

LCQ10: Quarters provided for civil servants

Following is a question by the Hon Tony Tse and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (May 29):

Question:

In his Reports No. 51 and 62 published in October 2008 and April 2014 respectively, the Director of Audit conducted reviews one after another on the Government's work of managing its quarters provided for eligible civil servants, and he recommended that the relevant government departments should expedite their actions of putting surplus quarters and their sites into gainful use through various means, such as disposal or conversion of uses. There are views that such actions have become increasingly pressing amid the current acute shortage of land and housing supply in Hong Kong. In this connection, will the Government inform this Council:

(1) of the respective (i) numbers and (ii) vacancy rates of the units of the various types of quarters (including non-departmental quarters (NDQs), departmental quarters and operational quarters, excluding surplus quarters) at present;

(2) whether it has adopted any mechanisms and criteria (e.g. period of vacancy) for determining whether certain quarters should be classified as surplus; if so, of the details;

(3) of the current number of government-owned surplus quarters, as well as the following details of such quarters: (i) managing departments, (ii) whether they are located on government sites or in private developments, (iii) since when they were classified as surplus, and (iv) their current and future uses;

(4) of its plans to put surplus quarters and the sites concerned into further gainful use;

(5) of the current usage of the 498 surplus quarters under the management of five government departments (namely, the Water Supplies Department, the Correctional Services Department, the Electrical and Mechanical Services Department, the Food and Environmental Hygiene Department and the Leisure and Cultural Services Department) referred to in Chapter 1 of Report No. 62 of the Director of Audit;

(6) apart from the two sites at Mansfield Road, the Peak and 135 Tai Hang Road which have been included in the Land Sale Programme, whether it has plans to sell other existing or former quarters sites;

(7) whether it has adopted the proposal of selling nine NDQ sites as put forward by the Working Group on Long-Term Fiscal Planning in 2015; if so, of the progress of land sale work; if not, the reasons for that, as well as the usage of these nine sites and the quarters concerned at present; and

(8) of the current number of NDQ units that are owned by the Financial Secretary Incorporated and located in private developments; the number of such type of units sold in the past five years, and whether it has plans to dispose of such units in a progressive manner?

Reply:

President,

Having consulted relevant bureaux/departments including the Civil Service Bureau (CSB), the Development Bureau (DEVB), the Security Bureau (SB) and the Government Property Agency (GPA), the consolidated reply of the Government is as follows:

(1) As at April 30, 2019, the number of quarters units is as follows:

Type of quarters	Number of units
Non-departmental quarters (NDQs)	493
Departmental quarters (including disciplined services quarters (DSQs))	22 891
Post-tied quarters (PTQs)	167
Total	23 551

About 0.1 per cent of the government quarters units to be allocated to eligible officers are temporarily vacant and pending allocation.

(2) to (4) Under the existing mechanism, the CSB or the Quarters Allocation Committee set up under the Civil Service Regulations is responsible for the allocation of NDQs. Individual departments are responsible for the allocation of quarters under their purview (for example, DSQs are allocated by the corresponding disciplined services departments (DSDs)). If the bureau/departments, after considering their operational needs, confirm that the quarters units under their allocation responsibility are no longer required for quarters use, these quarters units would become surplus. The GPA will then assist in identifying alternative users within the Government, or put the properties up for lease or sale in the market. If lands or planning issues are involved in the handling of surplus quarters, the GPA will assist the owner department to consult the Planning Department and the Lands Department (LandsD), etc.

The CSB regularly assesses the demand and supply of NDQs. Any surplus NDQs would be transferred to the GPA for assistance and handling. Normally,

the GPA would put up the quarters units for sale. If the quarters en bloc become surplus, the GPA would transfer the quarters site to the LandsD for alternative development. As an interim arrangement before the disposal of the quarters units or the site, the GPA would consider leasing out the properties at market rent in the open market for better use of public resources. According to the information provided by the GPA, the number of surplus former NDQs units transferred from the CSB to the GPA as at April 30, 2019 was 147. Amongst these 147 units, 33 units were located in private developments while the remaining units were on government sites. The majority of these units were transferred to the GPA in the recent five years. About 80 per cent of the units had been leased out, with the rest being prepared for sale or lease.

According to the information provided by the DSDs, as at April 30, 2019, there were no surplus DSQs units.

According to the information gathered by the GPA from relevant departments, there are 90 surplus departmental quarters and PTQs. These quarters units, all situated on government sites, are either planned for other long term use, open for application for use by non-governmental organisations (NGOs) or being considered for alternative uses since they became surplus in 2013 and 2014.

Starting from February 2019, NGOs that lease surplus government accommodation (including quarters) with the policy support of the relevant bureaux/departments may apply for subsidies from the DEVB to support one-off, basic and essential restoration works required to make such properties fit for other short-term community uses.

(5) According to the information gathered by the GPA from relevant departments, the latest position of the 498 surplus quarters units mentioned in the Director of Audit's Report No. 62 is as follows:

	Number of units
Re-used for quarters purpose or for alternative uses	318
The quarters sites have been included in the Land Sale Programme or sold	90
In search for tenant or being considered for alternative uses	90

(6) According to the information provided by the DEVB, the former NDQs sites at Mansfield Road, the Peak and 135 Tai Hang Road have been included in the 2019-20 Land Sale Programme. If other former NDQs sites are planned to be put up for sale, following the established practice, the Government would include the sites into the annual Land Sale Programme and announce all the sites planned for sale in one go before the commencement of the new financial year.

(7) The Phase Two Report of the Working Group on Long-Term Fiscal Planning in 2015 pointed out that nine NDQs sites were expected to become surplus in the

coming two decades upon the retirement of eligible civil servants who joined the Government before October 1, 1990. The Working Group recommended that the Government should continue with the established policy of disposing of NDQs sites and units by sale as and when they become available, and adopt a pragmatic approach to allow flexibility in the disposal mechanism and to avoid "fire sale". The disposal priority should be guided by the status of the NDQs decanting programme, the potential revenue to be captured, the site utilisation to be enhanced through redevelopment, and the sentiment of the market. As an interim arrangement pending permanent disposal, the existing practice of leasing out surplus NDQs units should continue.

According to the information provided by the DEVB, seven among the nine NDQs sites mentioned in the Report are still being used as NDQs. The DEVB is considering the appropriate options for the handling of the remaining two sites, including disposal by land sale.

(8) According to the information provided by the GPA, as at April 30, 2019, there were 148 NDQs units owned by the Financial Secretary Incorporated and located within private developments. A total of 47 surplus quarters units of this category were sold in the past five years. If CSB confirms that there are other surplus NDQs units, the GPA will follow the mechanism described above in handling the surplus accommodation, including disposal by sale in the market where appropriate and feasible.

Hong Kong ranked as world's second most competitive economy

Hong Kong has continued to rank second globally in the latest World Competitiveness Yearbook (WCY) 2019 as published by the International Institute for Management Development (IMD). A Government spokesperson said today (May 29), "The Government is committed to enhancing the competitiveness and vibrancy of our economy. The WCY once again recognised Hong Kong as one of the most competitive economies in the world."

Analysed by the WCY's four competitiveness factors, Hong Kong maintained the top rank in "Government efficiency", and was ranked second in "Business efficiency" and 10th in "Economic performance". Benefiting from the Government's increased investment in areas such as infrastructure and innovation and technology, as well as education, Hong Kong's ranking edged up to 22nd in "Infrastructure".

The spokesperson further commented, "Amid the keen competition among global economies, we must keep up the effort in consolidating our prevailing competitive advantages, including an open and free market, an efficient public sector and a favourable business environment with a level playing

field.”

The spokesperson added, “The Government will continue to assume the role of a 'facilitator' and 'promoter', and strive to enhance government-to-government co-operation, so as to explore more opportunities for Hong Kong. At the same time, the Government will also step up investment in infrastructure, innovation and technology, nurturing talents and increasing land supply, in order to provide a favourable environment for Hong Kong’s long-term economic development.”

The WCY 2019 released by the IMD in Switzerland yesterday (May 28, Switzerland time) assessed 63 economies worldwide. Singapore was ranked first and Hong Kong second, followed by the US, Switzerland and the United Arab Emirates.

LCQ13: Manpower situation of accounting profession

Following is a question by the Hon Kenneth Leung and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (May 29):

Question:

Quite a number of the persons-in-charge of accounting firms have relayed to me that in recent years, they have continuously encountered difficulties in recruiting accounting professionals. In respect of the manpower situation of the accounting profession, will the Government inform this Council:

(1) whether it knows the respective numbers of (i) graduates of post-secondary programmes in accounting and finance-related disciplines offered by the various tertiary institutions, and (ii) persons who obtained professional qualifications in accountancy through other routes, in each of the past five years in Hong Kong;

(2) whether it knows the number of private organisations providing accounting, auditing, book-keeping or tax consulting services in Hong Kong, and the number of accounting professionals they hired, in each of the past five years;

(3) whether it conducted, in the past five years, any comprehensive study on the future development as well as the manpower demand and supply situation of the accounting profession; if so, of the outcome; if not, the reasons for that; and

(4) whether it has plans, in the coming year, to gain an understanding from the various stakeholders of the accounting profession (including the persons-in-charge of accounting firms, the Hong Kong Institute of Certified Public Accountants and other professional bodies in the sector) about the current manpower demand and supply situation of the profession, so as to plan for the medium and long term human resources of the accounting profession, as well as promote the profession's healthy development in the long run; if so, of the details; if not, the reasons for that?

Reply:

President,

(1) According to the information provided by the Hong Kong Institute of Certified Public Accountants (HKICPA), the number of persons who obtained professional qualifications in accountancy in Hong Kong through bachelors' degrees in accounting and finance-related disciplines offered by tertiary institutions, as well as other routes, in the past five years are set out in Table 1 of the Annex.

(2) According to the "Quarterly Survey of Employment and Vacancies" of the Census and Statistics Department (C&SD), the number of establishments engaged in accounting, auditing, bookkeeping or tax consultancy services of the private sector in Hong Kong and their total number of persons engaged in the past five years are set out in Table 2 of the Annex.

(3) and (4) The Government conducts manpower projection from time to time to project the broad trends of Hong Kong's manpower supply and requirements of our economy at the macro level for the medium term. Amongst others, manpower requirements are projected for various economic sectors which include "accounting, auditing and bookkeeping services". In addition, the Vocational Training Council conducts manpower surveys for the accountancy sector regularly. These exercises provide valuable information for the tertiary institutions in planning programmes on accountancy.

In addition to making reference to various sources of information, the Government has all along maintained close liaison with the accounting sector to discuss various initiatives relevant to the development of the accounting profession. As for the manpower development of the accounting sector, the HKICPA has set up an Advisory Panel to study the manpower situation of the accounting sector since 2015. Annual surveys have been conducted with the HKICPA members and students covering different aspects to understand the dynamics of the accounting profession such as the employment prospects, trend in employment change, work-life balance, earning power, training and development, etc. The HKICPA has also conducted in-depth employer interviews with accounting firms in 2018 on issues relating to their recruitment plans, difficulties in recruitment and retaining staff, and attractiveness of the accounting profession, etc.

High-quality professional accounting services are an integral part of

Hong Kong's status as an international financial centre. The Government will continue to maintain close liaison with the HKICPA and other relevant stakeholders, with a view to facilitating the healthy development of the accounting sector in the long run.

Fraudulent website related to Credit Suisse AG

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) wishes to alert members of the public to a press release issued by Credit Suisse AG on fraudulent website, which has been reported to the HKMA. Hyperlink to the press release is available on the [HKMA website](#) for ease of reference by members of the public.

Anyone who has provided his or her personal information to the website concerned or has conducted any financial transactions through the website should contact the bank concerned using the contact information provided in the press release, and report to the Police or contact the Cyber Security and Technology Crime Bureau of the Hong Kong Police Force at 2860 5012.

LCQ12: Administration of human papillomavirus vaccines

Following is a question by the Dr Hon Elizabeth Quat and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (May 29):

Question:

It has been reported that recently, some private healthcare institutions administered to their clients a type of human papillomavirus (HPV) vaccines which were unregistered in Hong Kong and suspected to be parallelly imported. Some people who were administered such vaccines said that they had developed symptoms such as rash. There are comments that this incident may affect public health and tarnish Hong Kong's reputation. Regarding the administration of HPV vaccines, will the Government inform this Council:

(1) of the current procedure for handling reports of private healthcare

institutions administering to their clients parallel-imported vaccines;

(2) of the number and names of the healthcare institutions involved in the incident; whether it knows the number of people who were administered such vaccines and the total amount of money they paid;

(3) whether the Department of Health (DH) has conducted laboratory tests on the vaccines concerned; if so, of the outcome; if not, the reasons for that; of the expected dates for completion of the investigation and announcement of the outcome;

(4) of the measures in place to assist those who were administered such vaccines;

(5) whether, following the occurrence of the incident, it has stepped up inspections of healthcare institutions to combat the administration of vaccines unregistered in Hong Kong; if so, of the details; if not, the reasons for that;

(6) whether it will request the pharmaceutical company which is the sole manufacturer of the type of HPV vaccines concerned to publish a list of healthcare institutions to which it has supplied the vaccines; if so, of the details; if not, the reasons for that;

(7) of the measures in place to prevent similar incidents from occurring in future;

(8) given that starting from the next two school years respectively, DH will send its staff to schools to administer, free of charge, the first dose of HPV vaccines to Primary Five female students and the second dose of the vaccines to Primary Six female students, how DH ensures that there will be an adequate stock of HPV vaccines for use; and

(9) whether it will, by drawing reference from the practices in overseas countries, launch a catch-up HPV vaccination programme to administer HPV vaccines to women aged 26 or below who have passed the optimal ages for, but have never been administered, such vaccination; if so, of the details and timetable; if not, the reasons for that?

Reply:

President,

Under the Pharmacy and Poisons Ordinance (Cap. 138), pharmaceutical products must meet the requirements of safety, efficacy and quality as stipulated in the Ordinance, and must be registered with the Pharmacy and Poisons Board of Hong Kong before they can be sold or distributed in Hong Kong. Having consulted the Department of Health (DH) and relevant law enforcement departments, I provide a reply to the question raised by Dr the Hon Elizabeth Quat as follows:

(1) to (3) Upon receiving complaints about pharmaceutical products, the DH will take follow-up actions in accordance with the Ordinance. The DH will conduct joint operations with other law enforcement departments if needed, and the investigations may involve conducting laboratory tests on pharmaceutical products. The DH and other law enforcement departments will, on the advice of the Department of Justice, institute prosecution when there is sufficient evidence. If a major public health incident is involved, the DH will announce the details in a timely manner.

From January 1 to May 22, 2019, the Drug Office of the DH received a total of about 450 complaints regarding human papillomavirus (HPV) vaccines, involving about 30 service providers. Most of the complaints are related to suspected supply of unregistered HPV vaccines by private healthcare institutions. As the investigations are still in progress, the DH is not able to give further information on the cases at this stage.

(4) The DH has reminded the public not to buy or use pharmaceutical products of unknown composition or from doubtful sources through various channels, such as webpages, promotional videos and leaflets. Registered pharmaceutical products should be labelled in accordance with statutory and registration requirements, including carrying a Hong Kong registration number on the package in the format of "HK-XXXXX". The DH will continue to step up public education and publicity in this regard.

Members of the public may also use the "Search Drug Database" on the website of the Drug Office of the DH by entering the particulars of a pharmaceutical product, such as its English product name or Hong Kong registration number, to confirm if the product has been registered in Hong Kong and obtain further information about the product. Should members of the public have any doubt about the product, they may seek assistance from the Drug Office of the DH. Anyone feeling unwell or having any enquiries after receiving a vaccine should consult registered healthcare professionals.

(5) to (7) According to the Ordinance, illegal possession or sale of unregistered pharmaceutical products is a criminal offence. Upon conviction, the offender is liable to a maximum penalty of a fine of \$100,000 and two years' imprisonment for each offence. Although the pharmaceutical products involved in the suspected cases may be manufactured overseas by pharmaceutical companies according to relevant requirements, they are unregistered pharmaceutical products as they are neither imported by registration holders nor registered in Hong Kong under the Ordinance. Apart from prosecuting the offenders, the DH may also refer the cases concerned to the Medical Council of Hong Kong for follow-up if any registered doctors are involved.

The DH has established a mechanism to monitor the sale of pharmaceutical products in the market, and will collect information through various channels. In light of the recent incidents of suspected supply of unregistered HPV vaccines, the DH has proactively followed up the cases and stepped up inspections. In general, when suspected illegal sale or possession of unregistered pharmaceutical products is detected, the DH will immediately

carry out investigations and conduct joint operations with other law enforcement departments where necessary, and any irregularities so found will be dealt with in accordance with the laws. The DH and other law enforcement departments will continue to strengthen inspections and law enforcement actions to safeguard public health.

In addition, the DH will continue to step up public education and publicity, and maintain close liaison with the pharmaceutical company concerned on its supply of 9-valent HPV vaccines to Hong Kong. Members of the public may contact the pharmaceutical company for enquiries about the supply of vaccines.

(8) As regards the arrangements for cervical cancer vaccination under the Hong Kong Childhood Immunisation Programme (HKCIP) in 2019-20, the DH has earlier on procured the required vaccines from suppliers on a contract basis in accordance with the established procedures. The procurement procedures are expected to be completed shortly to ensure an adequate supply of cervical cancer vaccine for the HKCIP.

(9) According to a position paper on cervical cancer vaccines issued by the World Health Organization (WHO) in 2017, the WHO recommended that young women aged nine to 14 years prior to becoming sexually active be included in the primary target group for cervical cancer vaccination for the prevention of cervical cancer.

The Scientific Committee on AIDS and STI and the Scientific Committee on Vaccine Preventable Diseases under the Centre for Health Protection of the DH have kept in close view the scientific evidence on the use of HPV vaccines to prevent cervical cancer. The School of Public Health of the University of Hong Kong completed a cost-benefit study on HPV vaccination for young women last year. The findings revealed that the provision of HPV vaccination for all young women aged 12 is cost-effective in the prevention of cervical cancer.

In July last year, after reviewing the relevant scientific evidence, both of the above Scientific Committees recommended that HPV vaccination be included in the HKCIP as one of the public health strategies for cervical cancer prevention. Regarding the suggestion of providing HPV vaccination for women of other age groups not covered by the HKCIP, there is currently no sufficient local scientific evidence supporting its cost-effectiveness. The Scientific Committees will continue to closely monitor the latest and relevant scientific evidence and revisit the suggestion when necessary.

Besides, the Government encourages the public to get appropriate vaccination to enhance their immunity. In October 2016, the Community Care Fund launched a three-year Cervical Cancer Vaccination Pilot Scheme (Pilot Scheme) to provide free or subsidised HPV vaccination to eligible young women aged between nine and 18 of low-income families. As at the end of April 2019, the Pilot Scheme has provided HPV vaccination to 22 430 eligible young women.