

## LCQ18: Shortage of professionals in banking industry

Following is a question by the Hon Chan Chun-ying and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (June 19):

Question:

Some members of the banking industry have relayed that the granting of eight virtual banking licences by the Hong Kong Monetary Authority so far may aggravate the shortage of manpower of the various professional grades in the industry, which will affect the operation and development of the banking industry in the long run. In this connection, will the Government inform this Council:

(1) whether it knows the numbers of members of the various professional grades in the banking industry listed in the table below;

Professional grade	Number of members
Fintech	
Compliance	
Risk management	
Data audit	

(2) whether it has estimated the numbers of members of the various professional grades to be employed by virtual banks in each of the coming three years; (i) of the respective percentages of such numbers in the relevant total numbers in the banking industry, and (ii) out of such numbers, the respective numbers of those who will come from conventional banks and from places outside Hong Kong;

(3) given that experienced professionals in Fintech are included in the Talent List of Hong Kong promulgated by the Government in August last year, and such professionals may apply to work in Hong Kong through the Quality Migrant Admission Scheme, of the respective to-date numbers of the relevant applications received and approved by the Government, and the average time taken for the vetting and approval of each approved case; of the measures in place to expedite the vetting and approval process; and

(4) whether it will introduce incentive measures (e.g. accommodation, education allowances for children and medical allowances) to attract experienced professionals in Fintech from the Mainland and overseas to work in Hong Kong; if so, of the details; if not, the reasons for that?

Reply:

President,

Having consulted the Hong Kong Monetary Authority (HKMA) and the Security Bureau, the reply to the different parts of the question is as follows:

(1) and (2) The HKMA does not collect statistics on the number of practitioners of professional grades in the banking sector. According to the business plans of the eight licensed virtual banks, the manpower required for the first three years of their operation only represents a tiny fraction of that of the banking sector in Hong Kong. The HKMA expects that the impact of virtual banks on the manpower of the banking system should be manageable. The HKMA does not collect information on the background of employees of virtual banks and is not in a position to provide any estimate to this end.

(3) and (4) The Government promulgated on August 28, 2018 the first Talent List of Hong Kong. The Talents List covers 11 professions, including "Fintech Professionals", "Data Scientists and Cyber Security Specialists" and "Asset Management Professionals". Applicants who meet the requirements of the Talent List will be awarded 30 bonus points under the General Points Test of the Quality Migrant Admission Scheme (QMAS).

As at April 2019, a total of 11 applicants under the QMAS have met the eligibility criteria of the said professions, of which seven applicants have been allotted quotas by the Advisory Committee on Admission of Quality Migrants and Professionals (the Advisory Committee). The remaining four applications are being processed. The breakdown statistics on such applications and the quotas allotted are as follows:

Profession	Applications received	Successful cases	Being processing
Fintech professionals	4	2	2
Data scientists and cyber security specialists	7	5	2
Asset management professionals	0	Not applicable	Not applicable

The processing time mainly depends on whether the required documents and information are submitted by the applicant to the Immigration Department within the specified timeframe. Upon submission of the required documents and information, it normally takes two weeks to process applications which will then be submitted to the Advisory Committee for further assessment. The Immigration Department may also seek professional advice from relevant trade and professional bodies having regard to individual cases and verify each application. In accordance with the existing assessment criteria, all applications which satisfy the prerequisites and the minimum passing mark

will be shortlisted and submitted to the Advisory Committee for further assessment.

The selection exercise is conducted quarterly for quota allocation to applicants and the Advisory Committee will recommend to the Director of Immigration how best to allocate available quota. Results of each selection exercise will be published on the Immigration Department website within 15 days.

The Immigration Department will ensure efficient processing of QMAS applications through flexible staff deployment and streamlined workflow.

Apart from the QMAS, professionals can also apply to work in Hong Kong through the General Employment Policy (GEP) for overseas, Taiwan and Macao residents and the Admission Scheme for Mainland Talents and Professionals (ASMTF) for the Mainland residents.

The statistics on applications approved under GEP and ASMTF from applicants who were from the "Financial Services" sector in the past three years are as follows:

Year	GEP	ASMTF
2016	4 148	1 433
2017	4 441	2 084
2018	5 057	2 141

The Government will review the relevant schemes and measures from time to time with a view to encouraging talents from the Mainland and overseas to work in Hong Kong.

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## LCQ10: Rehabilitation services for pre-school children

Following is a question by the Hon Ip Kin-yuen and a written reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (June 19):

Question:

The Social Welfare Department (SWD) provides three types of rehabilitation services for pre school children with disability respectively through (i) the Early Education and Training Centre (EETC), (ii) the

Integrated Programme in Kindergarten-cum-Child Care Centre (IP/KGs) and (iii) the Special Child Care Centre (SCCC). It is learnt that due to the shortage of service places of SCCC, quite a number of children waiting for such services attend ordinary kindergartens and kindergartens-cum-Child Care Centres (collectively known as KGs). Furthermore, SWD provides On-site Pre-school Rehabilitation Services (OPRS), under which inter-disciplinary service teams from non-governmental organisations provide on-site training services for children with mild disability who are studying in participating KGs. In this connection, will the Government inform this Council:

(1) Whether it knows the annual numbers of children waiting for SCCC services in 2017-2018 and 2018-2019 school years whilst studying in KGs, and the number of KGs involved;

(2) Whether it knows, among the children mentioned in (1), the respective annual numbers of (i) those receiving EETC services, (ii) those receiving OPRS and (iii) those not receiving any of these two types of services, in 2017-2018 and 2018-2019 school years (set out in the table below);

	2017-2018 school year	2018-2019 school year
(i)		
(ii)		
(iii)		
Total		

(3) Of the annual numbers of children in 2017-2018 and 2018-2019 assessed to be in need of SCCC services; among such children, the respective numbers of (i) those waiting for the services provided by IP/KGs, (ii) those waiting for EETC services, (iii) those waiting for OPRS, and (iv) those not waiting for any of those services (set out in the table below); and

	2017-2018 school year	2018-2019 school year
(i)		
(ii)		
(iii)		
(iv)		

(4) Whether the Education Bureau (EDB) has provided additional resources to KGs which have admitted children who are waiting for SCCC services, so as to ensure that those children can receive appropriate education, training and care; if so, of the details; if not, whether EDB will, by making reference to the approach adopted by it for supporting non-Chinese speaking students with special educational needs, provide additional resources to those schools?

Reply:

President,

My reply to the Member's question is as follows:

(1) and (2) Pre-school children on the waiting list of special child care centres (SCCCs) may also apply for and receive transitional services of early education and training centres (EETCs) or on-site pre-school rehabilitation services (OPRS) until they are allocated SCCC places. Besides, pre-school children waiting for SCCCs and who have not received transitional services may apply for non-means-tested training subsidies under the Training Subsidy Programme for Children on the Waiting List of Subvented Pre-school Rehabilitation Services (TSP), so that they can receive self-financing pre-school rehabilitation services operated by recognised service providers as soon as possible to facilitate their learning and development.

In 2017-18 and 2018-19, there were 1 984 and 2 205 pre-school children on the waiting list of SCCC services respectively. Details of these pre-school children who received other pre-school rehabilitation services or training subsidies under the TSP are set out in the table below:

	2017-18 (as at March 31, 2018)	2018-19 (as at March 31, 2019)
Number of children who received other pre-school rehabilitation services or training subsidies under the TSP while on the waiting list of SCCC services		
Integrated Programme in Kindergarten-cum-Child Care Centre	56	63
EETCs	176	165
OPRS	N/A (Note)	427
Training subsidies under the TSP	922	1 111
Total	1 154	1 766

Note: OPRS commenced in October 2018. The Social Welfare Department (SWD) does not have statistics on the number of applicants who received services under the Pilot Scheme on OPRS while on the waiting list of SCCCs.

The SWD does not have information on the kindergartens (KGs) where children on the waiting list of SCCCs are attending and the number of KGs involved.

(3) Pre-school children may ascertain the level of their disabilities and their special needs as well as the type of pre-school rehabilitation services required through assessments by relevant government departments/bodies, including child assessment centres of the Department of Health (DH), and the Hospital Authority (HA); or paediatricians/clinical psychologists/educational psychologists/psychiatrists, etc. in non-governmental organisations (NGOs) or private practice. In 2017 and 2018, the Child Assessment Service of the DH

arranged pre-school and school placements for training, remedial and special education for 14 294 and 17 539 children aged under 12 who were suspected to have problems during their growth respectively. The DH does not maintain a breakdown by age of children who underwent assessments, nor does it maintain a breakdown of various types of support services for which the children concerned were referred. In 2017-18 and 2018-19, there were 218 and 232 cases referred for SCCC after assessment by the HA respectively. The Government does not have statistics on the number of cases where children were assessed by paediatricians/clinical psychologists/educational psychologists/psychiatrists, etc. in NGOs or private practice to be in need of SCCC services.

Pre-school children with disabilities or special needs may register their applications in the Central Referral System for Rehabilitation Services of the SWD for designated services according to their assessment results. Those diagnosed as or suspected of having moderate to severe disabilities will be put on the waiting list of SCCC services, and they may also wait for and receive other pre-school rehabilitation services as transitional services. The SWD does not have statistics on the number of cases assessed to be in need of SCCC services and not on the waiting list of any pre-school rehabilitation services.

(4) In view of the fact that children attending ordinary KGs and on the waiting list of SCCC services may wait for and receive other pre-school rehabilitation services as transitional services, and that the EDB has been providing KG teachers with structured in-service training to enhance their professional capacity of catering for learner diversity, and has also enhanced the teacher-to-pupil ratio in KGs to strengthen support for teachers to address the developmental needs of KG students, the EDB indicated that it has no plan to provide additional resources for KGs at this stage.

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## **LCQ12: Parking spaces for tourist coaches**

Following is a question by the Hon Tony Tse and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (June 19):

Question:

Some members of the tourism industry have relayed that, in recent years, with the Government developing the brownfield sites in the New Territories and gradually resuming, for long-term development, a number of temporary car park sites let by way of short-term tenancies, the number of parking spaces for tourist coaches has been reduced. Meanwhile, the rise in the number of

visitors to Hong Kong year after year has resulted in a rise in the utilisation rate of tourist coaches, leading to a more acute shortage of parking spaces for tourist coaches as well as aggravating the problems of illegal parking of tourist coaches and traffic obstruction. In addition, some parking spaces for tourist coaches in hotels and industrial buildings are available for picking up/dropping off passengers or stopping and waiting only. In this connection, will the Government inform this Council:

(1) of the number of parking spaces for tourist coaches in the territory in each of the past three years, with a breakdown by the locations of such parking spaces (i.e. private premises, hotel, industrial building, roadside, and other places) and the modes of parking/stopping (e.g. available for parking 24 hours a day, for picking up/dropping off passengers only, and for those tourist coaches with drivers on board stopping and waiting); and

(2) of the details and implementation timetable of the various measures to increase the number of parking spaces for tourist coaches?

Reply:

President,

The reply to the various parts of the Hon Tony Tse's question is as follows:

(1) The numbers of parking spaces and picking up/setting down spaces for tourist coaches in Hong Kong over the past three years are provided in the Annex.

(2) To cope with the parking demand of tourist coaches, the Government will continue to pursue actively the following measures to increase the supply of parking spaces:

(a) designating suitable on-street locations as night-time parking spaces: From 2016 to end April 2019, a total of 18 night-time parking spaces for tourist coaches were newly provided, whereas 25 such parking spaces are under planning, with five of them expected to be put into service by 2020;

(b) following the principle of "single site, multiple uses" to provide public car parking spaces in suitable "Government, Institution or Community" facilities, public open space projects and public housing developments: A total of about 20 works projects are under planning providing about 5 100 parking spaces, of which eight projects providing about 100 parking spaces for tourist coaches are anticipated to be put into service progressively in the next few years;

(c) increasing the number of parking spaces and picking up/setting down facilities for tourist coaches: In 2018-19, the Transport Department (TD) increased a total of 41 on-street parking spaces and 85 picking up/setting down facilities for tourist coaches in such areas as Tsim Sha Tsui, Southern District, Wan Chai, Eastern District, Jordan (near the Express Rail Link station), Tsing Yi and Sai Kung. In 2019-20, TD has planned to provide 137

additional parking spaces and 52 additional picking up/setting down facilities in Tsim Sha Tsui, Kowloon City, Wong Tai Sin, Kwun Tong, Wan Chai, Southern District, North Point, Tsuen Wan, Tuen Mun, Tung Chung, etc.;

(d) specifying in the tenancy agreements of suitable short-term tenancy (STT) car parks a minimum number of parking spaces to be reserved for commercial vehicles such as tourist coaches and goods vehicles: Currently, 21 STT car parks are required to provide a total of about 900 coach parking spaces in accordance with the tenancy conditions under this arrangement; and

(e) continuing with the consultancy study to assess the parking demand of commercial vehicles (including tourist coaches) and formulating short, medium and long-term measures to address the anticipated demand: The study is scheduled to be completed in end 2019.

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## LCQ9: Unsold first-hand private residential units

Following is a question by the Hon Chan Hak-kan and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (June 19):

Question:

As at March 31 this year, out of the units in the private residential projects which had been completed in or after 2012 and issued with an occupation permit (OP), about 9 000 of them were unsold (unsold units with an OP). On the other hand, the Government has proposed to amend the Rating Ordinance (Cap. 116) to introduce "Special Rates" on private residential units that have been issued with an OP for 12 months or more, are unsold, and were not rented out for more than six months at a rent not lower than the market rent in the past 12 months. In this connection, will the Government inform this Council:

(1) of the number of unsold units with an OP as at March 31 in each of the past three years, broken down by the unit floor area classification used by the Rating and Valuation Department in compiling its statistics;

(2) as the Government has indicated that the figures of unsold units with an OP are consolidated based on the inputs from different government departments, of the specific calculation formula used;

(3) of the respective justifications of the Government for (i) using the date of issuance of an OP and (ii) not using the date of issuance of the Certificate of Compliance, as the relevant date for the Special Rates;



(4) in view of the public's strong demand for small and medium-sized units, whether the Government will introduce targeted measures, such as imposing a higher level of Special Rates on small and medium-sized unsold units with an OP; if so, of the details; if not, the reasons for that; and

(5) whether it knows the current number of units being rented out as serviced apartments; whether it has estimated the changes in the number of such units in the first year upon the implementation of the Special Rates initiative?

Reply:

President,

The Chief Executive announced on June 29, 2018 the proposed introduction of "Special Rates" on vacant first-hand private residential units, with a view to encouraging a more timely supply of first-hand private residential units in the market. The Government proposes to amend the Rating Ordinance (Cap.116) to require developers of first-hand private residential units with occupation permits (OP) issued for 12 months or more to furnish annual returns to the Government on the status of these units. Unsold first-hand units that have not been rented out for more than six months during the past 12 months will be subject to "Special Rates". "Special Rates" will be collected by the Rating and Valuation Department annually at two times (i.e. 200 per cent) of the rateable value of the units concerned. The Government is now formulating the details of the Rating (Amendment) Bill. My reply to various parts of the question raised by the Hon Chan Hak-kan is as follows:

(1) and (2) The Government releases statistics on private housing supply in the primary market on the website of the Transport and Housing Bureau on a quarterly basis, including the number of unsold first-hand private residential units in completed projects (hereinafter referred to as "unsold units"). The number of unsold units is obtained by deducting the number of units sold from the total number of first-hand private residential units in completed projects (Note 1), i.e. projects that have obtained OP. If an agreement for sale and purchase was made in respect of a certain unit and has been delivered to the Land Registry for registration, that unit will be regarded as sold. The number and mix of unsold units keep changing as new first-hand private residential units are completed and sold from time to time. The number of unsold units as at March 31 in each of the past three years is at Annex 1.

The Government in the past did not compile breakdown of unsold units by flat size. For the number of unsold units of last quarter (i.e. as at March 31, 2019), the breakdown by saleable area of the units is at Annex 2.

(3) The Government considers it appropriate to adopt the date of OP, rather than the date of Certificate of Compliance (CC), as the reference point in determining when the developers should start submitting returns on the status of the units. The justifications are as follows:

(a) In principle, the issue of an OP implies that the relevant unit can be occupied and put into effective use.

(b) According to the Consent Scheme, developers may apply to the Lands Department for pre-sale consent at a maximum of 30 months in advance of the completion of a residential property development. Developers may also choose to rent out the units after the issue of OP (Note 2). In other words, developers do not have to wait till the issue of CC to sell or rent out the units.

(c) Some redevelopment projects covered by old leases are not subject to the Consent Scheme. Developers do not have to apply for pre-sale consent or CC prior to selling these units. Furthermore, even if the development projects are subject to the Consent Scheme, the lease conditions do not specify a time limit for developers to obtain the CC. We are concerned that adopting the date of CC as the reference point may induce circumvention, e.g. delay in applying for CC, or even not applying for CC on the grounds that the units are for rental only.

(d) On the contrary, in accordance with the "Building Covenant" clause in the land grant or lease conditions, developers are required to complete the construction of the minimum gross floor area specified in the land grant or lease conditions and obtain the OP within the specified period. Adopting the date of OP as the reference point help guard against possible circumvention.

(4) The Government proposes that "Special Rates" are chargeable at two times of the rateable value of the concerned units (regardless of flat size), the amount of which is equivalent to about two years of market rent. Based on the average rental yield of 2.5 per cent for residential units at present, the "Special Rates" chargeable is roughly equal to 5 per cent of the property value. We consider that the amount is appropriate and is conducive to encouraging developers to sell or rent out completed first-hand private residential units within a reasonable timeframe.

It may be fairly controversial to define the meaning of small and medium-sized units. Compared to applying different tax rates to units of different flat sizes, we consider that a uniform yet forceful tax rate will be easier to understand.

(5) Unsold units refer to those completed but unsold first-hand private residential units, which may therefore include vacant units or units rented out by developers (e.g. serviced apartments). As developers currently are not required to declare the status of these unsold units, we do not have information on how many of them have been rented out as serviced apartments.

Whether developers will rent out their first-hand private residential units as serviced apartments is subject to a number of factors, e.g. prevailing market demand and supply, property price, rental level, economic situation, business strategies of the developers, etc. It is difficult for the Government to estimate the changes in the number of such units after the implementation of "Special Rates".

Note 1: The figure for each year includes only the number of units completed in that year or in the previous seven years. For example, the 2018 figure covers the units completed between 2011 and 2018, while the 2019 figure covers the units completed between 2012 and 2019 and so on. The purpose of compiling the number of unsold units is to reflect the projected supply of the first-hand private residential units in the coming three to four years. As unsold units which have been completed for eight years or more are unlikely to be offered for sale in the market in the coming few years, they are not included in the calculation.

Note 2: Starting from 2002, lease conditions in general provide that developers can rent out completed units with OP issued. Developers who are able to fulfill certain requirements (e.g. the tenancy period shall not exceed ten years) can rent out the units without the need to obtain prior consent from the Director of Lands.

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## [Red flag hoisted at Silver Mine Bay Beach](#)

Attention TV/radio announcers:

Please broadcast the following as soon as possible:

Here is an item of interest to swimmers.

The Leisure and Cultural Services Department announced today (June 19) that the Environmental Protection Department has classified the water quality at Silver Mine Bay Beach in Islands District as Grade 4, which means the beach is not suitable for swimming. The red flag has been hoisted. Beach-goers are advised not to swim at the beach until further notice.