chun-yeung (No.2). He invited the two nominees to briefly introduce their platforms.

37. <u>Mr WONG Man-hon</u> said that he was the second term chairman of Mui Wo RC after nomination by the RC and passing three rounds of voting with voters totaling over 2 000, not exactly a "small-circle election" considered by outsiders. He was a DC member of the second term and the chairman of Traffic and Transport Committee (TTC) of the last term. If he was elected chairman of CACRC, he would work closely with members to contribute to the community.

38. <u>Mr WONG Chun-yeung</u> said that he was not a veteran Member as the first candidate nor had he performed so well as the latter in profession. However, over the years he had proactively participated in community cultural and recreation activities. He was pragmatic and concerned about social dynamics and considered himself competent for the position. If he was elected chairman of CACRC, he hoped that he would inject new ideas into the committee to develop its functions while preserving the long tradition. He understood that the reintroduction of the Urban Council could not be achieved overnight and could only take a step each time.

39. <u>The Chairman</u> announced that voting began.

(Voting proceeded.)

40. <u>The Chairman</u> announced that voting ended and vote counting began. There were a total of 18 valid ballot papers in the ballot box without abstention and he announced that the counting of votes (reading aloud the votes cast) began formally.

(The Secretary read aloud the number of valid votes each candidate got).

41. <u>The Chairman</u> asked if any Members wanted to have the votes checked.

(No members requested to check the votes.)

42. <u>The Chairman</u> announced the result of voting: the first candidate Mr Wong Man-hon got 11 votes, and the second candidate Mr WONG Chun-yeung seven votes. Since Mr Wong Man-hon received an absolute majority of votes, the Chairman announced that Mr Wong Man-hon was elected Chairman of CACRC.

Election of Vice-Chairman of Community Affairs, Culture and Recreation Committee

43. <u>The Chairman</u> said that as at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, one nomination for the vice-chairman of CACRC was received. As only one valid nominee form was received and the nominee was Ms LAU Shun-ting, he announced officially that Ms LAU Shun-ting was automatically elected vice-chairman of CACRC.

Election of Chairman of Tourism, Agriculture, Fisheries, Environmental Hygiene and Climate Change Committee

44. <u>The Chairman</u> said that as at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, one nomination for the chairman of Tourism, Agriculture, Fisheries, Environmental Hygiene and Climate Change Committee (TAFEHCCC) were received. As only one valid nominee form was received and the nominee was Ms Josephine TSANG, he announced officially that Ms Josephine TSANG was automatically elected chairman of TAFEHCCC.

Election of Vice-Chairman of Tourism, Agriculture, Fisheries, Environmental Hygiene and Climate Change Committee

45. <u>The Chairman</u> said that as at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, one nomination for the vice-chairman of TAFEHCCC was received. As only one valid nominee form was received and the nominee was Ms WONG Chauping, he announced officially that Ms WONG Chauping was automatically elected vice-chairman of TAFEHCCC.

Election of Chairman of Traffic and Transport Committee

46. <u>The Chairman</u> said that as at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, one nomination for the chairman of TTC was received. As only one valid nominee form was received and the nominee was Mr Eric KWOK, he announced officially that Mr Eric KWOK was automatically elected chairman of TTC.

Election of Vice-Chairman of Traffic and Transport Committee

47. <u>The Chairman</u> said that as at 9:30 a.m. on 24 February 2020, i.e. the close of nomination, two nominations for the vice-chairman of TTC were received and the nominees were Mr HO Siu-kei (No.1) and Mr LEE Ka-ho (No.2). The Chairman invited the two candidates to briefly introduce their platforms.

48. <u>Mr HO Siu-kei</u> said that he was elected chairman of Tai O RC and was born in Lantau and knew Islands District like the back of his hand. He considered that Mr Eric KWOK would be competent for the position of TTC chairman and expected to work with him to improve the sea and land transport of Islands District to tie in with the rapid development of Tung Chung.

49. <u>Mr LEE Ka-ho</u> said that although he was newly elected this term, he had been appointed co-opted Member in the last term and had a good understanding of the traffic in Islands District. He hoped that he could serve the community as the vice-chairman.

50. <u>The Chairman</u> announced that voting began.

(Voting proceeded.)

51. <u>The Chairman</u> announced that voting ended and vote counting began. There were a total of 17 valid ballot papers in the ballot box without abstention and he announced that the counting of votes (reading aloud the votes cast) began formally.

(The Secretary read aloud the number of valid votes each candidate got))

52. <u>The Chairman</u> asked if any Members wanted to have the votes checked.

(No Members requested to check the votes.)

53. <u>The Chairman</u> announced the result of voting: the first candidate Mr HO Siukei got 10 votes, and the second candidate Mr LEE Ka-ho seven votes. Since Mr HO Siu-kei received an absolute majority of votes, the Chairman announced that Mr HO Siu-kei was elected vice-chairman of TTC.

Welcoming Remarks

54. <u>The Chairman</u> welcomed Members and representatives of the government

departments to the meeting and introduced an attendee Mr LI Ho, Thomas, Assistant District Officer (Islands)1 of Islands District Office (IsDO).

II. Confirmation of the Minutes of Meeting held on 6 January 2020, 17 January 2020 and 20 January 2020

55. <u>The Chairman</u> said that the captioned minutes had incorporated the amendments proposed by the government departments and Members, and had been distributed to Members for perusal before the meeting.

56. Members voted by a show of hands, and the minutes were confirmed with 17 votes in favour, none against and one abstention.

(Members voted in favour included: the Chairman Mr Randy YU, the Vice-Chairman Mr WONG Man-hon, Mr CHOW Yuk-tong, Mr YUNG Chi-ming, Mr CHAN Lin-wai, Mr Ken WONG, Mr HO Chun-fai, Mr HO Siu-kei, Ms WONG Chau-ping, Ms Josephine TSANG, Mr Eric KWOK, Mr Sammy TSUI, Mr FONG Lung-fei, Ms LAU Shun-ting, Mr LEE Ka-ho, Mr LEUNG Kwok-ho and Mr WONG Chunyeung. Ms Amy YUNG abstained.)

III. Proposed operational arrangements to be required in tenders of the six major outlying <u>ferry routes</u> (Paper IDC 21/2020)

57. <u>The Chairman</u> welcomed Ms CHU Wai-sze, Fiona, Chief Transport Officer/Planning/Ferry Review and Ms HO Kit-ying, Florence, Senior Transport Officer/Planning/Ferry 2 of Transport Department (TD) to the meeting to present the paper.

58. <u>Ms Fiona CHU</u> presented the paper briefly with the aid of PowerPoint presentation. She added that regarding the introduction of the Vessel Subsidy Scheme (VSS) under which new vessels would be procured through open tender, she would like to solicit Members' views on the relevant arrangement at the meeting for inviting tenders for the operation of the six major routes given the complexity of work processes before and after tenders.

59. <u>Ms Josephine TSANG</u> said that many people had reflected to her that the fare of the Central-Peng Chau route was more expensive than the Central-Yung Shue Wan route. She proposed that TD should review the fare of the Central-Peng Chau route when processing fare increase applications from ferry operators in the future to bring it on par with that of the Central-Yung Shue Wan route. TD proposed that the selected operator change the fast ferry sailing departing at 7:25 a.m. from Peng Chau to 7: 30 a.m. but as there was a kaito departing at 7:30 a.m. from Peng Chau, she suggested that the fast ferry sailing at 7:25 a.m. be rescheduled to 7:35 a.m.

60. <u>Mr Eric KWOK</u> expressed his views as follows:

- (a) He criticised that the Transport and Housing Bureau (THB) and TD failed to review the ferry policy, especially where the fares and purchase of ferries were concerned. They just provided special helping measures (SHM) with tax revenue to subsidise ferry service. He said that DC Members of the last term had time and again raised proposals at the meetings for the Government to have its ferry fleet and engage ferry operators to operate the ferry service. The Policy Address 2019 announced that the Government would continue to provide SHM to six major outlying island ferry routes. According to the relevant documents, the Government was committed to a funding of \$412 million to reimburse ferry operators the expenses incurred in operating ferry service during the current three-year licence period (mid-2017 to mid-2020).
- (b) The relevant documents also revealed that the Government had conducted financial performance assessments and forecasts on the six major routes in the next five-year licence period from 2021 to 2026, and the results showed that if the SHM were not in place and the fares remained unchanged, the ferry operators would record a deficit of about \$700 million. It would need a fare hike of around 40% to break even. The papers stated that the Government planned to provide SHM for the next five-year licence periods (from 2020 to 2026) of 14 outlying island ferry routes and the amount of SHM required was more than \$1.2 billion, which was estimated to average around \$260 million per year.
- (c) He did not understand why the bureau and the department refused to accept the proposals raised at the meeting by members over the past 20 years. In 1994 when International Finance Centre (IFC) and Central Piers 4 to 6 underwent integrated development, he had provided various input to the then Executive Council. The Harbourfront Commission also gave recommendations in 2013 on the overall development of IFC, including the leasing of pier superstructure for retail shops and supermarket and night cooked food market modelled on the former "Da Dadi", with the net rental income after deducting expenses injecting into a fund to stabilise fares. While this could avoid dipping into tax revenue, the income generated could be used to stabilise fares and cross-subsidise the ferry operation. He was puzzled why people opposed then.
- (d) There were rise and fall in oil prices over the past years. Some ferry operators and citizens proposed setting up a fund, with the Government injecting \$100 million. When oil prices rose, the ferry operators could withdraw \$5 from the fund as subsidy. On the contrary, the ferry operators would inject capital into the fund during a fall in oil prices.

61. <u>Ms Amy YUNG</u> noted that TD had studied the patronage with the ferry schedule and adjusted the schedule to meet public demand. She asked whether the sailing schedule could not be changed after the issue of the licence or signing of the contract. If the ferry operator wanted to change the current schedule or put forward a proposed schedule, whether prior consent was required from TD and passengers would be consulted. She also asked about the formation of the passenger liaison group (PLG). She said that purpose of the PLG was to gauge passengers' views, but at a recent PLG meeting held in Discovery Bay, some resident attendees were told to leave by the anchor although they had not voice opinions. She asked the department's views about the way that the PLG set up by operators behaved towards residents.

62. <u>Ms LAU Shun-ting</u> thanked TD for introducing extra sailings at 6:40 a.m. and 9 p.m. on the Central-Yung Shue Wan route according to residents' views reflected by CHAN Lin-wai, chairman of Lamma North Rural Committee and the then member Ms YU Lai-fan earlier on. She said that residents hoped that the proposal could be implemented through the tender. Many residents and visitors of Sok Kwu Wan hoped that TD would consider adding extra sailings on the Central-Sok Kwu Wan route on Saturdays.

63. <u>Mr LEUNG Kwok-ho</u> expressed his views as follows:

- (a) It was endorsed at the last meeting that Members could only be allowed to speak not more than four minutes as proposed. He learned that the Secretariat had arranged staff to keep timing. As the timer was not placed in front of Members, they did not know how long they had spoken. He had noticed just now that the Secretariat staff pressed the button after Members had spoken for 20 seconds or a minute. He did not know whether it was to start counting or shut off, and hoped that the Secretariat would make improvement.
- (b) Regarding the tender for the six major ferry routes, he asked TD whether there were incidences that only one or two ferry operators participated and why the department continued to select private companies to provide ferry service even though huge deficits were recorded during the licence period. Also, he asked TD whether it had reviewed the current ferry operation, e.g. the high patronage of the Cheung Chau route although the same ferry fleet ran the Cheung Chau and Mui Wo routes. In-take of Mui Wo public estate had begun and if the selected operator or tenderer failed to cope with the demand in peak hours, he asked how TD would resolve the issue. He knew that ferry operators would purchase new vessels only after it was awarded the contract. As such, during the first quarter of the new licence period, old or existing vessels would be used. He asked whether TD had conducted study to ascertain ferry service would be provided according to the adjusted schedule. Given that ferry operators ran into huge deficits and were unable to pay employees reasonable remuneration, he asked whether TD would consider employee remuneration as a criteria for tender evaluation, and if the tenders would have a better chance if providing

better pay benefits.

(c) <u>Ms Josephine TSANG</u> said just now that according to the adjusted schedule, a sailing of Central-Peng Chau service bound for Central departed from Peng Chau at the same time as the sailing of Inter-islands service from Peng Chau to Cheung Chau. She asked under this circumstance, whether the ferry would wait for the inter-islands ferry to depart before docking or the latter's passengers would not be allowed to board until the ferry passengers had all alighted. He pointed out that over the past three months, the ferries running on Cheung Chau route were always out of order. He requested TD to provide the defective ferry record over the past four years and asked whether any penalty mechanism was in place.

64. <u>The Chairman</u> asked the Secretary to provide information about the speaking time for Members and requested the Secretariat to implement relevant measures at the next meeting.

65. <u>The Secretary</u> said that the staff were holding three timers at the back of the conference room, and the sound Mr LEUNG Kwok-ho heard should be caused by resetting the timers, which were all set for four minutes. When a Member finished speaking, the responsible staff would reset the timer and start the other one for counting. She said the Secretariat would consider ways of improvement, e.g. placing the timer at the table of Members to let them know the time remained.

- 66. <u>Ms Fiona CHU</u> gave a consolidated response as follows:
 - (a) Regarding the fare of the Central - Peng Chau route, owing to different operating environment, passenger demand, service standard, the type and number of ferries, the financial performance of individual routes She said that the fare level of a route was would be different. determined by a number of factors rather than just by the distance Such factors for determining fares should be taken into travelled. account in bid submissions. She stressed that the conditions of tender were different from those of ten years ago. With the provision of SHM for ferry operators and introduction of a new VSS, an upper limit would be set on the fare level proposed in the submissions. Since ferry services and public transport services in Hong Kong were run by the private sector in accordance with prudent commercial principles and in light of the high operation cost and limited increase in patronage, TD, after completion of the review on the long-term operation model of outlying island ferry services, considered that there was a need to continue providing SHM and launch a new VSS to relieve the pressure for fare increase. In the current tender, TD proposed to cap the fare levels at not more than 5% exceeding the current fare levels and would also provide incentives to encourage tenderers to introduce more types of fare concessions. It was pointed out that the lowering of fares would impair the financial viability of a number of routes or even deter

potential tenderers from submitting bids, so there was still room for tenderers to set the fare levels. In addition, she agreed that consideration could be made to adjust the schedule of the 7:30 a.m. sailing from Peng Chau to Central where appropriate after relevant factors had been taken into account.

- (b) Regarding ferry operation, TD had been concerned about the fares and ferry arrangement. Given the structural problems faced by the outlying island ferry services, i.e. escalating operating costs and lack of apparent growth in demand, the Government started providing SHM for the six major ferry routes ten years ago and then introduced enhancement measures to maintain the financial viability and alleviate the pressure for fare increases. She pointed out that the VSS to be launched would enhance the service quality of the ferry fleet and maintain the long-term financial viability of ferry services while stabilising fares at an acceptable level.
- (c) She added that the fares were last revised in April or July 2017. Given that approximately four years had passed and the cumulative inflation rate was expected to be around 9.7-9.9% as of March 2021, TD capped the fare increase rate at 5% or below, which was lower than the inflation rate in line with the policy consideration of providing SHM so as to ease the burden of fare increases with government subsidy while the passengers shouldered a fair share of fare burden by paying a fare acceptable to them. The Government also introduced the Public Transport Fare Subsidy Scheme which was enhanced early this year to raise the subsidy rate to one-third of the public transport expenses in excess of \$400 as well as raising the monthly cap to \$400 in the hope of relieving the transport fare burden of citizens through a multi-pronged approach.
- (d) Regarding Mr Eric KWOK's question about why the Government provided full subsidy to ferry operators to purchase vessels rather than owning a ferry fleet and engaging management companies to manage the ferry services, she replied that the department had considered the latter when reviewing the long-term operation model of ferry services. Owing to a considerable amount of public money involved, the lower effectiveness and the fact that service enhancement was not guaranteed, it eventually proposed continued provision of SHM for the six major routes and extending the measures to eight other routes as well as launching the new VSS.
- (e) Regarding the development of Central Pier Nos 4 to 6, she said that the proposal of building additional floors above the piers was raised in 2013 and submitted to the Legislative Council's (LegCo's) Public Works Sub-committee for discussion but was rejected after a debate. Later, the feasibility of the proposal was reviewed in-depth but given the estimated cost in 2013 was already up to \$610 million with the

probability of further escalation and fluctuation of rental income especially during economic downturn, expected benefits might not be able to achieve. Coupled with the complex contractual relationship among stakeholders including the Government, ferry operators, leasing institutions and shop tenants, etc., enormous agency cost incurred and other uncertainties (e.g. changes in rental income), TD did not think it would be the most desirable option. After balancing the various factors, they were in favour of the long-term operation model for outlying island ferry services. She said that there was potential for business opportunities (e.g. opening small shops) without compromising the day-to-day operation of the piers to increase non-fare box revenue to cross-subsidise the ferry operation.

- Regarding oil prices, she said that no subsidy would be provided to (f) cover oil expenses under SHM and the ferry operators had to bear the oil volatility risk. She opined that the setting up of the oil stabilisation fund would not necessarily help stabilise the fare. On the contrary, this would probably lead to absence of incentives to manage the operating costs of ferry services effectively, a deviation from the current public transport policy that the service should be run by private ferry operator prudently in accordance with commercial principles. Many trades used oil directly or indirectly and if the fund was set up for ferry services only, this would have adverse impact on the fair business environment. She said that the Government had provided a one-off subsidy recently to offset some of the oil expenses for a 12-month period and certain assistance to ferry operators as appropriate to overcome financial difficulties, especially in the difficult operating environment due to a sharp decline in patronage amid the pandemic.
- (g) Regarding the timetable, she said that the papers provided a basic schedule and if Members considered it feasible, TD would include in the tender documents a requirement for ferry companies to operate ferry services according to the basic schedule. If the companies considered that there was room for adjusting or increasing the frequency, the tenders would be awarded higher scores. The schedule adjustment should be made to meet the passenger demand rather than increasing the frequency of routes with lower patronage to enhance their chance of selection, resulting in higher cost and pressure on fares. She reiterated that the schedule shown in the papers was the basic requirement of services although ferry companies could adjust the schedule in the future after taking into consideration various factors and the view of the local representatives after consultation.
- (h) Regarding PLG, TD required the operators to set up PLG for the six major routes in respect of each route. The ferry companies would issue notices to inform passengers and recruit those interested to join the PLG. Members of the public could attend the meetings of PLG to express their views while the ferry companies could consult members at

the meeting on new initiatives introduced. The feedback would be made public and reports would be submitted to TD for review and follow-up. Regarding the case of PLG (Discovery Bay-Central route) mentioned by Ms Amy YUNG earlier, she opined that ferry companies, after recruiting passengers to the PLG, should permit them to attend and observe the meetings or voice their opinions. The case mentioned by Ms YUNG was not acceptable.

- (i) As to the frequency of Sok Kwu Wan route, as there was higher passenger volume on Saturdays, Sundays and public holidays, the ferry companies would provide extra sailings to cater for passenger demand according to actual needs, e.g. departures denoted with asterisks on the proposed schedule. TD would continue to monitor the patronage and adjust the schedule to increase frequency flexibly where appropriate.
- (j) The last tender for the operation of the six major routes was conducted in about ten years ago (Note: a tender exercise was conducted in 2007 followed by a retendering in 2008), and of the six major routes, only the Central-Peng Chau and Central-Yung Shue Wan routes received more than one tenders while the remaining routes, i.e. Central-Cheung Chau, Central-Mui Wo, kaito service and Central-Sok Kwu Wan received just one tender. The highest bidder was selected according to the criteria set out in the tender documents. Before tendering, TD had reviewed the financial performance of the six routes over the years and assessed the financial viability in the next five-year licence period. Two tender packages were proposed after it took into consideration the passenger demand for the six routes, ferry frequency and the number of ferries required, etc. Statistics showed that the Government was required to provide SHM to the six major routes to maintain their financial viability.
- (k) Regarding the new VSS, since procurement of vessels in tendering required additional expenses and might aggravate the burdens of tenderers if they were required to proceed with the procurement during the tender period, it was proposed that only selected tenderers were required to proceed with the tendering process for procurement of vessels. Legal advice was sought in this regard. Before submission of tender, tenderers should consider the number of vessels required to run a specific route according to the proposed basic schedule of service to ensure that the ferry service would begin operating upon the commencement of the licence period. Ferry operators should ensure that the fast or ordinary ferry service should meet the requirement stipulated by the department in terms of service frequency or carrying capacity per hour.
- (1) Since the proposed ferry schedules were adjusted slightly to cater for passenger demand, the selected ferry operators should have a similar number of vessels available as the current service providers except the operator of the "Inter-islands" service which might require an additional

vessel to deliver service according to the schedule. Ferry operators could increase frequency with their own vessels or leased vessels. Under the new VSS, the selected operators were basically required to procure vessels of higher speed and increased carrying capacity as per Government's basic requirements. Take the Cheung Chau route as an example, according to the actual ferry operation, the operator was required to replace the fleet of 400-seat fast vessels with 500-seaters, and the current 1 400-seat ordinary vessels with new faster 1 000-seaters. It was hoped that in the long term, the carrying capacity and service frequency would gradually be enhanced with the replacement of vessels.

- (m) Regarding staff salary, the statutory minimum wage (SMW) was enforced. With manpower shortage facing the ferry service sector, the ferry operators generally paid more to attract workers especially captains and engine operators who would generally get a bigger pay rise of 5% or above in the past. Staff salary was not included as part of the evaluation criteria. On the contrary, emphasis was placed on whether enough qualified staff was recruited to operate ferry service. Higher rating would be given if satisfactory training was provided.
- (n) Regarding two ferry routes departing from Mui Wo Ferry Pier at the same time, berths were provided along both sides of the pier to allow schedule flexibility. For the recent breakdown of a ferry running on Cheung Chau route, it was mainly caused by ocean garbage hindering the normal ferry operation. Request had been made to the Marine Department to step up the ocean cleanup so as not to impact the ferry services.
- 67. <u>Mr Eric KWOK</u> expressed his views as follows:
 - (a) Regarding the structural problems of ferry services, he cited the example of ferries running between Mui Wo and Central which charged around \$31 for a single trip on fast vessel for adult while the present SMW rate was \$37.5 per hour. As TD stated, grassroots residents spent almost an hour's wage for a ride to Mui Wo. He opined that high fares hindered the development of tourism industry in outlying islands and yet no improvement measures had been introduced by relevant departments.
 - (b) According to the departmental representative, substantial expenses would be incurred if the Government owned its vessel fleet with approximately \$1.2 billion set aside in the next five years and 47 new vessels purchased. He asked about the estimated cost of new vessels and opined that if the business was run efficiently, it would yield high returns. He was not pleased that relevant details were not provided. He said that the lowering of fares of outlying island ferries could attract more visitors to Islands District and boost the economy. He opined

that under the management of TD, neither superstructure development in the piers nor integrated development with IFC was allowed. He hoped that the Government would consider and listen attentively to Members' views to promote sustainable development in Islands District.

- (c) For the use of environmentally-friendly vessels, it was pointed out in the paper of TD that hybrid vessels would be used for running some of the routes now served by fast vessels. The fuel cost accounted the major component of operating expenses for ferry operators and the rise in oil prices over the previous years had triggered fare increases. He hoped that TD would pay attention to the impacts of oil price on fares. Vessels emitted pollutants such as sulphur dioxide, nitrogen oxides and fine suspended particles, and he asked whether there were requirements for purchase of new eco-friendly vessels. The inter-islands ferries were old and worn out, emitting thick black smoke. He enquired whether inter-islands ferries were covered under the VSS. He also requested that free Wi-Fi services and mobile battery charging facilities, etc. be provided in the piers.
- 68. <u>Mr Sammy TSUI</u> expressed his views as follows:
 - (a) He opined that under the proposed subsidy scheme, the Government was akin to paying the cost of new vessels for ferry operators, and asked TD the estimated amount and the subsidy period to prevent budget overrun.
 - (b) He agreed to what the departmental representative said earlier that there was a need to upgrade the ferry services, but the Government was not doing a good job in supervision and there might be loopholes in the policy. The Government should not hope for a turnaround by encouraging the private sector to take over a failing industry. The only way was to move some people to Islands District to help the ferry operators yield profits. The relevant companies should have weighed up the pros and cons, including the capital investment, vessel maintenance, salary costs and earnings before drawing up the proposals. As such, the contents of the proposals would be relatively positive, although he was doubtful whether the ferry operators could enhance ferry services. He was afraid that the introduction of SHM and the subsidy scheme could not enhance ferry services or help keep the fares down, making the passengers face high travel expenses. If the ferry operators requested a fare adjustment within 5% proposed by the Government in the future, he expected that approval would be given. He opined that the Government might not achieve the goal to improve ferry services with capital injections.
 - (c) For VSS, he enquired whether the new vessels, if fully subsidised by the Government, would bear the characters "Government fully owned". If the public did not know the vessels were bought with public funds, the

ferry operators might confuse the public and demand fare increase to generate additional revenue. He opined that the scheme was aimed to provide ferry services for the public, not for the ferry operators to make profits. He asked why the Government did not provide the services or select non-profit-making organisations to do so for the Government to bear the essential operating expenses only to prevent the ferry operators from reaping profits and aggravating the burden of travel expenses on residents or visitors in Islands District.

69. <u>Mr HO Chun-fai</u> said that many Chi Ma Wan residents had reflected that if they took the 10:30 a.m. inter-islands ferry to Cheung Chau for shopping and lunch, they could not return home before 5 p.m. due to the ferry schedule. He pointed out that after alighting, passengers could not catch the return ferry at 10:50 a.m. and as the next one at 12:45 p.m. did not call at Chi Ma Wan, they had to stay in Cheung Chau for over four hours before they could take the 4:50 p.m. ferry home. If they could not catch the one at 4:50 p.m., they would then have to wait for another two hours. He hoped that the sailings at 12:45 p.m. and 2:40 p.m. could be arranged to call at Chi Ma Wan.

- 70. <u>Mr Ken WONG</u> expressed his views as follows:
 - (a) He agreed with Mr Eric KWOK and Mr Sammy TSUI that the ferry operation structure should be changed. In view of the constraints of PlanD's infrastructure planning, the population in Islands District was relatively smaller with lower pedestrian volume, and the Government should take over the operation of ferry services and standardise ferry frequency and fares in the long term to prevent unfairness.
 - (b) Members brought up time and again the issue of berthing of Peng Chau-Central ferries and Inter-islands ferries. He said that as only one side of Peng Chau Ferry Pier could be used for picking up/setting down passengers or loading/unloading goods, the 7 a.m. ferry reached Peng Chau Ferry Pier at 7:35 a.m. from Central, obstructing the ferry departing at 7:45 a.m. with loading and unloading goods. He requested TD to look into a long-term solution to the berthing problem in Islands District.
 - (c) Regarding provision of a fast vessel sailing from Peng Chau scheduled at 5:30 a.m. on Sundays and public holidays, he enquired whether TD would consider providing a sailing departing from Central for Peng Chau at 6:15 a.m. after the 5:30 a.m. ferry reached Central at 6 a.m. for avoiding passengers waiting for an hour to take the 7 a.m. ferry and optimal use of resources.
 - (d) Regarding TD's proposed vessel design, he pointed out that the ferries now running the Central-Peng Chau route were not wheelchair friendly. Although passengers generally welcomed the proposal for taking fast vessels with ordinary vessel fares, he anticipated future problems for using these vessels for carrying goods and hoped that TD would identify

ways to improve the vessel design.

- (e) Regarding the facilities of Central Piers, he pointed out that there were an average of 2 000 to 3 000 passengers using the piers per day but the number of toilets were not enough to meet the demand and repair work was required every two or three months, showing that the quality of work was not satisfactory.
- (f) Regarding Inter-islands service frequency, TD proposed to reschedule the 1:35 p.m. ferry departing from Peng Chau to 1:25 p.m. According to the existing schedule, a ferry from Discovery Bay arrived at Peng Chau at 1:20 p.m. and passengers could then take the 1:35 p.m. Inter-islands ferry to Cheung Chau or Mui Wo. If the departure time was changed, the Discovery Bay residents might have to wait at Peng Chau for the next inter-islands ferry, hence affecting their itinerary.
- (g) It was hoped that TD would look into a long-term solution to improve ferry services and the pier facilities.

71. <u>Mr FONG Lung-fei</u> said that the Government provided subsidy to ferry operators every year to maintain ferry service and asked why it did not operate the ferry routes. Although subsidy was received to make up for the long-term deficit, there was no improvement to ferry services. He questioned whether the subsidy scheme would allow the ferry operators to reap a windfall and asked whether the relevant operating accounts could be made available for public inspection.

- 72. <u>Mr LEE Ka-ho</u> expressed his views as follows:
 - (a) It was stated in the papers that TD had consulted the LegCo Panel of Transport, local and trade representatives on the proposal. He asked about the number of views gathered when the enhanced operating model of outlying island ferry services was developed. The departmental representative said just now that TD would request the ferry operators to set up PLG. He asked the number of members and meetings held by PLG yearly.
 - (b) Issues concerning the ferry service standard, as well as the Government owning the ferry fleet and oil prices had been raised each year by IDC of the last term with improvement suggestions made for the next tendering exercise. After reading the relevant papers, he found that the suggestions raised over the years were more or less the same and queried whether the department had listened attentively to the stakeholders' views. He requested TD to provide the respective numbers of views collected from district council members, residents and other stakeholders, and to include a new condition of tender requiring the interested operators to meet with the district groups on, say, a quarterly basis to solicit views.

- (c) He queried whether adjustment to the ferry schedules were made according to passengers' views or frequency was increased at random, and pointed out that passengers had the right to voice their views on schedule adjustment as ferry services were the main transport between Islands District and urban areas.
- 73. <u>Mr LEUNG Kwok-ho</u> expressed his views as follows:
 - The representative of TD said repeatedly that collaboration with the (a) private sector was required given the business environment of ferry service, and ferry operators would choose to cease operation if they faced an unfavourable environment although she gave no response as to how the department would deal with the situation in which no tender submission was received. He remarked that as residents of some areas in Islands District could travel to urban areas by other means of transport, the impact on them of having no ferry operator providing ferry service might not be significant, whereas ferries were the only modes of transport for Cheung Chau residents to urban areas. He hoped that the department would take note of the problem. He was aware of the pressure facing the businesses operating at a deficit, but high ferry fare would aggravate the burden on the residents. While the department representative just said that the policy would not be rolled out earlier lest it would be unfair to ferry operators, he queried whether this would be fair to members of the public.
 - (b) The representative of the department stated that the proposal would not be considered due to the increase in operating cost and complex work process. He enquired whether the ferry operators made profits over the past 20 years. To his understanding, the ferry business had made no money at all. Nevertheless, the department considered it feasible to collaborate with ferry operators and provide them subsidies. Pointing out that ferry operation sustained heavy losses at present, a number of Members were very disappointed that the department insisted on providing ferry service in collaboration with the private sector. He said that many Cheung Chau residents were very dissatisfied with the ferry service of Cheung Chau, and questioned why the department continued to provide support to the ferry operators although it knew that the problem arose through the latter's fault. Given that the department considered it unnecessary to change the prevailing policy, the Government had an undeniable duty to deal with problems facing Cheung Chau residents and the ferry operators.
 - (c) He added that the Chinese Government provided transport subsidy to Mainland people who only needed to pay \$2 for a bus trip. In Hong Kong, despite different policies for land transport and ferry services, the department maintained that the existing policies were feasible and provided more incentives to enhance competition among ferry operators. He enquired if there was only one tenderer, i.e. New World

First Ferry Services Limited (NWFF), for operating Cheung Chau ferry route as was the case 10 years ago but NWFF later ceased to operate it, whether the department would operate Cheung Chau route. He said that at the meeting with the representative of NWFF earlier, he had pointed out the problems with the current operation mode of ferry service. He criticised that the department ignored the problems and queried whether the "Central – Cheung Chau" route would be forced to cease operations as was the case for "Aberdeen – Cheung Chau" route. He said that if the "Central – Cheung Chau" route was cancelled, the residents would be unable to leave Cheung Chau and could only rely on cargo vessels for transporting supplies to the island. He enquired again whether the department had found a solution to the existing problems and considered any problems that might arise in the future.

74. <u>Ms Fiona CHU</u> gave a consolidated response as follows:

- (a) Regarding whether TD had considered the proposal of the Government owning a ferry fleet, since the public fund involved was larger than the amount incurred by the existing SHM and there was no assurance of operational efficiency, the proposed approach was considered undesirable. After balancing various factors, the department believed that the long-term operation model for outlying island ferry services was a better option for outlying island ferry service. A review of relevant data showed that the tendering arrangement would be conducive to encourage ferry operators to bid for the operation.
- (b) She said that the ferry operators made small profits with the implementation of SHM in the past 10 years, and considered the SHM desirable or else the ferry operators would have ceased operations. The scale of fare increase over the past 10 years were in line with or below the cumulative inflation rate, an indicator that the SHM had been effective.
- (c) Regarding the provision of facilities such as free Wi-Fi and mobile chargers on board, she said that the department would encourage the ferry operators to provide access to such facilities as far as possible. That said, since related technical study on provision of Wi-Fi at sea was required, she did not think it should be made mandatory lest the tenderers unable to provide Wi-Fi service might refrain from bidding. Nevertheless, the tenderers would be encouraged to provide access to the facilities.
- (d) Regarding the department's consideration in relation to the budget for procurement of vessels, she said that the budget projection for vessel procurement was included in the feasibility study of the VSS. It was expected that a subsidy amounting to about \$4.5 billion would be provided to the six ferry routes for procurement of new vessels and about \$1.2 billion for the other five ferry routes, totalling approximately

\$5.8 billion from public coffers for the purchase of 47 new vessels. The budget estimates were based on information gathered from different shipyards. Instead of procuring 47 vessels in one go, the proposal would be implemented in two stages, with the first stage of implementation scheduled from 2021 to 2026 and the second stage from 2026 to 2031. The department anticipated that inflation might have an effect on the procurement of vessels at different times and had made relevant enquiries with the shipyards. Ferry operators had to adopt open tendering for procurement of new vessels. She reiterated that the department had collected information on cost estimates and considered the effect on cost as inflation increased.

- (e) Regarding the frequency of "Inter-islands" route, the department had to carefully explore the feasibility of inter-islands sailings departing at 12:45 p.m. and 2:40 p.m. routeing via Chi Ma Wan. Since the schedule changes of Inter-islands sailings would affect vessels plying on other related routes' berthing at Mui Wo, Peng Chau and Cheung Chau piers, the proposal had to be considered with great care. She believed that the ferry operators would consult Members on the basic schedules after the award of tender. Flexibility should be given to tenderers to provide additional en-route stops or operate additional sailings if considered feasible by the ferry operators with approval given.
- (f) Regarding the pier facilities, the Government implemented a pilot scheme for Yung Shue Wan Ferry Pier in 2018/19 in the hope of enhancing the pier facilities. She pointed out that the department had consulted IDC on selection of piers for the pilot scheme and related works had commenced. If proven satisfactory with positive feedback received from members of the public, the Government would consider implementing improvement measures for other ferry piers. She remarked that with berthing being only possible on one side, Peng Chau Ferry Pier encountered relatively more constraints than other piers; and repair work for the piers of outlying islands had to be carried out progressively. She further elaborated that in response to the views of many local people and LegCo members that Cheung Chau Ferry Pier was reaching full capacity, the Civil Engineering and Development Department was currently conducting a technical feasibility study and initial local consultation to explore a solution. The Government also selected some public piers for enhancement work with the Development Bureau spearheading the implementation.
- (g) Regarding the toilets at Central Piers, she said that the number of toilets depended on the pier size, and she would inspect the situation of Central Pier No. 6 jointly with relevant departments such as the Architectural Services Department (ArchSD) and the Electrical and Mechanical Services Department (EMSD) for addition or improvement of toilet facilities.

- (h) Regarding the number of PLG meetings held each year, according to the provisions in current licence, the ferry operator was required to hold at least one PLG meeting each year during operation. If a ferry operator held a three-year licence, there should be at least three meetings; and if the licence was valid for five years, at least five meetings should be conducted. Apart from giving views at the PLG meetings, members of the public might express views to the department and ferry operators direct or through Members. Given that a number of new items were introduced in this tender and VSS was decided to be launched after a review of the long-term operation model for outlying island ferry routes with a view to to comprehensively replace the fleet with new and greener vessels, it required longer lead time. Nevertheless, it was believed that the ferry service would be enhanced after replacement of vessels in phases.
- (i) Regarding the fare, she pointed out that unlike the tender 10 years ago, a cap on fare increases was set for this tender with recommendations for implementation of existing and new fare concessions such as student monthly ticket and multi-ride ticket for alleviating the burden of transport expenses.
- (j) Regarding the Government owning its ferry fleet, a response was given earlier. As for the fare, she said that consideration had to be given to the business environment of ferry operators and affordability of members of the public. She reckoned that if no profit could be made on a route, the desire of ferry operators to tender would greatly reduce. In developing SHM and the new VSS, the department expected that the ferry operators would continue to operate outlying island ferry service so long as they could make a small profit. She pointed out that relevant figures could be found in LegCo papers of 2011 to 2020. She indicated that when the oil price dropped drastically from 2014 to 2017, the ferry operators were required to provide fare concession to the passengers as there were windfall profits. Therefore, the department considered that the financially viability of the six ferry routes would be maintained with SHM and the new VSS.
- (k) Regarding service quality, she indicated that the number of complaints received in the first two years of the current licence period (2017 to 2020) had been significantly reduced from the same period in the previous licence period (2014 to 2017), with only a few relating to service quality. Both the ferry operators and TD hoped that the quality service could be continued to be provided under difficult operating environment.
- 75. <u>Mr Ken WONG</u> expressed his views as follows:
 - (a) Noting that the paper mentioned the proposal of TD for introduction of student monthly ticket, he pointed out that Cheung Chau was covered

in the Islands District secondary school net and enquired why no monthly pass for the "Inter-islands" route was introduced.

- (b) Regarding Peng Chau Ferry Pier, he indicated that there was only one berth at the pier and if it was damaged by strong wind, passengers would have to embark and disembark at the public pier. He pointed out that it might take 10 years to build a new pier and enquired whether the department could specify in the tender document the requirement for provision of pontoons for the "Inter-islands" route, thereby solving the problem of berthing in in Peng Chau and Central. He said that after the fast ferry departed from Peng Chau at 7:25 a.m., the next sailing for Central would be served by an ordinary ferry departing at 7:45 a.m. and if the Inter-islands trip was delayed by five minutes due to wind and water condition, the residents disembarking at 7:50 a.m. would then be unable to catch the 7:45 a.m. sailing to Central and even late to work if they needed to make interchanges. He indicated that this happened frequently and hoped that the department would consider providing additional pontoons in the long run instead of continuing one-side berthing. He did not want to see delay in commencement of works after years of discussion as in the case of pier works at Lamma Island.
- (c) Regarding the design of Central Piers, he opined that the toilet facilities there were not comparable with that of Peng Chau Ferry Pier. The toilets at Peng Chau Ferry Pier had six cubicles and both male and female toilets were available while Central Piers (Peng Chau bound) only had an accessible toilet compartment. If it was out of service, passengers had to use the toilet at the rear of the pier. He hoped that the department would seriously consider enhancing the toilet facilities at Central Piers or opening the toilets on the upper floor.
- 76. <u>Mr Sammy TSUI</u> expressed his views as follows:
 - (a) He enquired of TD again whether vessels procured with government subsidy would be marked with the wording "wholly owned by the Hong Kong Government".
 - (b) He enquired of the department how to determine that small profits were made and on which financial statement the profits were determined. While the representative of the department just now indicated that the Government provided multi-billion subsidy to ferry operators, he enquired if the department would consider engaging an independent consultant to assess whether the tender price was too high and also questioned the department's expertise to assess the tenders. Citing the subsidy the Hong Kong Housing Society (HKHS) granted to private housing estates in early years for major maintenance works as an example, he pointed out that since the maintenance cost stood at a high level for a period of time and public fund was involved, HKHS engaged an independent consultant to assess whether the tender prices submitted

by construction companies deviated from the market price, thus reducing the tender prices towards the market level. He appreciated that HKHS accept criticism and made improvement. In his opinion, as much subsidies had been provided to ferry operators, the Government should draw reference from HKHS to engage an independent company to determine the reasonableness of tender prices instead of just listening to the ferry operators and approving fare adjustment in case of insufficient profit, making members of the public pay a higher fare and driving away tourists for the high fare. He considered that there were problems with the entire business structure and proposed that the department commission non-profit-making organisations to operate ferry service for cost saving.

- 77. <u>Mr Eric KWOK</u> expressed his views as follows:
 - (a) Regarding fare restrictions, according to the requirements concerning the quality of life stipulated in the Basic Law, the fare of Mui Wo routes should not exceed \$32, otherwise there would be a breach of the Basic Law. In his view, TD set a fare adjustment cap to avoid the risk of breaching the Basic Law.
 - (b) Regarding procurement of new vessels, the information indicated that a total of 47 vessels were required, and he enquired whether the estimated procurement costs could be provided. If related information was not available, he would request the Chairman to ask for a response from the department via the Secretariat. According to the tender document issued by the department, since duties were involved, the expenses in vessel procurement should not be used as a cost component in setting fares.
 - (c) He indicated that in 2019 he wrote to the Secretary for Development concerning the infrastructure in Hong Kong, particularly flyovers, tunnels, roads and traffic lights, etc. Despite the infrastructure spending of over \$100 billion annually, the outlying islands, in particular Peng Chau, Cheung Chau and Lamma Island, had no flyover, tunnel, road and traffic light, nor were any major road maintenance works conducted. As such, Members had time and again proposed that the Government should set up a ferry fleet for the outlying islands. He queried that the department had not considered the Government should own a ferry fleet to facilitate the overall development of Islands District. He asked the Secretariat to write to THB to request strongly to include in the future development plan the maintenance of the Government ferry fleet.
- 78. <u>Mr LEUNG Kwok-ho</u> expressed his views as follows:
 - (a) The representative of TD mentioned that the ferry operators earned small profits over the past 20 years which were made possible with the

subsidy granted. He questioned whether operational efficiency or the needs of residents living on outlying islands should be the priority concern in ferry operations. According to its website, the vision of the department was to "provide the world's best transport system which was safe, reliable, efficient, environment-friendly and satisfying to both users and operators", however, over 70% of Cheung Chau residents were extremely dissatisfied with the ferry service for the past 20 years and considered the department's current proposal to lower the fares as ineffective. Pointing out that the fast ferry fleet was partially upgraded from 403-seaters to 423-seaters only after their campaigning for it in the recent two to three years, he questioned the aptness as "the world's best transport system" and said that the department failed to achieve excellence in ferry operation. Despite discussion by Members on engaging the private sector in operating the ferry routes, the business performance had not shown any sign of improvement over the past 20 years. The department only slightly revised the schedule of two departures within the previous framework or restricted the fare increase at or below 5%, which could barely be considered as achievement.

- (b) He said that the department had not studied the ferry schedules in a holistic manner or conducted public consultation. The issue was of vital importance to the residents as to whether they could go to work on time. If NWFF was not interested in submitting tender, there would be no ferry service plying between Cheung Chau and Central in the next 10 years, yet the department had not explored alternative proposals. Despite speaking up three times on the same question, he had not received any positive response from the department, other than the same answer that it would discuss the matter upon the expiry of the 10-year licence. Since the department representative failed to respond to Members' questions, he requested the department to arrange an officer of a higher rank to attend the meeting and asked the representative to convey the request to the Secretary for Transport and Housing or the higher ranking officers. He remarked that if the proposal was passed, people would have to wait for another five or 10 years for improvement of ferry service.
- 79. <u>Ms Amy YUNG</u> expressed her views as follows:
 - (a) Discovery Bay route was not among the six routes and not operating satisfactorily. Although there was a tunnel connecting Discovery Bay and the urban area, it was not a public tunnel and its use was subject to charge. She indicated that despite continuous striving for inclusion of Discovery Bay route in TD's subsidy scheme, the residents were unable to benefit from the Government's multi-billion-dollar subsidy and the fare of the route remained high.
 - (b) Regarding the profits of ferry operators though small, when a fare increase of Discovery Bay route was proposed, she requested to access

the relevant financial statements and the department advised her to check with The Treasury. She eventually learnt from the annual report of the ferry operator that a vessel plying Discovery Bay was burnt up at the shipyard with the remaining book value of just about \$10 million. The loss was transferred to the residents and no compensation was received from the insurance company. Moreover, she noticed that the staff of the Discovery Bay route operator was deployed by its parent company to assist other shipping companies in the consultation exercises and the relevant expenses were borne by the parent company. She questioned whether The Treasury had knowledge about the operation of the ferry operator and whether TD or The Treasury knew that it had continuously assisted its parent company in its work. She felt it strange that the accounts of the ferry operator showed that small profits were made and opined that the accounts should be made public. If the department was unable to step up monitoring, Members could take up the monitoring work to avoid waste of public fund and the public paying high fares.

(c) Regarding PLG of Discovery Bay, she opined that it was controlled by the operator of Discovery Bay route which also determined its composition. Ferry passengers might not be allowed to give their views at the meetings and residents who observed at the meetings and expressed dissatisfaction might be asked to leave. She queried that there was no regulation over PLG. Given that high travel expenses were paid by Islands District residents, she requested the department to conduct a review to prevent the operator from reaping profits and the public from being exploited.

80. <u>The Chairman</u> did not think that TD should respond in detail to Members' question on the toilet facilities at Central Piers as the issue had been raised twice. Instead, the department should discuss the proposal with ArchSD and EMSD as soon as possible and then provide a written reply. He also proposed that a written reply should be given concerning the expenses of and arrangement for procuring 47 vessels. Moreover, regarding the business operation and accounts of Discovery Bay route mentioned by Ms Amy YUNG, he believed that the department did not have relevant data at hand and suggested it give a reply in writing. Lastly, regarding the Government owning a ferry fleet, he proposed that the proposal be discussed by TTC since it had been discussed in detail in the last term of DC so that TD could respond to other questions in a more focused and concise manner.

- 81. <u>Ms Fiona CHU</u> gave a consolidated response as follows:
 - (a) Regarding marking of the vessels with the wording "wholly owned by the Government", she said that upon the expiry of the licence period or when the ferry operator ceased operation with another ferry operator taking over, the former would no longer be the registered owner of the ferry fleet and had to hand it over During the licence period, the ferry operator was the registered owner and the Government adopted an

approach similar to mortgage to prevent the ferry operator from selling the vessels as it wished. Members could rest assured that at the end of the licence period, the ferry operator had to hand over the ferry fleet to the new operator.

- (b) Regarding the concern about no ferry operator bidding, she said that if no tender was submitted, the tenderers might consider that compliance with the tender conditions infeasible. In such situation, the department might need to review and amend the tender conditions. To her understanding, the ferry operators previously enjoyed autonomy to propose fare levels in the tender and a ferry operator had proposed fare increase of over 10% substantially. The pricing was considered infeasible and thus the tender conditions was amended while the Government subsidy was increased. She pointed out that during tendering for the six major ferry routes, it had never happened that there was no ferry operator bidding, and if it so happened, the department would review the tender conditions.
- (c) The department noted Members' views and would review and improve the tendering arrangement, in particular, the time passengers took the ferry to work. Inasmuch as the proposed fare increase was below the inflation rate and the department had provided many incentives for ferry operators to introduce fare concessions, she hoped that Members would accept the proposal.

82. The Chairman said that Members had given many suggestions and he believed that the department representative had noted the views. Noting that the Central – Mui Wo sailings departing from Central at 8:00 p.m. and 8:30 p.m. and from Mui Wo at 8:45 a.m. and 9:30 a.m. were served by ordinary ferries, he enquired whether the department would deploy fast ferries with more seats to serve one of the sailings. Moreover, Mr Ken WONG reflected just now that a number of shops complained about insufficient time for unloading goods and thus leading to delay for ferry departures. He asked the department to pay close attention. It was known that while residents of Mui Wo, Discovery Bay and South Lantau could choose to travel to and from urban area by land transport, those living in other areas of Islands District, in particular Cheung Chau, Peng Chau and Lamma Island, could only travel by water transport. The Government should therefore provide transport facilities for residents as appropriate. As many places were not accessible by land transport, he suggested that the most desirable solution would be to construct roads where feasible and hoped the department would understand that the issue affected people's livelihood considerably. Mr LEUNG Kwok-ho stated just now that residents of Cheung Chau were extremely dissatisfied with the service of NWFF. He hoped that the department would try to meet people's needs when conducting tendering and that TTC would continue with the monitoring of ferry service.

83. <u>Mr YUNG Chi-ming</u> enquired whether TD could extend the one-month validity period of multi-ride ticket for 20 rides on "Central – Cheung Chau" route to three months to allow residents to use the ticket for longer period.

IV. Motion on request for purchase of protective equipment with Islands District Council <u>Funds</u> (Paper IDC 27/2020)

(Paper IDC 27/2020)

84. <u>The Chairman</u> said that the motion was raised by Mr Eric KWOK and seconded by Mr FONG Lung-fei.

85. <u>Mr Eric KWOK</u> briefly presented the motion.

86. <u>The Chairman</u> clarified that the 18 constituencies mentioned by Mr Eric KWOK referred to 10 constituencies of Islands District and eight seats from RCs. For the motion on allocating \$50,000 to 18 constituencies each for purchase of protective equipment, he asked the Secretary to provide background information.

87. <u>The Secretary</u> said that according to the Guidelines on the Use of Islands District Council Funds by Non-Governmental Organisations, where application for DC funds was concerned, LegCo and DC members' offices or political bodies were not considered non-governmental organisations, hence ward offices could not receive any funds from DC.

88. <u>The Chairman</u> said that it was spelt out clearly in the manual and therefore the motion appeared impracticable.

89. <u>Mr Eric KWOK</u> said that the Secretary misunderstood what he meant. If the motion on providing funds to each constituency for purchase of protective equipment was passed by DC, the Secretariat might assist in the co-ordination without involving DC members. He explained that the estimated cost of purchasing protective equipment by each constituency was about \$50,000 and the total expenses involved were \$900,000.

90. <u>Ms Amy YUNG</u> considered that there were problems with the content of the motion. She indicated that IDC was very special in that some seats came from RCs. She pointed out that Tung Chung constituency had 20 000 to 30 000 people but one seat only whereas Lamma Island had three seats. She reckoned that it was unfair to allocate resources by constituency and that resources should be allocated in proportion to the number of people in the constituency.

91. <u>Mr LEE Ka-ho</u> supported allocating funds for the purchase of protective equipment and said that this was not the first time for IDC to make purchases with funds. It was endorsed instantly at an earlier meeting for the use of funds to purchase protective equipment. He had received the first batch of supply, about 300 face masks but not the second batch which was expected to arrive on 10 February. He was notified during the Lunar New Year holiday that additional fund would be allocated for purchase of face masks but was later informed that alcohol hand sanitisers would be purchased instead due to difficulty in purchasing face masks. He enquired about the progress of the purchase order and when the face masks would be received. He remarked that

since the previous purchasing procedures had not yet completed, it was important that Members should have a clear understanding of the purchasing procedures from the Secretariat before this motion was put to vote.

92. <u>Mr Sammy TSUI</u> said that the impromptu motion he had just submitted to the Secretary also concerned the purchase of protective equipment and hoped that it could be discussed at this point. He requested the approval of the Chairman.

93. <u>The Chairman</u> understood Members' great concern about the purchase of protective equipment. He stated that during the discussion at the last meeting, it was revealed that there was only \$300,000 available for use before 1 April and it had all been used for purchase of supplies. He asked Mr Kaiser CHAN to provide supplementary information later. He suggested that protective equipment be purchased once approval for funding was given after 1 April. He remarked that the amount of fund allocated might not be \$900,000 and it would depend on the price of face masks and that further discussion might be held later. He noted the views of Ms Amy YUNG and Members could amend the motion.

94. <u>Mr Kaiser CHAN</u> responded as follows:

- (a) Following the endorsement by IDC of allocation of funds to purchase face masks and alcohol hand sanitisers, the Islands District Office (IsDO) invited quotations from suppliers several times since January. Regarding face masks, IsDO issued invitations for quotation four times in total with the first one issued on 15 January. A total of 5 400 individually-packed face masks were purchased and sent to Members for distributing to members of the public. IsDO originally planned to purchase an additional 10 000 face masks but the suppliers could not make the delivery due to the growth of the epidemic. IsDO issued an invitation for quotation for face masks for the second time on 30 January. Although quotations from suppliers were received, delivery could not be made in two or three months, not until April or As such, there was no successful bidder in the second even Mav. bidding. IsDO issued an invitation for quotation for face masks for the third time on 7 February and purchased 15 000 individually-packed face masks from the successful bidder with the expected delivery date on 10 March. IsDO proceeded to issue an invitation for quotation for face masks for the fourth time with the deadline for quotation submission on last Friday. Purchase of 20 000 individually-packed face masks would be made from the successful bidder stipulating the delivery date on this Friday.
- (b) Regarding alcohol hand sanitisers, IsDO issued an invitation for quotation on 30 January and purchased from the successful bidder 8 000 bottles of 30 ml alcohol hand sanitisers which would be delivered in batches. The first batch was expected to arrive on 28 February. IsDO expected that the alcohol hand sanitisers together with the fourth batch of 20 000 face masks would be distributed to Members by

4 March. It would make arrangement for distribution to Members as soon as possible upon receipt of the remaining 5 000 bottles of alcohol hand sanitisers and the third batch of 15 000 face masks.

95. <u>The Chairman</u> said that for Mr Eric KWOK's motion on "setting up community health information stations in various areas", he opined that the stations could only be set up where practicable and proposed that the motion be amended for setting up community health information stations to provide effective and quick information service, most importantly in a simple and user-friendly way, so as to avoid delay of implementation after the motion was passed.

96. <u>Ms WONG Chau-ping</u> proposed that the motion be amended to read "In view of the growth of epidemic, IDC will allocate \$1 million in the new financial year beginning on 1 April to purchase face masks, alcohol hand sanitisers and disinfectants for distribution to residents in the district with priority given to the elderly and the underprivileged and to facilitate dissemination of anti-epidemic information to the residents".

97. <u>The Chairman</u> enquired whether Members agreed to the amendment or had other amendment proposals.

98. <u>Mr Eric KWOK</u> proposed that Ms WONG Chau-ping recapitulated the proposed amendment for the Secretariat to put down on record for further discussion.

99. <u>Mr WONG Chun-yeung</u> expressed views on the amendment proposed by Ms WONG Chau-ping. He did not oppose giving priority to the elderly and the underprivileged but opined that the broad definition of "the underprivileged" might result in uncertainty. He proposed that clarifications be made for "the underprivileged" groups first so that persons, for example, with disabilities and diseases would be given a specified number of face masks on the production of address proof. He proposed that the amended motion of Ms WONG Chau-ping should further specify that each beneficiary household could, for example, in general get 10 face masks and those households with members having disabilities or diseases could get 20 to 40 face masks on the production of medical proof of impaired physical mobility or home confinement for prolonged period.

100. <u>Ms Amy YUNG</u> said that she had given out 10 000 face masks in the last two weeks and encountered administrative problems. She reckoned that if face masks were distributed as proposed by Mr WONG Chun-yeung, she would be unable to distribute them even after a month. She did not want to see anything like the Financial Secretary not completing the handing out of \$4,000 after two years. She opined that the procedures should be kept simple and streamlined and expected residents to have self-discipline. She hoped that the distribution of protective equipment to the residents could start the soonest possible and reiterated that the protective equipment should be allocated based on population rather than the number of Members.

101. <u>Mr WONG Chun-yeung</u> expressed his views as follows:

- (a) His contention for classification of beneficiaries was based on his personal experience in distributing face masks on the streets. He said that if address proof was not required, there might be black sheep exploiting the situation, and he did not want this to happen during the epidemic. Moreover, Members handing out face masks on the streets might cause confusion, triggering criticism that Members did not take special care of the elderly. He just reflected at the meeting the views collected in the community.
- (b) As for the concern that the classification of beneficiaries might cause inconvenience, he proposed that residents might register in advance for Members to deliver face masks to their mailboxes of the addresses given; alternatively, residents might register with IsDO and collect face masks later. He believed that would avoid situations in which complicated procedures arose.

102. <u>Ms WONG Chau-ping</u> said that her proposed amendment concerning the "distribution to residents in the district with priority given to the elderly and the underprivileged" meant that face masks would be given to residents in the district but the elderly and the underprivileged would be accorded priority. She opined that the residents' concern should be addressed with speedy actions for fear that long and complicated procedures would cause delay in the delivery of supplies to the residents. It was understood that during the handing out of face masks, most residents exhibited self-discipline and gave up their share to the needy people, saying that they had enough face masks.

- 103. <u>Mr Ken WONG</u> expressed his views as follows:
 - (a) He opined that the simplest and straightforward approach should be adopted and it was most important that the supplies would go to members of the public as soon as possible.
 - (b) He disagreed with Ms Amy YUNG on the distribution of the supplies and equipment based on the population. Since some constituencies had ageing population but without shops selling face masks, e.g. there was only one shop in his constituency selling face masks, the face masks should be evenly distributed among 18 Members.

104. <u>Ms Josephine TSANG</u> concurred with Ms Amy YUNG and Mr Ken WONG. She opined that speedy action should be taken and it would be time consuming to determine one by one the number of face masks distributed to each household. In her view, there were bound to be scoldings no matter how face masks were distributed. It was impossible to please everyone, and one could feel at ease if residents got benefits. Many residents exhibited self-discipline and said that they had enough face masks, giving up their share to the needy ones. It would be most important that the supplies would go to the residents as soon as possible.

105. <u>Mr WONG Chun-yeung</u> agreed that it was impossible to please everyone

even when DC members paid district visits to distribute face masks and he did not mind being scolded when giving out face masks. He stressed that unless not expressly stated, the definition of the underprivileged who were accorded priority should be provided lest people had doubts hence causing delay in the distribution of face masks. He spoke from experience of distributing face masks in the district for several times. It took only a few seconds to produce address or medical proof and then face masks would be delivered to the mailboxes by DC members or their assistants, thereby maintaining the overall efficiency.

106. <u>Ms Josephine TSANG</u> stated that she kept some face masks in her office, two pieces each pack, and issued notice to the residents. Face masks would be given to those who needed to seek follow-up consultation on production of supporting documents.

107. <u>The Chairman</u> understood that Members shared the same goal of distributing face masks as best as possible though having different views on implementation. He suggested that the motion be put to vote first, and if passed, recommendations could be made in writing on the definition of "the underprivileged"to facilitate effective discussion.

108. <u>The Chairman</u> said that the motion was amended to read "In response to the growth of epidemic, IDC will allocate \$1 million in the new financial year beginning on 1 April to purchase face masks, alcohol hand sanitisers and disinfectants for distribution to residents in the district with priority given to the elderly and the underprivileged and to facilitate dissemination of anti-epidemic information to the residents". He asked Members to vote by a show of hands on Ms WONG Chau-ping's proposed amendment to the "Motion on request for purchase of protective equipment with Islands District Council Funds".

109. Members voted by a show of hands and unanimously endorsed the amendment.

110. <u>The Chairman</u> asked Members to vote by a show of hands on whether they agreed with the "Motion on request for purchase of protective equipment with Islands District Council Funds" amended by Ms WONG Chau-ping. The amendment was seconded by Mr Eric KWOK.

111. Members voted by a show of hands. There were 16 voted for, no against and two abstaining. The motion was passed.

(Members voted for included: the Chairman Mr Randy YU, the Vice-Chairman Mr WONG Man-hon, Mr CHOW Yuk-tong, Mr YUNG Chi-ming, Mr CHAN Lin-wai, Mr Ken WONG, Mr HO Chun-fai, Mr HO Siu-kei, Ms WONG Chau-ping, Ms Amy YUNG, Ms Josephine TSANG, Mr Eric KWOK, Mr Sammy TSUI, Mr FONG Lung-fei, Ms LAU Shun-ting and Mr LEE Ka-ho. Mr LEUNG Kwok-ho and Mr WONG Chun-yeung abstained.)

112. <u>Mr LEE Ka-ho</u> enquired why IsDO, as it mentioned that it had conducted

tenders four times in total but with poor response, did not take the initiative to purchase the equipment itself. He was worried that even if approval was given for the allocation of \$1 million in the new financial year, it would take a long time to receive the supply. He stated that there was criticism of the Government for solely issuing tender invitations to suppliers for quotation and that since the price offered by private companies was higher, the suppliers might be reluctant to submit quotation to the Government.

113. <u>Mr Kaiser CHAN</u> said that IsDO invited quotations from suppliers by open tender and no price ceiling was set on face masks. The face masks purchased were not cheap, at the average price of around \$4 each. He stressed that IsDO would continue purchasing and would not defer the procedures for quotation despite endorsement of fund allocation in the new financial year beginning on 1 April.

- 114. <u>The Chairman</u> expressed his views as follows:
 - (a) The procurement procedures of the Government must be fair and just to ensure that there was no breach of the Independent Commission Against Corruption (ICAC) Ordinance. Certain constraints would be imposed but flexiblity should be provided and he believed that further study would be made by the department.
 - (b) According to the Islands District Council Standing Orders (Standing Orders), Members who wished to move a motion had to submit it 10 clear working days before the meeting. He understood that the provisional motion submitted by Mr Sammy TSUI just now and seconded by four Members involved matters of vital importance. However, other Members did not have time to read the motion and there were less than 10 clear working days to go before the next meeting. He proposed that Mr Sammy TSUI should issue the condemnation statement in the name of the five Members instead of IDC and a record be made in the minutes.

115. <u>Mr Sammy</u> TSUI enquired if the Chairman asked him to issue a joint statement with the four seconders instead of moving a provisional motion in the name of DC.

116. <u>The Chairman</u> said that Mr Sammy TSUI understood his views correctly. The reasons behind was that the motion was raised in less than 10 clear working days before the forthcoming continued DC meeting on 2 March at which a lot of items related to people's livelihood had to be dealt with.

- 117. <u>Mr Sammy TSUI</u> expressed his views as follows:
 - (a) He said that the provisional motion was urgent and relevant to the motion moved by Mr Eric KWOK. Anti-epidemic issues had been mentioned in the papers for the DC meeting in January. The Government said only after two months that it failed to purchase any

protective equipment and items despite procurement worldwide. A number of people relied on DC Members for provision of protective items as they could not purchase any. However, Members only had a small amount of masks, rendering unequal distribution and giving rise to conflicts. He said that the purpose of moving the provisional motion was to pressurise the Government for expediting progress and condemn it for failure to take sufficient anti-epidemic measures and to purchase protective items including masks and alcohol-based handrub for the public.

- (b) He said that Members should voice the opinions of the public and had no idea when the \$1 million allocation for the new financial year would be approved. He questioned why many private organisations and companies could purchase masks but the Government could not, and did not understand why the motion of condemnation had to be replaced by a statement, which he considered inappropriate.
- (c) He pointed out that it was set out in the Standing Orders that discussion on the provisional motion could be conducted with the approval of the Chairman, which in his opinion should be given for his provisional Taking into account the seriousness of the disease, it was motion. necessary to pressurise the Government in the name of DC. Long queues were formed outside pharmacies once masks, which were often limited in quantity, were available for sale. People who failed to purchase any would be disgruntled so he considered it necessary to discuss the provisional motion at the meeting to condemn the Government. He hoped that the provisional motion could be recorded in the minutes to let the public know Members had discussed and given views on the arrangement for allocation seriously. He reiterated his request for the Chairman's approval of discussion on the provisional motion to pressurise the Government.

118. <u>The Chairman</u> understood the views of Mr Sammy TSUI, but opined that it was unfair to other Members who were given little time to study if amendment of wording or strengthening of the tone was necessary or had not been shown any papers for reference. He had no objection if the five Members wished to issue a condemnation statement or express views in their names, but advised Members to resume the discussion on the provisional motion after discussion of all items.

119. <u>Mr Sammy TSUI</u> said that as the Chairman agreed to pressurise the Government, he proposed that the Secretariat should make photocopies of the paper immediately for distribution to Members. Members could then immediately read the provisional motion which was only 20 to 30 words long and propose amendments for discussion if any.

120. <u>The Chairman proposed discussing the provisional motion in due course.</u>

121. <u>Ms Amy YUNG</u> requested to include her name in the motion of
condemnation.

V. Question on CSI face masks produced by Correctional Services Department (Paper IDC 32/2020)

> 122. <u>The Chairman</u> said that the Correctional Services Department (CSD) and Customs and Excise Department (C&ED) had provided written replies for Members' perusal. The Food and Health Bureau (FHB), Department of Health (DH) and Hospital Authority (HA) had also provided a consolidated written reply.

- 123. <u>Mr LEUNG Kwok-ho</u> briefly presented the question.
- 124 <u>Ms Amy YUNG</u> expressed her views as follows:
 - She pointed out that the written replies of CSD and C&ED were (a) The current stock of masks, such as the number of masks confusing. accumulated since last year was not set out in the written reply of CSD. It was only mentioned that 1.1 million masks could be produced per month, which could satisfy the demand of government departments for To her understanding, the masks distributed by the two months. Government two weeks ago were produced in 2015, and given the daily production by CSD, it was believed that the stock of masks was sufficient. She questioned the accuracy of the stocktake figures of the department, and pointed out that some masks were missing. In response to reports about CSI masks produced by CSD available for sale in the market, she proposed that the Audit Commission should launch an investigation into the production, storage, distribution arrangement and consumption of the masks.
 - (b) As for CSI masks available for sale in the market, she pointed out that the investigation and gathering of information about the issue with which the Police might be associated should not be solely conducted by the Police. The public had no idea about where masks were and suspected that some were taken without permission for sale or as gifts. She proposed that the ICAC should intervene and join the investigation to boost credibility.

125. <u>Mr LEE Ka-ho</u> considered provision of a written reply to the questions by CSD and relevant government departments instead of sending representatives to the meetings a disrespect for the Council, and hoped that the departments would deploy representatives to attend the meetings and respond to questions. It was stated in the written reply that the Government had 12 million masks in stock and for how long the stock could meet the demand of government departments. However, there was discrepancy between the information concerned and content of news reports. To his understanding, frontline medical workers were not given CSI masks and some even had to look for masks themselves as they did not receive any. Therefore, he hoped that HA could distribute masks to frontline medical workers.

126. <u>Mr LEUNG Kwok-ho</u> expressed his views as follows:

- (a) In spite of DC's invitation, DH did not send representatives to the meeting to respond to questions regarding the coronavirus disease. The current meeting included items on the coronavirus disease but both DH and CSD were absent, which he considered a disrespect for the Council and hoped that the Secretariat could put it on record.
- (b) It was set out in the written reply of C&ED that surgical masks were neither prohibited nor controlled items but their import and export record was not provided. He requested the Secretariat to write to C&ED to enquire about the import and export record of surgical masks.
- (c) He was pleased to know that FHB distributed CSI masks to its cleaning staff.
- 127. <u>Mr Sammy TSUI</u> expressed his views as follows:
 - (a) He was dissatisfied that the daily production of masks and details of distribution were not clearly accounted for in the written reply of CSD. The department only said that in general the masks would be distributed to medical workers and government departments without any details on the quantity assigned to each department. He believed that the public would have no suspicion of the Government sending masks to Wuhan or other mainland cities if relevant information was provided.
 - (b) CSD had been producing masks for years and should have maintained a stockpile of masks. However, the amount of stock and distribution arrangement were not mentioned in the department's written reply at all. To increase mask production to 1.8 million per month, the industrial workshop under the department would operate around the clock for production of masks. He enquired how the masks would be distributed. Due to shortage of mask supply in the market, the agenda items related to masks would be of particular interest to the public. He criticised the reply of the department for being too general which failed to ease public concerns.

128. <u>Mr WONG Chun-yeung</u> expressed his views as follows:

(a) He had raised the provisional motion on "liberating or re-provisioning of Urban Council". To his understanding, if the motion was endorsed, Members could request the Urban Council (UC), after its reestablishment, to issue an executive order to distribute the stock of masks kept by the Government. He pointed out that there were precedents of invoking the Urban Council Ordinance in Hong Kong, and hoped that the executive order of UC would hold the relevant departments and CSD staff accountable, and make them attend DC meetings and address problems in the ways proposed by Members.

- (b) He expressed regret for the Chairman's disapproval of his question on "request for re-provisioning of Urban Council" which could not be discussed at the last meeting as a result.
- (c) Regarding the failure of CSD to send representatives to the meeting to respond to questions on the production of masks, he and Mr Sammy TSUI felt helpless about DC being an advisory body which lacked decision-making power. He emphasised that he did not intend to exercise the authority to condemn or punish any CSD staff but hoped that the views of DC would be binding and its operation would become more efficient. He requested the Chairman to accept his provisional motion.
- 129. <u>The Chairman</u> expressed his views as follows:
 - (a) The provisional motion on "request for re-provisioning of Urban Council" raised by Mr WONG Chun-yeung had been included in the agenda of the continued DC meeting on 2 March (next Monday) for discussion.
 - (b) As for the stock of masks, it was stated in the written reply of CSD that CSI masks had never been exported outside Hong Kong. However, as the department did not send representatives to the meeting to respond to the questions, discussion at the meeting could only be put on record. Regarding the "Motion on request for release of the latest figures of CSI masks produced by Correctional Services Department" (item VI) moved by Mr LEUNG Kwok-ho, he proposed amending the motion if Members considered it necessary to specify the part of the Audit Commission in the auditing process.
- VI. <u>Motion on request for release of the latest figures of CSI masks produced by</u> <u>Correctional Services Department</u> (Paper IDC 33/2020)

130. <u>The Chairman</u> said that the Government Logistics Department had provided a written reply for Members' perusal. FHB, DH and HA had also provided a consolidated written reply. The motion was moved by Mr LEUNG Kwok-ho and seconded by Mr WONG Chun-yeung.

131. <u>Mr LEUNG Kwok-ho</u> wished to understand the Standing Orders (SO) before presenting the question. He had intended to include relevant enquiries to government departments in the motion incidentally but decided to raise a question and a motion on CSI masks separately after the explanation of the Secretariat. He requested the Secretary to give the definitions of "motion" and "question".

132. <u>The Chairman</u> enquired if Mr LEUNG Kwok-ho would briefly present the question first.

133. <u>Mr LEUNG Kwok-ho</u> requested the Secretary to make clarification before he proceeded to the matters to be followed up.

134. <u>The Secretary</u> explained their differences, pointing out that a "question" was an enquiry while a "motion" was a request made by the mover.

135. <u>Mr LEUNG Kwok-ho</u> said that if he moved a motion without asking a question, Members and guests present would only learn the motion to which government departments would not respond. It was believed that the situation would be different if he moved a motion lacking sufficient information. The public was very concerned about the disease and expected the Government to distribute CSI masks to them. He enquired if a Member had to ask a question as well if he or she wished to move a motion without being provided sufficient information, which was tantamount to having fewer opportunities for speaking up on the motion.

136. <u>The Secretary</u> responded that a motion should be moved with the mover perceiving the response of the department concerned, so a question should be asked beforehand.

137. <u>Mr LEUNG Kwok-ho</u> said that as immediate response to a motion was not required, the departments concerned were not obliged to send representatives to the meeting. If Members wanted to obtain sufficient information before moving a motion, they would have to raise a question and a motion separately and speak up twice.

138. <u>The Chairman</u> expressed his views as follows:

- (a) It concerned the deliberation skills. If Members preferred relevant departments to answer a number of questions and respond with more information in support, asking questions would be more likely to achieve the desired result.
- (b) Mr WONG Chun-yeung had repeatedly proposed upgrading DC to UC level as the former had just been an advisory body without being endowed with any statutory power. Apart from awarding the works contracts of DFMC and DC and seeking funds for activities approved by the working groups, DC had limited functions and resources. By moving the motions, DC could urge the Government to face up to the items on the agenda.
- 139. <u>Mr LEUNG Kwok-ho</u> expressed his views as follows:
 - (a) He emphasised that he only wished to obtain sufficient information for moving a motion and could not do so if a question was not raised together with the motion. He had explained to the Secretariat that he had drawn reference from the motion of Mr TSE Wai-chun, Paul,

Member of Wan Chai DC when drawing up the motion. He understood that DCs had different SO but wondered how IDC Members could move a motion lacking sufficient information, which was an issue of concern to himself.

(b) Taking the motion of Mr Eric KWOK as an example, as the purchase of masks and other materials had been discussed at previous meetings and sufficient information had been obtained, a vote could be taken on the motion immediately after discussion. If he moved a motion to request the provision of a soccer pitch in Cheung Chau, other Members, even with information gathered by him, would have no means to find out if Cheung Chau needed such a facility when relevant departments were not required to attend the meeting to respond to the questions. Therefore, he opined that Members could only move an appropriate motion after interacting with government departments. He criticised the Council for being too rigid, rendering it difficult for Members to give an account to the general public.

140. <u>Mr WONG Chun-yeung</u> agreed with Mr Leung Kwok-ho and pointed out that at a previous meeting, after discussion and questions raised regarding abolishment of the co-opted member system, the Chairman asked Members to give a vote. He enquired if the Chairman could lead the discussion and the vote after Members asked questions in future. He recognised that the information provided by the enquirer or mover might be inaccurate so discussion was necessary before the voting to allow the public to know the stance of each Member.

141. <u>Mr LEE Ka-ho</u> was puzzled by the non-attendance of government officials at the meetings to respond to the motions, and opined that they should respond to the outcome of the discussion. To his understanding, government departments would deploy representatives to attend LegCo meetings and respond to the questions of the Members. The departmental representatives would also give response after the discussion on the motion.

142. <u>The Chairman</u> said that a three-hour discussion had been conducted at a previous meeting on the SO, which was believed to be much improved from the older version used by the last term. As some Members proposed amending the SO again, Members could study if it was necessary. He proposed that Members should move a motion to request attendance of relevant departments to impart information on the motion. Members could condemn the departments if they only provided written replies without sending representatives to the meeting, which would then be put on record by the Secretariat. It was endorsed at a previous meeting that questions, statements and motions would be considered as the same class and each Member could only raise any three of them at a meeting. He hoped to see compliance by Members.

143. <u>Mr LEUNG Kwok-ho</u> agreed with the Chairman, and said that he had moved a motion to request government departments to respond to the questions, which were however regarded as questions by the Secretariat, demonstrating that the meanings of "question" and "motion" varied among individuals. He emphasised that he did not intend to quibble over if a question must be raised before moving a motion. He had called the Secretariat several times to request relevant departments to respond to questions in the motions but was told that any enquires and statements containing "question marks" would be regarded as questions.

144. <u>The Chairman</u> noted the dissatisfaction of Mr LEUNG Kwok-ho at the definitions given by the Secretariat of the question and motion. However, the SO should be respected as it had been endorsed by the Council. In view of Members' discontent with the departments for only providing written replies, he enquired if an amendment to the motion was necessary to request response from the departments again.

145. <u>Mr LEUNG Kwok-ho</u> briefly presented the motion, and expressed his hope for CSI masks allocated to DC Members as IsDO failed to purchase any masks. The motion was seconded by Mr WONG Chun-yeung.

146. <u>The Chairman</u> enquired if Members had any other proposed amendments to the above motion, and if no, a vote should be taken on the motion.

147. Members voted by a show of hands. The result was 14 votes in favour, 0 against and three abstained. The motion was endorsed.

(Members voted in favour included: the Chairman Mr Randy YU, Mr CHAN Lin-wai, Mr Ken WONG, Mr HO Chun-fai, Mr HO Siu-kei, Ms WONG Chau-ping, Ms Amy YUNG, Ms Josephine TSANG, Mr Eric KWOK, Mr Sammy TSUI, Mr FONG Lung-fei, Mr LEE Ka-ho, Mr LEUNG Kwok-ho and Mr WONG Chun-yeung; the Vice Chairman Mr WONG Man-hon, Mr CHOW Yuk-tong and Ms LAU Shun-ting abstained. Mr YUNG Chi-ming left the meeting at 2:45 p.m.)

148. <u>Mr Sammy TSUI</u> said that as the motion requested distribution of CSDmanufactured masks to the public. He enquired if CSI masks were to be allocated to DC, whether Members voted abstained would not be given any.

149. <u>The Chairman</u> said that the distribution arrangement would be decided in due course if CSI masks were allocated to DC.

VII. <u>Motion on request for use of Disneyland hotels for isolation and quarantine</u> (Paper IDC 39/2020)

150. <u>The Chairman</u> said that the motion was moved by Mr WONG Chun-yeung and seconded by Mr LEUNG Kwok-ho.

151. <u>Mr WONG Chun-yeung</u> briefly presented the motion.

152. <u>The Chairman</u> pointed out that the Secretariat was informed by the Food and Environmental Hygiene Department (FEHD) that no response could be given as the issue was outside its purview. FHB, DH and HA had provided a consolidated written reply for Members' perusal. The Chairman said that FHB and DH had already provided the Council with information papers summarising the quarantine facilities at the government land adjacent to the carpark of Hong Kong Disneyland (Disneyland). It was stated in the written reply of FHB and DH that the motion of Mr WONG Chunyeung on using the Disneyland hotels for isolation was infeasible due to the central airconditioning system and inappropriate toilet facilities in the hotels. To his understanding, the toilets of the hotels had no windows and were installed with ventilation system, similar to the condition aboard the Diamond Princess cruise ship. Therefore, the hotels were considered unsuitable for quarantine. The Chairman enquired of Members whether any amendment to the motion was required.

153. <u>Mr Eric KWOK</u> enquired whether Tsuen Wan DC should be consulted if the motion was endorsed since Disneyland was in Tsuen Wan District as mentioned by Ms Amy YUNG at a previous meeting.

154. <u>Mr WONG Chun-yeung</u> said that according to the discussion on the Penny's Bay site between the Government and Disneyland at an Executive Council meeting, the car park of Disneyland was in Tsuen Wan District while the hotel sites were within the purview of IDC.

155. <u>The Chairman</u> asked Mr Anthony LI, District Officer (Islands) to respond to the cross-district matter.

156. <u>Mr Anthony LI</u> said that Disneyland was large in size with a number of car parks. The car park under discussion was within the scope of Tsuen Wan District. Taking into account the area of Disneyland and the entire Lantau Island, they might inevitably be straddling across other districts which however would not affect Members giving FHB advice.

157. <u>Ms Josephine TSANG</u> proposed amending the motion to read "Due to escalation of coronavirus disease in Hong Kong and improper anti-epidemic measures of the Government, it is hard to predict when the outbreak would ease. As such, I would like to move a motion to request the construction of isolation facilities at the site adjacent to Hong Kong Disneyland on Lantau Island in full swing. The proposed sites at Chi Ma Wan and Tai A Chau should also be considered as they are far from residential dwellings, which, if chosen, can reduce the risk of transmission in the community due to proximity and hence avoid protests on the street."

158. <u>Mr LEE Ka-ho</u> expressed discontent with FHB's failure to send representatives to the meeting and considered it a disrespect for DC. He pointed out that the proposal of Mr WONG Chun-yeung was not addressed in the written reply of the bureau which only prevaricated by raising a new proposal. Mr WONG proposed using the hotels for quarantine, which was a far cry from setting up quarantine facilities at the car park proposed by FHB. He enquired of the bureau the reason for not sending representatives to the meeting to advocate to Members if it was a better alternative, and whether the bureau would accept the motion of Mr WONG Chun-yeung if it was endorsed by the Council. 159. <u>Mr WONG Chun-yeung</u> pointed out that Chi Ma Wan could only be accessed by ferry while Disneyland was connected to the urban area by well-developed land transport facilities. It was also close to the port of Hong Kong-Zhuhai-Macao Bridge (HZMB) and could cater for visitors arriving at Hong Kong via the airport. Community outbreak was also a concern. There were no designated isolation clinics on Lantau Island and in the Islands District as a whole, and some confirmed patients had escaped from North Lantau Hospital which was regretful. He hoped that Ms Josephine TSANG would, taking into account the above transport and geographical factors, support the use of Disneyland as isolation and quarantine centre as it was within the purview of IDC.

160. <u>Mr Sammy TSUI</u> considered that it was clearly spelt out in the motion of Mr WONG Chun-yeung on the use of Disneyland hotels as quarantine facilities. As the amendment made by Ms Josephine TSANG concerned another site, he suggested that it should not be regarded as an amendment and a new motion should be moved for the proposed site.

161. <u>Ms Josephine TSANG</u> agreed with Mr WONG Chun-yeung but opined that various aspects should be considered. She also pointed out that Chi Ma Wan was conveniently situated and easily accessible by land transport, well managed by designated persons and could be open for use within a short period of time.

162. <u>Mr Ken WONG</u> opposed using Disneyland hotels for isolation and quarantine. He pointed out that if the border control points were not completely closed, the quarantine facilities would still be insufficient to meet the demand after those in Disneyland hotels were used up. In addition, taking into account the continuous development in the vicinity of Disneyland where residential dwellings might be constructed, the Government should conduct planning for isolation centres in long term.

- 163. <u>Mr WONG Chun-yeung</u> expressed his views as follows:
 - (a) His proposal should not overlap with that on the use of the car park adjacent to Disneyland raised by Dr LAM Ching-choi, Member of the Executive Council. He hoped that the discussion would focus on the part of Disneyland within the scope of consultation held by IDC.
 - (b) He emphasised the reasons for use of Disneyland hotels for isolation and quarantine. First, the theme park was far from residential dwellings. Second, the theme park was huge in size with the land area larger than the combined area of Lady Maclehose Holiday Village, Chun Yeung Estate and Chi Ma Wan. He opined that the problem should be tackled in a unified focused manner.
 - (c) He had consulted the staff of Disneyland, who said that in light of temporary closure of the theme park, they did not mind using it for isolation and quarantine if they would not have contact with the patients and persons under isolation. As for factors including transport and

people's livelihood, he opined that it was time-consuming to convey residents of Tung Chung, Mui Wo and Tai O to Chi Ma Wan for isolation and also put paramedics under pressure.

164. <u>Ms WONG Chau-ping</u> agreed with Mr WONG Chun-yeung that Disneyland hotels were suitable sites as they were remote and sizeable. But where implementation was concerned, as ventilation system might be the cause for continuous increase in the number of confirmed cases on the Diamond Princess cruise ship, special attention should be paid to the appropriateness of the ventilation system of the hotels.

165. <u>Mr HO Siu-kei</u> opined that due to the use of central air-conditioning system in the hotels, the effectiveness of isolation was in doubt as air transmission was possible.

166. <u>The Chairman</u> was pleased that IDC Members were open-minded and proposed setting up of quarantine and isolation facilities in the Islands District. Pursuant to the Standing Orders, he proposed dealing with the amendment proposed by Ms Josephine TSANG and seconded by Mr HO Chun-fai first. The amendment was: "Due to escalation of coronavirus disease in Hong Kong and improper anti-epidemic measures of the Government, it was hard to predict when the outbreak would ease. As such, I would like to move a motion to request the construction of isolation facilities at the site adjacent to Hong Kong Disneyland on Lantau Island in full swing. The proposed sites at Chi Ma Wan and Tai A Chau should also be considered as they are far from residential dwellings, which, if chosen, can reduce the risk of transmission in the community due to proximity and hence avoid protests on the street."

167. <u>Mr Eric KWOK</u> suggested adding "at the same time" to the motion to avoid hindrance to the progress.

168. <u>Mr Sammy TSUI</u> emphasised that the two motions were entirely different. One was about the use of Disneyland hotels as quarantine and isolation centres while the other one involved the use of other sites, which should not be regarded an amendment to the existing proposal.

169. <u>Mr WONG Chun-yeung</u> opined that it was not difficult to deal with the wording-related issue. He considered it acceptable to use "improper" instead of "poor" to describe the "anti-epidemic measures of the Government". He also proposed replacing "the use of Hong Kong Disneyland hotels on Lantau Island as isolation facilities" with "the construction of isolation and quarantine facilities at Hong Kong Disneyland hotels on Lantau Island", and inserting "or at the vacant land nearby" after "hotels". He enquired if Ms Josephine TSANG agreed with the amendment.

170. <u>Ms Josephine TSANG</u> agreed.

171. <u>The Chairman</u> said that the finalised amended motion was as follows: "Due to escalation of coronavirus disease in Hong Kong and improper anti-epidemic measures of the Government, it is hard to predict when the outbreak would ease. As such, I would like to move a motion to request the construction of isolation facilities at Hong Kong Disneyland hotels on Lantau Island and the vacant land nearby in full

swing. The proposed sites at Chi Ma Wan and Tai A Chau should also be considered at the same time as they are far from residential dwellings, which, if chosen, can reduce the risk of transmission in the community due to proximity and hence avoid protests on the street." The above amendment was seconded by Mr HO Chun-fai.

172. Members voted by a show of hands. The result was 14 votes in favour, one against and two abstained. The amended motion was endorsed.

(Members voted in favour included: the Chairman Mr Randy YU, the Vice Chairman Mr WONG Man-hon, Mr CHOW Yuk-tong, Mr CHAN Lin-wai, Mr Ken WONG, Mr HO Chun-fai, Mr HO Siu-kei, Ms WONG Chau-ping, Ms Amy YUNG, Ms Josephine TSANG, Mr Eric KWOK, Mr Sammy TSUI, Ms LAU Shun-ting and Mr WONG Chun-yeung; Mr LEUNG Kwok-ho voted against; Mr FONG Lung-fei and Mr LEE Ka-ho abstained.)

173. <u>The Chairman</u> respected the provisional condemnation motion raised by Mr Sammy TSUI and other Members. However, as other Members were not given sufficient time to read the motion and some might have to consult the core members of their team, election campaign workers and district leaders, he opined that it would be difficult to request all Members to vote at the meeting. He proposed that the six Members raising the provisional motion (including Ms Amy YUNG who joined later) should issue a joint condemnation statement.

174. <u>Ms Amy YUNG</u> said that the Chairman Mr Randy YU had moved a motion seconded by his predecessor Mr YUNG Chi-ming on forbidding protestors to wear masks in the street without prior written notice while chairing the Fight Crime Committee (FCC) a few years ago. She considered the motion a violation of human rights and voted against it, which was, however, eventually endorsed. She questioned why the Chairman adopted double standards in handling the provisional motion.

- 175. <u>Mr Sammy TSUI</u> expressed his views as follows:
 - (a) He explained that he moved the provisional motion mainly because the public failed to purchase masks. Public discontent would not be provoked if the Government stabilised the supply and price of masks. It was reasonable for Members to voice out the opinions of the public to the Government. Considering the setting up of Hong Kong Economic and Trade Offices by the Commerce and Economic Development Bureau in large cities of economies around the world, it was unbelievable that the Government failed to procure masks. He opined that it was unreasonable for the Council to allow the issuance of a condemnation statement by Members but disapprove the moving of a condemnation motion. While some Members might support the Government, which was understandable, he pointed out that they could abstain from voting but the condemnation motion should be accepted.
 - (b) He opined that the problem lay on the Government's refusal to close all border control points which caused panic among the public, and

suggested Hong Kong Government to take a leaf out of Macau's book. He reiterated that the Council should not hinder representatives of the community from voicing public opinions to the Government. He hoped that the Chairman could handle the provisional motion, which was not uncommon, in a fair manner.

- 176. <u>Mr WONG Chun-yeung</u> expressed his views as follows:
 - (a) He agreed with Mr Sammy TSUI that the Government should be condemned for ineffectiveness in mask procurement. He pointed out that government officials often criticised young people and Members from the opposition camp for protesting on the street with nothing concrete being done when meeting them but these persons being criticised purchased more masks than the Government. Some manufacturers had already promised to reserve 14 000 masks for him, excluding those purchased with the \$900,000 from DC, for distribution to the residents.
 - (b) He opined that the motion pointed the finger at the Government clearly but the finger-pointing "focused on the issue itself rather than on the person". It was reported by the media earlier that a middle-aged man shed tears after failing to purchase masks, and his disappointment with the Government was evident. As such, he opined that the motion was reasonable in terms of fairness, reasoning and logic. He urged the Government to review its accountability and address people's pressing needs.

177. <u>The Chairman</u> asked Mr Sammy TSUI to read out the provisional motion for discussion.

178. <u>Mr Sammy TSUI</u> said that the provisional motion was as follows: "Islands District Council strongly condemns HKSAR Government which fails to purchase protective items including masks and liquid hand rub for public use until now for its ineffective anti-epidemic measures in 2020." He considered the provisional motion clear and straightforward, and pointed out that no principal officials were held accountable or offered to resign for the Government's failure to purchase masks. He supplemented that he was the mover of the provisional motion while the seconders included Mr FONG Lung-fei, Mr LEE Ka-ho, Mr LEUNG Kwok-ho, Mr WONG Chun-yeung and Ms Amy YUNG. Other Members were welcome to second or support the motion.

179. <u>Mr LEUNG Kwok-ho</u> expressed his views as follows:

(a) The discussion on the use of Disneyland hotels for isolation and quarantine just now reflected that when the government representatives did not attend the meeting to respond to questions, Members were not provided with sufficient information and could only do the guesswork, rendering the discussion ineffective. Even if the motion was endorsed,

Members had to gather more information to study if the Disneyland hotel or Tai A Chau proposals were feasible.

(b) He disagreed with the Chairman that the provisional motion should be processed at the next meeting as Members did not have sufficient information. He said that the standard should not be applied to provisional motion due to difference in nature, and opined that the Chairman was not impartial enough.

180. <u>Mr FONG Lung-fei</u> said that he seconded the provisional motion as Members were at the receiving end of the public condemnation. He pointed out that some residents of adjacent constituencies including Yat Tung Estate and other areas turned up on his doorstep to request masks. They considered distribution of masks the responsibility of DC Members and he was left speechless. Since a number of Members had expressed anger over mask supply, he opined that the motion should be approved for condemnation against the Government and improvement made lest it passed the buck to DC Members.

181. <u>Ms Josephine TSANG</u> opined that the provisional motion could be dealt with under the special circumstances but the Members concerned should provide sufficient information on the motion. Given that the Chairman was only notified of the provisional motion at around 10:00 a.m., it was unfair to request other Members to vote without prior notice and sufficient time for consideration.

182. <u>Mr WONG Chun-yeung</u> pointed out that perhaps in the opinion of some Members, the Council should focus on people's livelihood. However, he considered it necessary to condemn the Government in the name of IDC as the Government did not respond to the request of various political parties for a complete closure of border control points, leading to a drop in the popularity rating of the Chief Executive. Therefore, the provisional motion was moved for the sake of people's livelihood. He opined that people's livelihood and politics were interdependent, and that the Members present should be clear about the popularity rating of the Chief Executive.

183. <u>Mr HO Siu-kei</u> said that since the discussion on the anti-epidemic measures at the first DC meeting, he had been aware of the residents' disappointment with the Government and hoped that the Chairman could handle the motion properly.

184. <u>Mr LEE Ka-ho</u> expressed his views as follows:

(a) Members had an idea of the effectiveness of the Government's antiepidemic work. As demonstrated by the mask procurement and other matters, the Government had never faced up to public opinions. IDC had convened four meetings since January. Frontline departments including the Housing Department were most pro-active in discussion on anti-epidemic matters but other departments did not send representatives to the meetings. For example, no government officials were present to participate in the discussion on the use of Disneyland for isolation and quarantine and mask issues rendering the effectiveness of the Government's anti-epidemic measures questionable. He was discontented that some government departments only provided written replies and condemned the Government for its unsuccessful antiepidemic policies and mask purchase.

- (b) He opined that the Government did not only fail to give due regard to Members' views but also missed opportunities to control the spread of disease. For example, it refused to close all the borders, rendering it difficult to stop the flow of inbound visitors and hence failure to safeguard the health of Hong Kong people. As for site selection for quarantine centres, he was discontented that the Government acquired places including public housing estates and Heritage Lodge without consulting DC and the public, and opined that early consultation with DC was necessary. Taking the discussion on Disneyland just now as an example, Members' concerns could be allayed if the departments sought the views of DC and responded to the concerns of the Chairman over the central air-conditioning system of the hotels. Opposition from some Members was inevitable when the proposal was raised without prior consultation.
- (c) He strongly supported DC condemning the Government's ineffective anti-epidemic measures, and opined that the Government should improve the overall anti-epidemic policy in addition to stabilising the supply of basic protective equipment including masks and liquid handrub.

185. <u>Mr Eric KWOK</u> pointed out that there were nine Members supporting the provisional motion so far, including the mover Mr Sammy TSUI, seconders Mr FONG Lung-fei, Mr LEE Ka-ho, Mr LEUNG Kwok-ho, Mr WONG Chun-yeung, Ms Amy YUNG, Mr Eric KWOK, Mr Ken WONG and Ms Josephine TSANG. With the support of half of the Members, the Chairman should process the provisional motion.

186. <u>Mr Anthony LI</u> expressed his views as follows:

- (a) Regarding the motion on request for use of Disneyland for isolation and quarantine, he had consulted FHB which shared the same view as Mr WONG Chun-yeung that the site should be far from residential dwellings. It was stated in the written reply of the bureau that the use of Disneyland hotels for isolation was unsuitable due to their central air-conditioning system, and that isolation facilities should be built at the government land adjacent to the car park of Disneyland. The Members and relevant departments had taken similar factors into account so the proposals of both parties were not contradictory to each other. The departments meant no disrespect for Members' proposal.
- (b) As for mask supply, he supplemented that the Government had mentioned at various occasions that it was procuring masks globally through different channels to boost mask supply in Hong Kong. In

light of the current outbreak of the disease, it was extremely difficult to procure masks around the world but the Government had been proactively working on it. He asked for Members' understanding that the means to increase mask supply included assisting suppliers to remove barriers in customs clearance and transportation in addition to direct procurement. He emphasised that the Government had paid much effort in mask procurement and the Chief Executive had strengthened the preventive and protective measures, and hoped that Members could understand the situation.

187. Mr LEUNG Kwok-ho said that regarding the discussion on Disneyland hotels, Members did not intend to condemn the Government for not providing information but express dissatisfaction with the department for not sending representatives to the meeting to interact with Members. In addition, with CSI masks produced by CSD, he wondered why the Government had to overcome different hurdles for mask procurement. While mask supply could be increased through various channels, he pointed out that the Government had overlooked the supply of CSI masks, which would not help solve the problem regardless of its dedication. Although relevant information had been disseminated by various government departments, the officials should give an account to Members, instead of the latter reading the news reports and discussing among themselves. He was discontented that the Government, despite their dedication and efforts in the procurement, failed to purchase any masks, and pointed out that he had purchased 40 000 masks himself.

188. <u>Ms Amy YUNG</u> agreed with Mr LEUNG Kwok-ho. She opined that what Mr Anthony LI said was not impartial enough and pointed out that the social incidents sent clear messages to the public. She had purchased over 10 000 masks for distribution to the residents in the past two months. In her opinion, the Chief Executive should take responsibility and resign for failing to provide sufficient masks to the public. She also questioned why the agenda item regarding the duties of the District Officer would be scheduled for discussion at the next meeting. As it was a matter of life and death and the number of confirmed cases were on the increase, she hoped that disease-related issues would not be subject to political considerations as suggested by Dr Ho Pak-leung, or the Government would get itself in trouble. She felt ashamed for the Chief Executive's popularity and hoped that the government officials could be conscientious.

189. <u>The Chairman</u> said that as over half of the Members present wished to vote for the provisional motion, he accepted it in view of the spirit of democracy of DC.

190. <u>Mr LEE Ka-ho</u> thanked the District Officer for his explanation and clarified that it should not focus on whether detailed written replies were given by government departments, but whether relevant officials attended the meetings to respond to Members' questions. He pointed out that the relevant government departments did not send representatives to the meeting for the two items and only provided written replies, causing lag in message transmission which was undesirable. In addition, he questioned if the Chief Executive had carried out preventive measures with dedication. Taking closure of borders as an example, the flow of people through the two border

control points in Islands District (the airport and HZMB) was not banned.

191. <u>Mr WONG Chun-yeung</u> said that in addition to express discontent with the Government's low efficiency compared with the community efforts harnessed, he supported the condemnation motion in the belief that it could narrow the distance between IDC and the public to avoid DC being mistaken for supporting the Government blindly and not standing on the side of the public. He opined that the spearhead was not directed at whether the Government had procured masks with dedication as mentioned by the District Officer, but its shirking responsibilities in implementing quarantine and isolation measures, such as its remarks "Chun Yeung Estate would not be used as isolation centre if no one set fire in Fai Ming Estate". He was also dissatisfied with the Government's disregard of the demand of medical staff by means of strike, at which he considered condemnation was necessary to allay public resentment. However, he appreciated the District Officer for speaking on behalf of IsDO objectively and impartially.

192. Mr Ken WONG disagreed with the remarks of the District Officer. He pointed out that the Government had a considerable amount of CSI masks which could satisfy two months' demand according to the official statistics. In the shortage of masks, the Government should provide CSI masks to the elderly. In addition, he considered class resumption of primary and secondary schools in March infeasible. He said that the public scrambled for toilet paper because they lost confidence in the Government. People could avoid going out if running out of masks but toilet paper was a daily necessity so they should not be blamed for panic-buying. The District Officer was not fair enough if he still considered the Chief Executive handled the epidemic outbreak remarkably. In his opinion, the counter measures taken by government departments were ineffective. It was too late to cooperate with enterprises to manufacture masks, as masks should be distributed to the public in the previous month to relieve the imminent need. He pointed out that Members were put in a difficult situation as they kept receiving complaints from the residents about insufficient or unfair distribution of masks by the Government.

193. <u>Mr HO Chun-fai</u> agreed with Members about the inefficient anti-epidemic work of the Government. However, he hoped that Ms Amy YUNG could withdraw her remarks as the District Officer merely expressed the stance of the Government and provided information for Members' perusal. However, the District Officer was criticised for defending for the Government in exchange of power and personal gain, which he found extremely inappropriate as it involved personal attack and was disparaging.

194. <u>Ms Amy YUNG</u> refused to withdraw the remark, which she said was an objective comment on the District Officer.

195. <u>The Chairman</u> said that he accepted the provisional motion as over half of the Members present agreed to incorporate the paper into the agenda, and asked if Members would like to make any amendment proposal. No amendment was proposed.

196. Members voted by a show of hands. The result was 11 votes in favour,

0 against and six abstained. The provisional motion was endorsed.

(Members voted in favour included: Mr Ken WONG, Mr HO Siu-kei, Ms Amy YUNG, Ms Josephine TSANG, Mr Eric KWOK, Mr Sammy TSUI, Mr FONG Lung-fei, Ms LAU Shun-ting, Mr LEE Ka-ho, Mr LEUNG Kwok-ho and Mr WONG Chunyeung; the Chairman Mr Randy YU, the Vice Chairman Mr WONG Man-hon, Mr CHOW Yuk-tong, Mr CHAN Lin-wai, Mr HO Chun-fai and Ms WONG Chau-ping abstained.)

197. <u>The Chairman</u> explained that regarding the provisional motion moved at the meeting of FCC as Ms Amy YUNG mentioned, FCC and DC were subject to the regulation of two different sets of Standing Orders.

198. <u>Ms Amy YUNG</u> requested the Chairman to provide the then Standing Orders of FCC, and said that she was not informed of the Standing Orders and arrangements for provisional motions.

199. <u>The Chairman</u> would request the Secretariats of DC and FCC to check the relevant papers.

VIII. Date of Next Meeting

200. There being no other business, the meeting was adjourned at 3:45 p.m. The follow-up meeting would be held on 2 March 2020 (Monday) at 10:30 a.m.

-END-