<u>Trade Union Regulatory Regime to be improved</u>

The Labour and Welfare Bureau and the Labour Department have today (February 19) issued a <u>paper</u> to the Legislative Council (LegCo) Panel on Manpower proposing amendments to the Trade Unions Ordinance (TUO).

To better fulfil the duty of safeguarding national security under the Hong Kong National Security Law (NSL) and the Safeguarding National Security Ordinance (SNSO), the Government proposes to amend the TUO to strengthen the statutory powers of the Registrar of Trade Unions over the supervision and regulation of trade unions and to improve the trade union regulatory regime. The proposed amendments address the current situation of local trade unions, complement the NSL and the SNSO, and protect employees' right and freedom to form and join trade unions pursuant to the Basic Law, the Hong Kong Bill of Rights Ordinance and relevant international conventions. The major proposed amendments are set out in the above paper of the LegCo Panel on Manpower.

The Secretary for Labour and Welfare, Mr Chris Sun, said, "Apart from enhancing the mechanism for safeguarding national security, the proposed amendments will also improve the trade union regulatory regime and promote the healthy development of trade unions, while giving due regard to the freedom and right of Hong Kong residents to form and join trade unions. I look forward to the LegCo's support for the proposed amendments."

The Labour Department consulted the Labour Advisory Board on the major proposed amendments on January 22 this year, and members expressed support at the meeting. The Government will consult the LegCo Panel on Manpower on February 24 and plans to introduce the amendment bill to the LegCo in April 2025.

LCQ4: Promoting development of maritime and professional services

Following is a question by the Hon Chan Hok-fung and a reply by the Secretary for Transport and Logistics, Ms Mable Chan, in the Legislative Council today (February 19):

Question:

The Central Government has, in the 14th Five-Year Plan, expressed clear support to Hong Kong in consolidating its status as an international shipping centre. In addition, the Special Administrative Region Government is

committed to developing high value-added maritime and professional services, including creating a commodity trading ecosystem for metals and minerals. In this connection, will the Government inform this Council:

- (1) how it will make good use of the advantages under "one country, two systems" to formulate "industry standards" that comply with the standards of the Mainland and the countries along Belt and Road, and whether it will promote the establishment of qualified testing centres in Hong Kong to conduct shipping-related inspections; if so, of the scope of services of the testing centres and the implementation timetable;
- (2) whether it will select shipping transhipment industries with development potential, such as those which conduct testing on third-□party timber or used electrical and mechanical products, so as to strengthen Hong Kong's position as a port for transhipment of goods to the Mainland (e.g. Tianjin, Shanghai, Zhejiang, Fujian, Guangdong and Guangxi) and countries along Belt and Road; if so, of the relevant roadmap; and
- (3) apart from trading in commodities including metals and minerals, whether the Government will offer tax concessions to the aforesaid selected industries, so as to attract relevant enterprises in the Mainland and overseas to set up businesses in Hong Kong; if so, of the details; if not, the reasons for that?

Reply:

President,

Maritime services, mainly comprising ship management, financing and leasing, marine insurance, maritime law and arbitration are the high-value-added segment of shipping business. Enjoying the advantage of having the strong back-up of the Motherland and being closely connected to the world, the Hong Kong maritime services sector has its economic contribution increased by nearly 40 per cent in recent three years (i.e. from 2019 to 2022). The number of port and maritime companies has also risen by over 9 per cent from 1,137 to 1,242 from year of 2018 to 2023. In 2024, Hong Kong ranks fourth in the International Shipping Centre Development Index (Note: It refers to the Xinhua-Baltic International Shipping Centre Development Index) for the fifth consecutive year, reflecting our comprehensive strengths in port, maritime services and overall business environment.

The Government strives to promote the development of high value-added maritime services and launched a series of tax concessions since 2020, including full tax exemption for ship lessors, as well as half-rate tax concessions for ship leasing managers, marine insurers, ship agents, ship managers and ship brokers. Taking ship leasing regime as an example, the number of relevant enterprises has multiplied from 11 to 46 in the two years from 2020/21 to 2022/23. With the efforts of the industry and the Government over the years, Hong Kong's maritime services industry has become a "golden brand name" in the international arena. For example, three out the world's top 10 ship management companies are headquartered in Hong Kong; the Baltic and International Maritime Council designated Hong Kong as one of the four

arbitration venues in 2020; and 11 out of the 12 member associations of the International Group of Protection and Indemnity Clubs provide services in Hong Kong. In addition, the gross tonnage of Hong Kong-registered ships is the world's fourth largest and its port detention rate is among the top three lowest of the world's major flags, and its achievement is evident to all.

The Government is constantly reviewing its development strategy. At present, we are considering the introduction of new tax deduction arrangement for ship lessors, so as to maintain the competitiveness of the aforementioned tax incentives. At the same time, as mentioned by the Hon Chan, given that the trading of commodities including metals and minerals account for more than half of the global shipping trade volume, we are exploring the introduction of tax concessions for physical commodity traders as the next point of growth to boost the development of maritime services. We target to complete the study within this year.

In consultation with the Environment and Ecology Bureau, the Electrical and Mechanical Services Department, and the Innovation and Technology Commission, my consolidated reply to the various parts of the Hon Chan's question is as follows:

(1) and (2) As an important transhipment hub in Asia, Hong Kong's port has its competitive edge in its free port status, fast custom clearance, high efficiency and strong international connectivity, especially in handling cargoes of high value and with critical delivery time. It is well-positioned to complement the strengths of the other ports in the region for providing highly efficient services to inter alias the manufacturing industry and import-export trades of the Guangdong-Hong Kong-Macao Greater Bay Area and in Southern China as a whole.

Taking the import or re-export of timber as an example, most countries and regions in the world usually require that imported plants, including timber, be accompanied by a phytosanitary certificate or a re-export phytosanitary certificate issued by the place of export or re-export. The Agriculture, Fisheries and Conservation Department provides the service of issuing such certificates to facilitate exporters or re-exporters to comply with the phytosanitary requirements of the importers. As regards used electrical and mechanical products, we understand from the relevant departments that although the Hong Kong Government does not impose specific requirements on the export or re-export of such products at present, this type of products is subject to stringent international control.

(3) In 2023, the transhipment of (i) office machines such as computers and telecommunication audio-visual appliances and (ii) timber to the Mainland and the Belt and Road countries via Hong Kong accounted for about 0.6 per cent and 2.3 per cent of Hong Kong's total laden container throughput respectively. This should include the third-party timber and used electrical and mechanical products mentioned by the Hon Chan but currently the separate breakdown of the relevant figures is not recorded. We believe that more research may be conducted on this aspect.

â€<Commodities mainly refers to commodities traded and transported in

bulk volumes. They generally comprise three categories, namely: agricultural products, energy as well as metals and minerals. In the course of studying tax concessions, one of the key parameters to consider by now is which type of commodities to be covered. Regarding the Hon Chan's suggestion for introducing tax concessions for shipping re-export industry with potential, we will continue to listen to views. Should the product concerned align with the definition of commodities and the overall policy objective of the tax concessionary measures, and we will be proactive and keep an open mind to suitably consider and consult relevant stakeholders when there is a proposed way forward.

The port is the Government's top priority in boosting economic development. Given its throughput has been faced with challenges in recent years, the Government is committed to working closely with the industry to strengthen the competitiveness of the Hong Kong Port. In this regard, we will continue to "enhance quantity" and "enhance quality". With regard to identifying cargo sources and increasing cargo volume, Hong Kong must capitalise on its advantages of fast customs clearance and high efficiency to create more high-end port brands resembling the "Cherry Express", proactively develop emerging cargo sources and markets, and establish intermodal transport system connecting to the inland region, as well as to foster codevelopment with ports in the Greater Bay Area and deepen collaboration with the Shenzhen Yantian Port such as the Chongqing-Shenzhen-Hong Kong scheduled rail-sea service. The Government will also continue to reinforce the international status of the Hong Kong Port through digitalisation, green transformation and smart transition, including seeking funding from the Legislative Council within this year to complete the Port Community System and developing Hong Kong as a high-quality green fuel bunkering centre.

Thank you, President.

Immigration Department repatriates 25 Vietnamese illegal immigrants to Vietnam (with photos)

The Immigration Department (ImmD) carried out a repatriation operation today (February 19). A total of 25 Vietnamese illegal immigrants were repatriated to Vietnam. The persons removed comprised seven men and eighteen women, all of whom were unsubstantiated non-refoulement claimants. Among them were discharged prisoners who had committed criminal offences and had been sentenced to imprisonment.

The ImmD has been committed to promptly removing unsubstantiated non-refoulement claimants from Hong Kong to maintain effective immigration

control and safeguard the public interest. Under the updated removal policy effective from December 7, 2022, the ImmD may generally proceed with the removal of a claimant whose judicial review case has been dismissed by the Court of First Instance of the High Court, thereby enhancing the efficiency of and efforts in removing unsubstantiated claimants.

The ImmD will remain committed to expediting the removal process to repatriate illegal immigrants and overstayers from Hong Kong as soon as practicable according to the actual situation through appropriate measures as necessary.





Appointments to Advisory Committee on the Northern Metropolis and its four sub-committees

The Government announced today (February 19) the appointment of non-official members to the Advisory Committee on the Northern Metropolis (ACNM) and its four sub-committees for a new term of two years, from February 10, 2025, to February 9, 2027.

The membership lists of the ACNM and its four sub-committees for the new term are at the Annex. The newly appointed members of the ACNM include Ms Cheng Jie, Mr Lee Shing-put, Mr Sunny Lee Wai-kwong, Mr Timothy Ma Kam-wah and Mr Simon Ng Ka-wing, who will also serve on the respective sub-committees under the ACNM. Additionally, Professor Karl Tsim Wah-keung is appointed as a new co-opted member of the Sub-committee on Development of Industries.

The ACNM is chaired by the Financial Secretary, Mr Paul Chan. The four sub-committees under the ACNM are the Sub‑committee on Planning, Land and Conservation; the Sub-committee on Development of Industries; the Sub-committee on Transport and Other Infrastructure; and the Sub-committee on Promotion and Public Engagement. The sub-committees aim to conduct in-depth

discussions on relevant areas and provide recommendations.

Mr Chan said, "The Northern Metropolis is a crucial component of Hong Kong's social and economic development. It serves as the carrier of a new engine of economic growth, playing a pivotal role in advancing innovation and technology, deepening integration with the Guangdong-Hong Kong-Macao Greater Bay Area, and dovetailing with the overall national development strategy. Also, the Northern Metropolis creates high-quality career opportunities and living environments for the public. The development of the Northern Metropolis has been advancing on all fronts at full speed. The valuable insights provided by the ACNM members are instrumental in our work." He expressed gratitude to members of the last term for their contributions. He also looks forward to working closely with members of the new term to continue promoting the development of the Northern Metropolis.

Tender awarded for site in Tung Chung

The Lands Department announced today (February 19) that the tender for a site, Tung Chung Town Lot No. 55 at Area 106B, Tung Chung, New Territories, has been awarded to the highest tenderer, Land Castle Limited (parent company: Sun Hung Kai Properties Limited), on a 50-year land grant at a premium of \$602,000,000.

The tenderers, other than the successful tenderer, in alphabetical order, with the name of the parent company where provided by the tenderer in brackets, were:

- (1) Able Best Limited;
- (2) Strong Associate Limited (K. Wah International Holdings Limited); and
- (3) Top Brilliant Limited (Sino Land Company Limited).

Tung Chung Town Lot No. 55 has a site area of about 10 648 square metres and is designated for private residential purposes. The minimum gross floor area is 22 361 sq m, and the maximum gross floor area that may be attained is $37\ 268\ sq\ m$.