

Renewal of taxi permits to tie in with extended relaxation of restricted zones for taxis

The Transport Department (TD) announced today (January 23) that to tie in with the relaxation of restricted zones for taxis, new restricted zone permits for taxi owners/drivers will be issued starting January 28.

A TD spokesman said, "The Government announced on December 28, 2018, to progressively carry out works to permanently relax the restrictions on taxis for picking up or setting down passengers in all designated restricted zones on roads with speed limits at 70 kilometres per hour or below (except taxi restricted zones) with the following operation hours:

- (1) 8am to 10am and 5pm to 7pm;
- (2) 8am to 10am and 5pm to 8pm;
- (3) 7am to 7pm; and
- (4) 7am to 8pm.

"The Government will progressively install supplementary traffic signs displaying 'Except taxi pick up or drop off' beneath traffic signs for a no-stopping restriction erected in restricted zones across the territory. This will spare the taxi trade the need to renew the restricted zone permits annually. The works are expected to be completed by 2021. Before the completion of the works, the TD will continue to issue restricted zone permits to the taxi trade at the end of January each year.

"Since the existing restricted zone permits of taxis will expire after January 31 this year, taxi owners/drivers are required to replace their existing permits with the new ones. The TD will set up counters at 16 designated LPG refilling stations (see Annex) from January 28 to 30 for the issue of new permits from noon to 6pm daily. Permit renewal services will also be available at the TD's four licensing offices in Admiralty, Cheung Sha Wan, Kwun Tong and Sha Tin from January 28."

The spokesman added that taxi owners/drivers are required to bring along and show their existing permits at these counters to obtain the new ones.

The spokesman reminded taxi drivers to continue to exercise self-discipline and to strictly observe the "pick up, drop-off and go" and "no waiting" rules. If there are any violations of the rules causing obstruction to other road users, the Government may consider implementing traffic control measures, including restoring the no-stopping restrictions for taxis at certain road sections.

The TD and the Police will continue to closely monitor the traffic situation. The Police will also take appropriate enforcement action against taxi drivers who do not observe the "pick up, drop-off and go" and "no

waiting" rules.

Enquiries about the relaxation and arrangements for permit renewal can be directed to the 1823 Call Centre.

LCQ16: Importation of care workers under Supplementary Labour Scheme

Following is a question by the Hon Ho Kai-ming and a written reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (January 23):

Question :

Will the Government inform this Council of the respective numbers of applications (i) received and (ii) approved in the past five years which were made under the Supplementary Labour Scheme for importation of care workers for residential care homes for the elderly; in respect of the applications approved, a breakdown of the number of care workers by education level and type of qualifications, as well as their current median monthly wage?

Reply :

President,

My reply to Hon Ho's question is as follows:

From 2013 to 2017, employers of the elderly care service sector applied to import 1 069, 1 885, 1 361, 2 039 and 1 694 care workers respectively under the Supplementary Labour Scheme (SLS). The numbers of imported care workers approved in these five years were 651, 1 377, 1 035, 1 383 and 1 510 respectively. The collation of relevant statistics of 2018 will be completed in the first quarter of 2019. The vetting of applications received towards year-end may be completed in the following year, and hence the number of imported workers approved in the year does not correspond to the number of imported workers applied for in the same year.

The Labour Department does not have information on the educational attainment or qualifications of imported care workers employed by employers. According to the requirements under SLS, employers should pay wages to imported workers at a level no less than the median monthly wages of local workers in comparable positions. According to statistics of the Census and Statistics Department, the current median monthly wage of care worker post is \$13,000.

LCQ17: Injuries sustained to an employee when travelling between his place of residence and his place of work

Following is a question by the Hon Luk Chung-hung and a written reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (January 23):

Question:

Under the Employees' Compensation Ordinance (Cap. 282), when a Tropical Cyclone Warning Signal No. 8 or above or a Red/Black Rainstorm Warning Signal is in force, an employer is liable to pay compensation if his employee sustains an injury or dies as a result of an accident while travelling by a direct route from his place of residence to his place of work within a period of four hours before the time of commencement of his working hours for that day, or from his place of work to his place of residence within a period of four hours after the time of cessation of his working hours for that day. In this connection, will the Government inform this Council:

(1) whether the Labour Department will compile statistics on the following: the respective numbers of accidents occurring to employees while (i) at work and (ii) commuting to and from work when the aforesaid warning signal(s) is/are in force, and a breakdown of those numbers by type of accidents as well as by the industry and type of work in which the employees are engaged; and

(2) given that the aforesaid requirement is applicable only to accidents occurring while such warning signal(s) is/are in force but employees often need to, upon cancellation of the warning signal(s), commute to and from work when the safety of the roads has yet to be ascertained, whether the authorities will extend the ambit of the requirement concerned to cover accidents occurring within a period of four hours after the cancellation of the warning signal(s); if so, of the details; if not, the reasons for that?

Reply:

President,

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

(1) The Labour Department does not keep statistics involving cases on injuries or fatalities sustained by employees as a result of accidents

arising out of employment during the time when Tropical Cyclone Warning Signal No. 8 or above or a Red/Black Rainstorm Warning Signal is in force, or cases on accidents happened to employees whilst travelling to and from work.

(2) According to the Employees' Compensation Ordinance (ECO), if an employee sustains an injury or dies as a result of an accident arising out of and in the course of employment, the employer is in general liable to pay compensation under ECO.

ECO provides that when Tropical Cyclone Warning Signal No. 8 or above or a Red/Black Rainstorm Warning Signal is in force, if an employee sustains an injury or dies as a result of an accident while travelling from his/her place of residence to his/her place of work by a direct route within a period of four hours before the time of commencement of his/her working hours for that day, or from his/her place of work to his/her place of residence within a period of four hours after the time of cessation of his/her working hours for that day, the accident shall be deemed to arise out of and in the course of employment. The employer is liable to pay compensation in accordance with ECO.

ECO adopts a "no-fault" principle, whereby employers are in general liable to pay compensation under the Ordinance even if their employees might have committed acts of faults or negligence when the accidents occurred. It is hence necessary to take into account the interests of employees and the affordability of employers concurrently in determining the statutory liability for compensation of employers. The suggestion of further extending the coverage of ECO to accidents happened to employees whilst travelling to and from work after the cancellation of the abovementioned warning signals would involve a significant change to the current employees' compensation system with far-reaching implications. We do not plan to pursue such an amendment to ECO at present.

LCQ8: Remittance service provided by money changers

Following is a question by the Hon Chung Kwok-pan and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (January 23):

Question:

At present, operators of money changers are required to possess a licence granted by the Commissioner of Customs and Excise for operating remittance and/or money changing service(s). It has been reported that recently, a member of the public entrusted a money changer to remit money to

the Mainland but the designated recipient has still not received the money after a lapse of several days. That member of the public has sought, for a number of times, the assistance from the Police, the Consumer Council and the Customs and Excise Department, but to no avail. In this connection, will the Government inform this Council:

(1) of the number of complaints against money changers received (with a breakdown by the subject of the complaints) and, among such complaints, the number of those about money changers' failure to execute remittance instructions of their clients, in each month of the past three years; and;

(2) how it monitors the remittance service provided by money changers at present; whether it will step up efforts in monitoring this type of business; if so, of the details; if not, the reasons for that?

Reply:

President,

(1) From 2016 to 2018, the Consumer Council received a total of 197 complaints relating to money service operators (MSOs), amongst which 118 relate to money changing service, and the remaining 79 relates to remittance service. During the same period, the Customs and Excise Department (C&ED) received a total of 37 complaints relating to MSOs, amongst which 18 relate to failure to complete remittance transactions for various reasons after MSOs received funds from customers.

(2) Hong Kong currently has a number of legislations regulating MSOs.

To mitigate the money laundering risk faced by the money service business, the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (AMLO) (Cap 615) stipulates that any person who operates a money service business (including money changing service and/or remittance service) in Hong Kong must obtain a licence from the C&ED. The C&ED may grant a licence to an MSO applicant only if it is satisfied that the applicant and ultimate owners (if any) are fit and proper persons to operate a money service business. If the applicant is a corporation or a partnership, all directors, partners, and ultimate owners (if any) must be fit and proper persons. In deciding whether a person is fit and proper, the C&ED must have regard to whether the person has been convicted of an offence relating to money laundering or terrorist financing (including similar offences in other jurisdictions); whether he/she has persistently failed to comply with anti-money laundering/counter-terrorist financing (AML/CFT) requirements stipulated under the AMLO or the AML/CFT Guideline promulgated by the C&ED; whether he/she has been convicted for an offence for which it was necessary to find that the person had acted fraudulently, corruptly or dishonestly; whether the person, being an individual, is an undischarged bankrupt or is the subject of any bankruptcy proceedings; and whether the person, being a corporation, is in liquidation or is the subject of a winding up order, etc. In addition to the above, the C&ED may consider any other matter that it considers relevant in determining whether a person is fit and proper.

Further, MSOs must comply with other legislations, including those relating to consumer protection, such as the Trade Descriptions Ordinance (TDO) (Cap 362) and the Money Changers Ordinance (MCO) (Cap 34). The TDO stipulates that any trader (including MSOs) who applies a false trade description to a service supplied or offered to be supplied to a consumer; or supplies or offers to supply to a consumer a service to which a false trade description is applied, commits an offence. The MCO requires MSOs which carry out an exchange transaction exceeding HK\$100,000 to display net rates of exchange in a visible and legible manner and provide transaction note to the customer in a prescribed form. The MCO also prohibits MSOs from making a false or misleading statement as to the rate of exchange offered. Anyone who suspects an MSO of being involved in fraud or other criminal offences should also report to the Police.

Law enforcement agencies, including the C&ED, will investigate complaints relating to MSOs. Depending on the substance of complaints, matters for investigation may include whether the relevant MSO's mode of business violates the TDO or the MCO, or whether the MSO has violated the AML0. Aside from criminal prosecution under the said Ordinances, if an MSO is convicted of an offence for which it was necessary to find that the person had acted fraudulently, corruptly, or dishonestly, the C&ED will also consider whether the person remains a fit and proper person for operating a money service business under the AML0, and revoke the MSO licence where appropriate.

LCQ10: Development of the Hong Kong insurance trade in the Guangdong-Hong Kong-Macao Greater Bay Area

Following is a question by the Hon Chan Kin-por and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (January 23):

Question:

The Government has indicated that it is committed to promoting the development of Hong Kong insurance trade and enhancing Hong Kong's competitiveness as an insurance hub. Earlier on, the insurance trade has proposed that the Government establish a "Health Insurance Connect", an online medical insurance sales platform covering the entire Guangdong-Hong Kong-Macao Greater Bay Area (the Greater Bay Area), so that Mainland residents in the Greater Bay Area can complete the procedure for taking out insurance and lodging claims with Hong Kong insurance companies through the

Internet without the need to come to Hong Kong. The platform is proposed to be a closed system under which the premiums paid by Mainland policyholders to Hong Kong insurance companies will be used in future as funds for settling such persons' claims or paying bonuses to them. This will ensure that such funds will be retained within the Mainland financial system, thereby addressing the Mainland authorities' concern about an outflow of funds. In this connection, will the Government inform this Council:

(1) of the progress of the study by and discussions between Hong Kong's and the Mainland's authorities concerning the Health Insurance Connect;

(2) of the new measures to assist Hong Kong insurance trade in developing businesses in the Greater Bay Area, and the implementation timetable for such measures; and

(3) whether it will consider allocating additional resources to subsidise the insurance trade in adopting innovative technologies and providing relevant staff training, so as to enhance the competitiveness of the industry?

Reply:

President,

Our response to the various parts of the question is as follows:

(1) and (2) We are committed to facilitating the Hong Kong insurance industry to capitalise on the business opportunities arising from the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) development and better serve the needs of people in the GBA. Taking into account the industry's views, we are pursuing with the relevant Mainland authorities the proposals of enabling Hong Kong insurance companies to set up insurance service centres and facilitating cross-boundary sale of Hong Kong insurance products including health insurance products in the GBA through "Insurance Connect".

Currently, the Insurance Authority (IA) is exploring with the China Banking and Insurance Regulatory Commission the possible framework to implement the two proposals. There is no implementation table for the time being because it will take time to resolve the differences in the legal and regulatory systems of the two jurisdictions.

(3) The IA has facilitated the adoption of innovation and technology by the insurance industry through launching the Insurtech Sandbox and Fast Track in September 2017. Specifically, the Insurtech Sandbox allows authorised insurers to experiment innovative insurance technology and other technology projects on a pilot basis to collect data to demonstrate that the innovative application could broadly comply with the supervisory requirements of the IA. The Fast Track offers an expedited and streamlined process in the IA's authorisation of new applications from insurers adopting solely digital distribution channels. In December 2018, the IA granted the first authorisation of a new insurer owning and operating solely digital distribution channels under the Fast Track.

In addition, there are existing government funding schemes to promote the adoption of innovation technology which are open to the insurance sector. On training, under the Pilot Programme to Enhance Talent Training for the Insurance Sector, industry associations are welcome to apply for funds to organise training to enhance industry practitioners' capability to adopt innovation technology.