

# OFFICIAL RECORD OF PROCEEDINGS

Thursday, 26 October 2000

The Council met at half-past Two o'clock

## MEMBERS PRESENT:

THE PRESIDENT

THE HONOURABLE MRS RITA FAN HSU LAI-TAI, G.B.S., J.P.

THE HONOURABLE KENNETH TING WOO-SHOU, J.P.

THE HONOURABLE JAMES TIEN PEI-CHUN, J.P.

THE HONOURABLE DAVID CHU YU-LIN

THE HONOURABLE CYD HO SAU-LAN

THE HONOURABLE ALBERT HO CHUN-YAN

IR DR THE HONOURABLE RAYMOND HO CHUNG-TAI, J.P.

THE HONOURABLE LEE CHEUK-YAN

THE HONOURABLE MARTIN LEE CHU-MING, S.C., J.P.

THE HONOURABLE FRED LI WAH-MING, J.P.

DR THE HONOURABLE LUI MING-WAH, J.P.

THE HONOURABLE NG LEUNG-SING

THE HONOURABLE MARGARET NG

THE HONOURABLE MRS SELINA CHOW LIANG SHUK-YEE, J.P.

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE HUI CHEUNG-CHING

THE HONOURABLE CHAN KWOK-KEUNG

THE HONOURABLE CHAN YUEN-HAN

THE HONOURABLE MRS SOPHIE LEUNG LAU YAU-FUN, S.B.S., J.P.

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE SIN CHUNG-KAI

THE HONOURABLE ANDREW WONG WANG-FAT, J.P.

DR THE HONOURABLE PHILIP WONG YU-HONG

THE HONOURABLE WONG YUNG-KAN

THE HONOURABLE JASPER TSANG YOK-SING, J.P.

THE HONOURABLE HOWARD YOUNG, J.P.

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE YEUNG YIU-CHUNG

THE HONOURABLE LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH

THE HONOURABLE MRS MIRIAM LAU KIN-YEE, J.P.

THE HONOURABLE AMBROSE LAU HON-CHUEN, J.P.

THE HONOURABLE CHOY SO-YUK

THE HONOURABLE ANDREW CHENG KAR-FOO

THE HONOURABLE SZETO WAH

THE HONOURABLE LAW CHI-KWONG, J.P.

THE HONOURABLE TAM YIU-CHUNG, G.B.S., J.P.

DR THE HONOURABLE TANG SIU-TONG, J.P.

THE HONOURABLE ABRAHAM SHEK LAI-HIM, J.P.

THE HONOURABLE LI FUNG-YING, J.P.

THE HONOURABLE HENRY WU KING-CHEONG, B.B.S.

THE HONOURABLE TOMMY CHEUNG YU-YAN, J.P.

THE HONOURABLE MICHAEL MAK KWOK-FUNG

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE LEUNG FU-WAH, M.H., J.P.

DR THE HONOURABLE LO WING-LOK

THE HONOURABLE WONG SING-CHI

THE HONOURABLE FREDERICK FUNG KIN-KEE

THE HONOURABLE IP KWOK-HIM, J.P.

THE HONOURABLE LAU PING-CHEUNG

**MEMBERS ABSENT:**

THE HONOURABLE ERIC LI KA-CHEUNG, J.P.

DR THE HONOURABLE DAVID LI KWOK-PO, J.P.

PROF THE HONOURABLE NG CHING-FAI

THE HONOURABLE BERNARD CHAN

THE HONOURABLE CHAN KAM-LAM

THE HONOURABLE LAU WONG-FAT, G.B.S., J.P.

THE HONOURABLE EMILY LAU WAI-HING, J.P.

THE HONOURABLE TIMOTHY FOK TSUN-TING, S.B.S., J.P.

**PUBLIC OFFICERS ATTENDING:**

THE HONOURABLE MRS ANSON CHAN, G.B.M., J.P.

THE CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE DONALD TSANG YAM-KUEN, J.P.

THE FINANCIAL SECRETARY

Mr I G M WINGFIELD, J.P.

THE SECRETARY FOR JUSTICE

MR MICHAEL SUEN MING-YEUNG, G.B.S., J.P.

SECRETARY FOR CONSTITUTIONAL AFFAIRS

MR CHAU TAK-HAY, J.P.

SECRETARY FOR COMMERCE AND INDUSTRY

MR GORDON SIU KWING-CHUE, J.P.

SECRETARY FOR PLANNING AND LANDS

MR NICHOLAS NG WING-FUI, J.P.  
SECRETARY FOR TRANSPORT

MR DOMINIC WONG SHING-WAH, G.B.S., J.P.  
SECRETARY FOR HOUSING

MR STEPHEN IP SHU-KWAN, J.P.  
SECRETARY FOR FINANCIAL SERVICES

DR YEOH ENG-KIONG, J.P.  
SECRETARY FOR HEALTH AND WELFARE

MRS REGINA IP LAU SUK-YEE, J.P.  
SECRETARY FOR SECURITY

MR LEE SHING-SEE, J.P.  
SECRETARY FOR WORKS

MRS CARRIE YAU TSANG KA-LAI, J.P.  
SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING

MS SANDRA LEE SUK-YEE, J.P.  
SECRETARY FOR ECONOMIC SERVICES

MR PAUL TANG KWOK-WAI, J.P.  
SECRETARY FOR THE ENVIRONMENT AND FOOD

DR EDGAR CHENG WAI-KIN, J.P.  
HEAD, CENTRAL POLICY UNIT

### **CLERKS IN ATTENDANCE:**

MR LAW KAM-SANG, J.P., DEPUTY SECRETARY GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

**MEMBERS' MOTION****MOTION OF THANKS****Continuation of debate on motion which was moved on 25 October 2000**

**PRESIDENT** (in Cantonese): Council will now resume the Motion of Thanks debate.

**MR SZETO WAH** (in Cantonese): Madam President, today, I shall speak on two issues: first, the language benchmarking test; second, the accountability of principal government officials.

Although the policy address deals with education as one of its major emphases, it simply says nothing about the language benchmarking test. I hope that the Administration can continue to do so, so that in the end, the benchmarking test can vanish like the "85 000" housing construction target.

I having been working in the education profession for a total of 40 years, and for 31 years, I was a headmaster. My long experience in teaching and school administration tells me that a good teacher must satisfy three prerequisites.

The first is academic knowledge. Let me stress that this actually refers to a rich and extensive understanding about the subject being taught, instead of any high-level and specialized expertise not relevant to the work of teaching. A mathematics teacher in a secondary or primary school needs not be an expert in calculus; likewise, a teacher of Chinese needs not study the "Oracle Bone Inscriptions" of the Shang dynasty, and a teacher of English does not need to be an expert in Shakespeare either.

The second is about pedagogical skills. A teacher must teach with an interesting, lively, flexible and innovative approach that takes account of individual students' differences in ability, standard, aptitude and interest. He should seek not only to teach the curriculum to his students, but also to enlighten and nurture them in terms of thinking and creativity in the process.

The third is dedication. This means love and a sense of responsibility as a teacher — in brief, an attitude characterized by this quotation from a Chinese classical essay: "A devotion to public duty leaves no room for idleness". Teachers must regard students as their equals in terms of human dignity, and they must elevate their right to education to the level of an inalienable human right.

Which of the three prerequisites is the most important? I think that their order of importance should be exactly the reverse of the order in which I have presented them. Dedication should come first, followed by pedagogical skills and academic knowledge, in that order. If a teacher can satisfy the first prerequisite on dedication, then, surely, he will be able to satisfy the second and third prerequisites over time. If he is not dedicated as a teacher, then, however learned he is, and no matter how good his pedagogical skills may be, he will never be able to benefit his students, for these qualities would at best remain his own treasured virtues. Such a teacher is only a bad teacher.

Back to the language benchmarking test which the Government is trying forcibly to implement, how should we look at it against the three prerequisites mentioned by me? Using a rigid test as the sole means of assessing English language and Putonghua teachers is bound to be limited in scope and therefore unable to cover the full range of academic knowledge required. For this reason, such a test will be totally useless in enriching and broadening the academic knowledge of teachers, nor can it help in any way to improve pedagogical skills and foster dedication. In that case, how can we train good teachers and encourage them to seek continuous improvement? Worse still, such a test will injure the dignity of teachers, add to their burden, reduce their room and deal a heavy blow to their dedication. This is a very negative measure, a very bad measure, which runs completely counter to the aim of training good teachers and encouraging them to seek continuous improvement.

It is said that the proposed education reforms are "people-oriented". Students are of course human beings, but so are teachers. Education is a process whereby some human beings, namely, teachers, try to teach some other human beings, namely their students. If teachers are not treated as human beings with due dignity, and if their dignity is wantonly trampled on, the avowed "people-oriented" approach of the reforms will be reduced to a mere slogan, a mere trick.

It is said that the proposed education reforms are meant to foster "a delight in learning". However, if teachers cannot derive any pleasure from teaching, then, most certainly, they can never train any students who would regard learning as a delightful process. However, just how many teachers can still teach happily, when their dignity is injured, when they are faced with increased pressure, when their room is reduced, and when their dedication is given such a heavy blow? In that case, the reform objective of fostering "a delight in teaching" will surely become a hollow aim, very much like a tree with no root, or a river cut off from its source.

It is said that the proposed education reforms are meant to "create room". However, the language benchmarking test, which is dominated by the traditional examination-oriented mentality, will instead tie teachers up like a straitjacket. Our examination-oriented education policy has already deprived our students of any room for learning and development, and now, a new measure based on the same mentality is going to be used to similarly deprive teachers of their room. Teachers must have room before they can in turn create any room for their students. In order to give teachers some breathing space, so that they can create room for their students, we need to not only reduce the workload of teachers by cutting down class sizes drastically, but also to withdraw the language benchmarking test.

When recapitulating the various reforms introduced by the Government, the policy address says that "some measures may not have been prepared or implemented in the best possible way", and that "(the Government) will pay greater attention to the need for effective communication and full consultation, and in particular, listen more carefully to dissenting voices." Does such a recapitulation also cover the language benchmarking test?

Doubtless, the language benchmarking test is a typical example of those "measures" which "have not been prepared or implemented in the best possible way". There have been lots of arguments over the past six months or so, but so far, no clear-cut benchmarks have been set down, nor have any training courses been mentioned. In brief, the approach of implementation has been both brutal and disorderly. Well, we can actually see that all the rush about the language benchmarking test is largely the consequence of the Chief Executive's first policy address, which says that all teachers in Hong Kong must be required to pass a language benchmarking test irrespective of the subjects they teach. Teachers have never been consulted on this policy, and there has never been any effective

communication either; it has been said that the Government will "in particular, listen more carefully to dissenting voices." However, has Mr TUNG Chee-hwa ever listened carefully to the dissenting voices of teachers?

The language benchmarking test has by now become a major bone of contention between the education authorities and teachers. If we cannot remove this bone of contention, we will certainly fail to arouse teachers' enthusiasm and rally their support for the implementation of all those significant and far-reaching education reforms. So, what Mr TUNG Chee-hwa says in his policy address in respect of a review of the reform experience should be embodied in the withdrawal of the language benchmarking test.

Next, I wish to say a few words on the accountability of principal government officials.

Our question is: Who is the highest of all principal government officials? Who is the highest government official? Naturally the Chief Executive. Does the accountability of principal government officials referred also covers the Chief Executive — the highest of all principal government officials?

In *Hanshi Waizhuan* written by HAN Ying of the Western Han Dynasty, there is a story like this. During the Spring and Autumn Period, in the State of Jin, the State Procurator, LI li, made a wrong verdict in a case, and this led to the wrongful execution of the accused. He then shackled himself and hastened to ask for an audience with Lord Wen of Jin. He said to Lord Wen, "Under the law, an official who passes a wrong verdict and causes the wrongful execution of an accused should also be sentenced to death." However, Lord Wen simply replied, "I appointed you as the State Procurator. So, are you saying that I should be held responsible too? Get going! I have had enough of your fuss!" Seeing that Lord Wen did not want to enforce the law, LI li killed himself with a sword, sacrificing his own life to defend the system of accountability under the law. The response of Lord Wen of Jin can show us the mentality of the highest of all our principal government officials. He simply thinks that he should be above any system of accountability, and for this reason, he is never serious about holding his subordinates accountable, or he may simply enforce accountability on a selective basis, guided by his personal idiosyncrasies.

Returning the Chief Executive by universal suffrage should be the most important and pivotal element in any system of accountability. Impeachment aside, I think the best way to fully demonstrate the Chief Executive's accountability to the entire community should be to hold an election based on universal suffrage at the end of his tenure to decide whether he can serve another term or should step down instead. However, the situation now is that the Chief Executive, who is returned by a coterie election, does not even have to hold himself accountable to his coterie of constituents, let alone the people of Hong Kong. It can thus be seen that returning the Chief Executive by an election based on universal suffrage is actually the most important basis for a fair, reasonable and effective accountability system for principal government officials. Without this basis, any accountability system will be a mirage on short piles, or one of those Xianyang bronze statues made from weapons confiscated from all over the Qin Empire.

The accountability of principal government officials mooted in the policy address has aroused many speculations — that it is just like the "Swordplay Performance of XIANG Zhuang"<sup>1</sup>, or the attempt of Emperor Zhao Kuang Yin to "clip the wings of generals over a goblet of wine". These comments sound very much like a conspiracy theory. Let us just wait and see, and let us hope that such a conspiracy theory will turn out to be unfounded in the end. However, I also wish to say that we should not expect too much from any accountability system established in the absence of a popularly elected Chief Executive, for this would be fantazing.

Finally, let me add one small point which, perhaps, may not be welcomed. On the last line of paragraph 17 of the Chinese printed version of the policy address, the character "固" in "固步自封" is wrong. The correct character should be "故" as in "故事" instead of "固" as in "頑固". This is only a small point, and I have no intention at all to ask anyone to take a language benchmarking test, because even a person has passed the test, he may still use the wrong character.

With these remarks, Madam President, I support the amendment.

---

<sup>1</sup> This refers to a historical incident after the collapse of the Qin Dynasty in which XIANG Zhuang staged a swordplay performance intending to assassinate LIU Bang, the vival of his brother, XIANG Yu, in his quest for supremacy.

**MR WONG YUNG-KAN** (in Cantonese): Madam President, we are now in the the 21st century, and the Chief Executive has recently delivered his fourth policy address since his assumption of office. The theme of this policy address is: "Serving the Community, Sharing Common Goals". In this policy address, the Chief Executive has taken steps to answer the aspirations of most people. However, to the agriculture and fisheries industry, it seems that the bitter winter is not yet over. The agriculture and fisheries industry is far from dying, and both the industry and I sincerely hope that the Chief Executive can work out some assistance measures to help it develop on a sustainable basis.

Madam President, as the representative of the agriculture and fisheries industry in the Legislative Council, I am duty-bound to assist it in overcoming its difficulties. However, without any assistance from the Government policy-wise, how can there be sustainable development for the agriculture and fisheries industry?

Let us look at the fisheries industry as an example. At present, there are about 40 000 fishermen in Hong Kong, and they are mainly engaged in marine capturing and fish culture. Regrettably, their operating environment has been adversely affected by the marine works progressing in Hong Kong waters. In addition to worsening the quality of water, these works have also damaged the huge stretches of seabed where marine creatures and resources are found. This has drastically reduced fishery yields and dealt a heavy blow to the livelihood of fishermen.

For mariculturists, their fish culture business inside the designated fish culture zones of the Government should basically be regarded as a kind of investment. For this reason, the Government is obligated to ensure that the fish culture zones are free from any water pollution that may bring losses to mariculturists. Unfortunately, the Government has done exactly the opposite by continuously carrying out marine works near the fish culture zones. We must realize that any marine works are bound to pollute the waters around the fish culture zones, killing the farmed fish there and causing economic losses. Some fishermen have told me that the seabed dredging works in progress at Penny's Bay have seriously damaged the fish culture zones at Ma Wan and Sap Long. So far, as much as 4 000 tons of farmed fish at Ma Wan have died, resulting in a loss of more than \$12 million. In Sap Long, 20% of the farmed fish and 90% of the fish fry have died, leading to a loss of more than \$10 million.

Moreover, fishermen operating in the South Sea are faring no better. The annual fishing moratorium imposed by the Mainland in South Sea waters with effect from last year has reduced the operating period of our fishermen by as long as two months yearly. Fuel prices have also soared, from \$330 per 200 litres early this year to \$450 now, and this has added greatly to the operating costs of fishermen. Some fishermen have told me that since the end of the fishing moratorium last year, fuel prices have been rising incessantly, with the result that fuel costs now representing 70% of their production costs. On the other hand, the wholesale prices of fish have gone down by 20% to 30% due to the competition from imported ice-cold fish. As a result, fishermen can no longer make ends meet, and as far as I know, some 100 fishing boats have ceased operating, as their owners have decided to close down their business or change their occupations.

For agriculture, the industry has been urging the Government to designate lands for the establishment of agriculture priority zones, so that farms and residential settlements can be segregated to avoid residents blaming farms for lowering their quality of living and farmers blaming residential settlements for hindering their operation. The Government has claimed that there are as many as 3 000 hectares of farmland in Hong Kong, but farmers have so far failed to know where these farmlands can be found.

I hope that the Government can respond to the demand made by the industry all through these years, that is, to set up agriculture priority zones on deserted hill slopes and near the boundary between Shenzheng and Hong Kong. In these agriculture priority zones, the Government should provide the necessary infrastructure facilities such as transportation networks, irrigation systems and central waste treatment systems, so as to encourage farmers to invest in the construction of multi-storey livestock and poultry farms or greenhouse farms. That way, livestock wastes can be treated under a central system, and accommodation arrangements can also be made. All this can ensure that Hong Kong itself can produce a certain amount of quality agricultural produce.

Madam President, given the heightened aspirations for environmental protection nowadays, if the Government can systematically collect and distribute the huge amounts of leftovers from individual households and food establishments every day, these otherwise worthless leftovers can in fact be turned into animal feeds with a value. Besides, if livestock waste can be collected for treatment, they can also be recycled into organic fertilizers that can

be used for agriculture. This is in line with the principle of environmental protection and can also lower operating costs. That is why farmers have been advising the SAR Government to take vigorous steps of encouragement in this direction. However, what is so puzzling is that although the Environmental Protection Department has commissioned a private contractor to operate an organic waste composting plant for the recycling of livestock waste into natural fertilizer, it has never made any positive marketing attempts. As a result, the Leisure and Cultural Services Department has to spend \$270,000 of our public money every year to purchase chemical fertilizers in the open market, while livestock waste with recycling value are disposed of in landfills, adding to their pressure.

In addition, labour shortage is also a fatal problem for the development of agricultural and fisheries industry. The industry is labour-intensive, but because of its obnoxious working environment, many vacancies have remained unfilled. Although the Employees Retraining Board (ERB) has tried hard to help organize training courses on pig rearing and fish culture for the industry, all its efforts have been of no avail. The industry has also rendered its assistance to the ERB, but in the end, practically no retrainees have opted to stay in the occupations. For example, of all the retrainees who attended the fish culture course last year and the pig rearing course some years ago, none has stayed in the industry. This has not only wasted the efforts of the ERB, but also given the industry a "false hope", for in the end, it still fails to get any manpower reinforcement.

In an attempt to relieve its labour shortage, the industry has been asking the Government for years to allow it to import some specified types of labour. However, the Government has so far remained totally indifferent to the plight of the industry, saying only that it can actually bring in foreign workers under the Supplementary Importation of Labour Scheme. Actually, labour shortage has not only stifled the further development of the industry, but also affected the livelihood of those in the industry.

I have stressed repeatedly that the agriculture and fisheries industry of Hong Kong is not a sunset industry. Provided that the Government can make some efforts to look after it, it will certainly be able to grow and develop. I hope that the SAR Government can follow the example of other countries and formulate a policy on distant-water fishing and leisure agriculture and fisheries. It should also provide assistance to the industry by, for example, raising the ex

gratia allowance for fishermen and mariculturists affected by marine works in Hong Kong waters, setting up a fishing moratorium assistance fund for affected fishermen and organizing activities conducive to the development of the fishing industry. That way, we will be able to raise fishermen's productivity, occupational knowledge and safety awareness, thereby enabling the industry to enjoy sustainable development. Furthermore, when fuel prices soar, subsidies should be provided to fishermen to enhance their competitiveness.

Madam President, fishermen "live by the sea and have to depend on it for their livelihood", as the saying goes; the ocean is thus their lifeline. Any government that attaches importance to the development of the fisheries industry is obligated to formulate laws on the conservation of fisheries resources. Unfortunately, the SAR Government has done exactly the opposite; it has not only failed to conserve fisheries resources, but also "connived" at consultancy firms by commissioning them with huge sums of public money to compile "doubtful" environmental impact assessment (EIA) reports which have driven fishermen into total desperation and helplessness.

The Northshore Lantau Development Feasibility Study and the Construction of An International Theme Park in Penny's Bay of North Lantau and Its Essential Associated Infrastructures are two examples. The consultancy never consulted any fishermen when writing these reports, and they simply wrote the reports behind closed doors. The reports describe the waters in question as entirely worthless and totally dispensable, commenting that they have no commercial value and cannot serve as a breeding ground for fish. However, this is not the case in reality, as local fishermen all look upon Penny's Bay as a natural breeding ground for fish fry. I understand that the location is the habitat of nearly 100 kinds of fish and shellfish. If reclamation works are carried out there, this fish fry breeding ground will certainly vanish forever, and so will the fisheries resources in the waters around Lantau Island, thus producing very serious damage to marine ecology.

What makes us bristle with even more anger is that both these two reports pointed out that "the Ma Wan Fish Culture Zone is not predicted to be impacted by either suspended solids elevations, dissolved oxygen depletions or nutrient elevations as a result of the either the construction or operation." This means that they were in effect saying that the marine works would not kill any fish. However, shortly afterwards, when the works started in May, the nightmare for the Ma Wan and Sap Long Fish Culture Zones began. So far, as much as 5 000 tons of fish have died, leading to a loss of some \$30 million.

The DAB hopes that as a responsible government, the SAR Government will seriously and closely monitor the credibility of the EIA reports of its consultants and the works procedures of its contractors. The Government must refrain from what it has been doing — every time before a project begins, it will quote its consultant's report and give fishermen various assurances, saying that neither the quality of water nor their fish culture zones will be affected. But then, all these "assurances" will invariably turn out to be a pack of lies. When fishermen see their hard work and efforts ending up in baskets and baskets of dead fish, their agony and helplessness indeed beggar description. Worse still, every time after something has gone wrong, the relevant government departments will never take any remedial measures; instead, the consultants, contractors and government departments involved will simply shift the blame to one another, trying to come up with many excuses to explain away their mistakes. What is more, academics and experts may even be hired to refute the allegations of the industry. This is especially the case with the recent dead fish incident at Ma Wan, in which the Government repeatedly ruled out the works project as a cause, while the affected fishermen could do nothing but grumbling. In brief, the Government simply insisted that the works project had nothing to do with the deaths of fish, making it impossible for the affected fishermen to claim any compensation. More outrageous still, before it launched the seabed dredging works at Penny's Bay, the Government simply did not bother to inform the mariculturists there. So, these mariculturists could not sell their farmed fish in advance; as a result, large numbers of their farmed fish died and they sustained heavy losses.

Madam President, recently, some members of the public have been hospitalized after eating pig offal containing clenbuterol, and the avian flu has also shown signs of a new outbreak (though it has been announced that there is no need to worry about the re-emergence of the avian flu). People have thus become afraid of eating pork and chickens. Actually, the industry has long been urging the Government to put in place a sound monitoring system on the quality and cleanliness of agricultural and fisheries produce, so as to enhance the inspection of meat and livestock feeds and protect public health. However, the relevant departments have all along refused the request of the industry on the ground of upholding free trade, in disregard for people's health. Actually, in Japan and other countries, where free trade is also upheld, there are also very stringent restrictions on the import of foodstuffs. Why is it impossible for Hong Kong to do the same? The industry and I hope that the Government can respond to the people's demand and put in place a sound monitoring system on the quality and cleanliness of foodstuffs as soon as possible.

One thing that merits our commendation is that the Chief Executive has mentioned in the policy address that the greening work of our city will be further promoted under the co-ordination of the Secretary for the Environment and Food. The details have not been announced yet, but I hope that the greening work can cover more than simply planting more trees. I hope instead that it can be carried out systematically. The Secretary should study the successful examples of other places such as Switzerland, which is often referred to as the garden of the world. And, even in the case of our neighbouring Shenzheng, or cities slightly farther away, such as Dalian, or Zhuhai, or Zhongshan, the results of their greening work are also very remarkable. In order to make Hong Kong a more beautiful metropolis than it is, the Secretary should learn from other places and formulate a long-term greening plan to make Hong Kong, the Pearl of the Orient, sparkle more brightly.

With these remarks, Madam President, I support the original motion.

**MR FREDERICK FUNG** (in Cantonese): Madam President, the Hong Kong Association for Democracy and People's Livelihood (ADPL) and I both think that the Chief Executive has positively responded to the question of wealth gap in his fourth policy address, and we welcome this. However, the Chief Executive has also said that by providing more education opportunities and promoting the sustained economic development of Hong Kong, we will be able to create jobs more effectively and achieve the aim of helping the unemployed and the low-income group to improve their lot and extricate themselves from poverty. We must comment that he is in fact looking too far beyond without paying any attention to immediate problems. The Chief Executive has ignored the fact that some grass-roots workers with low levels of education and skills simply cannot integrate into the fast-developing knowledge-based economy, and that they may not necessarily be able to benefit from the recovery of our economy. That is why the Government must provide them with retraining courses tailor-made to suit the needs of economic development, or provide more job opportunities to them, so that they can really stand on their own feet and rejoin the workforce. This is the only solution to the problem of poverty.

In general, the ADPL and I both think that in terms of protecting the employment conditions of workers, increasing job opportunities and easing the plight of low-income families, the fourth policy address of the Chief Executive has failed to offer any immediately useful policy on helping the poor. What is

more, there is also an absence of back-up from the provision of other social services, such as increasing the supply of public housing, improving the living conditions of low-income people and reducing their expenditure on housing. All these are inadequacies.

As far as helping the poor is concerned, first, the policy address says that over the coming two years, about 15 000 posts relating to environmental protection, hygiene and community services will be created. It is hoped that these posts can help relieve the unemployment and livelihood problems of the unemployed. However, as we all know, there are as many as 170 000 unemployed persons in Hong Kong now. So, the creation of some 10 000 temporary (two-year) posts cannot possibly provide any real relief to the plight of the unemployed.

I think the most immediate policy useful to helping the poor should aim to put in place some effective measures to (1) protect the employment conditions of workers; (2) increase job opportunities; and (3) relieve the plight of low-income families.

Here are our proposals. For the protection of workers' employment conditions, I think unemployed persons should be offered short-term (say, six-month) unemployment financial assistance. In the interim of finding new jobs, unemployed persons should be given job-seeking assistance from the Labour Department. Besides, the Government should also set up a minimum-wage system to protect workers' rights and interests.

On increasing job opportunities, I think the Government should take active steps to assist our SMEs, so as to attract more inward investment or to encourage Hong Kong businessmen to come back for investment. This will help create more jobs. Besides, if we look at the effectiveness of the Employees' Retraining Scheme in the past, we will see that the knowledge and skills acquired by the retrainees are very often unable to meet the needs of our fast-developing knowledge-based economy. As a result of this, unemployed persons have found it impossible to rejoin the workforce by taking any retraining courses. Therefore, the SAR Government should establish a manpower development committee, increase its spending on manpower training and closely follow the development and manpower needs of industry and commerce, so that resources can be spent on retraining in a timely manner to assist people in switching to new kinds of jobs.

Insofar as relieving the plight of low-income families is concerned, I think the SAR Government should establish a committee on helping the poor and define a poverty line, so that we can ascertain the number of poor people and the causes of poverty in Hong Kong. Only this can enable us to formulate an integrated policy on helping the poor.

I also wish to say a few words on the housing policy. Madam President, I believe you also know that during the Chief Executive's Question and Answer Session on the day following the delivery of the policy address, I questioned the Chief Executive on paragraph 94 of the policy address, which mentions that elderly persons who make applications for public rental housing before March next year will all be allocated housing units before the end of 2003. I think this is actually a retrogression when viewed against the existing housing policy. I have read some information, two sets of information relating to the policy address. The first is the Policy Objectives of the Health and Welfare Bureau: "Care for Elders", and the second is the Policy Objectives of the Housing Bureau: "Better Housing for All". These two documents both mention and elaborate paragraph 94 of the policy address. However, while both of them (particularly the Policy Objectives of the Housing Bureau) mention that all elderly people waiting for public housing will be allocated units in 2003, they do not specify which type of housing units. Paragraph 2 says that at the end of 2005, the authorities will shorten the average waiting time to two years for elderly applicants wishing to live alone. So, we can see that what the authorities have said is only that in 2003, housing units will be provided, and that in 2005, self-contained and independent accommodation will be provided. I believe the housing units which the Chief Executive said will be provided in 2003 may not be designed for single elderly people at all. Following the Question and Answer Session, I managed to find five papers. One of these was published by the Housing Authority (HA) in 1994, and it is about a housing study on the provision of priority housing for elderly people. It is pointed out in the paper that if an elderly person agrees to share a unit with another elderly person, then he will be allocated a public housing unit within 24 months. The paper was published by the HA in 1994 with the serial number of 4294. It was subsequently passed at a general meeting of the HA. In other words, the relevant proposal was endorsed as far back as 1994.

Another paper was released by the Elderly Commission in 1998, the content being about housing for the elderly. The Elderly Commission is chaired by the Honourable TAM Yiu-chung, and in this particular paper, Mr

TAM also quotes the existing policy of the HA, and, that is, if an elderly person applies for public housing, he will be allocated a unit within 24 months. Madam President, I am now holding a set of notes on public housing application, issued in 1998. It also states that an applicant will be allocated a unit within two years. Besides, there is also a latest set of notes on public housing application, issued in April 2000, in which it is also stated that housing units can be allocated within 24 months. Therefore, I do not think the information quoted by me during the Question and Answer Session was wrong. And, if I can remember correctly, when the Chief Executive responded to my question, he did say that he was prepared to advance the shortening of waiting time for public housing from the end of 2003 to the end of 2002.

I am very grateful to the Chief Executive for meeting with me yesterday. I showed him all the relevant papers, and he also offered another interpretation. However, from his entire address, we simply cannot see how we can infer the new interpretation he offered to me yesterday. He said that even if 17 000 elderly persons applied for public housing, the units allocated to them at the end of 2003 would all be independent and self-contained ones. This means that all single elderly persons applying for public housing will get an independent unit without having to live with any others. This is a new policy, a very progressive policy, and I am very pleased with the Chief Executive's clarification yesterday that this was exactly what he meant. If this is exactly what he means, then I can say that I have made no mistake, and he has made no mistake either, for he has actually offered a new interpretation.

Madam President, I think that a larger volume of public housing construction can help us improve the living conditions of low-income families. On the one hand, this can create more job opportunities, and on the other, this can also improve the living conditions of low-income families. The rents of private premises are very high now, and the living conditions in many private buildings are very poor. In Hong Kong, many families have to spend 40% to 60% of their income on housing. If these families can be allocated public rental housing, then their monthly expenditure can be reduced by as much as \$1,000 to \$2,000 on the one hand, and their children can also live in better conditions on the other; this can enable these children to learn in an improved environment. Therefore, I insist that the Government should construct no less than 50 000 public housing units a year, and of all these units, no less than 35 000 units should be public rental units. It is hoped that this can reduce the financial burden of low-income people. The Government should also reserve a certain

number of housing units in the urban areas, so as to ensure that those in need can be appropriately rehoused.

Moreover, if the Housing Department really wants to encourage more applicants on the Waiting List to accept public rental units in the New Territories, then it should put in place a policy that offers more incentives, such as rents reduction or even travel allowance, so as to reduce their high costs of transportation and thus make them willing to move to the New Territories.

Madam President, I wish to add two points. Yesterday, when I met with the Chief Executive, I put forward to him two proposals on the housing issue. The first proposal is that the construction of housing units for single elderly persons should not be concentrated wholly in the New Territories, or else it will be very difficult to persuade those elderly people living in the urban areas to move into the New Territories. Housing units for single elderly persons should be evenly distributed throughout the whole of Hong Kong, preferably in the urban areas or their extensions.

The second proposal concerns the size of housing units for elderly persons. At present, the units allocated to single elderly persons or to two elderly persons living together are very small in size, each measuring only about 180 sq ft. This is not even large enough to accommodate two beds. So, if two elderly persons have to share a unit, problems will certainly arise unless they are husband and wife, because it is not reasonable to ask a father and his daughter, or a mother and her son, or a woman and her brother, to share one bed. But then, if they install a bunk bed, they may just be too old to climb up to the upper bed. Some may of course argue in disagreement, "How can it be possible that both of them are as old as that?" The fact is that, this is precisely a common phenomenon in our community — a woman is 60 years old and her mother 80. The existing policy on housing unit sizes is already unable to keep pace with social changes. Madam President, I hope that the Government can pay heed to our advice today and make genuine efforts to properly tackle the housing problem of the elderly.

My third point is about the policy on helping the vulnerable members of our community. I think that the policy address has not said much on the policies and measures to help the vulnerable, including the disabled, women, single-parent families and newly arrived immigrants. I even think that there is a retrogression in terms of the measures on looking after the elderly.

As we all know, in the year 1997-98, the number of Old Age Allowance recipients in Hong Kong represented about 80% of all the recipients under the Social Security Allowance Scheme. Currently, some 3 000 elderly persons are living entirely on the "fruit allowance", and they are far from being well off. Subsequently, the Secretary clarified that the so-called means test will be applied only to those who wish to claim an "fruit allowance" of more than \$705. I wish to tell the Government that it should not apply a means test to old age allowance. This allowance should be offered to the elderly as a token of our respect for them, or as a reward for their past contribution to society. For this reason, there should not be any means test at all. If the Government really implements a means test, the elderly people will feel that once they become more well-off, the Government will try to find out how much they have. Is it worthwhile to implement the means test, given such a negative consequence? If we still wish to show our gratitude to our elderly people, I suppose the Secretary should really try to assess their extra wealth under some other excuses.

For services for the elderly, I must point out that at present, the elderly centres in Hong Kong can only receive a partial subvention of 80%. I propose that the level of subvention should be raised to 100%. This is because in the past, youth centres used to be given a full subvention of 100% (though this is no longer the case now). So, why is it that elderly centres are not entitled to the same level of subvention? On the supply of places in homes for the aged, the addition of 1 580 subsidized residential care places proposed in the policy address is far from meeting the needs of those waiting for such places. As many as 28 469 people are now on the waiting list, with some 4 300, about 1 7000 and some 6 000 waiting respectively for subsidized places in nursing homes, care-and-attention homes and homes for the aged. It can thus be seen that there is still a large shortfall in actual supply.

Madam President, I now wish to talk about the progress of democratization in Hong Kong. On this, the ADPL and I would like to advise the Government that it should seek to improve the communication between the Executive Council and the Legislative Council and enhance the accountability of government officials by the introduction of a ministerial system. All relevant ideas, procedures of popular elections and schedules should be put before all of us for open discussions. I also ask for a reform of the system of District Councils, so that District Council members should be directly elected. At the same time, the Government should also take prompt actions to review the electoral systems for returning the Chief Executive and the Legislative Council, so as to strengthen and speed up the progress of democratization in Hong Kong.

Let me now sum up what I have been saying. The Chief Executive thinks that sustained economic growth can help create more jobs in Hong Kong, and this, in turn, will ease the unemployment problem. However, I must say that the proposed creation of about 10 000 posts in the policy address is certainly not enough for the purpose and it is just another example of a "piecemeal" approach. To people with low levels of education and skills, and to those long-term unemployed people, this certainly cannot be of any significant help, because the SAR Government has simply failed to take any serious steps to alleviate the plight of the low-income group in Hong Kong. This is particularly true when it comes to the issue of low wages and long working hours. In regard to its measures on looking after the elderly, we all think that the policy address is just repeating the same old tune, making vain efforts. Besides, the Government has also failed to provide adequate job-seeking assistance to middle-aged workers. We hope that the SAR Government can define a poverty line and set up a minimum wage level.

I wish to thank the Chief Executive for his willingness to face and tackle the poverty problem. This may be a good start, but is certainly not enough. I hope that the SAR Government can spend more time on a sincere study and review on all these problems.

With these remarks, Madam President, I support the Motion of Thanks moved by the Honourable Mrs Selina CHOW and the amendment moved by Mr LEE Cheuk-yan.

**MISS MARGARET NG** (in Cantonese): Madam President, the Chief Executive has mentioned repeatedly that Hong Kong shall become a world-class city. This is an objective which I certainly agree.

However, with regard to the idea of a world-class city, it should first and foremost be a city which reflects all the values of a civilized society. These values include concepts and principles in terms of human rights, democracy, liberalization, freedom, the rule of law, justice and equality.

In order to be a world-class city, we must entrench each and every one of these values in all our institutions, law, governance, and social policies.

The most fundamental value in any modern society is a staunch defence of the basic human rights and an opposition to all forms of discrimination.

The freedoms of speech, assembly, association, and worship are sacrosanct human rights. They must be protected by a sound code of law. The SAR Government must take up the responsibility and be consistent in both its words and actions to advocate and uphold all the laws in these respects, including all new legislation and any amendments to them.

In this connection, I wish to point out three objectives.

First, the amendment to the Public Order Ordinance. Under the existing legislation, organizers of any demonstration, though of a peaceful nature, have to give prior notice to the police and it can only be held when the police have not indicated any objection. Otherwise, the demonstration will be deemed as an unlawful assembly. Each person who has taken part in the rally or has a part in organizing it may be prosecuted for participation in an unlawful assembly and punishable with a maximum sentence of imprisonment for five years.

Peaceful demonstration is a basic right vested by the Basic Law. It is absolutely unnecessary to deem it an unlawful assembly because of a failure to inform the police. It is also grossly inconsistent with any practice in a civilized society.

The Government claims that in other places of the world, there is a requirement to inform the police. However, if we look at the examples given by the Government, such as in Britain, the notice requirement does exist, but the police do not have the right to make objections. And a failure to inform will not turn a peaceful demonstration into an unlawful assembly.

Madam President, I do not intend to criticize the Public Order Ordinance here, for I suggest that this Council should discuss the Ordinance with government officials as soon as possible, review the legislation and propose amendments to it.

Second, protection should be given to Hong Kong citizens in the Mainland. While this Council keeps a keen interest in this issue, there is another issue that warrants our concern, and that is, the rendition agreement which may be reached between the SAR and the Mainland.

The Secretary for Security has all along refused to disclose under what circumstances will a Hong Kong citizen be transferred to the mainland authorities. The freedoms enjoyed by a Hong Kong citizen include the right to a fair trial. Article 14 of the relevant covenant under the International Covenant on Human Rights sets out the basic requirements of a fair trial as follows: "All persons shall be equal before the courts and tribunals. In the determination of any criminal charge against him, or of his rights and obligations in a suit in law, everyone shall be entitled to a fair and public hearing by a competent, independent and impartial tribunal established by law."

In my opinion, one of the prerequisites to a rendition agreement is that the Mainland should be made to guarantee that the Hong Kong citizen so transferred to the Mainland will be given a fair trial in conformity with the provisions in the International Covenant on Human Rights.

Third, the legislation to be made by virtue of Article 23 of the Basic Law must be subject to full consultation of the legal profession, the human rights groups and the public at each stage. The Secretary for Justice told the relevant panel of this Council last week that a report had been made on the review of the legislation. I ask that this report be submitted to this Council for open discussion.

Madam President, it is the common responsibility of this Council and the executive authorities to defend the basic rights of the people by way of law. Legislation and amendment are the necessary steps to take. If the Government has indicated that it is not willing to take the initiative, then it is all the more incumbent on this Council to take action.

Article 74 of the Basic Law stipulates that Members of the Legislative Council may introduce private Member's Bills, but "the written consent of the Chief Executive shall be required before bills relating to government policies are introduced".

If this provision is enforced in its strictest sense, it will certainly obstruct Members in fulfilling their duties to the voters. However, I do not think that the provision should be enforced in its strictest sense. For as in the provision under Article 73(7), the Legislative Council shall exercise the powers "to endorse the appointment and removal of the judges of the Court of Final Appeal and the Chief Judge of the High Court", but the Legislative Council will rarely

object to such appointments. Likewise, the Chief Executive should also make it a practice that under ordinary circumstances he would not refuse to give his consent to bills introduced by Members.

Madam President, if the Chief Executive can consider the argument advanced by me, I believe the relationship between the executive and legislature will improve greatly. On the contrary, if the executive authorities keep turning a deaf ear to the views expressed by this Council and refuse to take the initiative, while refusing to give consent to actions taken by the Members, then this will only strain the already tense executive-legislature relationship. In the end, there will be greater urgency to amend this provision in the Basic Law.

Madam President, all world-class cities attach the utmost importance to a sound system of law, well-upheld rule of the law and judicial independence. But much to my regret, only a brief discussion is made in paragraphs 117 and 118 of the policy address. Apparently, this is due either to the failure of the Chief Executive to appreciate the far-reaching negative impact of the incident of the National People's Congress in making an interpretation of the Basic Law on the rule of law in Hong Kong, or his inability to offer an effective solution to it.

I do not intend to discuss legal issues here, but I simply want to list out the facts which we must face squarely. According to the Government, with respect to a decision made by the Court of Final Appeal, if the Government loses its case, it has the right to ask the National People's Congress to make an interpretation to quash the original ruling and it is incumbent on the courts of Hong Kong to comply with this and such an interpretation does have retrospective effect and that rights which have taken effect before the interpretation would be rendered null and void. If this position is correct, then what is left of our judicial independence and final adjudication? Then what is left of the rule of law? And what is left of the protection given under the Basic Law for our rights and freedoms?

Therefore, this position is certainly flawed. The more the executive authorities say that this position is correct, the more the people will feel a chill down their spines. Why does the Chief Executive fail to see this point?

Madam President, today's newspapers carry an extensive coverage on the report of the European Parliament on developments in Hong Kong and the report expresses concern about how the rule of law has been subject to impact. The

appellation of world-class city is not self-proclaimed; it has to be recognized by people all over the world. I hope the executive authorities can bear this in mind, face the reality and work with this Council to find a solution.

The Chief Executive agrees that a system of accountability should be explored. It is reported that one of the proposals is to appoint some principal Policy Secretaries into the Executive Council and to reduce the number of unofficial Members at the same time. In this way, it is hoped that these officials would be responsible to the Chief Executive in a more direct manner.

The demand of this Council is of course to enhance the public accountability of the officials in the Policy Bureaux. I do not oppose the Chief Executive enjoying enhanced powers in appointing the officials of the Policy Bureaux. But there must be a prerequisite for that, and that is, the Chief Executive must be returned by universal suffrage of the people of Hong Kong, in the "one person, one vote" fashion.

Failing this, we would be making a retrogression to the times of at least 20 years ago, to the way things were done in the Executive Council in the colonial era before Sino-British talks on the future of Hong Kong were started.

The absence of genuine democracy is a major obstacle to our becoming a world-class city. The Chief Executive should set the example of availing himself to the baptizing by universal suffrage. It is an inevitable trend that all seats of the Legislative Council will be returned by direct elections. When that time comes, anomalies like me will vanish. In this term, this Council will definitely be pressing for a territory-wide discussion on the agenda of democraticization. It is my wish that the executive authorities will work together with this Council to push the reforms.

With these remarks, I support the motion.

**MR HOWARD YOUNG** (in Cantonese): Madam President, the theme of the policy address this year is "Serving the Community, Sharing Common Goals". Compared to addresses of the past three years, this year's rendition is more balanced and down-to-earth.

The policy addresses presented by the Chief Executive since his assumption of office have introduced different kinds of reforms to the various sectors of the community. With regard to the tourism industry, for instance, in addition to promoting policies in this Chamber, the Government has also put great efforts over the past three years into facilitating the development of the industry. These include setting up an International Events Fund and successfully clinching a deal with the Walt Disney Company to build a theme park in Hong Kong. A lot of work is now underway to bring the various projects to fruition. For these reasons, I believe that this year's policy address, which focuses on implementing the proposals already put forward rather than introducing new reforms, is acceptable and in line with the wish of the public at large.

All long, the Government has concentrated on monitoring only the outbound travel agents, while the inbound travel agents are not subject to any form of supervision. As such, a few black sheep of the industry have been able to exploit some loopholes and other inadequacies in the law to use unscrupulous practices to cheat the overseas visitors, thereby ruining not only the reputation of the tourism industry in Hong Kong, but also the image of Hong Kong in the international community.

The tourism industry supports the Government's proposal to put inbound travel agents under supervision as well. Given that only outbound travel agents are currently subject to monitoring, it is reasonable enough for the Government to uphold the principle of equality and enact laws to supervise inbound travel agents. Nevertheless, the tourism sector hopes that the Government will implement the control measures in a reasonable manner. For example, the cost of regulation should be maintained at a reasonable level to avoid adding to the operating cost of travel agents; otherwise, operators will find it even harder to remain in business. The tourism sector welcomes the decision of the Government to introduce the relevant legislation in this Legislative Session. On the other hand, apart from travel agents, will individuals operating as travel agents (that is, tour co-ordinators) be required to be licensed or certificated, or will it be good enough just to require them to be registered? I hope the Government will also take this point into consideration and listen to the suggestions of the sector.

The tourism industry is still one of the underpinnings of the Hong Kong economy. With traditional industries gradually moving or having already

moved out of Hong Kong, we just cannot afford to overlook the contribution made by the tourism industry to the local economy. The implementation of the proposed policy should be able to further improve positively the image of Hong Kong in the eyes of foreign visitors.

With regard to the Voluntary Retirement Scheme introduced as a measure to downsize the civil service establishment, the response received is far more enthusiastic than expected as the number of civil servants opted for the scheme is far greater than the original forecast. In the long term, this should help the Government to cut back on expenses. The Liberal Party holds that the scheme should be implemented in an orderly manner, and without affecting the normal operation of the Government. Upon the implementation of the Scheme, the Government should be able to reduce operating costs and enhance productivity at the same time. In that case, we hope the Government will reflect the effectiveness of this downsizing exercise in its various charges and licence fees, so as to share the fruits with users of government services. This is because the various government fees and charges are indeed a heavy burden on most businesses and industries including travel agents.

The policy address has also mentioned proposals in respect of training. In this connection, the Liberal Party believes that on-the-job training is far more practical and effective than retraining. Let me take the hotel industry as an example. Every year, arrangements will be made for a considerable number of students taking hotel-related or foods and beverages courses to undergo practical training in various hotels in Hong Kong to put into practice the theories they have learnt. The hotel industry very much supports this partnership kind of relationship which is beneficial to both the hotels and the students concerned. Actually, the merits of on-the-job training are plenty. On the one hand, in offering practical work placements to students, employers are able to alleviate the manpower shortage problem of their hotels to a certain extent. On the other hand, in addition to acquiring practical experience, student trainees can also gain a better understanding and more knowledge of the industry. Upon completing the training session, if both parties concerned agree and circumstances permit, the relevant student trainee might be employed by the hotel on a long-term basis. So, this is indeed of benefit to both parties. Given that there is no question of on-the-job training suffering a mismatch in labour demand and supply or job seeking difficulties, I hope the Government will carefully consider this suggestion made by the Liberal Party.

The land earmarked by the Government for residential development is sufficient to support an annual production of some 91 000-odd flats for the coming eight years. In this connection, the Government stresses that while it will maintain an annual supply of 50 000 subsidized public housing opportunities, the "91 000" flats mentioned just now only refers to the capacity of the land earmarked for residential development, it does not necessarily mean the number of residential flats in supply. Moreover, the actual production level of private housing is determined by the market situation and other commercial considerations. However, since the figure "91 000" is far greater than the annual housing production level of "85 000" units mentioned in the past, people who are not aware of the real situation might have some psychological misgivings about the property market. As such, there is a need for the Government to clarify its housing policy, particularly in terms of adjustments to land supply. The Government should first study carefully the number of flats the market is able to absorb before gradually putting up lots for sale.

Moreover, with regard to the proposal to gradually reduce the construction of public housing and the various proposals to encourage private developers to develop larger housing units, I think the Government is going in the right direction.

The Government plans to provide at least 21 000 home purchase loan scheme opportunities starting from the financial year 2003-04. What is more, it is also planning to introduce one year earlier, which is from 2002-03 onwards, a new scheme to enable the public to apply for loans to purchase uncompleted flats. We believe these measures should help the property market to recover faster.

As regards policies on information technology, while the Liberal Party welcomes the Government's proposal to vote funds to help the needy students to reduce the so-called "digital divide", we are also aware that a number of middle-aged workers (30 to 40 years old) in society may also face a similar problem. If the Government could identify ways to help these workers to resolve their "digital divide" problem, their employment prospects would certainly be improved. In addition, the Government should also accelerate its pace in implementing the electronization development of public services, with a view to encouraging the private sector to provide services via electronic means as well.

Now I should like to speak briefly on the amendment. The debate on the Motion of Thanks moved every year should be of a neutral nature. If every Honourable Member should seek to amend the motion to include the topics he or she particularly wishes to pursue, say, if I should try to incorporate the requests made by the tourism industry in the motion, or Mrs Miriam LAU and the Honourable Tommy CHEUNG should seek to amend the motion by incorporating the requests made by the transport sector and the catering industry they represent respectively (with the exception of Mrs Selina CHOW because she is the mover of the original motion and thus cannot move any amendment to her own motion), we would have to debate dozens of amendments every year on this occasion. What is more, the original meaning of the Motion of Thanks debate, which is to enable Members to expound their views on the policy address, will be lost. For this reason, the Liberal Party cannot support the amendment.

With these remarks, I support the original motion.

**MR LEUNG FU-WAH** (in Cantonese): Madam President, the following speech was drafted after discussion with some representatives of the labour sector and the office bearers of the Hong Kong Federation of Trade Unions.

Madam President, before I comment on the fourth policy address of the Chief Executive, I would like to briefly review the Chief Executive's philosophy of governance and administration over the past three years. It is because the objectives in this policy address under discussion today are based on the work in the past. They are inextricably linked, just as today is the continuation of yesterday. By the same token, in order to comment on present-day China, we must understand China of yesterday. History is inseparable.

The policy address has given an account of the past at the outset. It is stated that there have been two profound changes over the past three years or so. That is, people can now appreciate the importance of innovation and technology and the need to enhance productivity for our sustained economic growth. The Growth Enterprise Market has been set up, the telecommunications and broadcasting markets liberalized, a legislative framework has been put in place to promote the use of electronic transactions, Phase One of the Science Park will soon be completed, preparation work for the Applied Science and Technology Research Institute has commenced, the construction of the Cyberport is now underway, and so on. All these new developments have made it possible for

Hong Kong to catch up, not lagging behind its competitors. To develop a knowledge-based economy, it is imperative that the Government be committed to carrying out education reforms.

As regards the evaluation of the work of the Government of the Hong Kong Special Administrative Region (SAR) over the past three years, there have been diverse views in Hong Kong, notwithstanding that a conclusion has long been drawn quite unanimously in the international community other than the report published by the European Parliament yesterday. Some people have taken a lopsided view, hurling criticisms at one single aspect without having regard for other aspects. They described the work of the SAR Government in the past three years as utterly worthless and even negated all the efforts of the Government by sheer exaggeration and vilification. They condemned the Chief Executive as a "sinner", seeking to topple Mr TUNG's administration. What is more, those who invariably oppose everything that China, the Government or Mr TUNG proposes are supporting and inciting attacks on the Government, vowing civil disobedience or whatever in defiance of the law. Some have even claimed to be standing up for the interest of the grassroots. But in fact, what they have done are precisely damaging and undermining public interest.

We have long drawn a conclusion on the work of the SAR Government over the past three years. Our view is that insofar as the political system is concerned, the SAR Government has no precedent to follow. On the economic front, there was the onslaught of the Asian financial turmoil. Coupled with the fact that a huge stack of outstanding work which should have been completed was left behind by the former government, unexpected incidents occurred in society frequently. That the SAR can make these achievements today is absolutely no small feat by any standard. Therefore, we basically hold a positive stand on the work of the Government. As regards the inadequacies, we should look at them and analyse them in fairness and from a historical point of view.

The SAR Government has, by virtue of the Basic Law, successfully implemented "one country, two systems", gaining recognition from a majority of Hong Kong people and commanding praises from the international community. Examples include the Government requesting the Standing Committee of the National People's Congress to interpret certain provisions in the Basic Law, consequently resolving in a timely manner the problem concerning the right of abode that has caused great anxieties among the people of Hong Kong. This has defended Hong Kong's legal system and at the same time, safeguarded the long-

term interest of society, enabling Hong Kong people to fully enjoy the freedoms and rights protected by the Basic Law and the two international covenants.

The SAR Government has adopted a progressive and forward-looking approach in governing Hong Kong. For example, it endeavours to keep pace with the development of the world economy, enhance Hong Kong's competitiveness in the international community, and develop Hong Kong as a world city in Asia and South China. The Chief Executive has, on the one hand, led the Government to fend off the negative impact of the financial turmoil and economic restructuring on the public, and proactively expanded the scope for sustainable development on the other. While there are criticisms that these measures are "inadequate to relieve the plights of the people" and "indicative of the Chief Executive's eagerness to achieve quick and big success", we maintain that the Chief Executive should be allowed time and space to put his philosophy of governance into practice, and we believe he will succeed.

In order to resolve the problems left over by the former government, adapt to the restructuring of Hong Kong economy, and enhance our competitiveness in the international community, the SAR Government has implemented a series of reforms. In this policy address, the Chief Executive has finally admitted that employment and the widening wealth gap are social problems that need to be resolved urgently. To this end, an array of measures to ease unemployment and relieve people's plights has been proposed. While these measures lack sufficient punch, they represent a first step by the Government in the right direction. We hope that the Government will implement more measures to help people in employment and improve the employment environment. I do not wish to make a political statement and repeat what the other two Honourable colleagues said earlier in order to save time. I will just make some comments on a number of points as follows.

First, in respect of education reforms, I fully agree with the objectives and principles highlighted by the Chief Executive in the policy address, for example, giving more attention to early childhood education, upgrading the quality of kindergarten teachers, improving the teacher-student ratio, increasing the number of secondary and university places, and so on. Learning is a multi-dimensional process. It should not be confined to schools and books. It is the aspiration of society that in future, our talents will have balanced development in ethics, intellect, physique, social skills and aesthetics, that they will have integrity, civil awareness, principles, ideals and leadership skills, capable of

thinking independently and sensibly, and that while they work hard to cater for the needs of Hong Kong, they will at the same time have a passion for the Motherland and adopt an international outlook.

The recent incident involving Dr Robert CHUNG has indirectly reflected what some of our future pillars of society are like. On 23 October, the *Sing Tao Daily* quoted a report in the bi-weekly publication of the Student Union of the University of Hong Kong (HKU), stating that in an opinion survey conducted amongst students of the HKU, 86% of students considered that the Student Union had overreacted to the Robert CHUNG incident; 70% showed no interest in it; and a majority of interviewees considered that a handful of students were stirring up troubles, making decisions on their own, and showing no respect for their fellow schoolmates only to become famous.

I am gravely concerned about the two extreme attitudes of our university students in that a majority of students replied that they could not care less about the incident, whereas a small number of students were going to the extremes and reacted impulsively. I think neither of these attitudes is correct. I, therefore, support the objectives in the policy address concerning the long-term development of education.

Second, in respect of the civil service reform, the broad direction is correct and reforms are warranted. But in the process of implementation, more detailed arrangements should have been made in many areas and consultation was inadequate. In the policy address, the Chief Executive emphasized that not a single officer will be subject to forced redundancy or salary cuts in the course of the reforms. While that is the case on the surface of it, we are aware that many problems have cropped up for the reforms in some departments were carried out too hastily, to such extent that the results have even outstripped the targets. This is particularly so in departments which have outsourced their work to the private sector. In these departments, there are often cases in which some officers stay idle, while some other officers are over-burdened with work. While the Government has to pay the contractors, it also has to pay civil servants, and this has significantly increased public expenditure.

Some civil service unions appreciated the courage of the Chief Executive in admitting that the reforms are not well co-ordinated. Such being the case, will the Government instruct all Bureau Secretaries to conduct a review and discuss with all unions in order to straighten out irregularities or make improvement to and even suspend those problematic reforms, such as the hasty outsourcing of work as I described earlier, corporatization, and so on?

On the measures to alleviate the hardships of the people, we can see that the Chief Executive, when compared to the last two policy addresses, is more receptive to the views of many organizations and trade unions. In the section about measures to alleviate people's plights, the Chief Executive has discussed at great length new training initiatives, for example, a recurrent subvention will be allocated to the Employees Retraining Board (ERB). This can be taken as a small breakthrough made by the SAR Government. I have been a member of the ERB since 1992. Given that the ERB has not been provided with funds on a regular basis, it has to seek funding whenever its subvention is exhausted. Allocating a recurrent subvention to the ERB can be regarded as the Government's acknowledgement of the fact that unemployment among middle-aged workers is no longer a short-lived phenomenon and that the problem cannot be resolved in a few years' time for this is a structural problem. The provision of regular subvention will be conducive to the long-term planning of the ERB.

Furthermore, the Government will set aside \$10 million to help about 2 000 long-term unemployed workers aged above 40. The Chief Executive mentioned that outreaching staff may be deployed to make home visits to arrange job referrals or training courses for the unemployed. But given the absence of a system for the registration of unemployed workers, the information kept by the Government about unemployed workers mainly comes from people applying for Comprehensive Social Security Assistance (CSSA) on grounds of unemployment, as well as job seekers registered at the Labour Department. However, there are already channels of assistance for these people.

In fact, the Support for Self-reliance Scheme is not as effective as described by the Secretary for Education and Manpower. Statistics show that although unemployed workers manage to land a job, they still cannot leave the CSSA net and rid themselves of poverty.

In respect of the review of the population policy, for instance, the Government has in fact taken on board some of our views before launching the measures to create employment opportunities and to help the poor. But some of our suggestions on the policy aspect have not yet been accepted, particularly over issues relating to human resources management which are of the utmost concern to us.

First of all, regarding the policy on the workforce, Hong Kong lacks a policy on imported labour that is consistent with our economic development. As we are developing towards a knowledge-based and high-tech economy, there is a great need for professionals with higher education. But still, the foreign labourers being imported to Hong Kong are mainly ordinary workers. In order to improve the present situation, we consider it necessary for the Administration to review its labour policy. For example, it must define professionals and identify which category of workers should be imported. We consider that these issues should be referred to the Labour Advisory Board (LAB) for discussion and regulation.

We consider it all the more necessary for the Government to restructure the regulatory framework of human resources. Much to our regret, the two Policy Secretaries responsible for this ambit are not here. In our opinion, the regulation of the imported labour policy is part of the policy on human resources, so it should come under the Education and Manpower Bureau. But under the existing structure, only the general Supplementary Labour Scheme is within the purview of the Education and Manpower Bureau, subject to the regulation of the LAB. The professionals or talents admission scheme on the highest level together with the most elementary foreign domestic helpers importation scheme are nevertheless within the ambit of the Security Bureau and implemented by the Immigration Department.

In our view, the Security Bureau should only be responsible for immigration security and control matters relating to foreign labourers. However, in the various schemes to import foreign domestic helpers, talents or professionals, the Security Bureau has actually assumed the role of the Education and Manpower Bureau to co-ordinate and make plans for matters relating to human resources. For example, the ERB retrained many local domestic helpers in the past few years, but a large number of foreign domestic helpers was still imported. This shows apparent contradiction in policies and yet, nothing has been done to improve co-ordination and review the situation. We think that this

is the result of two Policy Bureaux being made responsible for work of a similar nature.

There is also another issue which is rather important. Our economy registered a two-digit growth in the first two quarters of this year, which is indeed very encouraging. However, the wages and fringe benefits of some workers had been slashed in the midst of the financial turmoil. Yet, many employers and trade associations at present are still unwilling to adjust upward workers' wages. Some employers have even claimed that workers' wages have virtually been increased under the effect of deflation. We beg to differ. Of the 27 blue-chip enterprises which have recently reported on their performance, 21 reported a hike in profit and 11 recorded a growth of over 20%. Only one of these 27 companies has sustained losses. Given that the workers were willing to ride out the storm together with their employers in difficult times, there is every reason for employers to share with their workers the fruits of economic prosperity when the economy has improved. We consider that the Chief Executive should give more incentives to the employers. In the meantime, the SAR Government, being an employer itself, should also make clear its position by effecting a pay rise for civil servants.

I very much appreciate the Government's initiative to provide \$2.7 billion to finance various measures to help the poor in the next two years. This, I think, is essential. However, the policy address has obviously failed to propose effective solutions to specifically resolve the problem of structural unemployment in Hong Kong. Many of the proposed measures are simply short-term and independent of the original policies. We hope that the Government can conduct a more in-depth review in this regard. Overall speaking, Madam President, we consider this policy address of the Chief Executive a good policy address.

With these remarks, I support the original motion. Thank you, Madam President.

**DR LO WING-LOK** (in Cantonese): Madam President, I will focus on medical and health care in my speech. Many members of the public and the medical profession have commented that this policy address lacks any new idea in respect of medical and health care policies and objectives, featuring only a repetition of past proposals and recapitulation of past objectives and the present situation.

What is more, it has only touched on the consultation document on medical reforms to be published next year. This shows that medical reforms remain at a stage of discussion on the Government's agenda, being a far cry from the profession's enthusiasm and aspiration for medical reforms.

I believe the only thing in the policy address that has commanded recognition of the medical profession is that the Government has finally admitted that "our current health care system is becoming unsustainable as a result of rapid advances in medical science, an ageing population and the ever-changing needs and aspirations of our community. Our future task, therefore, is to study how best to ensure the long-term availability of funding and the efficient allocation of resources." (see paragraph 27 of the policy address). In other words, the Government has admitted that in upholding the principle that "no one will be denied of medical treatment due to lack of means" in the provision of health care services over the years, the Government has only given the public a false impression that "money is no problem" in health care. Now the Administration has finally acknowledged the problem, appreciating that "money is indeed a problem" in maintaining the existing public medical services.

We must understand that medical services are different from other professional services. However good health care practitioners have performed their duties, there is always room for improvement. But in order to do better, more resources will be required. Therefore, it can be said that there is a perpetual demand for improvement in medical services. However, we must cap the spending on publicly-funded medical services, or else it would impede the balanced development of society. If the Government continues to not to address squarely the hidden problem of "unsustainability" of our health care system and create a false impression, making people think that the Government can unceasingly satisfy their expectations and needs, the front-line health care personnel will consequently be the first to bear the brunt, facing unnecessary pressure and criticism. In the final analysis, this will be unfair to both the health care practitioners and members of the public.

Given that the present system is becoming unsustainable, reforms are therefore inevitable. But I consider that reforms must be implemented on the following three principles:

### 1. *Equity*

By equity, I mean citizens should be able to obtain necessary and appropriate medical treatment at a cost affordable to them.

Under the present system, however, any person, irrespective of his wealth, can obtain government-subsidized public medical services at extremely low costs. This will have two consequences. First, it will attract more people who have other options originally to use public medical services, hence thinning out public resources. If the situation goes on like this, the poor people who have no other options will be made to wait longer and victimized. The continuous expansion of public medical services will stifle the development of the private sector health care system, gradually leading to an integration of the health care sector. For those people who can afford medical expenses, this would reduce their choice of medical services and would also be unfair to them.

### 2. *Adequate protection for the public*

Any person, whether he is poor or rich, should be provided with basic health care protection by the Government. In the event of accident or when emergency treatment is required, the Administration should have the duty to rescue lives and provide relief; and patients should not be graded by their affluence in the provision of medical services. If there are citizens who cannot afford the necessary medical expenses, the Government is obligated to set up a medical protection mechanism for them. In fact, most people in Hong Kong cannot afford the medical expenses incurred for treating "disastrous" diseases, such as organ transplant. Moreover, basic health care protection should be provided for the poor, the sick, the elderly and the disadvantaged to enable their health to be taken care of properly.

### 3. *Provision of alternative medical services for the public*

The funding currently provided by the SAR Government on the medical front is insufficient for providing comprehensive "national health care services" of a reasonable standard at public cost. If it is the wish of the Government to see an integration of the health care sector, the Government must seek a social consensus and substantially increase funding for this pursuit. If national health care services are provided at a cost of a mere 2.6% of the Gross Domestic Product, which is the current public health care expenditure, the resource

commitment is indeed far lower than those in advanced countries where the medical expenditure accounts for 8% to 14% of their Gross National Product.

From the experience of many other places, the integration of health care services will only lead to higher medical costs but deterioration in quality. Therefore, I oppose the integration of health care services in Hong Kong. The Government is duty-bound to draw up policies jointly with the Hospital Authority, the Department of Health, health care providers in the private sector and members of the community. Within the limited resources, it should set out the scope of public medical services and also standards on both the quality and quantity of services. It should immediately stop giving the false impression that the Government can provide quality medical services at low costs infinitely, in order to give private sector health care vitality and attract investment in more advanced equipment and facilities to upgrade the quality of medical services.

When there are more and better options available on the market, people who have the means will naturally choose the kind of service they like based on individual requirements and affordability. Not only can this relieve the pressure on public medical services, but also explore more "hidden" resources which will be conducive to the future development of the overall medical service market. Furthermore, the private sector can even serve as an "emergency exit" for public health care services in that members of the community can immediately turn to an alternative health care system in the event of any sudden incident arising in the public sector.

Madam President, the rich people will not be greatly affected by medical reforms, and I trust that society will definitely endeavour to safeguard the impoverished. Therefore, those in the middle class will be hit the hardest. After the financial turmoil, they have been under the the incessant threat of unemployment or salary reduction, and their personal savings for half of their lives have turned into negative assets in a short span of time. Therefore, the Government must fully take account of the pressure now faced by the middle class before implementing reforms, which should not be pressed ahead too hastily. If the Government can have more regard for the feelings of the middle class apart from focusing on measures to help the poor, I believe it will help to soothe hostility in society enormously.

With these remarks, I support the original motion.

**MR CHEUNG MAN-KWONG** (in Cantonese): Madam President, this year's policy address focuses on education and helping the poor. The problem of poverty is attributable to a number of factors, being uneducated and hence lacking in competitiveness is one. For this reason, I give the Chief Executive my full support when he says that our most important social investment is in education. An undertaking is given in this policy address, that is, the Government of the Special Administrative Region (SAR) will provide the necessary resources to implement the education reforms recommended by the Education Commission (EC) and eventually increase the annual recurrent expenditure on education to \$2 billion. This is the most basic undertaking required to implement the education reforms.

The Chief Executive has accepted the reform proposals recommended by the EC; but for my part, I have found some of the proposals unacceptable. To begin with, the SAR Government is still unwilling to give direct wage grants in respect of kindergarten teachers. At present, about two thirds of the kindergarten teachers in Hong Kong are qualified teachers; in other words, one third of our kindergarten teachers still have not received any teacher training. Currently, kindergartens are eligible to receive a limited grant from the Government if 60% of their teaching staff are qualified kindergarten teachers. But if they should wish to employ more qualified teachers, no additional grants will be provided for them to cover the increase in expenditure.

Apart from that, the policy address also requires kindergartens to improve the ratio of teachers to pupils from 1:30 to 1:15, which means that the number of teachers will need to be doubled. Given the flat rate of subsidy of \$43,000 per class, kindergartens will have difficulty meeting this new requirement. In the future, if kindergartens should be required to enhance the quality of their teachers and improve the ratio of teachers to pupils at the same time, the additional expenses required would naturally be transferred onto parents. At present, annual expenses on school fees and other charges for half-day kindergarten schooling amount to about \$20,000, or two months' household income of an average family. A substantial increase in kindergarten fees would certainly add to the burden on parents. Under the Kindergarten Fees Remission Scheme, only a limited number of needy pupils will receive assistance from the Government, and the majority of the applications submitted by parents will be rejected. Kindergarten schooling is not only a primer education, but also a part of basic education. Nevertheless, while the Government is giving full subsidy to primary and secondary schools, its policy on kindergartens is completely

different. Why must the Government adopt such an apathetic and discriminatory attitude towards kindergartens, so much so that parents have to shoulder huge expenses on kindergarten fees? How much of that \$2 billion recurrent expenditure on education pledged by TUNG Chee-hwa will be spent on kindergartens? Why must kindergartens always be treated as an unwanted baby or a piece of useless chicken rib when compared to the entire education system?

With regard to the reform proposals for primary and secondary schools, Madam President, the Government has not acceded to the request made strongly by parents and teachers to substantially reduce the class size to 25 pupils, so that pupils can be given more comprehensive care and attention. Compared to the international schools in Hong Kong and the English Schools Foundation (ESF) schools which have only 25 pupils in a class, the class size of local schools is much larger — 40 pupils for secondary schools and 37 for primary schools. Why must there be such a huge difference? Why do our local school children have to settle for second-class education in an overcrowded classroom?

Speaking of class size reduction, more often than not the Government is trying to mislead the public. The Chief Executive's policy address, for example, says that the teacher-pupil ratio is 1:18 in primary schools and 1:21 in secondary schools. Hence, parents may get the wrong impression that there are 18 pupils per class in primary schools and 21 in secondary schools, which is a ratio much better than that of the ESF schools. But in reality, the so-called teacher-pupil ratio is the teacher-pupil ratio of the school as a whole, rather than the ratio of teachers to pupils in a class. The Government is just playing the numbers game to mislead the public by including the teachers responsible for school administration, lesson preparation, counselling services and extra-curricular activities in that teacher-pupil ratio as well. In so doing, is the Government not trying to mislead the public or to cheat them? Is the Government trying to square up to the problems or is it trying to avoid them?

According to Mrs Fanny LAW, the Secretary for Education and Manpower, the implementation of whole-day schooling for primary schools is the consensus of the education sector. In other words, it is unlikely that the class size in primary and secondary schools will be reduced before the full implementation of whole-day primary education. Madam President, when on earth has the education sector reached the consensus that the implementation of whole-day primary education should take precedence over reduction in class size? All I know is that the education sector looks forward to reducing the number of

pupils in a class, and it has been looking forward to that for more than 20 years on end. Instead of giving up, we are looking forward to that even more keenly. Why does the Government still turn a deaf ear to the voices of parents and teachers?

The number of pupils in a class has a significant bearing on both the workload and teaching quality of teachers. The education system in Hong Kong has three large numbers: the number of sessions a teacher has to teach, the number of pupils in a class, and the number of tests and examinations. A primary school teacher, for example, has to teach 30-odd sessions every week. Given that there are 37 pupils in each session, the teacher will have come into contact with some 1 000 to 1 500 pupils in a week. Because of the heavy teaching workload, teachers have to spend most of their time on vetting pupils' homework. It is mentioned in the policy address that teachers "will be freed up to concentrate on their teaching duties". The classroom is the most important place where teachers perform their teaching duties. If the number of pupils in a class was not reduced, if the number of teaching sessions was not cut back, if there was not any additional supporting staff in schools, how could teachers be freed up. The education reform proposals urge teachers to enable outstanding students to further develop their potential while allowing under-achievers to catch up. To the tired out teachers, while enabling outstanding students to further develop their potential is like looking for a needle in an ocean, allowing under-achievers to catch up is like seeking to patch up a hole in the sky; their spirit is willing, but their flesh is weak. I therefore strongly urge the Government to immediately start drawing up proposals, including proposals for teacher training and building new schools, and to set a timetable for reducing class size and providing more teachers, with a view to, starting with Primary One and Secondary One classes, gradually achieving the target of reducing class size to 25 pupils on par with international schools.

The most surprising proposal put forward in the policy address should be that within 10 years, 60% of our senior secondary school leavers would receive tertiary education, bringing the total number of tertiary education places to around 55 000. Madam President, I support the proposal of the Government to increase the number of places for tertiary education, yet at the same time I am also concerned about the quality of such tertiary education places and the financial burden of the Government. Is the Government not being too hasty in putting forward the proposal to increase the number of tertiary education places to 55 000 at the present stage when there are not any specific plans, additional

grants or quality assurances? Will an empty talk of bringing the number of tertiary education places to 55 000 be another castle in the air like the proposed 85 000 annual housing construction target? Today, I need to caution the Government not to forget the lesson drawn from history. If we are to make a success of our tertiary education, we must attach great importance to both quality and quantity, including quality basic education.

Madam President, in addition to the support of the Government, society and parents, it is imperative that the proposed education reforms have the support of teachers. But then the Language Benchmark Examinations introduced by the Education and Manpower Bureau (EMB) has broken the hearts of many earnest and hardworking teachers. Because of the initiation of the Government, there has been considerable misunderstanding against teachers. Teachers oppose the Language Benchmark Examinations not because they are afraid of examinations. Actually, they are examination system winners who have passed many examinations before being qualified as teachers. What is more, teachers also know it very well that even if they chose to pursue further studies, they would still be required to sit for the Language Benchmark Examinations. What teachers regret most is that in addition to shifting the responsibility for the decline in language standard to teachers, the Government is also making use of some substandard performance cases of individual teachers to defame the teaching profession as a whole, so as to force teachers to take the Language Benchmark Examinations as a qualifying examination. At the moment, the relationship between teachers and the EMB is very tense and confrontational; this will impact on the success of the various education reforms. I just hope that the Government can pay due respect to teachers by abandoning the Language Benchmark Examinations and allowing them to exceed the benchmark by way of further study to be followed by examinations. That way, teachers will be happy to support the various education reforms and in turn make them a success.

Madam President, just like the proposed education reforms, the civil service reform is also a focus of public concern which has a bearing on the operation and stability of the Government. Recently, the Government adopted a number of measures to cut down the pay and benefits of civil servants, including setting entry points at lower levels, extending the probationary period, and reducing the percentage rate for calculating contract gratuity. All these measures have aroused great dissatisfaction among civil servants. However, what really deals a heavy blow to the stability of the Civil Service is the decision of the Government to employ contract staff, to brief out jobs and to implement

the various corporatization plans. The civil servants are worried that these reforms, which take place outside the civil service establishment, will break their rice bowl and impact on their livelihood. Over the past year, there have been waves of demonstrations staged by civil servants; these increasingly fervent protests are reflective of not only the unprecedented dissatisfaction of civil servants but also the crisis brewing.

Madam President, let us think of this: supposing an ordinary civil servant who has been working for the Government for some 20 to 30 years is all of a sudden being considered as redundant during an economic slump and will be laid off at any time. If this civil servant is made to leave the Government and lose his job, it is just natural of him to feel dissatisfied and worried and oppose to those reforms. Any reform must aim at "serving the community" before it could talk about "sharing common goals". Regrettably, the current civil service reform is so "obsessed with mammon" that everyone is just "striving for personal goals". As a result, the morale of civil servants has dropped low, so much so that they have to take to the streets to voice their grievances. For these reasons, the Democratic Party urges the Government to improve the employment conditions for staff on contract terms, to formulate in consultation with the various civil service organizations reform proposals that are acceptable to all parties concerned, and to halt all arrangements for briefing out or corporatizing any services that are originally provided by civil servants.

Madam President, this is the first time the Chief Executive made mention of "Executive Accountability". Right now there are several major deadlocks blocking our political development. These include the poor leadership of the Chief Executive, the executive-hegemonist approach of governance held fast by senior officials of the SAR Government, the alienation of the Executive Council from the public, the poor relationship between the executive authorities and the legislature, the powers of the legislature being undermined, the stagnant development of democratic government, as well as the ever deteriorating situations of freedom and the rule of law. If we are to break these deadlocks in political development, we cannot rely on any so-called ministerial system which is neither fish, flesh, nor good red herring. Nor can we rely on any system of accountability imposed from the top down. This is because the Chief Executive is not elected by universal suffrage, and thus cannot represent the people of Hong Kong as a whole. He represents only a small privileged coterie. That being the case, the so-called ministerial system is nothing more than centralizing all powers in the hands of TUNG Chee-hwa. This is centralization of power rather

than separation of powers, the purpose of which is to exercise centralized leadership rather than holding government officials accountable to the public. This is absolutely running counter to the development of democratic government.

Madam President, the Legislative Council returned after the reunification is the representative of public opinions in name only, for we cannot exercise the powers conferred on us as representatives of public opinion or play our checking role in relation to the Government. The crux of the problem lies in that the legislature has lost its most important legislative power, since this Council cannot make any law in the light of public opinion without the consent of the Chief Executive. Worse still, because of that ridiculous voting procedure which requires Members to divide into two groups in accordance with the method by which they are returned to the Council to vote even on motions with no legislative effect, this Council has been reduced to a forum for political parties to exchange views. As such, the most urgent task of implementing political reforms is not to improve the relationship between the executive authorities and the legislature, or to consolidate the system of executive accountability centred around the Chief Executive. The first and foremost task is to amend the Basic Law, with a view to enabling the legislature to have real legislative power and abandoning the ridiculous bicameral voting procedure, thereby achieving the objective of separation of powers and giving play to the political system of checks and balances.

Madam President, I hope the democratic forces among our community can launch an all-people for constitutional amendment campaign to strive for our right to amend the Basic Law, so as to put democratic government back into the scene after the reunification and to achieve the target of returning the power of government to the people.

Madam President, I so submit.

**MR ABRAHAM SHEK:** Madam President, Hong Kong is still suffering from the aftermath of the last Asian financial turmoil. Yes, the economy is slowly recovering, but many of us are still facing economic difficulties. Hong Kong is labouring under high unemployment rate, growing level of poverty, and many of our people are affected by reduction in salaries and job insecurity. These are without doubt difficult times, but also opportune and challenging for us to rekindle our Hong Kong spirit of survival, to search for excellence so as to turn Hong Kong into a top-flight world-class city.

To meet this challenge, we must first have a stable political environment. For this, we are now having and, as guaranteed by the Basic Law, we have an efficient Civil Service under good leadership. Second, we must prepare to undergo a series of innovative reforms so as to reinvent Hong Kong into a "new economy" of high technology by:

- enhancing our education system;
- upgrading our labour force through education, training and retraining to meet the needs of the new economy;
- improving our business culture and environment for market excellence and competitiveness; and
- implementing benevolent social policies to foster a harmonious and caring society.

Mr TUNG's policy speech has addressed the above issues with courage, sincerity and a clear sense of direction. The measures offered clearly reflect a more open and pragmatic approach by the Administration in problem solving. This, I congratulate him.

I would like to share with you some of my observations on Mr TUNG's proposed reforms.

In education, the policy address proposes reform packages for all grades, from kindergarten right up to university. Since our reunification, spending on education has increased by 43%, amounting to 4.25% of our Gross Domestic Product (GDP). The targets for the proposed reforms in our education system are indeed commendable.

But I must point out that it is the general concern of our community that the quality of our students has been falling. Their language proficiency, critical and analytical skills, ability to work independently and their responsiveness to changes leave much to be desired.

The policy address also lays down the blueprint for our tertiary education for the next 10 years. The target is to double the places for higher education in that period, placing us on a par with the proportion of secondary school graduates pursuing tertiary education in developed countries. The question that I would like to ask is: In the years to come, out of every 100 secondary students, approximately 60 would eventually be tertiary educated, are we simply inflating their academic title rather than giving them quality education? I am sure that this must not be the intention. However, the policy address has not said much regarding the quality aspect of the new education, instead great emphasis has been placed on the education reform in nurturing talents and workers to serve in the new economy.

The aim of education, I must say, is to produce educated men and women and not just technocrats and workers for the business and industrial sectors. Our graduates should be the custodians of our society's values and traditions, protectors of our rights and freedom, and champions of our industries and leaders of our tomorrow. A good education is a liberal education with technical knowledge — this had been true in ancient China as an educated man must be able to master the six arts (六藝：禮、樂、射、御、書、數). That concept was true then and is still true today, but in a different context.

Teachers also play an essential role in any successful education policy. We should be extremely careful in maintaining an appropriate environment for teachers to excel themselves in the art of teaching through their commitment, dedication and pride in their job rather than subjecting them to unnecessary assessments and tests. This is very important.

The Administration should take heed. Education reforms are unlike other socio-economic reforms. There is no room for mistakes. No trial and error, and when the button of reform is pushed, there is no turning back. The effects will be far-reaching. Quality in education is a must and must not be sacrificed for the sake of quantity. If we can have both, that is the best. I have great confidence in our Secretary for Education and Manpower in bringing about an enhanced education system which will be the driving force for our continuous and future success.

In regard to social reform in eradicating poverty, I support the Government's short and long-term initiatives. The best medicine for poverty is education and the generation of wealth and the sharing of it through employment. The best assets of Hong Kong are its people. The Government should, therefore, strive to nurture an environment where the opportunity to work should be made available for people who want to work. The creation of 15 000 jobs by the Administration is a step in the right direction and I do hope that the private sector would follow suit — the jobs must be created today and not six months or a year later. The present reform package would have been better had it been added with a heavier dosage of compassion. There is a large number of men and women who could not benefit from Mr TUNG's kind gesture of 15 000 job offers and other offers. These are men and women of yester-years who have, in their prime, contributed to the present prosperity of Hong Kong. Now they are aged and many do not have the ability to work, spending their remaining years in the slums of Hong Kong. In fact, they were left by the roadside along the highway of prosperity and progress. However, they do not need our sympathy, nor do they need our charity. What they need is our respect and we should give them the pride that they deserve. They need decent housing and proper medical care. Mr TUNG in his policy address has promised to reach out to them and to restore them in their rightful place in society. Benevolent welfare policy is the fundamental policy of any responsible government which essentially entails the caring for those who need help among the aged, young, disadvantaged and handicapped.

In regards to our economy, the policy address was optimistic about Hong Kong's economic development. The proposed reforms for the industries and the small and medium enterprises (SMEs) are greatly welcomed to spearhead major breakthrough in business and continuous economic growth.

As an economy, we have benefited enormously from the last two decades of economic growth in the Mainland. Our future growth is even more dependent and tied to China's trade and industrial development, especially after its accession to the World Trade Organization. There will be new opportunities for Hong Kong, but at the same time, there will be challenges. We must be ever vigilant in the face of global competition. Whilst emphasizing on the bright prospects ahead, a responsible government should formulate practical strategies to face such challenges.

Recently, there have been concerns over Hong Kong's business competitiveness. I personally believe that such concerns are unfounded, for as long as we can preserve the rule of law, the fabric of our free market economy with minimum government intervention in business, and maintaining a level-playing field, complemented by a flexible labour force and an efficient Government as we now have, our edge in competitiveness is assured.

Mr TUNG has reiterated the importance of stable property prices to the economic well-being of Hong Kong. The renouncement of the annual production target of 85 000 units had brought back the much needed stability in the property market. In this regard, the property development industry and the tens of thousands of home owners who have been suffering from negative asset value have much to thank for. I can assure the Chamber that all property developers as well as the general public do not like to see substantial fluctuation of price movements in the market. We prefer a stable and healthy market.

The present property market is stabilizing but is still highly sensitive. I am pleased to note the timely clarification by the Secretary for Housing in this Chamber that the 730 000 housing units from 2000 to 2008 was not a target formula of production of housing units over the next eight years, but rather an assurance by the Administration to supply adequate land to cater for the estimated need for public and private housing. He also confirmed that such supply would be subjected to market forces and requirements. To further ensure the stabilization of the property market, it is the industry's wish that the anti-speculative measures introduced in 1996 and 1997 should be withdrawn.

Madam President, I would like to say something about the construction industry which has made significant contributions to the prosperity of Hong Kong and currently employs more than 300 000 people. This is one of the major industries in Hong Kong and contributes approximately 5% to 6% of our GDP. The overall quality standard of the industry is ranked among the best in the region. The recent few cases of piling scandal were exceptions rather than the rule. The causes of these problems are many, and the industry has proactively instituted reform measures to monitor and improve the quality and standard in our construction works, such as the introduction of green card scheme and the registration of construction workers. The recent signing of the commitment paper to industry reform led by the Hong Kong Construction Association clearly demonstrates its determination to better itself. The industry also wishes the Government to assist in creating a better and more equitable

environment in the award of tenders for public works. The practice of awarding contracts to the lowest bidders in all cases should be abandoned. Tender prices should be reasonable to guarantee quality of works. With these reform measures firmly in place, the industry is confident that it could continue to serve Hong Kong in the years to come.

Madam President, with these remarks, I support the original motion. Thank you.

**MR NG LEUNG-SING** (in Cantonese): Madam President, the fourth policy address delivered by the Chief Executive two weeks ago has manifested the philosophy of small government in a concrete manner. There are both measures on active and passive initiatives of governance. The three key areas of administration are education, helping the poor and the needy and governing the SAR. These objectives are clear and practical and merit our support.

First of all, I would like to talk about the issue that the Government must adhere to and be bound by its role. After the reunification, the annual release of the policy address was met by a lot of criticisms to the effect that the Chief Executive had not done enough in fostering growth in the economy, promoting employment and eradicating the problem of poverty. As the regulator of a free economy, the SAR Government must be bound by the role it plays in formulating social policies. It must refrain from intervening and exerting control in everything. For if not, the vitality of a free economy and the momentum for social development will certainly suffer.

Secondly, on the use of education to foster both individual and societal progress, the principal task of the Government is to make available more "software" and "hardware" in infrastructure which will help societal progress. These kinds of infrastructure construction include perfecting the system of laws and regulatory framework, putting in more efforts in environmental protection and cultivating our talents, instead of making direct involvement in economic activities. The policy address this year is a continuation of last year's policy address which stresses the importance of environmental protection. This year's policy address places emphasis on education reforms and the cultivation of talents. It also shows the clear grasp of the SAR Government on the role it is to play, the importance attached to the provision of a sound infrastructure and the right conditions for societal progress, and the provision of equal opportunities to

the people to develop their individual talents. All these are meant to enhance the feature of upward mobility in our society. The blueprint for education development as outlined in the policy address embraces all related areas from kindergarten to university education and in-service training, and all players from students, teachers to parents. It is a full-scale realization of the opportunities to cultivate talents in all aspects. The idea of parental education raised in the policy address and the funding set aside for this purpose is commendable and should be supported.

Thirdly, I would like to talk about the use of business information to help business and industries. On fostering economic development, the Government has done a good job in strengthening the market institutions, but the achievements in this aspect are often overlooked by commentators. The most obvious one is in the area of financial reforms. Apart from work in this area and in the cultivation of talents, it would not be appropriate for the Government to get involved in fostering growth in the commerce and industries. It must refrain from giving direct subsidies to individual trades, for this will easily lead to an imbalance in the market. The policy address has made special reference to the opportunities which will arise as a result of China's accession to the World Trade Organization (WTO) and support for small and medium industries. In my opinion, the appropriate role for the Government to play is collecting information and disseminating it to the business sector, so that it can make use of the business opportunities offered by China's accession to the WTO and other external developments. Such information can be given to help small and medium enterprises (SMEs). As for the Special Finance Scheme for Small and Medium Enterprises which is funded by a one-off non-recurrent grant from the Government, the funds left after the closure of the Scheme can be used to provide further support to SMEs. In addition, the Government should undertake a review of the effectiveness of the operations of the Small and Medium Enterprises Committee. It can also put in efforts in issuing guidelines to the banks on making out loans to SMEs. All these will be beneficial to the long-term development of SMEs.

The fourth point I wish to make is on helping the poor and the needy. The policy address has proposed quite a number of initiatives to provide relief to those suffering from poverty and hardship. These include a capital injection into training and retraining work, strengthening publicity in all kinds of placement services and related information, the creation of 15 000 posts in the Government and assisting the poor elderly and needy students, and so on. All

these should deserve our support. The policy address stresses that the fundamental way to address the poverty problem is to create ample employment opportunities through sustained economic growth on one hand, and continuously upgrade the quality of people's skills through education on the other. It is therefore important to address the problem at source and so our economic development must head in the direction of a healthy and sustainable growth. Those measures which go against market principles and those which aim at providing a transient impetus to the economy and creation of employment through a reckless spending of money will only produce short-lived effects which will not help in the long run.

Fifthly, I think more explanations and publicity are needed in launching reforms. Over the past three years, the SAR Government has launched a series of reform initiatives which are mostly of an urgent nature. On the other hand, as the policy address has admitted, there is still room for improvement with respect to the planning of the reforms and communication with the public. It should be noted in particular that the Government should effect better utilization of public resources and facilities, including the public media, so that the public can have a fuller understanding of the necessity of these policies and reforms, the steps to be taken and their prospects. I think the resort to assistance from the public media in such a manner as described will not affect the so-called editorial autonomy and freedom of the press. For this will imply a sound spending of public money, enhancing the communication with the public and raising the efficiency of government operations.

Lastly, I would like to speak on the issue of a clear delineation of powers and responsibilities and improving the governance of Hong Kong. The policy address proposes that a study should be made on a system of accountability of principal officials at the Secretaries and Directors of Bureaux rank. This is a workable approach to take with regard to greater rationalization and efficiency in governance. Insofar as public administration is concerned, a delineation of powers and responsibilities is a prerequisite to efficiency in governance. The policy address also mentions the various statutory and non-statutory committees and advisory boards which have an important role to play in public administration. To enlist a wide range of talents and to listen carefully to the views of the public are important, but we should also enhance the system of accountability of these statutory and non-statutory committees and advisory boards so that those who take part in them will have a clear understanding of the powers, responsibilities and rights which they are entitled to and the commitment

they must make. This is more so in those organizations which have the functions of formulating and implementing public policies. Only in this way can organizations bring their social functions into full play and work with the Government to effect improved overall effectiveness of governance.

With these remarks, Madam President, I support the motion introduced by the House Committee.

**MR HUI CHEUNG-CHING** (in Cantonese): Madam President, first of all, I wish to thank the Chief Executive for his policy address which has responded to issues that are currently of the greatest concern and most pressing to society.

However, from the perspective of the industrial and commercial sector, I think this policy address has not provided strong enough impetus to promote economic development. Doubtless the Government's initiative to provide over \$2 billion to create more jobs and improve retraining programmes should be welcome. But in fact, it could have made even greater efforts to enlarge the "economic pie" to attract more investments from the industrial and commercial sector so as to create employment opportunities, thereby enabling more people to share the fruits of economic recovery. Regrettably, the economic measures and direction of future economic development outlined in paragraphs 4, 5, 11, and 32 to 46 of the policy address are only general descriptions, lacking any new initiative to facilitate economic development.

Take the import and export sector to which I belong as an example. The policy address emphasized that Hong Kong must grasp the business opportunities arising from China's accession to the WTO, promote the development of the Pearl River Delta Region, participate in the development of Western China, link China and the rest of the world, and so on. All these have certainly indicated the depth and breadth of the future development of Hong Kong economy. But it appears that the Government is hesitant as to how our policies and systems can facilitate Hong Kong putting into full play the advantage of its proximity to the Mainland.

In fact, from the replies of the Chief Executive and the Secretary for Commerce and Industry to the questions raised by me on 12 October and 18 October respectively in this Council, we can see that the strategies adopted by the Government to assist local businessmen in the Mainland are still passive and conservative.

First, when there are policies, statutes or law-enforcement standards in the Mainland which are deemed unfavourable to Hong Kong businessmen, the Government of the Special Administrative Region (SAR) would try to step in for conciliation only after complaints from local businessmen abound. The Government is not used to taking preventive measures before problems arise by proactively gathering information on problems encountered by Hong Kong businessmen operating in the Mainland and draw up proposals accordingly, so that the Central Authorities will have regard for the interest of Hong Kong businessmen and that of the Mainland when formulating policies.

Second, the assistance provided by the SAR Government includes no initiative to understand the manufacturing infrastructures, market information, economic planning and development priorities in the Mainland, for the benefit of Hong Kong businessmen who seek to expand their operation.

Third, the Mainland and Hong Kong Special Administrative Region Joint Commission on Commerce and Trade aims only at fostering communication and understanding between the two governments on macro policies. The SAR Government does not have a dedicated department or group to study taxation policies, customs regulations and law enforcement issues in various provinces and municipalities in the Mainland. Nor does it have a mechanism for regular communication with the relevant authorities in various provinces and municipalities in the Mainland.

The fact that the Government has adopted passive and conservative strategies to support local businessmen operating in the Mainland may, in one way or another, reflect that it has not fully appreciated the pressure faced by Hong Kong businessmen in competing for business. The magnitude of the pressure they face in competing for business and the drastic changes in the situation of the industry are indeed unprecedented:

First, the trade and industrial sector of Hong Kong mainly comprises small and medium enterprises (SMEs). In terms of human resources and capital support, the SMEs generally pale in comparison with foreign-funded enterprises casting a covetous eye on the mainland market. In fact, after China's accession to the WTO, Hong Kong, which is mainly made up of SMEs, will not be the first to benefit from its advantageous location. Instead, those financially robust foreign-funded multinational enterprises from Europe and the United States, which have stationed in Hong Kong for a long time, will very likely be the first to benefit from their proximity to China.

Second, more and more mainland businessmen have set up small and medium sized trading firms and "merchandisers" similar to those in Hong Kong. Some of them are already assisting overseas clients in a direct way in searching for merchandise all over the country, or to approach mainland factories direct to undertake production, without having to rely on Hong Kong. Moreover, some overseas businessmen have also set up branches in such major municipalities as Guangzhou, Shanghai and Tianjin, so that overseas buyers can place their orders direct in the Mainland.

Third, while Hong Kong has the busiest port in the world and first-class facilities at the container terminals, the ports in the Mainland, such as the Yantian port in Shenzhen, are undergoing restructuring or amalgamation to expand the economies of scale. As the handling charges at these ports are 30% to 40% lower than those in Hong Kong on average, the container freight industry in Hong Kong is facing an ever increasing pressure in competing for business. In fact, the Yantian port registered a growth of over 36% in its throughput in the past year, whereas the growth at Kwai Chung Container Terminals in Hong Kong was only 7.7%. On the other hand, while we have a state of the art airport in Hong Kong and our air cargo industry has reached the first-class standard in the world, many of those mainland-bound goods originally to be transshipped via Hong Kong or goods to be exported from the Mainland via Hong Kong may shift to the new airport in Guangzhou to be commissioned several years later for the charges there are likely to be lower than those in Hong Kong and given its geographical advantage. Has the SAR Government evaluated this situation, and what measures will it take?

Fourth, the United States, which is a major export market of Hong Kong, has forged trade alliances with Mexico and Canada in recent years and agreed on reciprocal tax exemptions and removal of quota restrictions. The United States has also provided tax exemptions and removed quota restrictions for processed goods from the neighbouring countries in Central America as well as countries in the Middle East and North Africa. The neighbouring countries of the European Union, such as Turkey, are also given tax exemption and free from quota restrictions when exporting goods to European Union countries. The policy of the United States and the European Union of according preferential treatment to their trade partners has imperceptibly put heavier pressure on light industrial goods manufactured in Hong Kong and even in the Mainland. Has the SAR Government evaluated this situation and what measures will it take?

Fifth, faced with increasingly strong pressure from the industrial and commercial sector recently, the Taiwan Government has to facilitate the early implementation of the "three small-scale links" and the "three large-scale links" to tide the Taiwan economy over. Hong Kong must prepare for rainy days and make adjustments to our positioning in order to adapt to the new situation.

Madam President, the import and export sector as well as all the other trades in Hong Kong have always been more sensitive to developments in the market than the Government. So, it is certainly unnecessary for the Government to give guidance on product design and marketing strategies. The sector hopes that the Government will make good use of its harmonious relationship with the Central Authorities and local governments to seek the establishment of permanent official trade and commercial liaison agencies in major provinces and municipalities in the Mainland in order to help Hong Kong businessmen gather first-hand information, remove policy barriers, facilitate investment and co-operation, and where necessary, provide assistance for Hong Kong businessmen who are unfairly treated. Within the parameters of "one country, two systems", all this will facilitate Hong Kong giving full play to its advantage of being part of China and avoid isolating itself from the country.

While the Chief Executive has mentioned in the policy address that with China's entry into the WTO, local businessmen will face greater challenges in competing for business in the Mainland. I hold that the Government should not be so tight-fisted as to refuse setting up trade and commercial offices in the Mainland as long as it will firmly adhere to the principle of cost-effectiveness when injecting resources for this purpose.

Moreover, the policy address also stated that we must look ahead and work together with the Mainland over the long-term development of our cross-boundary facilities. This, I certainly agree. In his first policy address, the Chief Executive also mentioned that the Hong Kong and Mainland Major Infrastructure Projects Co-ordinating Committee had been established to specifically conduct in-depth studies on projects such as the Western Corridor, the Zhuhai Lingdingyang Bridge, and so on. Now that three years have passed, we have yet to see any initiative to embark on these large-scale cross-boundary infrastructure projects. I hope the Government can expeditiously implement cross-boundary transportation infrastructure projects to improve customs clearance arrangements in respect of cross-boundary passenger and freight traffic, so that Hong Kong and the Mainland can fully complement each other.

The import and export sector is underpinned by SMEs. Therefore, assistance for SMEs is very important. I hope that the Small and Medium Enterprises Committee, after its duties are enhanced and representation widened, can expeditiously make the utmost efforts to support SMEs in such areas as financing, e-commerce, market development, application of information and lowering operating costs. Its first and foremost task should be to broaden SMEs' access to financing. While the Government and the Hong Kong Monetary Authority are currently promoting the setting up of a credit database, this measure can hardly address the pressing problem. I suggest that before there is a more effective channel for financing, the Government should immediately set up a credit fund for SMEs with the remaining \$2 billion under the Special Finance Scheme for Small and Medium Enterprises and invite applications from SMEs, with a view to easing the long-standing problem of financing faced by SMEs.

With these remarks, Madam President, I support the original motion.

**MISS CYD HO** (in Cantonese): Madam President, the way in which the policy address was delivered this year is an obvious departure from the previous ones. Insofar as the Government's administration in next year is concerned, the Chief Executive only discussed policies regarding education, assistance to the poor and the needy and governance. Other policy areas will be accounted for in the Legislative Council by respective Secretaries of Policy Bureaux. That is an understandable approach to me, for the policy address is constrained by its length and it is impossible to include all policy areas. However, there are some very important policy objectives which the Chief Executive has not even cared to mention briefly. These policy objectives are the following: the legislation work regarding Article 23 of the Basic Law in the local context, that is, the legislation on sedition; the smart identity card that may encroach on privacy, or even be changed into a system of residence registration and hence exerting greater government control on the individual; and review and reform proposals on the financing of medical and health services, and so on. All these are policy issues which are of great concern to the people. But they will only be explained and reported by the relevant Bureau Secretaries to the Council. As these are coincidentally also hot topics, people from all walks of life, including the media, hastily made some assessment and comments as it has been the practice after the entire policy address was delivered by the Chief Executive on Wednesday but well before all the Policy Objectives were given a full account. I hope the

public will adapt to this new way of delivering the policy address in the coming years and to make comments on the policy address as a whole after the entire set of Policy Objectives have been made public.

This new way of delivering the policy address seems to suggest that the Bureau Secretaries are already shouldering greater responsibilities in promoting government policies. Would this mean a first step to launch the ministerial system? Are the Bureau Secretaries playing the role of a firewall? That is to say, when these controversial topics are discussed, any scathing attacks made by the public will not get to the Chief Executive personally, and they will all be directed at these Bureau Secretaries. I think the community as a whole must adapt to this new practice and we should look at the possibility of introducing a reform like the ministerial system at this stage.

Madam President, it appears, however, that political appointment is inevitable. Whatever name we give the system, I think the Chief Executive and the public both would like to see some changes in the accountability system for civil servants. I must make it clear, however, that the kind of accountability the public has in mind is enhanced accountability of the civil servants to the community. It is not the idea of accountability put forward recently by many political figures who are not returned through direct elections, that is, the Chief Executive shall assume greater control of his camp, the members of which should be accountable to the Chief Executive personally. If this is the kind of accountability the Chief Executive has in mind, then it is most unfortunate indeed.

Paragraph 112 of the policy address reads like this: "we should examine how, under the leadership of the Chief Executive, the accountability of principal officials for their respective policy portfolios can be enhanced. That involves very complicated issues. We would need to consider devising a compatible system of appointment for these principal officials, setting out their power and responsibilities and at the same time defining clearly their role in formulating and implementing government policies under the new system." It is indeed a very important thing to set out clearly the powers and responsibilities of the principal officials. In my opinion, there should be two criteria measuring these powers and responsibilities. First, there should be a high degree of transparency acceptable to the public. Second, these powers and responsibilities must be established by way of a democratic procedure and that the public and the Council will be consulted. If these two criteria are not met, the so-called accountability

will lapse easily into accountability to the Chief Executive alone, a far cry from the public aspiration.

Paragraph 112 of the policy address has the following conclusion: "I appreciate that the people of Hong Kong would like to see the establishment of a comprehensive system of public accountability. A decision will be taken as soon as possible on the basis of our deliberations." That again is worrying. First, who are to make the deliberations? Would these include the public and representatives of public opinion? Second, who will make the decision? Would this mean the Chief Executive alone? Would there be any formal channel to enable public opinion to influence the decision to be made? The public is very concerned about the answers to these questions. If the Chief Executive is returned by universal suffrage and that he is subject to the votes of the public as a periodic assessment of his overall performance, then the Chief Executive can fall back on his mandate from the people and he may exercise greater powers and form his own camp whose members will be accountable to he himself alone. However, to date our Chief Executive is still not returned by direct elections. If the appointment of principal officials of Bureau Secretaries rank is changed to political appointment, the appointment process must incorporate some element of public opinion.

On the last occasion when the Chief Executive had a meeting with the members of the Frontier, he mentioned that the powers of the Legislative Council of Hong Kong were comparable to those of the Congress of the United States in that they both had the powers to monitor and check the executive authorities and so there were no problems. But we are aware that there are indeed differences between the Legislative Council and the Congress. For example, we do not have any powers to introduce bills and there is a difference in how the members of the Council and the Congress are returned. However, there is one thing which I think is worth our consideration and that is, the key officials in the United States, for example the Secretary of State and the grand judges, are all nominated by the President and the nominees are then submitted to the legislature for vetting and approval. The legislature may invite the nominees to attend a meeting of the Congress and answer questions. If these candidates are rejected after the question and answer session, the President may need to nominate other candidates.

Madam President, there are some mechanisms in the Legislative Council which may be used to facilitate this kind of arrangement. We have an Establishment Subcommittee and a Finance Committee and these are appropriate places to vet political appointments of key officials. Besides, there are precedents for this. When the post of Information Co-ordinator was first created, Mr Stephen LAM took the initiative to meet Members of the Council on informal occasions and attended the meeting of the Establishment Subcommittee to answer questions. I believe the Subcommittee on Procedural Matters will certainly be very happy to discuss the Rules of Procedure with a view to amending it to accommodate the needs which arise from the new arrangements in political appointment and to imbue an element of public opinion in the appointment process.

Madam President, each time when I speak on the policy address, I would talk about women's issues. This time is no exception. The policy address this year mentions the issue of helping the poor, but it has not offered any specific initiatives to resolve poverty among women. We have mentioned many times before that the problem of poverty among women is a structural problem and it must be tackled from a structural approach. The Chief Executive proposes to create 7 000 temporary jobs, including outreaching service for the elderly. In my opinion, some of these jobs are suitable to be taken up by women. That also shows that some kind of progress has been made when compared to the previous policy addresses which stated that some thousands of jobs were created in the infrastructure projects, but they were of a physical nature and only suitable to be taken up by men. I am also aware that the issue of poverty among women has been under discussion for a long time and many measures which will help women in looking for jobs have also been launched. Such measures include the extension of the hours for child care services, training programmes and support to the elderly, and so on. However, some women's groups think that these measures are insufficient and I feel obliged to speak on their behalf.

The *Hong Kong Economic Journal* today published an article by Prof LEUNG Lai-ching in which she talked about her views on some women's issues. With regard to the idea of setting up a Women's Commission, we have always been hoping that this Commission will be a central mechanism which is capable of enhancing gender equality in terms of the policy-making process, public expenditure and legislation. However, in the Policy Objectives of the Health and Welfare Bureau, reference is only made to the advisory role of the Commission and nothing else. Women's groups are therefore enraged.

I would like to point out a simple example and ask if this Commission is a central mechanism. As we all know, the executive authorities have rejected the idea of setting up a child support agency, but women's groups have all along favoured the idea. If the Women's Commission makes a decision to set up such an agency, and if those members in the Commission appointed by the executive authorities do not want to follow the Government's position and insist that the agency be set up, then will the executive authorities be prepared to introduce a bill to this effect? I am aware that the executive authorities are against this idea. But if the Commission makes a decision to the contrary, would the Commission be playing an advisory role and the executive authorities only take note of the views of the Commission, or will this proposal be put into practice?

I really hope that Dr YEOH, the Secretary for Health and Welfare, will make the candidates of the Women's Commission public as soon as possible so that women's groups may begin their lobbying work immediately. We also hope that the Commission can have a positive view on a child support agency in future. By then we shall see how the executive authorities will handle the issue and whether the Commission will play an advisory role or that its proposals can be put into practice and that it will become a central institution with powers and responsibilities.

Madam President, the people must have the right to air their grievances. I would like to make use of the opportunity to talk about the Public Order Ordinance. The fact that the Government has decided not to prosecute the students does not mean that the issues arising from the Public Order Ordinance in connection with the right to hold assemblies and demonstrations have been resolved. I very much hope that the executive authorities will hold a dialogue with different voices in society in a rational manner. As a matter of fact, some civilian groups and democrats are drafting a counterproposal. We are aware of the stipulation in Article 74 of the Basic Law that Members of the Council are not allowed to introduce private Members' Bills in this respect, but still we hope to put forward this proposal and we would like to discuss it with the Government. I hope that the Government can turn hostility into harmony and will not flatly turn down the proposal to amend the Ordinance or say that there is no need for any amendment. We should discuss this issue in detail on some occasions as to how we should deal with the rights to hold assemblies and demonstrations. If these rights are not allowed to be exercised properly, society will become a pressure cooker in which pressure continues to mount and the impact of an explosion will certainly be devastating. Therefore, I hope that in the not so

distant future, the executive authorities, the civilian groups and the Legislative Council will join hands and work out a sound solution.

Madam President, I support the amendment moved by Mr LEE Cheuk-yan.

**MR WONG SING-CHI** (in Cantonese): Madam President, I should like to speak on youth affairs, a subject which has been somehow overlooked by the Chief Executive in the policy address.

To begin with, I will speak on the problem of poverty facing the younger generation today.

According to a survey conducted in 1998, actually about 11% of our young people come from lower-income families. Yet the problem of poverty facing young people is more often than not overlooked, since they are often regarded as members of needy families. As a result, only their parents are provided with assistance, and their need for direct assistance to enable them to have proper development has all along been neglected. Indeed, we should really take time to consider ways to help these needy young people to avail themselves to the same development opportunities as other youths of the same age as theirs.

Education is the major avenue whereby needy young people can get rid of poverty. But will nine years of free education be enough to provide them with equal development opportunities? For instance, if some young people should lag behind others in their schoolwork, many parents would hire private tutors to help their children to catch up; however, to the lower-income families, private tutorial is something they cannot afford. Moreover, since the education levels of parents in lower-income families are generally lower, they are unable to help their children themselves either. At present, school work assistance is provided for school children aged six to 12 as part of the after-school care programme. But since the after-school care programme is limited to primary school pupils only and the number of subsidized places per year is just 6 000, many lower-income families cannot practically benefit from the programme.

The Democratic Party, social services agencies, as well as many parents have time and again urged the Government to provide private tutorial assistance

and subscription fee assistance; besides, we have also urged the Government to encourage or subsidize schools to organize tutorial groups to help school children with their homework. Regrettably, we can see no response in this respect in the policy address.

Extracurricular activities are very important to young people's development. This year, the Government will set aside \$50 million to subsidize school-based activities organized by uniformed groups and youth groups as a means to encourage participation by youths; besides, the international youth exchange programme and other activities will also be expanded as well. Nevertheless, it remains questionable whether or not children from lower-income families can benefit from these activities at all. Simply put, the expense on children's uniforms for participation in uniformed groups is in fact a heavy burden to the lower-income families. Apart from providing various agencies with funds to organize activities, actually we may also consider setting aside a portion of the funds to provide direct subsidy for needy young people to facilitate their participation in extracurricular activities. In this connection, some parents have requested the Government to provide them with extracurricular activity assistance, but we cannot see any response to this request in the policy address.

Owing to the various difficulties they have experienced in the process of learning, every year some 8 000 young people are unable to continue with their studies after completing Secondary Three. If these young people came from lower-income families, their future is bound to be strewn with thorns and brambles. If they should wish to seek a job, with their three "noes" — no skill, no working experience, and no commendable academic qualification — how are they going to find a job? As regards the present Youth Pre-employment Training Programme, it is but a drop in the bucket. Given their ample energy, if these young people should remain unemployed and idle for a prolonged period, they might very easily go astray and pose a danger to society. If they should wish to go back to school, the road is equally strewn with difficulties. This is because their families can hardly afford the school fees charged by private schools, ranging from \$1,000 to several thousand dollars, to say nothing of the Project Springboard. Perhaps they may wish to enroll in adult education programmes, but then the majority of the classes are conducted in the evening. If they are employed, say as a waiter, it would not be possible for them to attend those evening classes because they have to work in the evening as well. Actually, we hope that the Government can offer adult education programmes at different periods of the day and set up an interest-free loan scheme for the needy.

In 1998, for example, the Government extended the scope of the Non-means Tested Loan Scheme to cover part-time students of tertiary institutions and students of the Open University. In our opinion, young people who have not completed their secondary education are more in need of loans and subsidies, yet they are not provided with any. Besides, we also hope that the Government can introduce a voucher system for lifelong learning to enable young people who have not completed secondary school education to continue with their studies.

Among the young people in Hong Kong, the new arrivals are finding life most difficult. Given that the household income levels of new arrival families are generally lower, it is even more difficult for them to get rid of poverty. In this connection, as many of them have lived in Hong Kong for less than a year, they are not eligible for Comprehensive Social Security Assistance (CSSA). That is why we often hear about cases in which a family of several members has to live on the father's \$1,000-odd monthly CSSA payment. If their mothers were also new arrivals, in most cases it would hardly be possible for their mothers to help them to adapt to the environment here. What is more, for those young people who come to Hong Kong after reaching the age of 15, more often than not they are unable to receive secondary school education or vocational training in Hong Kong. This is because they are not eligible to receive nine years of free education on the one hand, and their academic qualifications attained in the Mainland are not recognized here on the other. To address the problem, the Government should set up an academic qualification assessment mechanism to assess these new arrivals without any local academic qualifications, with a view to enabling them to gain admission to local secondary schools or enrol in courses offered by the Vocational Training Council, thereby helping them to have better opportunities of development.

If the problems facing these poverty-stricken young people are not properly addressed today, they may extend over a period of several years to several decades, affecting even the future families of these young people. We hope that in seeking to develop the economy, the Chief Executive will not forget these people who have been overlooked for a very long time.

Even though this year's policy address has talked about enhancing the various services for youth at risk, the strength of the existing integrated children and youth service teams will be enhanced with an additional social worker or two only — more exactly put, slightly more than a dozen additional social workers will be deployed to the eight existing integrated children and youth service

teams — to offer help to young people who needs support during the night. That being the case, it is not surprising that the police has recently imposed a curfew on young people in certain districts. In this connection, any young people found loitering on the streets in the middle of the night will be arrested; as for those who have been arrested for three times, their parents will be "summoned" to have a talk with the police while the youngsters concerned will be forced to receive counselling by social workers. But this measure is in fact putting the cart before the horse. The services for these young people are visibly far from enough, and the Government should allocate more resources for services on this front, so that more social workers can be deployed to provide nighttime outreaching youth work services.

On the other hand, with regard to problems like teenage suicide, youth emotional problems, and violence in schools, we are also aware that the policy address has made no mention of such problems or any specific measures to help the youngsters concerned. In fact, young people with these problems have to be dealt with individually by way of personally counselling in mental and cognitive development. However, instead of providing any additional resources for youth services, the Government has only allocated the existing youth services resources for delivery of school social work in secondary schools. As a matter of fact, school social workers are already overburdened with cases in schools, they just cannot find any spare energy to provide cognitive development counselling or other services to help our young people. Naturally, these services have to be provided by children and youth centres or other social service agencies. But then rather than providing more resources for children and youth services, the Government has even redeployed the resources of many children and youth centres for other purposes. Under such circumstances, how can proper services be provided for the young people concerned? For these reasons, we hold that the Government should re-allocate more resources to social service agencies to enable them to work in collaboration with school social workers and other school workers to provide non-case-based education and training services in relation to the mental development young people. At present, school social work services are available in secondary schools only. However, the Democratic Party holds that since precautionary measures should be taken to tackle the various youth problems as soon as possible, school social work services should be extended to primary schools to enable the future leaders of our society could be provided with the necessary help promptly.

Madam President, the youth services mentioned in the policy address only serve to gild the lily. Although the Government is ready to draw several hundred million dollars from the public coffers to set up a youth leadership training centre, it has not offered any time assistance to young people in disadvantaged conditions. What is more, it has even reduced the service provided by children and youth centres and some other youth services which cost only a few million dollars. This is no different from putting the cart before the horse. I just hope the Government can appreciate that the opportunity to receive leadership training is not the only thing that our young people need nowadays, and that on top of all they need government resources and assistance to enable them to resolve the various difficulties in their daily lives and in their course of growth. Hence, I earnestly hope that the Chief Executive can take a further look at the problems faced by the young people in Hong Kong are faced with in other aspects of their lives, and then formulate practical long-term plans for them.

Madam President, I so submit.

**MR LAU PING-CHEUNG** (in Cantonese): Madam President, the Chief Executive's policy address is welcomed as a whole by the public, yet at the same time it still has room for improvement. Here, I should like to comment on a number of topics as follows:

*(1) Sustainable Development*

The discussion of the subject in the policy address is largely focused on issues of public concern like air quality, water quality, sewage disposal, and so on. In this connection, I hope the Government can expeditiously put into effect the relevant measures and make a good job of it. On the other hand, the policy address has scarcely mentioned such issues as environmental approaches to town planning, green building design, environmentally-friendly development and clean methods of construction. We therefore hope that the Government will have more consultation with the town planning and construction professions as far as possible, with a view to drawing on collective wisdom and making a concerted effort to formulate policies on sustainable development for Hong Kong.

*(II) Housing Policy*

Apart from being the largest land supplier, the Government is also functioning as the largest developer in Hong Kong through institutions like the Housing Authority and the Housing Society. As such, the role of the Government in this respect has a very important bearing on the supply of land and property. Ours is a free market economy, and the Government should therefore make every effort to refrain from intervening in the operation of our markets, including the property market. Certainly, the real estate sector does not wish to see too much government intervention in the market; but it does not follow that the Government can simply remain an onlooker in adopting a non-intervention policy. In the wake of the regional financial turmoil, many flat owners in Hong Kong have incurred negative assets. As such, the decision of the Government to cut back on the production level of Home Ownership Scheme flats and to vote more funds for the various housing loan schemes should be helpful to giving support to and stabilizing the property market.

As regards land disposal, since the lots put up for sale are usually larger in size, the premium involved can amount to several hundred million dollars, thus making it very difficult for the small and medium-sized developers to bid for lands. Without a doubt, the planning work for larger-sized lots is comparatively easier and the properties developed are more welcomed by flat buyers. But since only a few large consortia can participate in bidding for such lots, the accommodation value will remain at low levels, which means the Government will have less premium income. For this reason, I urge the Government to carve out and put up for sale some small to medium-sized lots where possible, so that the small to medium-sized developers can also participate in the bidding. That way, the accommodation value can be raised, and hence the Treasury will not be criticized for selling land at cheap prices. Besides, more business opportunities will also be created for small to medium-sized architectural firms and other relevant consultancy firms.

*(III) Civil Service Reform*

The various civil service reforms introduced in recent years, including the Enhanced Productivity Programme, outsourcing, corporatization, and so on, are aimed at attaining higher efficiency and competitiveness enhancement. Notwithstanding the commendable objectives, the details of these reforms are more often than not open to question, in particular the schedule, scale and

sequels to such reforms. In this connection, the crux of the problem seems to lie in the lack of detailed consultation with affected civil servants beforehand. Hence, the reforms were met with considerable resistance when they were launched, and in turn served to cause disharmony in society. I hope that the Government can have full consultation and compromise with the relevant members of the Civil Service before introducing any reforms or new policies, with a view to agreeing on a balanced proposal acceptable to both parties before announcing the commencement of the reform concerned. That way, the reforms and new policies will be more readily accepted by the people, thereby adding to the harmonious atmosphere of society.

#### *(IV) Our China Advantage*

All along, when seeking to develop business opportunities in the Mainland, the various professional bodies in Hong Kong have to launch promotional exercises on their own initiative and in their own ways. In the event of any problem or difficulty coming up, they have to tackle it on their own. However, in this policy address, the Chief Executive has unusually given us an undertaking that the Government of the Special Administrative Region (SAR) would make every effort to keep our local professionals well informed of developments in the opening up of the China market. As far as I can remember, this is the first time ever that the promotion of professional services is mentioned in the policy address. From this we can see that the SAR Government has attached great importance to our professionals and will help them to open the enormous professional services market in the Mainland. I certainly cannot represent all the professionals in Hong Kong, but as the convenor of 10 professional bodies as well as one of the initiators of the coalition of professional bodies, I should like to take this opportunity to express our gratitude to the Chief Executive and the SAR Government.

As regards the concrete arrangements, I very much hoped that the Government will appoint a senior government official at Director of Bureau level or higher to assist the various professional bodies to develop the mainland market. Over the past few years, the professional sector has received considerable help from the Trade Development Council (TDC), and I believe the professional sector is as grateful as I am to the TDC. Nevertheless, the TDC does have its limitations. When it comes to policy-making or communication at government-to-government level, for example, there is indeed nothing the TDC can do. Given the vast network of TDC offices in the Mainland and the

concerted effort made by the professional sector, I am sure our local professionals would be able to gain a considerable market share upon China's accession to the World Trade Organization and in the development of Western China if we could have the support of the Government.

With these remarks, Madam President, I support Mrs Selina CHOW's original motion.

**MR CHAN KWOK-KEUNG** (in Cantonese): Madam President, the theme of the policy address this year is "Serving the Community, Sharing Common Goals". I will be speaking mainly on the views of the Hong Kong Federation of Trade Unions (FTU) and some trade unions on training policies under the topic of "helping the poor and the needy."

To narrow the gulf between the rich and the poor, an important element is education. However, as we look at vocational training in Hong Kong, we find that it lacks a ladder for continuous training of manpower resources and overall support. Thus its effectiveness is doubtful. The FTU endorses the proposals in the policy address to enhance the competitiveness of our workers in the labour market by way of training and retraining. For example, the Government has earmarked \$400 million for a wide variety of training programmes in the next two years for both employed and unemployed workers with low education levels, aiming to help them upgrade their skills. The FTU supports all these measures. In addition, the Government proposes that, starting from the next financial year, an annual recurrent subvention of \$400 million be allocated to the Employees Retraining Board (ERB) so that it has a more stable source of funding, and can therefore draw up plans for the longer term. The FTU welcomes the Government's adoption of its proposals in respect of the courses offered by the ERB on self-employment and the joint study by the ERB and the Education and Manpower Bureau into the feasibility of setting up a business start-up fund. These measures will assist marginal workers who have either lost their jobs or joined the low-income group due to a structural change in the economy.

After training, however, can workers find work and resolve their poverty problem? When I attended a residents' meeting recently, many workers told me that after training or retraining they still could not find work which could utilize the training they had received. The FTU thinks that their failure to find suitable work is mainly caused by the lack of matching measures for the training

system. For example, no consideration is given to middle-aged people who are encumbered with financial burdens, or single mothers bogged down by pressure from looking after their families. These burdens result in their training opportunities being directly affected. Thus it can be seen that providing training alone may not fit the reality faced by poor people. This shows the Government does not really know sufficiently about the plight of the workers or the unemployed. Therefore where training programmes are concerned, the Government has to help the grassroots to overcome livelihood difficulties and enhance other supporting social services.

The FTU suggests the Government to conduct an overall review of the training structure and post-training job placement arrangements. First, training programmes are not sufficient. A mere 50 000 places can be created with \$400 million, falling far short of meeting the needs of the 65 000 marginal workers. In addition, in the design of retraining programmes, the Government should target at the new skills required of grass-roots workers in the new economy. It should cater to the present needs of society. After obtaining the recurrent subvention, the ERB should increase the subsidy to trainees and design more practical courses to upgrade their skills. As regards the development of "community economy", the FTU maintains that the Government should provide more supporting services such as market information, rental concessions and tax concessions for co-operatives or community recycling industry.

In this year's policy address, a series of policies on human resources training was announced. However, there has not been any in-depth analysis on the issues which have long been pointed out by the FTU, namely the overlapping of work in the training structure and ambiguous demarcation of powers and responsibilities among different departments. The FTU suggests setting up an employment commission to co-ordinate matters about training and employment so that departments will refrain from doing things in their own ways or competing for resources. We need to look at, for instance, the possibility of overlapping in the planning, courses or scope of services provided by the Vocational Training Council (VTC) and the ERB. The FTU also holds that the ERB should focus its work on retraining while the Labour Department should be responsible for matching jobs for workers after training. The work of both organizations should not overlap but they should complement each other. And they should assist each other as well. For example, the Labour Department should give employees, employers and the ERB information on the labour market so that courses will meet the requirements of the market. In this way,

no job vacancies will be left unmanned and no worker will be left without a job after training. Ultimately, the best way is still setting up an employment commission to co-ordinate matters about training and employment.

On the other hand, the FTU suggests that the Government to grant tax concessions as an incentive to employers who provide on-the-job training to their employees to enhance their capabilities and productivity, for the benefit of increased cost-effectiveness. The FTU is also pleased to see that the Government has set aside \$10 million to help about 2 000 long-term unemployed workers aged above 40 by deploying outreaching staff to provide relevant information on employment and training courses to them. But the number of unemployed and marginal workers total more than 2 000. So, the 7 000 jobs to be provided by the Government will not alleviate the present plight of the marginal workers. Therefore the FTU suggests launching a "re-employment support scheme" and restructuring the training structure. It should make training more focussed and encourage on-the-job training. All these can tackle problems such as the increasing number of marginal workers, the approximately 4.8% unemployment rate and the disparity between the rich and the poor.

Lastly, though the FTU is worried about the effectiveness with which government departments implement their policies, it is still of the view that the policy address is pragmatic, that it can tackle the problems of unemployment and disparity between the rich and the poor, and that it has adopted many suggestions from trade unions. So, I support the original Motion of Thanks as proposed.

Madam President, I so submit.

**MR ANDREW WONG** (in Cantonese): Madam President, my speech today is mainly directed at the accountability system, and I would like to express my views on the topic. Back in 1997, I had a meeting with the Chief Executive soon after he had assumed office. We had a fairly long conversation and I told him my views explicitly. However, he makes a proposal in this regard only now. Although it is pretty late, it is always better late than never. At least, we have made the first step. But having listened to our debate yesterday and today, I am worried about the fact that many Members have divergent views on the accountability system. In that case, I find it necessary to share with Members my views, especially those on certain issues. The former Panel on Constitutional Affairs reached a consensus in the last month of the last term that

we should study the accountability system for senior officials. The proposal was debated and all of us approved of it. Nevertheless, after listening to the views expressed by Members today, I reckon Members seem to be moving in different directions. Where does the divergence lie? Members may not have very divergent thinking, but they may have divergent views on the accountability system itself, for example, the features of the eventually implemented accountability system and the problems it can solve.

I understand that we cannot rigidly move or transplant certain foreign systems to Hong Kong because we are unique and have our own historical development. However, we cannot say that Hong Kong is so particularly unique that what is implemented in a foreign country will not be applicable to us or that only what we have casually invented are applicable. I would like to share the following views with Members. Firstly, are there problems with the definition of a ministerial system? What is a ministerial system? It is indeed very simple. The principal officials in the executive authorities of the Government must be politically appointed, and a political appointment can be either by election, or by appointment by the chief executive in office. The chief executive or monarch — whether he is elected or not, or the majority party in the parliamentary assembly will appoint a certain person as the prime minister, more or less after voting in support of him. After the official who is not elected has been appointed as the Prime Minister, he will select some candidates for appointment as his principal officials. The terms of office of these principal officials are not protected. With the exception of the elected person who has a fixed term of office, all the other appointed principal officials do not have a fixed term of office and they can be dismissed or required to vacate office at any time as a result of their faults or, otherwise, political needs. For example, they may be cast from office when a cabinet reshuffle is required. Thus, these officials have to be individually accountable while the executive authorities including the cabinet or ministers have to be collectively accountable to the public or the parliamentary assembly.

Secondly, we have heard many people remark that if the British system cannot be put into practice, the American system may be better or we can either adopt the British or the American system as it is most important to put such a system into practice. In my view, we should be clear about the mode specified under the Basic Law or what mode is similar to it. It is not a question of the difference between the British and American systems, and we have basically adopted a parliamentary political system (or a parliamentary system), as opposed

to a presidential system. There is a parliamentary assembly under a parliamentary political system, regardless of whether it is elected or not. The previous Legislative Council was not elected and it was there to restrain the Government from abusing its powers. That was the role and responsibility of the legislature, that is, the Legislative Council, in the past. Once the legislature neglects its duty of restraining and criticizing the Government, it will naturally be criticized by public opinion for dereliction of duty. The legislature cannot collude with the Government, but certainly they will very often share their views and consult each another. They may agree with each other and even share some power, but the legislature must play a monitoring role. However, a presidential system is a different thing. It stresses the division of powers and checks and balances. Under this system, the legislature has the right to legislate and introduce all bills and the President does not have the right to introduce bills. Now, we can see that this is not the system we are practising. Our bills are not introduced by the legislature but mostly by the Government. Under a parliamentary system, be it in Britain, France or Germany, all bills are introduced by the Government and government bills will be given priority and different countries have different mechanisms for priority. We may be more stringent or stricter, but we have basically adopted the parliamentary system all along. Therefore, we need not doubt if this is an American system. Some have said that they do not like the British parliamentary system, probably because under the British system, the principal officials are parliamentarians, and they wonder whether they can play the two roles concurrently. Under the British parliamentary system, it is specified that all principal officials must be concurrently parliamentarians and those who are not parliamentarians are not eligible for office of principal officials. Yet, we should also know that under our parliamentary political system, concurrent appointment has three different modes. The British mode allows the concurrent appointment of parliamentarians and the French mode disallows the concurrent appointment of parliamentarians. Once a parliamentarian is appointed as an official, he must resign from the parliament and a by-election will be held for his seat. The German mode allows the concurrent appointment of parliamentarians but it is not essential to appoint parliamentarians as principal officials and the appointee can choose either one of the offices. Before 1985, the principal officials of Hong Kong were also Legislative Council Members and that was concurrent appointment. I can say that all Legislative Council Members were concurrently officials at that time.

Thirdly, must the Chief Executive be returned by popular elections before an accountability system can be implemented? Let us consider the parliamentary political system. Under this system, most chief executives do not have real powers, but the Chief Executive is now endowed with solid powers under the Basic Law. Must a Chief Executive with solid powers be returned by popular elections? Under a parliamentary political system, some chief executives, say presidents, actually have enormous powers. The French President is one example. He is returned by popular elections but we must bear in mind that the French President was only returned by popular elections since 1962. In 1958 when the Fifth Republic was just established, the President was indirectly elected. Therefore, we should not blindly believe that the Chief Executive must be returned by popular elections before an accountability system can be implemented. Who should the officials under this system be accountable to? We have discussed for several times whether officials should be accountable to the Chief Executive. Of course, they should be accountable to the Chief Executive. Under the French system, they are obviously accountable to the Chief Executive, that is, the President. Under the British system, they are accountable to the Queen but as the Queen does not exercise power in reality, they are accountable to the Prime Minister. A main feature of an accountability system is that these officials on political appointment must be accountable to the parliamentary assembly and they must be accountable to the people through this assembly. Similarly, the Basic Law specifies that the executive authorities must be accountable to the legislature. Under a parliamentary system, principal officials are accountable to the public through the parliamentary assembly. However, we cannot say that principal officials are therefore not accountable to the parliamentary assembly but only to the Chief Executive. I must clarify this point.

Fourthly, the politicization of civil servants. If we want civil servants to remain apolitical and neutral, we must divide public servants into two tiers: the permanent tier should comprise civil servants appointed on permanent or contractual terms while the political tier should comprise principal officials who must be politicized because they must be held politically accountable. Thus, implementing an accountability system will conversely make the Civil Service non-politicized and ensure that civil servants can express views that are stable, faithful to Hong Kong and for the public good, for reference by the principal officials, the Chief Executive and Members. Certainly, they must express their views and work anonymously and they are the so-called "anonymous civil servants" who cannot declare their position or peddle ideas to the public. These

are the responsibilities of politically appointed principal officials. These officials should make contact with the public and Members and peddle ideas to the public and Members in order to carry through their thinking, ideals and policy objectives.

Fifthly, what is the relationship between the principal officials in the cabinet and the Executive Council? Putting it simply, although all members of the Executive Council before 1997 were outsiders who did not have any portfolio, it still evolved gradually into a cabinet with solid powers. Therefore, I think that the composition of the Executive Council could be changed after 1997 in the way as described by Sir SY CHUNG, that is, the number of unofficial Members can be reduced to two or three and all the other seats could be taken up by officials. The Executive Council should advise the Chief Executive, just like the French Cabinet which should advise the French President. The President exercises power in name but the Cabinet makes decisions in reality. As the Cabinet offers the President advice and makes decisions for him, the Cabinet should be held accountable for these advice and decisions.

Sixthly, I would like to discuss the relationship between the Chief Executive and the Chief Secretary for Administration. Sir SY has said that the Chief Secretary for Administration should remain the head of the Civil Service, therefore, she should not control other officials. There will then be two modes. If we put the Chief Executive into the French model, when the President appoints a person as the Prime Minister, the Prime Minister will then recommend certain people to be principal officials. Thus, he becomes the head of the principal officials and the civil service has nothing to do with him. As the principal officials including the Chief Secretary for Administration and other principal officials are politically appointed, the civil servants should have another civil servant as their head, and he is then the Head of the Civil Service. Subsequently, the internal advancements of civil servants and the sound administration will only be the internal affairs within the civil service establishment, and these politically appointed principal officials should not bother about them. Only in this way can we establish an accountability system.

Lastly, I would like to discuss the issue of contract. Although this issue was mentioned in our report, I would like to emphasize that they are merely flexible contracts that pander to our tastes. I dislike this very much and I am more inclined towards straightforward political appointment, without contractual protection or flexible terms such as the circumstances under which they may be

dismissed. In fact, this is not preferable and we need greater flexibility than this. Therefore, these officials should no longer be regarded as civil servants on contractual terms. Once there are contracts, legal disputes will invariably arise. We should immediately implement an accountability system, and it has little to do with whether the parliamentary assembly is elected. Even without an elected assembly in the past, after the principal officials had been politically appointed, they naturally were accountable to the public through the assembly. If the assembly did not hold the principal officials accountable, the public could hold them accountable through holding the assembly accountable. Consequently, the principal officials concerned might be dismissed. Nevertheless, all the principal officials are now protected by "impregnable cocoon". Even though they are not on permanent appointment, they have contractual protection. For instance, a contract may specify an official's term of office as two or three years and it appears that dismissing an official is an arduous task. Furthermore, Mr TUNG Chee-hwa has now proposed a contractual system. Even though officials are appointed on contractual terms, the contracts should not guarantee their terms of office and they should only specify the remuneration and fringe benefits such as official residence, limousine transport services, and so on. The terms of a contract should not guarantee that a principal official must be able to retire when he is 55 or 60, or that he will not be dismissed within three years.

Madam President, I think that it is necessary for me to make these points. I hope that the Panel on Constitutional Affairs will make these its key area of work this year, co-operate with the Government and carry out studies and have exchanges together in the hope of completing the work this year smoothly. I hope that the work will be completed as soon as possible and we will not wait until 2002 (regardless of whether the Chief Executive has his term of office renewed or not) to implement the new system after a new Chief Executive has assumed office because the longer the delay the more hitches, and the new Chief Executive may not like this arrangement.

I am very grateful to Mr TUNG for meeting me on 22 September. I only told him that, "Mr TUNG, I would like to tell you that my campaign slogan of "eliminating three evils and establishing three virtues" and my appeals were sincere words. They were not intended to "oppose TUNG" or "support TUNG", but to protect TUNG instead. Protecting the people will mean protecting TUNG and protecting TUNG protects the people. If you can accept these views, Hong Kong will naturally become better." Mr TUNG has

accepted the "small government" argument but it seems that he has only touched upon this lightly in the policy address. He has also accepted "turning hostility into harmony" which is connected with the third evil. Yet, the main point revolves around the conspiracy theory: so long as we are not suspicious of or hostile to others or opinionated, and we do not speak highly of our virtues, we can really turn hostility into harmony. This is a bilateral approach as it is inadequate for us to merely criticize others and attack Mr TUNG and the Government. We should also review whether we have committed the same mistakes.

Finally, Madam President, thank you for your indulgence of my unrestrained exposition.

**MR DAVID CHU** (in Cantonese): Madam President, this year's policy address of the Chief Executive is a pragmatic one. It has addressed the looming difficulties and challenges Hong Kong now faces and issues of enormous concern to the community. It may be said that it is appreciative of the sentiments of the people, aiming to serve the community. After all, the general public concern more about the overall economic environment of Hong Kong and their own living conditions than anything. From an objective point of view, Hong Kong economy is recovering, the property market has been stabilized and there is ideal growth in trade. However, the poverty problem is apprehensive. For that reason, I shall concentrate on discussing the Government's measure of helping the poor and needy by creating 15 000 new jobs, which is one of the three major issues in the policy address apart from education and governance. The Hong Kong Progressive Alliance (HKPA) supports the decision of the Government. However, we consider the Government can do more and better in this area.

The Chief Executive undertakes in his policy address that the Government will create 15 000 job opportunities beginning next year. However, 8 000 of these are new jobs as a result of normal expansion in government services, and only 7 000 are actually intended for the underprivileged. Nowadays, many of the 170 000 unemployed people in Hong Kong are among the underprivileged, thus 7 000 temporary jobs can hardly meet the overall demand at all. Therefore, the Government should increase the number of new jobs to 30 000.

Firstly, the cost is affordable to the Government financially. According to the figures provided in the policy address, the SAR Government will bear an

annual expenditure of \$640 million for the 7 000 new jobs. In this financial year, the total expenditure of the Government is \$287 billion. Even if the number of these new jobs is increased by four times, the expenditure will increase to \$2.6 billion, accounting for only 0.9% of the total expenditure. Being a commercial and professional body, the HKPA considers the Government should uphold its philosophy of financial prudence. However, under the same premise, we consider the Government should also answer the demand of the community flexibly by launching some measures to maintain social stability.

The fact that the Government will increase spending in creating jobs instead of increasing social welfare spending shows that Hong Kong is not going to take the road of a welfare society, nor will it give away money to the poor direct. After all, the Government's expenditure on creating employment opportunities will not turn into a recurrent spending.

In fact, if the Government can increase the number of new jobs in response to the demand of society, it is indeed killing several birds with one stone. Firstly, it can alleviate the unemployment problem quickly, as those salaries will be converted into domestic consumption, which is helpful to stimulating the economy. Secondly, it is a kind of social investment beneficial to Hong Kong. Considering our level of economic development, the people of Hong Kong should enjoy higher quality social facilities, environmental hygiene and health care services. Now the Government is heading in the right direction with its increased investment in these areas. Furthermore, to the underprivileged, getting a job is more than improving their livelihood. The importance of being employed is that it will help to sustain their confidence and maintain the connection among themselves, the job and society, which will eventually help them to find jobs in the future.

Madam President, unemployment and poverty are structural problems, thus the Government should consider them comprehensively and formulate abatement measures at different policy levels. This is the only long-term solution. Certainly, all walks of life and every social stratum should exert joint endeavours in helping the poor and needy.

Lastly, Madam President, I would like to talk about the development of the financial markets in Hong Kong. In the wake of the abolition of the system of minimum commission in two years' time and the introduction of the third generation auto-matching system, the trend for customers to do transactions on-

line will inevitably be accelerated. Eventually it will become difficult for local securities brokers serving as intermediaries between buyers and sellers to maintain a stable income on a long-term basis. The financial services sector, especially small and medium-sized securities brokers, is indeed facing enormous challenges affecting their survival and development. The HKPA considers the Government can at least improve the business environment of the financial services sector in the following three areas:

Firstly, in formulating the composite Securities and Futures Bill, the Government should provide the industry with a reasonable and relaxed business environment in addition to a healthy and sound regulatory measure. In order to make the policies of the regulatory authority meet the needs of the industry, the Government should invite more people from the industry as members of committees and organizations at every regulatory level;

Secondly, the Government should do its best to help the industry, in particular small and medium-sized market participants, to liaise actively with relevant authorities on the Mainland for the promotion and reinforcement of communication and co-operation between local market operators and their mainland counterparts, to fight for opportunities of developing business on the Mainland, to promote the cross-market listing of local listed companies, to bring into full play the status of Hong Kong as the logistics centre for precious metals, and to fight for the recognition of professional qualifications of registered local service personnel on the Mainland; and

Thirdly, the Government should improve the supervision: the Government and regulatory authorities should make every endeavour to protect the statutory monopolized status of the Stock Exchange which oversees and regulates the development of all sorts of derivatives, over-the-counter transactions and electronic transactions, and stem unregulated kerb trading. This will be helpful to protecting the interest of investors, in addition to providing against financial risks and market manipulation.

China's accession to the WTO and the opening up of the investment market by the Mainland will not only facilitate the interflow of capital, but also give greater depth to the development of the capital market on the Mainland. This is indeed going to be a major opportunity for our financial services sector to

broaden their space of survival and growth. The Government should assist local financial services institutions to explore potential service areas, providing professional support to the Mainland and maintaining a business environment allowing "the big and the small to run their own courses".

With these remarks, Madam President, I support the original motion.

**MR FRED LI** (in Cantonese): Madam President, after the Chief Executive delivered his policy address, I went back to my constituency (East Kowloon) to listen to people's views, distributed over 7 000 leaflets on the policy address and held about 10 consultative meetings and on-street publicity campaigns of various scale. We heard many people criticize this policy address and some had even written down their views (because I had asked them to write down their views on the leaflets and fax them to us). Having received a leaflet from me, this man immediately wrote this on the leaflet: "Members and government officials should visit the factory area and take a look at the letting and recruitment advertisements, and they will know what a miserable life the general public is leading."

The people expected the Government to make more realistic efforts to help the poor and on employment so that results can be produced within a year instead of idealistically shouting publicity slogans.

A person faxed to me his views on early childhood education. He wrote that "the people in the lower stratum should fight for the exemption of kindergarten fees .....". I believe this person must have noted that the Chief Executive has stated in the policy address that "we must ensure that no child is deprived of the chance to enjoy early childhood education for financial reasons". Yet, is that really the case?

All parents in Hong Kong know that the nine-year free education provided by the Government does not include early childhood education, so, parents very often have to pay expensive kindergarten fees. The previous Legislative Councils have indeed criticized the Government for ignoring early childhood education for long. Yet, the current academic structure review still shuts early childhood education out of the formal education system.

On the contrary, advanced countries in Europe and America put a lot of emphasis on early childhood education and they think that education at this stage is critical to students, both in respect of knowledge and ethical education, and it also helps to upgrade the per capita quality of society, directly improving creativity and competitiveness of society. Therefore, these countries are not miserly with resources for early childhood education. Compared with these countries, our Government is really lagging far behind the education development of advanced countries.

I would like to discuss two other points, namely, the housing problem and the fair competition policy. At a meeting of residents, I heard many residents of public housing and Home Ownership Scheme (HOS) flats express their views on the Housing Authority and the housing policies. Although the Chief Executive has emphasized that we must respond to the appeals of the community in respect of the accountability of senior officials, he seems to have ignored that we should give consideration to the people's supervision of and participation in policy formulation and implementation.

I would like to give a few examples of the housing problems that people have reflected and disheartening practices they denounced. They include:

- some inhumane policies. For example, two people aged over 60 are allocated with a small flat of only 16 sq m in redevelopment estates. After putting two beds in the flat, they can only stand, without any space to move around. A flat like this is inhabitable.
- another unreasonable measure that fails to show sympathy for the people's difficulties. The Government has recently relocated residents affected by the clearance of the Diamond Hill and Kowloon Bay Temporary Housing Areas to the interim housing in Tuen Mun, totally ignoring the inconvenience they experience when they go to work and school; and
- an indifferent attitude — the newly completed public housing and HOS flats have irregular quality. There are leaking walls, spalling tiles, defective building designs with potential fire hazards and drying facilities which cannot be used. The authorities concerned are often unwilling to bear responsibilities afterwards. They pretend that they have not heard the questions raised by the residents and shift the responsibilities onto the contractors.

Are these work concepts really "serving the community" as the Chief Executive has said? Throughout the years, I believe that most of the complaint cases received by the Complaints Division of the Legislative Council and the Office of the Ombudsman were related to housing. Have the Housing Authority and the Housing Department really cared for people's needs? When we review the structure of the Housing Authority in future, I think we must invite some representatives of the people to participate in order to practically reflect the views of users, formulate policies that look after the interests of the tenants and really achieve the Chief Executive's objective of "serving the community". Before discussing the competition policy, I must express my views on the dissolution of the two Municipal Councils that took effect this year.

Madam President, the Chief Executive has stated in the policy address that "we have reformed the municipal framework in order to provide more efficient services to the public". I still remember that the Government always emphasized enhanced efficiency of administration throughout the district organization reform. Today, the Environment and Food Bureau has been established for 10 months but it is set out in the Policy Objectives pamphlet of the Bureau that the progress of more than 10 projects has been slower than expected and its performance is worse than that of other Policy Bureaux. What happened?

The public certainly expects the Government to provide better municipal services, but is that really the case? The Democratic Party conducted a series of surveys on municipal services a few months ago and we noted that the hygiene conditions of five-star food establishments still needed improvement and many people reflected through the public opinion surveys that they were quite dissatisfied with the hygiene conditions of public toilets.

As to the municipal works projects, I am afraid more than 100 leisure, cultural services and environmental hygiene facility projects consigned to limbo by the Government have not only been delayed but even disappeared. Thus, the residents of certain districts are not duly provided with municipal services. While the Chief Executive wants "to provide services to the people more efficiently", he should make this point more clearly and clear up our doubts.

After the reorganization of the municipal framework, the Government has stressed the importance of administrative efficiency time and again but evidently it has seriously ignored the participation by the public. Although the

Government has said long ago that a library consultative committee and a museum consultative committee would be established, when will they be established? It has been 10 months since the "scrapping" of the Municipal Councils, there are still no signs of the consultative committees, and the public policy formulation process has also become substantially less transparent. In the past, with elected representatives in the Municipal Councils, the public was informed of the progress of municipal services projects and policy implementation through the Municipal Councils. The debates by Municipal Council Members also reflected the views of the public and facilitated the formulation of the relevant policies.

But now, just like other Hong Kong people, we know nothing about the progress of the Government's review. The Government will later introduce these issues to the Council for consultation, but the Council is unable to examine issues that were the concern of the Municipal Councils in the past. We can only express our views and the effects of our views on the final decisions to be made by officials can hardly be compared with the effects produced during the time of the two Municipal Councils.

Finally, Madam President, I would like to discuss the fair competition policy. There are many reports on the European Parliament in the newspapers today and some of them are about fair competition. Some European Parliament Members have mentioned that some European businessmen are doing business in Hong Kong and Hong Kong businessmen are also doing business in Europe. As most European countries have fair competition laws, Hong Kong businessmen who make investments in foreign countries or Europe are protected. But as Hong Kong does not have a fair competition law, businessmen who make investments in Hong Kong are not protected and they are not given reciprocal treatment.

It is a great pity that the Government (Secretary Sandra LEE has just left) has responded very simply that Hong Kong does not need to enact a fair competition law. The telecommunications policies that Secretary Carrie YAU is in charge of comprise a lot of measures directed at ensuring fair competition in the telecommunications industry and they prevent people from contravening the principle of fair competition. They are definitely essential and very good and they deserve my support. However, do we have to wait until something goes wrong in individual industries and put out the fire when it breaks out but remain indifferent before a fire breaks out? We may not know that a fire may have

broken out somewhere. Is the Government deceiving itself and paying no attention to the existing problems?

Hong Kong is a city dominated by commerce and trade, and any adverse comments made by foreign countries on the investment and business environment of Hong Kong will directly undermine the confidence of investors. Therefore, I really doubt if the Government has verbally refuted the criticisms of foreign countries only but failed to take concrete actions to counter the allegations. Can the Government calmly analyse why people will think so rather than indicating that there is no problem and that Hong Kong is fine at the first instance, as if this will solve the problems. I think that this is an ostrich policy.

There were actually many examples of cases related to market monopolization in the past year. For example, some lawyers bid for the property assignment agreements of the Housing Authority by collective bargaining. Early this year, various mobile telephone networks tried to raise the monthly fee for mobile telephones simultaneously and, recently, the price of all newspapers has collectively increased by \$1. Yesterday, a person asked me why he did not have any choice. Why was the selling price of all newspapers increased to \$6? Why was the selling price of all newspapers increased by \$1? Why? Are these people allowed to determine prices arbitrarily? Do consumers have the right to choose? Similarly, when we refuel our cars, the quality of the petrol from different oil companies is more or less the same but the prices are identical. Do they have the same costs? Are the salaries and operating costs of each and every company the same? This is utterly impossible. But why is the retail price the same? Can we examine these problems? Has the Government discovered these problems?

Oil products, supermarkets and rice are closely linked with people's livelihood and there are actually market monopolization and collective bargaining. It can be said that consumers are wantonly oppressed and they are not protected at all. This policy address has not touched upon fair competition but I would like to emphasize that Hong Kong and the international community are very much concerned about a business environment with monopolization and unfair competition. Indeed, we should not ignore or be indifferent to the remark that the local market is monopolized by large consortia.

The European Parliament has urged Hong Kong to enact a fair competition law early and I think that a market with fair competition is significant in promoting our economic growth, protecting consumer interests and creating a fair business environment. The Honourable SIN Chung-kai and I have jointly introduced to the Council a private Members' Bill on a fair competition law. I hope that the Government and Secretary Sandra LEE will adopt an open attitude and seriously examine this bill on fair competition so that the Council can discuss this bill with far-reaching implications. I also hope that Members will support our views.

Madam President, I so submit.

**MR HENRY WU** (in Cantonese): Madam President, the fourth policy address delivered by the Chief Executive on 11 October has given us a brand new feeling as well as surprises. Instead of following his usual practice of reading out the policy address without raising his head, the Chief Executive delivered the policy address for the first time with the help of technology. Moreover, it is evident that he has learned from experience for he has trimmed the policy address by leaving out the lengthy and unnecessary issues. As a result, he drastically cut the time he needed to deliver the policy address to one hour and 45 minutes. As a matter of fact, the performance of the Chief Executive in delivering the address has been highly praised by members of the public.

I consider the policy address pragmatic, steady and to the point. In general, it has been able to meet the aspirations of various sectors, particularly in the areas of education, helping the poor and governance of the Special Administrative Region (SAR), in a focused and balanced manner. Like most people in the community, I support the policy address. I appreciate that the policy address, containing a mere 21 000 words, can only highlight the Government's major policy direction. As for policy implementation, it will in turn hinge upon the measures taken by various Policy Bureaux in implementing and co-ordinating various policies.

Madam President, in order to give Members a good understanding of how Policy Bureaux are going to implement their relevant policies, 17 bureaux have arranged a total of 20 briefing sessions for various Legislative Council panels over seven consecutive days after the delivery of the policy address. I tried my best to attend these briefing sessions though regrettably I could only attend 17 of them.

In each briefing session, I paid great attention to the reports made by government officials, questions raised by Members as well as the atmosphere of the meetings. If I am to use weather report jargons to describe the atmosphere of the 17 briefing sessions I have attended, I would say it was "sunny but occasionally cloudy" for most of the time but "cloudy with light rain" occasionally, with the issue of "thunderstorm warnings" in some briefing sessions. I was given the impression that meetings that were particularly charged usually had something to do with the purview of individual Policy Bureaux, recent events, questions raised by Members and the failure of officials in giving relevant responses. Briefing sessions would become charged when Members cast doubts on the practice of government officials. Similarly, hostility would inevitably build up when government officials, Members of this Council and the public failed to hold discussions in a peaceful manner.

Madam President, the governance of the SAR Government and, in particular, the accountability system, have recently become the focus of debate among the public and many Honourable colleagues. Although the Chief Executive stated that the Government should "respond seriously and undertake a thorough review", no mention is made of this in the pamphlet outlining the policy objectives of the Constitutional Affairs Bureau. However, allusion was made to an examination of the accountability system in the speech of the Secretary for Constitutional Affairs setting out his work next year. Furthermore, in answering the questions raised by a number of Members in connection with the details of the accountability system and its implementation timetable, the Secretary had been acting like he was hiding something and deliberately dodged the questions. This demonstrated precisely the intricate relationship between the accountability system and Policy Secretaries.

The accountability system is set to have profound implications on relevant government officials and the operation of the Government. How many people would volunteer to shoulder more and greater responsibility? Nevertheless, I firmly believe Members would agree that an improved accountability system is the aspiration of modern society. The problem is: When the Secretary for Constitutional Affairs (he is here in this Chamber today) was given this hot article by the Chief Executive, he had no idea as to whether it was a bomb or a firework. Therefore, he had to analyse and study it carefully and handle it with care in the hope that it would soar up high into the sky on ignition and give out brilliant patterns, which would be welcomed and applauded by the public. Failing that, however, catastrophic consequences will follow. While the

Secretary is not an expert of explosives, the article is not a time bomb. Therefore, there is no time limit. In this connection, the Chief Executive has not set a timetable. He only mentioned "a decision will be taken as soon as possible on the basis of our deliberations". Notwithstanding this, I still hope that the relevant authorities can speed up its study and make up its mind to let the public see the beautiful fireworks as early as possible.

Madam President, the Chief Executive only touched on financial services lightly in the policy address. In reviewing the past and looking at the way forward in relation to the Securities and Futures Bill, a matter of concern to the financial service industry, the Chief Executive has only touched on it lightly by saying that it "will be announced next month to keep pace with new developments in the market". The title of the Bill, containing a mere 15 Chinese characters, is even incorrect. For instance, the simplified Chinese character "証" is used instead of "證" in the expression "證券", whereas in the expression "證券及期貨", the word "與" should be corrected as "及". It is really surprising that mistakes can be spotted in the title of such an important bill of 1 097 pages. The financial service industry is obviously being neglected.

Being the Chairman of the Hong Kong Stockbrokers Association Limited when Hong Kong was badly hit by the stock crisis in 1987, I worked actively with the securities industry in putting forward recommendations on the development and reform of the industry. I was less experienced than many of my predecessors who are still working in the securities industry at the moment. Over the past few decades, they took root in Hong Kong and witnessed the reform of the securities industry. Despite the many financial turmoils in the interim, they are still working silently for the development of the local securities market and trying their best to develop Hong Kong into an international financial centre. Regrettably, their efforts have not been given due respect. They were tortured and treated unfairly by the regulatory authorities.

Madam President, as an investment consultant registered with the Securities and Futures Commission (SFC), I have a close business tie with banks. Like many other small and medium brokers, I can only hold back my anger and dare not speak out against the granting of "exempt dealer" status to the banks. I believe Members will understand what I mean for this is readily understood. Recently, I expressed in a high profile the dissatisfaction felt by the securities industry with respect to the banks' tactic of "selling securities on behalf of their clients without first opening accounts for them" to fight for reasonable treatment for brokers. Actually, this is extremely dangerous for I have acted like walking the tightrope high up in the air, and things might go wrong any time.

A regulatory authority is like a referee, who should understand that he must adopt an unequivocal attitude in dealing with incidents involving legitimate clashes (like grey areas found in legislation or regulations) and, in cases involving grey areas, advise both parties to exercise restraint and discipline to prevent the situation from deteriorating further. In this incident involving banks which have "sold securities on behalf of their clients without first opening accounts for them", the banks in question operated in a high profile by taking advantage of their status of being exempt dealers. The SFC and the regulatory authorities have failed to advise the banks to refer the clients in question to their securities subsidiaries. What is more, they even came up with the idea that brokers could follow the practice of the banks and suggested that strict provisions contained in the original agreement for account opening to protect consumers' interests could be abolished.

However, in a consultation paper issued by the SFC in relation to the code of conduct for persons registered with the SFC, general principles have been laid down to the effect that a registered person should act honestly, fairly and diligently. According to the principles, a registered person should, in conducting its business activities, "act honestly, fairly, and in the best interests of his clients". Most importantly, a registered person must not delay the execution of transaction orders. Does the relevant regulatory authorities consider it appropriate if an innocent client is asked to sign an agreement which is not in line with the requirement of the code of conduct, particularly when the client has never participated in securities transaction? What the regulatory authorities have done is really puzzling. Actually, the banks, endowed with more favourable terms and the long-standing status of an "exempt dealer", have all along been receiving special help from the regulatory authorities. The securities industry can only respond by heaving a deep sigh reluctantly.

Over the past several months, I was given the chance to make direct contact with a number of brokers and find out the difficulties they face in order to compete and survive. In addition, I have further found out the criteria for determining whether a person is "fit and proper". My interpretation for this expression is, in a colloquial sense, "to hit someone with a feather duster". A broker failing to meet the criteria of being a "fit and proper" person will not be eligible for registration and will be barred from doing business.

Madam President, people used to say that senior officials know nothing of the suffering of the ordinary people and that the higher authorities have no idea of what is happening to the general public. This is also applicable to the financial services industry. Therefore, I hope that senior officials of the Financial Services Bureau and the SFC and other top officials can carry out frequent inspections and see for themselves the difficulties faced by various brokers' firms, recognize the contributions made by them over the years, see them through transition in the ever-changing realm of high technology, provide them with reasonable room for survival, promote communication and refrain from indulging in fantasy. I will also be pleased to keep them company at any time in the hope of expeditiously removing "hostility" built up in the securities industry over the years. I also hope that we can move together into the 21st century "in harmony" and prepare ourselves for the business opportunities arising as a result of China's accession to the World Trade Organization and the development of the western part of China.

I would like to express my gratitude to those Members who have spoken yesterday and today in support of small and medium brokers to fight for reasonable room for survival and extend my special thanks to the Honourable Jasper TSANG (he is not here in the Chamber at the moment) and the Honourable David CHU (he is not here too for he has just finished his speech). I hope Members can continue to give us support in future.

With these remarks, Madam President, I support the original motion.

**MR YEUNG YIU-CHUNG** (in Cantonese): Madam President, instead of covering every aspect like it did last year, the policy address has adopted a selective and pragmatic approach this year. For this reason, the Chief Executive was praised by many for having produced the best policy address so far in his tenure.

This policy address has gained general recognition because it has grasped three heated issues of public concern: education, poverty and governance. With prominent focuses and specific measures, it is able to respond to the aspirations of the public, balance the interests of various sectors suitably and manifest the policy direction of "serving the community". It has even won unexpected applause from the commercial and industrial sectors for its modesty, avoidance of new tricks and governance in tune with nature. As for education and poverty,

it is obvious that the Government has made a great deal of careful planning and commitment. Of course, I think there should be even greater commitment on the part of the Government.

Madam President, the disparity between the rich and the poor in Hong Kong has further aggravated as a result of the financial turmoil. Although the local economy has resumed vigorous growth and, earlier on, the Financial Secretary even adjusted his forecast of this year's economic growth rate upward to 8.5%, the biggest growth rate seen in recent years, the unemployment rate in Hong Kong remains high and the number of low-income people continues to rise. The general public is still unable to feel the actual benefits of economic recovery. I share the idea of helping the poor as outlined in the policy address: to create employment opportunities and to enhance education and training.

In my opinion, "blood transfusion" is important to helping the poor, however, it is even more important for us to make more efforts in "making blood", that is, enhancing the ability of low-income persons in "making blood". The policy address is moving in the right direction for, apart from enhancing retraining, it has proposed enhancing vocational training as well. Obviously, we need to "nurture talented people" for the purpose of helping the poor as well as "resolving stupidity" before "resolving poverty". To address the problem at source, the Government must help low-income people to constantly upgrade their educational standards and skills. At the same time, the Government should "boost courage" for the purpose of "resolving poverty" — it should help low-income people build up their confidence, make self-improvement, pursue continuous study for value enhancement and engage in lifelong learning.

Obviously, a caring government needs to provide its people with a safety net and help the disadvantaged by ensuring that they have a basic standard of living. What is more, the safety net needs to be reviewed and perfected on a regular basis.

Insofar as education is concerned, this year's policy address can be considered as containing the largest number of new measures on education. Let us exclude policy addresses delivered before the reunification. From the three policy addresses delivered after the reunification, we can see that the Chief Executive has only either presented a rough outline of the major direction of his education reform or proposed some "emergency" measures for tackling the most pressing education problems remaining to be dealt with in the education sector.

The proposals put forward by him at that time were generally far from being comprehensive and thorough. This year, however, the policy address coincided with the publication of the education reform report published by the Education Commission (EC). The education policy outlined by the Chief Executive was given a richer and more specific content for he had taken on board some of the education reform proposals put forward by the EC. The Government of the Special Administrative Region (SAR) was finally able to draw up a blueprint for its education reform. What remain to be solved are problems related to implementation.

In conclusion, we can find four key features in the part on education in this year's policy address:

- (1) Increasing resources and promoting education reform — In addition to the \$800 million already earmarked, the Government has made it clear that recurrent expenditure on education reform will increase by approximately \$200 million annually. Moreover, the SAR Government will continue increasing investment in education even in times of financial constraints. The fact that the current expenditure on education has increased by 43% over the pre-unification period demonstrates precisely the SAR Government's emphasis on and commitment to education. The concept that education is an important long-term investment tool that will bring good returns rather than a spending item has started to penetrate into people's minds. But bearing in mind the huge spending required by education reform, the Democratic Alliance for Betterment of Hong Kong (DAB) consider it imperative for the Government to inject more resources into education.
- (2) Early childhood education to see a major breakthrough — A series of proposals put forward in the policy address in relation to the relaxation of the requirements of the Kindergarten Fee Remission Scheme, the upgrading of entry requirements of kindergarten teachers, the arrangements for all serving kindergarten principals and child care centre supervisors to attend courses leading to the Certificate in Early Childhood Education have made tremendous progress in upgrading the quality of early childhood education and developing quality pre-school education. These proposals, responding to the aspirations of the education sector over the past

years, do indeed merit our support. Nevertheless, does it imply that the Government will change its policy subsidizing teachers' salaries to subsidizing students' school fees? I hope the Government can clarify this. As the upgrading of teachers' quality will definitely lead to rising school fees and heavier burdens on parents, the problem will not be solved by government subsidy for school fees alone. In this respect, the DAB would like to urge the Government to make greater commitment in childhood education, that is, to fully subsidize the salaries of qualified kindergarten teachers.

- (3) **Emphasis on parent education** — The policy address has undertaken to set aside \$50 million to subsidize parent education and to encourage parents to participate in educational affairs in future. In addition, the Government will consider further promoting flexitime to enable working parents to spend more time with their children and to participate more actively in school affairs and activities organized by parent-teacher associations. The Chief Executive has also called upon all employers in Hong Kong to allow more flexibility to enable working parents to give their children better care and attention. This is a right approach. Inadequate parent education can be said to be one of the major reasons leading to the frequent failure of education in Hong Kong. I am pleased that the Chief Executive finally accepted the DAB's proposal and gave emphasis to parent education for the first time in the policy address. Nevertheless, we consider the allocation of \$50 million insufficient and hope the Government can be "more generous".
- (4) **Sharp rises in education opportunities** — The Government proposes to increase education opportunities at senior secondary education level and above. Starting from the 2002-03 school year, Secondary Three students from public sector schools who are capable and want to continue with their studies will be provided with subsidized Secondary Four places or vocational training. The policy address has also for the first time mentioned the target of achieving the prevalence rate of tertiary education, that is, 60% of our senior secondary school leavers will receive tertiary education within 10 years. This is in response to the demands necessitated by the new economy and new era for a large pool of tertiary education

graduates. This will also ensure that Hong Kong will not lag behind developed countries and its neighbouring rivals in terms of mass education standard. The DAB agrees to and supports this proposal. Although this policy stems from the education reform recommendations made by the EC, the Government is still obliged to communicate with the education sector and explain to it why the target is set at 60%.

Madam President, in this ever-changing era, education in Hong Kong is not only faced with the old challenge of improving quality, but also the additional challenge of improving quantity. Increasing education opportunities is a pragmatic option we must take to enable us to keep pace with the times. Nevertheless, we cast doubts on the Government's proposal of increasing sub-degree places through a completely self-financing mechanism. While the DAB agrees to the provision of more places for tertiary education, it also deems it necessary for the Government to inject resources to upgrade the quality of basic education to ensure that students pursuing higher education are up to the required standard and prevent "university students from graduating with just a senior secondary education standard".

Madam President, to a certain extent, I share the analysis made in paragraph 127 of the policy address in relation to hostility. Since the reunification, particularly over the past few years, there has been growing hostility in society. People are more inclined to scepticism by thinking in a negative manner, and criticism — with or without reasons or good causes for no cost is incurred and no one is to be held responsible. This explains why Hong Kong is branded as "a city of volatility" and "a bickering capital". Where is the source of hostility? Although the policy address did not mention it, anyone who has a discerning eye can easily see the answer. It must be the destabilizing power or people who reject whatever is put forward by the Chinese Government or the SAR Government, those who do not want to see "one country, two systems" to succeed, those who are anxious to see the world in disorder, those who insist on "backmouthing" Hong Kong, those who burn the Basic Law, those who deliberately violate the law, and those who challenge the rule of law. Some people even bit back by saying that hostility stemmed from the Chief Executive for he was not directly elected. What about the former Governors? They argued that Britain, being a democracy, had encountered no problem at all. This is extremely ridiculous. These people would rather be subjects of a colony than being masters in this special administrative region era. I am not opposing

argument. Freedom of speech, competition, pluralism are but the loveliest characteristics of Hong Kong. However, we need sensible and constructive discussions, not incessant disputes and antagonism that are not necessary indeed. As the old saying goes, if there is peace in the home, everything will prosper. Hong Kong people must cherish and safeguard a harmonious social environment and support the administration of the SAR Government in accordance with the Basic Law to enable Hong Kong to succeed amid fierce competition in the new century.

With these remarks, I support the original motion.

**MR ALBERT CHAN** (in Cantonese): Madam President, I really admire Mr YEUNG Yiu-chung's way of thinking. On the one hand, he scolded the whole world for causing disturbance to the Government and calling the Chief Executive names and, on the other, scolded those opposing the Chief Executive for rejecting whatever was put forward by the Chinese. In calling other people names, Mr YEUNG also scolded those for calling the Chief Executive names. Who was actually being hostile, antagonistic and causing disturbance to Hong Kong? I think he should really think it over carefully. What was he actually condemning with all those condemnations?

Madam President, I would like to focus on the issues of helping the poor, land planning and public works with respect to the policy address.

On the issue of helping the poor, I was deeply impressed by the South Korean President KIM Dae-jung, who won the Nobel Peace Prize, shortly after the delivery of the policy address. I later read from the newspaper an appealing statement made by him that he would keep a keen interest in the problem of the disparity between the rich and the poor. Then I went through the policy address delivered by the Chief Executive again. In mentioning the issue of helping the poor, the Chief Executive made this remark: "Unfortunately, the wealth gap is an inevitable phenomenon in the course of economic development. It is not unique to Hong Kong". Two leaders — one is our adorable Chief Executive, one is Mr KIM Dae-jung, an internationally-recognized Nobel Peace Prize winner. The fact that they look at the disparity between the rich and the poor so differently shows that there is a marked difference between their administrative power and world vision. Mr KIM won the Nobel Prize because he was recognized by people throughout the world. He really deserved the honour.

Obviously, he has tackled the disparity problem with a positive and proactive approach. On the contrary, our Chief Executive has failed to do anything to address the disparity problem. Furthermore, he has been dealing with the problem with pessimism and his usual evasive approach. Finally, he even tried to brush off the problem lightly by using such wording as "inevitable". Hong Kong people should perhaps feel sad for having such a leader.

Since the reunification, Hong Kong has been confronted with grave economic and social problems as well as problems related to the people's livelihood. More often than not, the Government would blame these problems on the financial turmoil, the unco-operative attitude of civil servants — perhaps even including senior government officials from Policy Bureaux — social hostility, and so on as mentioned by the Honourable YEUNG Yiu-chung in his speech earlier. All the blame has been put on members of the public who refused to listen to the Chief Executive. Actually, I want to make the point that intense hostility and protests in society are mainly caused by the Chief Executive for being such a man of poor leadership and poor vision. There was dissatisfaction among people from all walks of life — including civil servants who used to obey the Government's policies and decisions. As a result, many of them, including a number of district-based members of the DAB, took to the streets to stage demonstrations and protests. Waving the "Dump TUNG" flag, many people (of course excluding members of the DAB) even asked TUNG Chee-wah to step down; we have been hearing such voices since 1998. With indignation and grievances filling the hearts of the people, Hong Kong has become a "city of protests" and "a capital of anger" under the governance of the Chief Executive.

Without a concrete blueprint and proposal for building Hong Kong, the fourth policy address delivered by the Chief Executive still focuses on picturing Hong Kong in perspective. We can hardly see from the policy address what the Chief Executive will do to solve the problems currently faced by Hong Kong and what he will do to lead Hong Kong into the brave new world portrayed by him. Although Mr TUNG always talks about ways to improve the people's livelihood, the economy and the politics, he has been unable to come up with any proactive plans. It seems to me that he is talking nonsense, saying something which is utterly meaningless.

Poverty is one of the key areas in this year's policy address. Nevertheless, Mr TUNG has not truly acknowledged the seriousness and generality of the poverty problem in the policy address. Most of the time, the poverty problem mentioned in the policy address was targeted at impoverished elderly people, the unemployed and low-income people. However, according to the findings of a study on the disparity of the rich and the poor in Hong Kong over the past decade in the 20th century published by the Hong Kong Social Security Society, the impoverished working population in Hong Kong has surged from 210 000 to 360 000, representing a rise of 150 000 or 67.4% over the past decade. The study also shows that, in 1999, the average monthly income for the 20 000 lowest income households is \$3,000, but \$70,000 for the 20 000 highest income households, marking an astonishing wide gap of 23 times. In 1996, however, the gap was only 13 times. There is indeed a marked difference between 23 times and 13 times. This also illustrates that the disparity between the rich and the poor in Hong Kong is becoming increasingly serious. In addition to these poor people, there are many others who are faced with financial hardship too. Yet the Chief Executive has failed to offer them any help over the years.

Property prices have fallen sharply in the wake of the financial turmoil. Many property owners bought their properties at exorbitant prices in or before 1997. As a result, they are now holding negative assets. In addition, many of them were asked by property developers to pay for the differences in property prices. Subsequently, they have to pay a monthly instalment of more than \$10,000 to major property developers, with the instalment period lasting up to 30 to 40 years. They have indeed incurred severe losses. A soon retiring fireman once asked me to help. Being an aggrieved property owner, he was asked to sign a loan agreement with a property developer to repay over 30 years the loan granted to him with respect to his negative asset. The amount of money he will need to pay equals to the pension he will receive from the Government. As a retiree-to-be, he is at a loss as to what he should do in this plight. It seems there is nothing the Chief Executive can do to help him.

At present, there are a total of 170 000 people holding negative assets in Hong Kong. Moreover, countless people are required to repay their debts to property developers. All these have produced serious impact on Hong Kong. The Government has not only failed to lend a helping hand to the aggrieved property owners and those (many of whom being civil servants) who are under severe pressure financially and psychologically, but also sided with major

property developers. We are really angry and dissatisfied with the indifference of the Government.

Another group of people who are on the verge of poverty are those factory owners who have been forced by the Government to fold their business. These people were previously fairly well-off. Their business, though operated with a small capital, fared quite well too. Nevertheless, they have been forced to close down their business as a result of the Government's land resumption policy. These factory owners include those coming from Area 40 in Tsuen Wan, Tsing Yi dockyard, Wah Kai Industrial Building, areas along the West Rail project in Yuen Long and a number of places in Kam Tin. Many of these factory owners have operated for more than three generations. Yet they were forced to wind up their business because of the Government's resumption programmes. Moreover, a number of industries have been affected by public works carried out by the Government as well. Let me cite the fishery industries — including the fish farming and fishing industries — as an example. The livelihood of many fishermen had been seriously threatened as a result of public works. Furthermore, a number of industries, including steel and iron plants, electroplating factories, dockyards, small and medium enterprises and the fishery and agriculture industries, are now faced with tremendous difficulties. Many of them were forced to close down. Our Government has not only failed to treasure these industries, but also expedited their extinction. How can the Chief Executive, a former industrialist, face this group of people and will he feel ashamed of what he has done?

On solving the poverty problems, the Chief Executive has only repeatedly stressed that Hong Kong has to rely on its economic growth, without putting forward substantial measures and proposals for making improvement. I would like to remind the Chief Executive that although our overall economy has constantly improved over the past years, the poor people have not been benefited. On the contrary, under the leadership of Mr TUNG, the disparity between the rich and the poor in Hong Kong has been worsening over the past three years. This is substantiated by numerous studies. Unless the Chief Executive stops indulging himself in the euphoria of economic growth, thinking that the poverty problems will automatically improve without the need to take active measures to help the poor, the wealth gap problem in Hong Kong will, like he said, eventually become "inevitable".

Madam President, I would now like to turn to land planning. To start with, I wish to praise the Government for reducing the scope of the Tsing Chau reclamation project. Under the new plan, the reclamation area will be reduced from 189 hectares to 79 hectares, thereby greatly reducing the damage to the environment of its neighbouring areas. Nevertheless, I think it is entirely because of the strong opposition from a large number of large consortia and property developers that the Government finally decided to introduce the relevant amendment. I hope the general public can exert the same degree of influence on the Government's future town planning and have their opinions respected by the Government, which should refrain from bowing to pressure from opposition raised by major consortia and property developers.

Most of the land planning by the Government at present is out of tune with the concept of environmental protection. In recent years, the Government has been actively developing the western New Territories, a large part of which is under the flight path. Examples are the Tsuen Wan reclamation project, the North Ma Wan development project, the Sham Tseng reclamation project, the development projects of Tai Ho Wan and Siu Ho Wan, and so on. As these areas are all located under the flight path, they will experience a noise level of over 75 dBs according to our estimate and measurement. However, as the Noise Exposure Forecast (NEF) is used by the Civil Aviation Department for assessing noise, a noise level of within 25 NEF is considered to be in line with international standards. In future, people living in these areas will need to tolerate a noise level of over 75 dBs round the clock. However, the Government still takes no notice of it and goes ahead with its land disposal and development programmes. I would like to raise this question: How can a Government which is unconcerned with noise pollution claim that it cares for environmental protection?

Insofar as public works and infrastructure are concerned, we have also spotted a lot of problems related to supervision. For instance, many people have lost faith in public housing as a result of the substandard piling works scandal of the Housing Department (HD). Taking advantage of the Government's failure to exercise proper supervision, property developers and contractors have been able to use inferior materials and reap enormous profits, thereby putting the safety and interests of the public at risk.

Inadequate government supervision has also been reflected in the handling of sludge at Container Terminal No. 9. The fact that the Environmental

Protection Department (EPD) has, in the absence of detailed information, issued permits to contractors to allow them to transport sludge to mainland waters fully illustrates the slapdash attitude of government departments. I hope the EPD can make improvement in future.

The EPD's recent refusal to accept a proposal for the Kowloon-Canton Railway to build the Lok Ma Chau Spur Line through the Long Valley wetlands has also reflected the problems connected with the planning of large-scale infrastructure projects. Over the years, we could see that a number of government departments and organizations did not care about conservation and treated Environmental Impact Assessment as routine work only. They had definitely not thought of the possibility of their proposals being rejected. I earnestly hope that they can learn a lesson from the Long Valley incident and that they will take conservation into consideration in planning large-scale projects in future.

This year, the Chief Executive has used "Serving the Community, Sharing Common Goals" as the theme for his policy address, stressing the importance of the people's interest. Nevertheless, in spite of the fact that the Government has reserves amounting to several hundred billion dollars, the public has not been given any rebate. The Chief Executive, ignoring the opinions and demands of the public, continues to govern Hong Kong in accordance with his own will.

Lastly, I would like to reflect what is in the minds of civil servants for they dare not express their views publicly. Immediately after Mr Joseph WONG, the Secretary for the Civil Service, took his office, he warned civil servants against making any "Dump TUNG" remarks. Some civil servants told me that they were not pleased with the remark made by Secretary WONG for they thought if Mr TUNG failed to act fairly, every one of us, including civil servants, would have the right to make criticisms. We have to understand that a government without public support and vision will only lead Hong Kong into a blind alley. For this reason, I would advise the Chief Executive to broaden his mind and take extra care to prevent himself from acting like what Mr YEUNG Yiu-chung said. I also hope the Chief Executive can listen to the views expressed by people from all walks of life. Otherwise, Hong Kong will be led into a blind alley. I wonder who will be the "sinner of a thousand antiquities" then.

With these remarks, I support Mr LEE Cheuk-yan's amendment.

**MR TAM YIU-CHUNG** (in Cantonese): Madam President, the Honourable Albert CHAN had some strong reactions against Mr YEUNG Yiu-chung's speech. I wonder if it hit a sore spot in him or it reminded him of something unpleasant. I hope my speech would not arouse the same feelings in Mr CHAN. Co-ordination is an ultimate art. Recently, the show "Riverdance" hit the stage in Hong Kong, which was the result of consummate co-ordination, and only with excellent choreography can superb dances be made possible for enjoyment by the audience. If all social strata can do well in co-ordinating, understanding and co-operating, our society will then be able to compose a wonderful and harmonious musical piece.

In the week before last, the Chief Executive announced his policy address. He has made an assessment of the present position of Hong Kong and reviewed some problems in governance. He has proposed some specific measures for education, helping the poor and the needy and our political structure. The theme of the policy address meets the needs of society, and the measures put forward practical and focused. Like the director of a dance troupe, the Chief Executive has choreographed a set of guiding principles for the administration of Hong Kong: "Serving the Community, Sharing Common Goals."

*Caring for the elderly — less constraints, more chances*

Over the last three years, the SAR Government has made a rather comprehensive undertaking in caring for the elderly. It has undertaken to enhance the financial capabilities of the elderly, improve their living conditions and their health care services, and provide better community services so that the elderly can pass their old age in security. In his policy address this year, the Chief Executive has undertaken once again to quicken the process of solving the housing problem for the elderly and to increase funding in caring for the elderly living on Comprehensive Social Security Assistance (CSSA). All these are made in furtherance of the objective of giving the elderly a sense of security and of belonging.

However, other than these added material welfare benefits, we need to do more to improve the provision of care for the elderly. We need to review all restraints on the living of our elderly under the existing system. We need to impose fewer constraints to allow our elderly more and freer choices. For

example, present government assistance given to the elderly on CSSA who choose to live in their hometowns has been restricted to the Guangdong Province in the past four years. The issue of medical care for these elderly people remains unresolved. Moreover, restrictions on the period of stay outside Hong Kong for elderly on Old Age Allowance have not been further relaxed. All these have meant difficulties for the elderly who invariably want to retire to their home villages at old age. Recently, the Helping Hand, through sponsorship from the Hong Kong Jockey Club, completed the construction of a home for the elderly in Zhao Qing, Guangdong. A home like this has a cozy environment with adequate medical services in support, accessible at affordable rates. If the Government can relax the said restrictions or even give better financial support and more assistance to the elderly, I believe many of them can make better choices and arrangements for their retirement.

*Manpower policies — enhanced skills, more opportunities*

The policy address mentions many opportunities for development in Hong Kong. When China joins the World Trade Organization (WTO), Hong Kong will have a better competitive edge and more space for development. However, for Hong Kong to grasp the opportunities, the Government must assist the workforce to continually enhance its skills to increase their competitiveness. The Government therefore has to further strengthen its policies in this regard.

The Chief Executive promises to set up an academic ladder by increasing personal tax deductions for training expenses and earmarking \$400 million for a wide variety of training programmes for workers with low education levels. This basically meets the call of society.

In the policy address, it was proposed that an annual recurrent subvention of \$400 million be allocated to the Employees Retraining Board (ERB). The fund can help the ERB to draw up plans to provide services for the longer term. I very much welcome that decision. Nevertheless, some colleagues of this Council have questioned the effectiveness of retraining in their speeches. As Chairman of the ERB, I fully understand that. Training and retraining alone cannot completely solve the problem of unemployment, or impoverishment and marginalization of workers. I do not regard training as a panacea or guarantee for an ideal job after training. Yet, I wish to point out that if we did not conduct training and retraining, the problem would become more serious or even

insolvable. I must say that while we may have criticisms against retraining, we should refrain from unleashing grossly negative comments against training and retraining; otherwise the confidence of those who intend to take part in it will be adversely affected. Let us look at similar experiences in various countries and regions. Their experiences have shown us the effectiveness of training and retraining. In the area of manpower policy, Hong Kong must explore new opportunities so that people who fail to catch up with the economic restructuring can still be self-reliant. Earlier, in an interview by a newspaper, I suggested the Government to set up a fund for self-employment and for starting a business so that the unemployed who have the capabilities of self-employment or who may utilize their skills to provide services may find new opportunities. In the policy address, it was said that the Government was prepared to look into the possibility of establishing a business start-up fund. I will work hard in this direction with a view to providing extra opportunities for the unemployed.

A dance troupe that performs magnificently and enjoys worldwide reputation needs the support of a group of stable and highly efficient backstage workers. The policy address reiterates that most of the civil service reforms have been launched, and the Government has not planned any major reform of the Civil Service other than those already announced. I think soothing words such as these should be said more often. The top echelons of the Government should hold onto this realistic approach.

Civil service reforms are certainly indispensable. However, just as important are a prudent attitude, sufficient consultation, respect for the wishes of the staff and the corresponding measures. Moreover, the Government should strive to improve and polish the image of the Civil Service to command greater trust from the people.

The policy address proposes that the system of accountability of the Government should be improved and that the Chief Executive will review the composition of the Executive Council at the appropriate time. Undoubtedly this is a correct course of action to take. As a Member of the Executive Council, I welcome from the public any constructive comments on our work and performance. However, I also hope everyone can understand more about the role played by the Executive Council. Under the Basic Law, the Executive Council assists the Chief Executive in policy-making. It is comparable to the Chief Executive's think-tank. We have indeed tried our best with our respective expertise to give to the Chief Executive what we believe is the best

advice. Our work entails no specific demand on us to promote each policy or to lobby for it. After all, we do not have what it takes to do that as the relevant work is mainly done by Policy Bureaux in the process of policy-making. Bureaux officials are better equipped than we are in manpower, information or knowledge about the policy as a whole. Bureaux officials are therefore better choices than us in promoting or lobbying for policies. We are like dancers in a group. We need to act as directed by the director and dictated by the script. It may not be a good idea for us to act in our own ways without regard to the director's instructions. The present Executive Council is a continuation of the Executive Council before the reunification in the role it plays, the functions it performs or in its composition. But over the last three years, the community has undergone vast changes. Firstly, the people have higher expectations for the Government and demand enhanced accountability. Secondly, the Chief Executive has been liaising with a broad spectrum of the community and has direct exposure to public opinion. Taking the exigencies of the time into consideration, when the Chief Executive heeds new societal demands and make more effective arrangements with his think-tank, I, as a Member of the Executive Council, will lend him my full support and act accordingly.

Madam President, if Hong Kong is to win any applause on the world stage, the Chief Executive, as director of a dance troupe, alone cannot perform well unless he has the full support and dedication of each member of the troupe. So, we need to help other members who did not do well enough so that each may perform at his or her best. We also need a system that can continuously improve itself, that can be responsive to the demands of each member. In this way, our steps in the dance will be firmer and more attractive.

With these remarks, Madam President, I support the original motion.

**MR JAMES TO** (in Cantonese): Madam President, in the past, I used to focus my discussion on matters of law and order and security during our debates on policy addresses. This went on until last year, or maybe until the recent two years, when the Policy Secretaries stopped to make responses to my comments. Perhaps this was due to the fact that there were no major problems with the overall situation or major policies. That being the case, I think I had better take some time to talk about my future aspirations, my feelings about certain issues and some other topics for the time being.

Let me start by talking about the recent decision on not to prosecute those involved in the "June 26" incident. Some reporters asked me yesterday whether it was because of political reasons that the Government had decided not to press any charges? Has the Government been slapped in the face? Has it failed seriously? Has it been completely defeated? I know they really hope that my reply will be: Yes! However, I thought since I agreed that hostility should be turned into harmony, we should see this as an opportunity for us to review the situation under more peaceful circumstances and it would be more practical for us to look forward. Recently, I have talked to people who have to make assessments on certain situations in Hong Kong on a long-term and ongoing basis. They told me they also failed to understand why TUNG Chee-hwa's government has to take actions regarding the "April 20" and "June 26" incidents. They were greatly puzzled. They asked why the Central Government would feel that way. They said if we thought that the Central Government had wanted TUNG Chee-hwa to arrest and prosecute these students, then we have blamed the wrong person. Some of these commentators said if Falun Gong can still be practised in Hong Kong; if the Hong Kong Alliance in Support of Patriotic Democratic Movements in China, which is the greatest thorn in the eyes of China, can still hold gatherings in Hong Kong; if HAN Dongfang can still write articles and move freely about in Hong Kong; and even if LU Si-qing, who has got a permanent resident identity card and become a permanent resident of Hong Kong, can continue to disseminate information on democratic movements in Hong Kong, then why could the Central Government not tolerate students and demonstrators? If we have to blame someone, then we should blame TUNG Chee-hwa, but we should not say that the Central Government has directed such actions.

I think there is really a grain of truth in their comments. This morning, I discussed this issue again with several people, and someone told me I should understand that the Government of the Hong Kong Special Administrative Region (SAR) is under great pressure, and this is especially true after the arson case. Many members of the public really expect the SAR Government to exercise stronger administrative powers and build a more stable foundation. They really have very high expectations. Under such circumstances, what else could the SAR Government do apart from taking actions or do something about it? If the SAR Government does not try to do something, then it would give people an impression that Hong Kong is very chaotic, and members of the public will be very scared. Of course, some people may even surmise that "Believe it or not, though it was a long time since the "April 20" incident, the Government may

have decided to make an arrest in regard to this incident as a result of the "June 26" incident. Perhaps "blunders" have been made and such "absurd" things do really happen". Since no concrete evidences have been gathered after such a long investigation, is it possible that conspiracy was involved?

Why have I said so much about this issue? Let us look at the policy address of this year. In paragraph 125, the Chief Executive said four years ago, when he stood for election as Chief Executive, in his manifesto he saw (I presume he meant he hoped to see) and I quote: "a stable, equitable, compassionate and democratic society with clarity of direction and unity of purpose; I see an increasingly affluent and well-educated population, proud of our new identity and our Chinese heritage; I see an economy that is one of the most important in the world." I think the words which I have just quoted can basically be used in the manifesto of every Chief Executive, and that they will be accepted by everyone. I do not think that any political party, any Member who is here today or government official will be against this manifesto. However, the question is, how can we achieve it? The Chief Executive said he sincerely hoped that people from all walks of life would work together to build a better Hong Kong. Having read the whole policy address, I would like to ask does "people from all walks of life" mean all Hong Kong people with no conditions attached and without any discrimination? I noticed the Chief Executive has said in paragraph 102 of the policy address that the development of our future political structure has to depend on the enhancement of the affirmation of the identification of Hong Kong people with our cultural and historical roots. I am rather bewildered with this comment. According to the policy address, then it must mean that a line will be drawn. Of course, the Chief Executive may feel that it is absolutely justified to draw a line, but insofar as I understand it, the Central Government of China does not have to be so rigid as to draw a line for the purpose of administering Hong Kong. To reconcile and build an entity where everyone has the same fate, so that everyone will fight for a common goal is the most important issue at the moment. For any community that aspires to achieve political stability, its members must share certain basic values. But how can we share common goals if we have to draw a line for every issue?

Sharing common goals is easier said than done, but a few criteria should first be met. If there should be reconciliation or harmony, then it has to depend on: firstly, subjective feelings and subjective wishes, and that is, whether all parties feel that it is necessary to bring about reconciliation or whether it is necessary to share common goals, and what else do they find necessary? Are

we doing this for our country, our nation, to show Taiwan an example on reunification, for our economy or simply not to let things get out of hand? Or is it for private interests, or for public good? Or whether there may even be people who would not like to do so? Here, a lot is at stake, it may be the interests of political parties, international politics or it can be anything else, so what should we do? The way I see it is, perhaps it is because we have failed to keep our calm from the very beginning. Normally, I am quite agitated when I speak, but today I hope I will not be agitated and will act in a more harmonious manner. Sometimes, I would question myself, and maybe we should all ask ourselves whether we should be more restrained in our speeches? Instead of making it personal, should we try to concentrate on just airing our views?

Before I speak, I felt very unhappy after hearing Mr YEUNG Yiu-chung's speech and Mr Albert CHAN's response. Actually, I am not saying Mr YEUNG Yiu-chung was wrong in any way. I only feel that certain rancour and struggles may have been accumulated and some very strong and distinct opinions prevailed because we have been in this Council for a very long time, especially some Members have been here before the reunification; however, it is very unfortunate to allow all these to continue after the establishment of the SAR Government. I am given to understand that a Chinese official has reminded some senior officials of the SAR Government that they should not think that it is sufficient to resume political powers. What is more important is to win back the hearts of people; however, he thinks that in many cases, it is easy to win back the hearts of people.

Nevertheless, I would like to openly declare that to date, I have less confidence in TUNG Chee-hwa's Government than the Central Government. This is because from the experience of the past several years, we can see that the major decisions of the Central Government (though there were some decisions which I was not sure whether they were made on the direction of the Central Government or whether it was the fault of Chinese officials, such as the official on Taiwan Affairs who asked people not to invest, to love the country, and to do this or that) have generally met with the approval of Hong Kong people. This includes the smooth transition of all government officials, the fact that the Chief Secretary for Administration can stay on, and from a broader perspective, the Central Government has tried its utmost to restrain mainland officials from interfering with the affairs of Hong Kong. However, I wonder whether more understanding can be reached on both sides? I have raised a lot of questions, but I do not have any answers. This is because everything has to depend on the

subjective views of all parties concerned and the objective circumstances, and we cannot get things done if it were only the aspiration or wish of one or two individuals.

Finally, I would like to say, I have met with Mr TUNG Chee-hwa on several occasions and we have sat down and talked. Though I have not made any closer contact with him so far, I do not have much confidence in relying wholly on him to bring about the reconciliation. I hope he will not be disappointed by this remark of mine, and I only hope that he will play a positive role. However, I still believe that he can turn the tables in Hong Kong for we have to bear in mind that at least, he has the trust of the Central Government.

**MR IP KWOK-HIM** (in Cantonese): Madam President, before the Chief Executive delivered the policy address, different non-government bodies had conducted several opinion surveys which showed that employment, economic development, housing and social welfare were the four major problems that people wanted the Government to focus on and deal with. People hope that the Government can improve the economy and create more employment opportunities so that our citizens can lead a stable life.

We all know that Hong Kong lacks natural resources. In the past, Hong Kong's advantages were a business-friendly environment and low tax regime which had attracted foreign investment. However, owing to various changes during the past three years after the reunification, particularly the impact of the Asian financial turmoil, 20% of the families in Hong Kong have experienced salary cut and the unemployment rate has reached the unprecedented 10-year high. All these have made the unemployment problem faced by the low-income group more conspicuous, and, at the same time, indirectly proclaimed the emergence of a knowledge-based economy.

At present, 600 000 people in Hong Kong are earning less than \$4,500 monthly on average and 1.2 million people are living in poverty. On the other hand, the number of families earning more than \$40,000 has reached 1.1 million, the highest among eight major regions in Asia. This shows the seriousness of the disparity between the rich and the poor. In the past, despite a lot of social conflicts, problems could be resolved more easily as people were leading a stable life and there were plenty of employment opportunities in a robust economy. Today, however, the Government has to face up to these poverty-stricken people

and create a favourable environment for them to get rid of poverty in order to ensure that Hong Kong can enjoy sustainable development and a harmonious society.

Madam President, the experience of Western countries tells us that handing out money alone is certainly not the best way to help the poor or to eradicate poverty. The radical solution is to help them get employment, strengthen their ability of self-reliance and develop education in full gear. This is the only way to develop our society and the survival ability of individuals. One of the key areas of work in this year's policy address is education. We can say that the Chief Executive has made the focus right and is commendable. As the saying goes, "A tall building needs a good foundation". If our pre-school education suffers from "malnutrition", it will certainly affect our students' future academic performance. Our citizens' education standards will then directly affect Hong Kong's competitiveness and its development into a new economy which is knowledge-based. The policy address proposes that the percentage of senior secondary school graduates pursuing tertiary education will be increased from less than 30% at present to 60% in 10 years. This is the inevitable trend of development of education in future. Popularization of university education is the indisputable direction of social development with the onset of knowledge-based economy in Hong Kong. The nature of university education is different from the elitist education in the colonial era in the past. Nowadays, the possession of a university degree no longer means an assured comfortable life for the rest of one's life. The public should constantly seek self-improvement while the Government should aim at promoting the tertiary education in full gear. It is definitely a social development.

Madam President, as a member of the Panel on Security, I would like to talk about the Public Order Ordinance. The Secretary for Justice made a formal decision yesterday that those who were arrested for being involved in the June 26 incident would not be prosecuted. I am pleased to hear that. But it does not mean that I support those who do not abide by the law of Hong Kong or any acts that deliberately challenge the law enforcement authorities. Since Hong Kong is a society ruled by law, people should observe and abide by the law. Provisions in relation to parades and demonstrations in the Public Order Ordinance do not aim at restricting people's rights. Rather, they seek to protect social stability and ensure that people can live in a secure environment. As I had participated in the scrutiny and passage of the Public Order Ordinance, I sincerely urge the people to take some time to study the provisions of the

Ordinance carefully. They will then understand that the expression of views by individuals, the right to stage a demonstration or parade and the freedom of expression are not restricted in any way. But if the number of people involved in a parade exceeds 30, a notification has to be made to the police in accordance with the provision to ensure that the activities of other people will not be affected. Compared with the relevant provisions of those so-called free democratic countries, this is a very lenient requirement. In San Francisco of the United States, for example, if a person wants to stage a parade or demonstration, he has to apply for a permit from the head of the police at least 60 days in advance. Hence it is necessary to enact laws to maintain public order. If we look at things through tinted glasses, the law, in the eyes of some people, is still draconian no matter how good the original intention behind the legislation or however meticulous and impartial the provisions may be. Now the Honourable CHEUNG Man-kwong is not in the Chamber. But I can imagine that he was outraged by the oppression imposed by the draconian laws on the patriots during the period when the former British Hong Kong Administration was adopting the high-handed policy in the 1950s and 1960s. However, I urge Mr CHEUNG not to try to play a sly trick on this issue. Before 1995, the Public Order Ordinance was used to suppress people's freedom in participating in any political assemblies, parades and demonstrations. At that time, an assembly of three people would be regarded as a breach of the law and, as a result, many patriots were arrested and jailed. But at present, the Public Order Ordinance seeks to protect the normal life of the general public. As I had involved in all these before, I will not feel grateful to Mr CHEUNG.

Madam President, as a Legislative Council Member elected through the District Council Functional Constituency, I am glad to hear that the Government is now considering how the roles of the District Councils (DCs) in district affairs can be enhanced and the ways to give the DCs better support. At the same time, however, there is only one paragraph or 60 words in the policy address which touches upon these administrative organizations located at each of the 18 districts comprising 519 members.

Quite a number of DC members have reminded me that when the two Municipal Councils were abolished, the Government indicated that it would consider enhancing the roles of the DCs in district affairs. However, one year has passed, it is all talk and no action. Even today, the Government still says that it will "consider" the matter. Madam President, DCs are in the frontline making contact with and serving the public, but the resources provided by the

Government to the DC members are far from enough. One cannot expect a horse to run very fast without helpings to grass!

In view of the resources provided to DC members, if a DC member has hired a quality assistant, he will almost use up all his monthly accountable allowance and he has to cover the overhead of his office with his honourarium. The full-time DC members will find it hard or even burdensome to meet these expenditures. With such limited resources, how can the DC members provide quality service to the public? To increase the resources to the DC members is a pressing matter. In fact, to enhance the support to the DCs, the provision of matching resources is very important. Apart from that, the co-ordination of government departments in handling complaints referred by DC members promptly also plays an important role in helping DC members to provide quality service to the public. Madam President, many DC members have complained to me that, thanks to the excellent performance of private secretaries of those Policy Secretaries or department heads, who are or are not in this Chamber, they often received no response when they sought help from them. Whenever the DC members phoned the government officials, their secretaries would say that they were at meetings and tell the DC members to wait for their return calls. In the end, of course, no calls were returned. In my opinion, all responsible departments should appoint a government official to help DC members solve problems and handle complaints. And this is an important element to enhancing the DC members' ability to analyse and discuss political issues.

A "District Councils Day", which is a symposium for reviewing the present role of DCs, will be held on 18 November. It is better late than never to have such a symposium. I look forward to an active and quick response from the Government after it has heard DC members' views. Besides, I have also planned to move a motion debate on increasing the support to DC members in order to pool our wisdom together on this issue. I look forward to colleagues' support.

The Democratic Alliance for Betterment of Hong Kong (DAB) has all along held the view that the Government should offer a reasonable compensation package to those affected by urban renewal on a principle of generosity. I heard that the review on urban renewal undertaken by the Government is near completion and an initial conclusion has already been drawn, which includes a proposal to increase the home purchase allowance for the affected residents. Besides, I am also given to understand that the Government has decided to

increase compensation for owners who own more than one flat. As for commercial tenants, the Government is now considering to increase the actual compensation for them. The DAB hopes that the Government can announce the result as soon as possible in order to allay people's worries and collect the views of residents of the redevelopment areas. This will ensure the problem which plays a determinant role in the success or failure of the urban renewal programme be resolved satisfactorily.

As regards building maintenance, the DAB made a number of suggestions in the past, for example, the Government should be responsible for initial inspection of buildings. In the course of inspection, apart from paying attention to structural safety, the Government should also deal with dangerous or illegal structures, review and improve the operation and application procedures of the Building Safety Improvement Loan Scheme and encourage wider public participation in it. However, since the announcement of the Building Safety Inspection Scheme in 1997, there has been no further progress. In this year's policy address, however, response is made to these suggestions finally. The Government indicates that it will propose and launch a new building safety and timely maintenance scheme. At the same time, it will improve the current loan scheme and expand its scope. The DAB hopes that the Government can announce the relevant proposal as soon as possible and consult the public to facilitate the implementation of the proposal.

Madam President, I have taken part in the work of the Legislative Council's Panel on Housing. I am also a member of the Housing Authority (HA) cum member of its Building Committee. I am greatly concerned about the poor quality of construction and substandard piling works in Hong Kong in recent years. Recently, some colleagues in this Council demanded that a select committee be formed to probe into a series of construction blunders in public housing estates. However, as three government departments and organizations are conducting such investigation, the DAB feels that we should wait until the announcement of the investigation result before we decide whether the Legislative Council should conduct another inquiry. At the present stage, the DAB does not support the formation of a select committee.

As regards the 50 proposals concerning construction quality contained in the consultation paper "Quality Housing, Partnering for Change" by the HA, both the DAB and I support these ideas. We hope that the HA, the Housing Department and those participating in the construction of housing estates can

work together to materialize these proposals with a view to reforming Hong Kong's construction culture gradually and achieving the target of quality housing. The DAB has time and again indicated that the key to dealing with the confusing housing reforms and measures lies in all those organizations involved in housing matters. A review should be conducted on the roles of the Housing Bureau, the HA and the Housing Society before the housing problem can be completely resolved.

Madam President, to create a stable business environment is very important to Hong Kong's sustained development and social harmony. As the Chief Executive has said, there is hostility in society and people are more inclined to adopt a mood of scepticism and criticism. Many of our citizens are tired of this. Our citizens want a society with greater harmony and this is the common wish of the majority, and the prerequisite for the growth of society.

With these remarks, Madam President, I support the original motion.

**PRESIDENT** (in Cantonese): 57 members have spoken in this debate. I now invite Mrs Selina CHOW to move a motion to adjoin the debate on the Motions of Thanks.

**MRS SELINA CHOW** (in Cantonese): Madam President, I move that the debate on the Motion of Thanks be now adjourned, and be resumed on 1 November 2000.

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the debate on the Motion of Thanks be now adjourned, and be resumed on 1 November 2000.

**PRESIDENT** (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

**PRESIDENT** (in Cantonese): Those against please raise their hands.

(No hands raised)

**PRESIDENT** (in Cantonese): I think the question is agreed by a majority respectively of each of the two groups of Members, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee, who are present. I declare the motion passed. Public officers will speak in response to Members' speeches at the Council meeting on 1 November 2000.

### **NEXT MEETING**

**PRESIDENT** (in Cantonese): I now adjourn the Council until 2.30 pm on Wednesday, 1 November 2000.

*Adjourned accordingly at nine minutes past Seven o'clock.*