

US Dollar Liquidity Facility tender result

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

US Dollar Liquidity Facility tender result:

Tender date	: May 27 (Wednesday)
Settlement date	: May 28 (Thursday)
Repayment date	: June 4 (Thursday)
Tenor	: Seven days
Amount applied	: Nil
Amount allotted	: Nil
Lowest interest rate accepted	: Nil
Highest interest rate accepted	: Nil

LCQ5: Livelihood initiatives

Following is a question by Dr the Hon Priscilla Leung and a reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (May 27):

Question:

Regarding various livelihood initiatives, will the Government inform this Council:

(1) as the Government announced in January this year that it would lower the minimum eligible age of the \$2 transport fare concession scheme from 65 to 60, whether the Government will expeditiously, and before the end of the current session of the Legislative Council, submit the funding proposal to the Finance Committee so that persons aged 60 to 64 could enjoy the \$2 transport fare concession as early as possible;

(2) as the Government indicated in October last year that before the completion of the study on a scheme of providing cash allowance on a regular basis for low income households not living in public rental housing and not receiving Comprehensive Social Security Assistance (CSSA), it would invite

the Community Care Fund to provide two rounds of one-off living subsidy for those households in 2020-2021, of the latest progress of such work and the anticipated dates on which the subsidy will be disbursed; and

(3) given that the Government has offered a time-limited unemployment support scheme under the CSSA Scheme to render assistance to those persons who have recently become unemployed due to the epidemic, whether the Government will waive, for the unemployed persons, the requirement that CSSA applications have to be made on a household basis, so that they may apply for CSSA on their own, and whether it will disburse an additional allowance to those unemployed persons who are currently receiving CSSA?

Reply:

President,

Having consulted the relevant policy bureaux, my reply to the Member's question is set out below:

(1) The Chief Executive announced in January 2020 the proposal of lowering the eligible age of the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities from the existing 65 to 60. The Labour and Welfare Bureau and Transport Department have requested the consultancy firm to come up with practical options for full implementation of the proposal in their on-going comprehensive review. The consultancy firm will complete their review and submit the consultancy report in around mid-2020. Upon receipt of the completed consultancy report, the Government will study carefully the recommendations and announce the implementation details of the proposal.

(2) According to information provided by the Home Affairs Bureau, the Commission on Poverty approved funding, via the Community Care Fund, for the disbursement of two rounds of "one-off living subsidy" to low-income households who are not living in public housing and not receiving Comprehensive Social Security Assistance (CSSA) in 2020/21. The total estimated expenditure of the programme is \$2,565.91 million. It is expected that about 105 500 households (or around 272 000 persons) and about 137 150 households (or around 353 600 persons) will benefit from the first round and second round of disbursement respectively. Applications are handled in phases according to the household size. Applications for the first round of subsidy will start on July 2 until November 30, 2020. Applications for the second round of subsidy will commence in January 2021. The subsidy amount for each of the household size groups for the two rounds of disbursement is the same, i.e. \$4,500 for one-person households, \$9,000 for two-person households, \$12,500 for three-person households, \$14,500 for four-person households and \$15,500 for five-or-more-person households. For those applications with all the required information duly submitted, it is estimated that the subsidy may be disbursed within two months from the date of application.

(3) The CSSA Scheme provides a safety net to help persons and families who cannot support themselves financially to meet their basic needs. The Scheme

is non-contributory, but applicants have to pass a means test to ensure public resources are used on those who are genuinely in need. The means test of the Scheme is conducted on a household basis, which is in keeping with the concept of promoting mutual support among family members. Under special circumstances, such as an individual having no economic ties with other persons in the same household as verified by the Social Welfare Department (SWD), the department will consider allowing him/her to apply for CSSA independently on a discretionary basis.

Having considered the unprecedented challenges posed by the coronavirus disease 2019 (COVID-19) in Hong Kong, the Chief Executive announced on April 8, 2020 the second round of anti-epidemic measures including the provision of a time-limited unemployment support scheme through the CSSA system, with a view to providing timely and basic assistance to unemployed persons during this difficult time. The Finance Committee of the Legislative Council approved the related funding on April 18, 2020. SWD will temporarily relax the CSSA asset limits for able-bodied persons (including able-bodied adult singletons and able-bodied adults and children under family cases) by 100 per cent for six months. The relevant scheme will be effective from June 1 to November 30, 2020 (i.e. the asset limits will revert to the normal level from December 1, 2020). Separately, under the existing CSSA arrangement, the value of an owner-occupied residential property of able-bodied households will be disregarded for a grace period of the first 12 months. This arrangement will also apply to applicants under the six-month unemployment support scheme.

There are currently no mechanisms/systems in place to disburse unemployment assistance funds promptly in Hong Kong. These mechanisms/systems include: (1) a pay-as-you-go income tax system; (2) a contributory social insurance system; or (3) a central provident fund system. It will take time if we were to establish such a mechanism/system, and imminent needs cannot be relieved expeditiously. As an expedient measure, the Government will launch the six-month unemployment support scheme mentioned above through the CSSA system. In addition, employees are qualified for severance payment or long service payment if they satisfy the conditions stipulated in the Employment Ordinance. Meanwhile, under the Love Upgrading Special Scheme of the Employees Retraining Board, the maximum amount of monthly allowance per eligible trainee (who are unemployed or underemployed) during the training period has been increased to \$5,800 with effect from May 25, 2020.

LCQ19: Supporting public light bus trade

Following is a question by the Hon Wu Chi-wai and a written reply by the Secretary for Transport and Housing, Mr Frank Chan Fan, in the Legislative Council today (May 27):

Question:

As various trades have been hit by the Coronavirus Disease 2019 epidemic, the Government has rolled out two rounds of relief measures. The first-round measures include the provision of a fuel subsidy to public light buses (PLBs), and the second-round measures include the provision of a one-off subsidy to owners of red minibuses (RMBs) and operators of green minibuses (GMBs) and the provision of a subsidy to RMB drivers. However, quite a number of members of the trade have relayed that as their income has dwindled substantially amid the drop in patronage but the aforesaid subsidies are inadequate to compensate for the loss, they are still facing much difficulty in their businesses. In this connection, will the Government inform this Council:

- (1) whether it knows, in each month since January this year, (i) the respective numbers of RMBs and GMBs which were left idle (with a breakdown by name of operator (if any) and the first and last stops of the route), and (ii) the respective numbers of RMB and GMB routes the patronage of which has decreased as compared with that of the same period of last year, with a tabulated breakdown by groups to which the rates of decrease belong (i.e. 20 per cent or below, 21 per cent to 40 per cent, 41 per cent to 60 per cent, 61 per cent to 80 per cent and 81 per cent or above);
- (2) of the details of the applications lodged by GMB operators to the Transport Department (TD) since January this year for reducing the trip frequencies of GMB routes due to a decrease in patronage, including (i) the route numbers, (ii) the first and last stops of such routes, (iii) the original trip frequencies as well as the reduction in trip frequencies proposed and approved respectively, and (iv) the implementation dates of the reduction in trip frequencies;
- (3) of the details of the applications lodged by GMB operators since January this year for reducing the operating hours, including (i) the route numbers, (ii) the first and last stops of such routes, (iii) the original operating hours as well as the reduction in operating hours proposed and approved respectively, and (iv) the implementation dates of the reduction in operating hours;
- (4) of the implementation progress of the measures introduced under the two rounds of relief measures that are applicable to the PLB trade, including the number of applications received and the amount of subsidies disbursed;
- (5) whether TD has gained an understanding from PLB operators of their financial situation (including whether they have sufficient liquidity to cope with the business difficulty), and whether there are operators who have indicated the intention to close down their businesses or give up operating certain routes; if so, of the details; and
- (6) whether it will relax the operation restrictions on RMBs and GMBs (e.g. relaxing or rescinding certain prohibited zones and passenger pick-up/drop-off restricted zones for RMBs), so as to allow PLBs to better play their role as a supplementary mode of transport on the one hand and increase the

operational flexibility and income of PLBs on the other hand, with a view to assisting the PLB trade in coping with the business difficulty?

Reply:

President,

Due to the continuous public order events in the second half of last year and the Coronavirus Disease 2019 (COVID-19) this year, there has been a drastic fall in patronage and income of the public light bus (PLB) trade, including green minibuses (GMBs) and red minibuses (RMBs). To assist the trade in coping with the operational pressure under the current economic environment, the Government has introduced a series of relief measures through the two rounds of Anti-epidemic Fund.

My reply to the various parts of the Hon Wu Chi-wai's question is as follows:

(1) In respect of the situation of PLBs left idle, the trade estimated that approximately 30 per cent of GMBs and RMBs are left idle, and the Transport Department (TD) has not kept the statistics on the number of idled minibuses of individual routes. As to the patronage, there is a fall of around 40 per cent in the average daily patronage in the first quarter this year as compared with the same period last year for GMBs in Hong Kong. A table showing the number of routes according to the extent of fall in patronage is at Appendix 1. As for RMBs, since the operators are not required to provide their operating data, TD does not have the relevant information regarding their patronage.

(2) and (3) As of May 18 this year, the operators of 94 GMB routes applied to TD for adjustments to service frequency and/or operating hours due to the epidemic. When processing such applications, TD would take into consideration the passenger demand and actual operating situation, while ensuring that the particular route will be able to maintain sufficient service. So far, temporary adjustments to the frequency and/or operating hours of 82 routes have been approved and implemented. Details of the applications in respect of individual routes are at Appendix 2.

(4) Under the two rounds of Anti-epidemic Fund, the measures introduced to support the PLB trade and the implementation progress are as follows:

(i) Offering a \$1.0 discount per litre of liquefied petroleum gas (LPG) for LPG PLBs and reimbursing one-third of the actual fuel cost for diesel PLBs, for a period of 12 months. TD is in active discussion with oil companies to finalise the implementation details, and aims to roll out the initiative by July this year;

(ii) Providing a one-off non-accountable subsidy of \$30,000 per vehicle to the registered owners of RMBs, as well as per GMB to the passenger service licence (PSL) holders who have been approved to operate relevant packages of the GMB routes. The subsidy scheme for GMB PSL holders started to receive applications since April 28 this year. As of May 18 this year, TD has

received 142 applications from GMB operators, involving about 2 900 GMBs and subsidies of around \$87 million. TD shall disburse the subsidy within two to three weeks upon verification of the relevant applications;

(iii) Providing each eligible active RMB driver with a monthly subsidy of \$6,000 for a period of six months (from April 1, 2020, to September 30, 2020), and disbursing a lump sum of \$7,500 to RMB drivers who may not fully meet the eligibility requirements. TD is currently developing an electronic platform for processing the relevant applications and plans to accept applications starting from mid-June this year. The subsidies can be disbursed within one month upon receipt of the applications and completion of the necessary verification procedures;

(iv) The Employment Support Scheme (ESS) is applicable to employees of GMB operators who are under the age of 65, or who are aged 65 or above but with MPF voluntary contributions made by GMB operators. Under the ESS, the Government will provide eligible employers with wage subsidies for a period of six months for the purpose of payment of salaries to employees with a view to maintaining employment during the epidemic. The subsidies will be disbursed in two tranches. Applications for the first tranche have started since May 25 this year, with the aim of making the first payout to employers within June to help them pay the wages for June to August 2020. Application dates for the second tranche will be announced in due course, with payment to be made in September this year for paying the wages of September to November 2020. The amount of subsidy for an employer would be calculated on the basis of 50 per cent of the actual wage paid to each "regular employee" aged between 18 and 64 at a "specified month", with a wage cap at \$18,000 per month (i.e. maximum subsidy is \$9,000 per month per employee) for six months; and

(v) For each eligible employee aged 65 or above employed by GMB operators, if their employers have not made voluntary MPF contributions for them, the Government will provide the GMB operators with a monthly subsidy of \$6,000 for a period of six months under the sector-specific scheme. The implementation timetable of the scheme is similar to that of ESS mentioned in item (iv) above.

(5) Currently, GMB operators are required to submit annual financial accounts to TD in accordance with the Conditions for the Operation of Public Light Bus (Scheduled) Service under the PSL. The submission shall include information on fares and other income, as well as various costs and expenses, but exclude information on liquidity. TD will analyse the annual financial accounts in order to understand the overall change in costs of the GMB trade and take them as reference when processing fare adjustments for GMBs. At present, except for the GMB operator of the package of Kowloon Routes No. 2 and No. 6 that ceased operation on April 12 this year, TD has not received any proposals from other operators to end the operation or give up operating any route. Regarding RMBs, as TD does not regulate their services, including the operation and fares, TD does not have the relevant information on their financial situation.

(6) In the light of the latest epidemic situation, TD assesses and approves

applications from GMB operators for temporary service adjustments as stated in parts (2) and (3) above. In addition, TD has all along been working with GMB operators on the timely adjustment of fleet size according to operational need, the rationalisation of routes, and the relocation of passenger pick-up/drop-off points, etc. so as to tide the trade through the current operating pressure. As for the operation of RMBs, having regard to the request of the trade and taking into account the actual situation of individual locations, TD has relaxed or rescinded some passenger pick-up/drop-off restricted zones and prohibited zones where practicable. An example is the relaxation of the PLB prohibited zone at Sugar Street in Causeway Bay. Indeed, TD has further relaxed the restrictions on RMBs in their use of expressways in recent years. Apart from the West Kowloon Corridor and certain sections of the Island Eastern Corridor, RMBs are also allowed to operate on certain sections of Kwun Tong Bypass, East Kowloon Corridor and Tsing Sha Highway. TD will continue to explore and liaise with the trade with regard to the possibility of relaxing or rescinding other passenger pick-up/drop-off restricted zones and prohibited zones in order to facilitate their business operation.

Government welcomes HKEX and MSCI's partnership to launch key index futures and options contracts in Hong Kong

The Government welcomes the partnership of Hong Kong Exchanges and Clearing Limited (HKEX) and MSCI Limited to launch a suite of 37 MSCI Asia and Emerging Market equity index futures and options contracts on the Hong Kong Futures Exchange (HKFE).

The partnership reinforces Hong Kong's position as a premier risk management centre of choice. It also signifies the market's confidence in the Government's commitment to strengthening Hong Kong's position as an international financial centre.

The Financial Secretary, Mr Paul Chan, said, "As a globally recognised index provider, MSCI is a compelling partner for HKEX to expand the product offerings in our market and further strengthen our status as an international financial centre. The partnership is a big step forward in developing Hong Kong into a pre-eminent risk management centre and derivative hub in the Asia time zone, and represents a notable vote of confidence in the Hong Kong market. I would like to thank HKEX for its efforts in making this happen."

HKEX announced today (May 27) that the HKFE, a wholly-owned subsidiary

of HKEX, signed an agreement with MSCI, under which MSCI has agreed to license to the HKFE a suite of MSCI Asia and Emerging Markets equity indexes for the introduction of 37 futures and options contracts. The exact launch dates will be announced by HKEX/HKFE in due course.

LCQ11: Impacts caused to the environment by anti-epidemic measures

Following is a question by the Hon Chan Hak-kan and a written reply by the Secretary for the Environment, Mr Wong Kam-sing, in the Legislative Council today (May 27):

Question:

The Coronavirus Disease 2019 epidemic has been rampant in Hong Kong in recent months. Regarding the impacts caused to the environment by the various anti-epidemic measures adopted by members of the public, will the Government inform this Council:

(1) as pointed out by some press reports, the fact that discarded face masks can be seen everywhere in country parks in recent months shows that the problem of haphazard disposal of face masks by members of the public is serious, whether the Government has stepped up law enforcement; if so, of the details; if not, the reasons for that;

(2) whether it has stepped up cleaning and disinfection work targeting refuse collection vehicles, refuse transfer stations and landfills; if so, of the details; if not, the reasons for that;

(3) given that members of the public have, during the epidemic, dined out less frequently and made more takeaway orders, whether the Government has stepped up publicity among members of the public on bringing their own tableware and minimising the use of disposable tableware; if so, of the details; if not, the reasons for that;

(4) how the quantity of disposable tableware disposed of in the first four months of this year compares with that in the same period of last year;

(5) given that a number of villages have not been connected to public sewers and have only been installed with septic tank systems, and the effluent therefrom seeps through the surrounding soils which may eventually pollute rivers, whether the Government has stepped up efforts to call on the households concerned to avoid pouring undiluted bleach into toilet bowls; and

(6) given that members of the public have used a large quantity of bleach for

anti-epidemic purposes in recent months, whether the Government has assessed the impacts of such a situation on the ecological environment, and measured the changes in the concentrations of the relevant compounds in the seawater of the Victoria Harbour; if so, of the details; if not, the reasons for that?

Reply:

President,

My specific reply to the various parts of the question raised by the Hon Chan Hak-kan is as follows:

(1) As many members of the public visit our countryside such as country parks in recent days, relevant departments including the Environmental Protection Department (EPD) and the Agriculture, Fisheries and Conservation Department (AFCD) have strengthened promotion efforts and taken follow-up actions. Taking the AFCD as an example, it has stepped up inspections and cleaning of venues through flexible deployment of manpower. At the same time, publicity work at various fronts has been enhanced, such as displaying publicity banners and posters in country parks with high visitor flow, urging countryside visitors to maintain environmental hygiene on radio programmes, and conveying relevant messages through the networks of partner organisations. When patrolling country trails, AFCD staff also remind hikers to bring their litter home and will take necessary enforcement action if littering (including reckless disposal of face masks) is found. For the first four months of this year, the AFCD prosecuted a total of 60 offenders for littering in country parks.

(2) At present, municipal solid waste (MSW) is mainly collected by refuse collection vehicles and then sent to landfills for disposal through refuse transfer stations. The process of waste handling at the transfer stations is mainly operated by machinery and the staff at the stations do not need to contact and handle the waste manually. The contractors of the transfer stations are required to regularly clean the waste tipping hall, the floor at the stations, the waste conveyor system and machinery, as well as the containers and trucks used for waste transfer, while all refuse collection vehicles are required to have their bodies washed before leaving the transfer stations and landfills so as to stay clean and hygienic. We have also strengthened anti-epidemic measures at the transfer stations and landfills, and have disseminated health information and guidelines from the Centre for Health Protection (CHP) under the Department of Health (DH) to the contractors and on-site staff at the transfer stations and landfills to keep them alert to environmental hygiene and anti-epidemic issues so as to fight the virus together.

In addition, to help the MSW transfer sector increase resources to enhance the provision of workers' personal protective equipment and strengthen the disinfection of refuse transport vehicles, the Environment Bureau has launched a scheme offering a one-off relief subsidy of \$8,000 to each eligible refuse transfer station account holder so as to support the sector in coping with the challenges, as well as curbing the risk of virus

transmission and maintaining environmental hygiene.

(3) Amid the epidemic, we understand that more members of the public will opt for takeaways to avoid leaving home. That said, while we join hands in fighting the virus, we should also minimise the use of disposable tableware wherever practicable, such as not asking for plastic bags or disposable tableware when ordering takeaways. Meanwhile, the EPD and the Environmental Campaign Committee have put forward a number of promotion initiatives. They include:

- using social media such as Facebook and Instagram to remind the public to go green in fighting the virus, and holding online activities to encourage them to practise the idea of "Plastic-Free Takeaway";
- disseminating the message of "plastic-and-disposable-free" via various online platforms and mobile applications (e.g. HK01, on.cc, OpenRice and Yahoo.com) as well as bus/tram/outdoor advertising;
- proactively arranging with property management companies and the Housing Department to display publicity posters in both private and public housing estates to urge members of the public to practise "Plastic-Free Takeaway" in daily lives for joint efforts in waste reduction; and
- launching programmes themed on plastic-free and other green practices via different channels such as TV stations (e.g. TVB and ViuTV), online social platforms and video sharing platforms (e.g. YouTube and the ViuTV mobile application), thereby providing the public with everyday guidelines on waste reduction during the epidemic to foster the culture of "Food Wise" and "Waste Reduction" and promote less use of disposable plastic tableware, so that all sectors of the community will stay green while fighting the virus.

(4) It is not the right timing to conduct any survey on waste separation in order to reduce the risk of spreading of the virus. We are thus unable to confirm whether the quantity of disposable plastic tableware disposed of is increasing. However, the overall disposal volume of MSW in Hong Kong in the past four months has slightly decreased as compared with the same period last year. Our preliminary analysis is that this might be related to the overall drop in economic activities in recent months.

(5) The CHP under the DH has issued a guideline on the use of bleach (www.chp.gov.hk/files/pdf/the_use_of_bleach.pdf), which advises that 1:99 diluted bleach should be used for general household cleaning and disinfection, and that overuse of bleach will pollute the environment and disturb ecological balance and should thus be avoided.

(6) When going through sewerage systems, used household bleach will be largely diluted and the residual chlorine therein will also undergo chemical reactions with organic substances in the pipelines and be degraded, thus causing no adverse impact to the marine ecology in general. According to the water quality monitoring data collected for the first quarter of 2020, the overall state of Hong Kong's marine waters and rivers is comparable to that of the same period in the past and no abnormality has been detected in the water quality of the Victoria Harbour.