

# **OFFICIAL RECORD OF PROCEEDINGS**

**Wednesday, 6 June 2001**

**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 ERIC LI KA-CHEUNG, J.P.

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

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

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

THE HONOURABLE NG LEUNG-SING

PROF THE HONOURABLE NG CHING-FAI

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 BERNARD CHAN

THE HONOURABLE CHAN KAM-LAM

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

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

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

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

THE HONOURABLE CHOY SO-YUK

THE HONOURABLE ANDREW CHENG KAR-FOO

THE HONOURABLE SZETO WAH

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

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

THE HONOURABLE AUDREY EU YUET-MEE, S.C., J.P.

**PUBLIC OFFICERS ATTENDING:**

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

THE CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE ANTONY LEUNG KAM-CHUNG, G.B.S., J.P.

THE FINANCIAL SECRETARY

THE HONOURABLE ELSIE LEUNG OI-SIE, J.P.

THE SECRETARY FOR JUSTICE

MISS DENISE YUE CHUNG-YEE, J.P.

SECRETARY FOR THE TREASURY

MR LAM WOON-KWONG, G.B.S., J.P.

SECRETARY FOR HOME AFFAIRS

MR STEPHEN IP SHU-KWAN, J.P.

SECRETARY FOR FINANCIAL SERVICES

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

MRS FANNY LAW FAN CHIU-FUN, J.P.  
SECRETARY FOR EDUCATION AND MANPOWER

MRS STELLA HUNG KWOK WAI-CHING, J.P.  
SECRETARY FOR THE ENVIRONMENT AND FOOD

**CLERKS IN ATTENDANCE:**

MR RICKY FUNG CHOI-CHEUNG, J.P., SECRETARY GENERAL

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

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

**TABLING OF PAPERS**

The following papers were laid on the table pursuant to Rule 21(2) of the Rules of Procedure:

Subsidiary Legislation/Instruments	<i>No.</i>
Air Pollution Control (Vehicle Design Standards) (Emission) (Amendment) Regulation 2001 .....	L.N. 101/2001
Air Pollution Control (Vehicle Design Standards) (Emission) (Amendment) (No. 2) Regulation 2001 .....	L.N. 102/2001
Air Pollution Control (Dry-Cleaning Machines) (Vapour Recovery) Regulation .....	L.N. 103/2001
Merchant Shipping (Seafarers) (Ro-Ro Passenger Ships —Training) (Amendment) Regulation 2001 .....	L.N. 104/2001
Merchant Shipping (Seafarers) (Passenger Ships Other Than Ro-Ro Passenger Ships—Training) Regulation .....	L.N. 105/2001
Merchant Shipping (Safety) (Cargo Ship Construction and Survey) (Ships Built Before 1 September 1984) (Amendment) Regulation 2001 .....	L.N. 106/2001
Merchant Shipping (Safety) (Cargo Ship Construction and Survey) (Ships Built On or After 1 September 1984) (Amendment) Regulation 2001 .....	L.N. 107/2001
Merchant Shipping (Safety) (Passenger Ship Construction) (Ships Built Before 1 September 1984) (Amendment) Regulation 2001 .....	L.N. 108/2001

Merchant Shipping (Safety) (Passenger Ship Construction and Survey) (Ships Built On or After 1 September 1984) (Amendment) Regulation 2001 .....	L.N.	109/2001
Merchant Shipping (Safety) (Musters and Training) (Amendment) Regulation 2001 .....	L.N.	110/2001
Freight Containers (Safety) (Applications for Approval of Containers) Regulation .....	L.N.	111/2001
Freight Containers (Safety) (Fees) Regulation.....	L.N.	112/2001
Freight Containers (Safety) (Arrangements for Authorized Persons) Order .....	L.N.	113/2001
Freight Containers (Safety) (Examination Procedure) Order .....	L.N.	114/2001
Telecommunications (Method for Determining Spectrum Utilization Fees) (Third Generation Mobile Services) Regulation.....	L.N.	115/2001
Telecommunications (Designation of Frequency Bands subject to Payment of Spectrum Utilization Fee) Order .....	L.N.	116/2001
Fire Safety (Commercial Premises) Ordinance (Amendment of Schedule 4) Order 2001 .....	L.N.	117/2001
Import and Export (General) Regulations (Amendment of Fourth Schedule) Order 2001 .....	L.N.	118/2001
Prevention of Copyright Piracy Ordinance (Amendment of Schedule 2) Order 2001 .....	L.N.	119/2001

Commodities Trading (Trading Limits and Position Limits) (Amendment) (No. 3) Rules 2001 .....	L.N.	120/2001
Securities (Exchange—Traded Stock Options) (Amendment) Rules 2001 .....	L.N.	121/2001
Dangerous Dogs Regulation (Exemption) Notice.....	L.N.	122/2001
Noise Control (Construction Work Designated Areas) Notice.....	L.N.	123/2001
Tax Reserve Certificates (Rate of Interest) (No. 6) Notice 2001 .....	L.N.	124/2001
Statutes of the University of Hong Kong (Amendment) (No. 2) Statutes 2001 .....	L.N.	125/2001
Registration of Copyright Licensing Bodies Regulation.....	L.N.	126/2001
Copyright Ordinance (Cap. 528) (Commencement) Notice 2001 .....	L.N.	127/2001
Disability Discrimination Ordinance—Code of Practice on Education.....	G.N.	3310/2001
Technical Memorandum on Noise from Construction Work in Designated Areas.....	S. S. No. 5 to Gazette No. 22/2001	

#### Other Paper

No. 89	—	Occupational Safety and Health Council Annual Report 1999/2000
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## ORAL ANSWERS TO QUESTIONS

**PRESIDENT** (in Cantonese): Questions. First question.

### **Purchase of Luxury Saloon Cars for Senior Civil Servants**

1. **MR DAVID CHU:** *Madam President, in its Report No. 30 published in February 1999, the Public Accounts Committee expressed the view that the dignity appropriate to the rank and status of senior civil servants could be better reflected by efficiency and frugality, rather than luxury and extravagance. In view of this and the current unfavourable economic conditions, will the executive authorities inform this Council whether they will refrain from purchasing luxury saloon cars for senior civil servants as that might give the public the impression of extravagance and wastefulness?*

**SECRETARY FOR THE TREASURY:** President, we fully appreciate the expectations of Members and the public on the Civil Service. We have always endeavoured to ensure high efficiency and optimal cost-effectiveness in all aspects of our operation. Provision of transport support to bureaux and departments for the efficient discharge of their functions is no exception. We do not condone extravagance and wastefulness in the use of public funds.

There are at present around 173 large saloon cars in the Government. Fourteen of them are used for conveyance of visiting Heads of State and Government, the Chief Executive, the Chief Justice, the Chief Secretary for Administration, the Financial Secretary and the Secretary for Justice. The rest is allocated to Policy Bureaux, departments and the Judiciary for conveyance of officers to meetings and official duties outside their places of work. They are also used from time to time for conveyance of non-officials and visiting VIPs on official business with the Government. Where vehicles are available, they may also be used in limited and prescribed circumstances for other permitted use by designated Directorate and Judiciary officers. It is worthy to note that these vehicles are not allocated for the exclusive use of Policy Secretaries, judicial officers or heads of departments; operational requirements take precedence.

We have taken on board the recommendations of the Public Accounts Committee in its Report No. 30 on the procurement of saloon cars, including the

recommendation that we should pay due regard to economy in the selection of government vehicles. We will continue to exercise vigilance in procurement of vehicles to ensure best value-for-money, having regard to operational needs and due economy.

**MR DAVID CHU** (in Cantonese): *Madam President, senior civil servants used Toyota vehicles in the past, but they are now using high-class luxurious vehicles from Germany. Would the use of these luxurious vehicles by civil servants affect their very outstanding, frugal and financially prudent image?*

**SECRETARY FOR THE TREASURY** (in Cantonese): Madam President, I would like to thank Mr CHU for asking the supplementary question. I have already stated in my main reply that vehicles are not allocated for the exclusive use of individual civil servants and government vehicles are mainly allocated for the use of the whole bureau or department. As members of their respective departments, Policy Secretaries and heads of department can certainly use these vehicles. The type of vehicles by the Government is strictly based on the tender requirements we set and the types of vehicles provided by the bidders for the Government's consideration. Looking back at the past five to 10 years, I can tell Members the types of large saloon cars we procured — Madam President, I seek your leave to state the following in English — the vehicles included Lexus LS400, Nissan Cima, Toyota Crown, BMW, Jaguar and Mercedes-Benz. Actually, we did not specify before putting up each tender which type of vehicle we wished to procure and we strictly considered which bid was the most cost-effective on the basis of the requirements set. I know that the Public Accounts Committee, Members and the public have given the Government a lot of invaluable advice on cost-effectiveness. A tendering exercise is now taking place and we have made reference to the views of the Public Accounts Committee as stated in its Report No. 30. For instance, the adjustment of the ratio of prices in the whole assessment from 80% in the past to 50%. We have also accepted the request of the Public Accounts Committee to categorize the items in the bid into two, namely mandatory requirements that bidders must comply with and desirable requirements that we find desirable but bidders do not necessarily need to comply with. Through such measures, we wish to increase the cost-effectiveness in the procurement of vehicles by the Government.

**MR HUI CHEUNG-CHING** (in Cantonese): *Madam President, does the Government have made any arrangements in its policy for officials of different ranks to use vehicles of different specifications? Can officials who have the right to enjoy the use of vehicles choose to use vehicles that are inferior to the specifications of the vehicles for their ranks?*

**SECRETARY FOR THE TREASURY** (in Cantonese): Madam President, I would like to thank Mr HUI for asking the supplementary question. I have to reiterate that vehicles are not allocated for the exclusive use of individual civil servants. Apart from the Chief Executive, the Chief Justice and some Policy Secretaries I just mentioned, all government vehicles are allocated for use by Policy Bureaux, courts and various departments. Since Policy Bureaux, the Judiciary and departments are units of different ranking, they are allocated government vehicles of different levels. So, Policy Bureaux and the Judiciary are mainly allocated large saloon cars while departments are allocated two main types of vehicles, namely large saloon cars and medium saloon cars. Our current practice is what I have already explained to Members a minute ago.

The second part of Mr HUI's supplementary question concerns whether heads of department or civil servants can choose other types of government vehicles. In the use of government vehicles by civil servants, our consideration is mainly on a few factors. Firstly, the civil servants concerned must use government vehicles for an official purpose. Within a specified scope, if government vehicles are available, they can be used for conveyance of heads of department to and from their offices. However, civil servants who are on official duties would certainly have priority to use government vehicles. Every department must first find out if the allocated vehicles are available, if so, it should use the department's vehicles first. If a department fails to book its vehicles for use, as we have a pool car centre, it can book other vehicles at the pool car centre in case other colleagues have used the department's vehicles for official duties. These are the existing rules for the use of vehicles.

**MR MICHAEL MAK** (in Cantonese): *Madam President, the standard of luxuriousness of vehicles is one way to reflect the extravagance and sophistication of officials, but I think that the registration number of the cars is also very important. Would the Government consider giving up the No. 1 car registration number that is not preceded by letters and putting it up for auction?*

**PRESIDENT** (in Cantonese): Mr Michael MAK, the subject matter of this question is related to government vehicles but your supplementary question is about car registration number. Can you try your best to connect your supplementary question and the subject matter of this question? (*Laughter*)

**MR MICHAEL MAK** (in Cantonese): *Madam President, every vehicle has a registration number, for instance, there are ties between such letters as CS and SJ showing on the number plates and the vehicles. I wonder why car registration number cannot be associated with the luxurious standard of vehicles. I hope that Madam President would also think that this supplementary question is connected with the subject matter of this question.*

**PRESIDENT** (in Cantonese): Mr Michael MAK, I am very sorry and I know that you have tried your best to explain it, (*laughter*) but I suggest that you could raise another question to find out more from the Secretary in future.

**MR AMBROSE LAU** (in Cantonese): *Madam President, the Secretary has stated in her main reply that they would pay due regard to economy to ensure best value-for-money in the procurement of vehicles. Can the Secretary, based on experience, tell us how long on average would a large saloon car be used by the Government before its replacement?*

**SECRETARY FOR THE TREASURY** (in Cantonese): Madam President, I would like to thank Mr LAU for asking the supplementary question. I can hardly provide an average number, but if I were to make a very rough assessment, I can only say that the government vehicles can last for six to seven years. Why did I have such reservations in answering this supplementary question? It is because, under our existing system, we do not decide to have the vehicles replaced purely on the basis of the age of the vehicles but on the condition of each individual vehicle. Our colleagues in the Electrical and Mechanical Services Department would calculate all the expenses spent on each vehicle. For instance, they would calculate the servicing expenses to be spent on a vehicle that may have to be serviced frequently if we continue to use it.

We also need to provide a supplementary vehicle for use by the relevant department during the servicing period. Having calculated all the expenses, we would know if the expenses would be higher or lower than those required to procure a new vehicle. At present, no longer would we base on the age of a vehicle to decide across the board whether or not any vehicle should be replaced. I hope Mr LAU would understand that it was very brave of me to make a rough assessment that government vehicles are used for six to seven years because now we would decide whether or not a vehicle should be replaced on the basis of its condition.

**MR FRED LI** (in Cantonese): *Madam President, the Secretary has stated in the third paragraph of her main reply that they would pay due regard to economy in the selection of government vehicles. My supplementary question is that if the Government adopts this principle, why are officials at the level of Bureau Secretaries using BMW 7 series large saloon cars while D6 grade Directorate officers are using Mazda 929 vehicles? Why is there such an obvious difference? Would the status and identity of officials be one of the principles considered?*

**SECRETARY FOR THE TREASURY** (in Cantonese): Madam President, I would like to thank Mr LI for asking this supplementary question because he has given me the chance to state for the fourth time that government vehicles are allocated for use by Policy Bureaux, departments and the Judiciary and not for individual civil servants, with the exception of the Chief Executive, the three Secretaries and the Chief Justice. Policy Bureaux, departments and the Judiciary are at different rankings within the whole government structure and we have based on the different levels of these units to determine the types of government vehicles that should be allocated to the units at each level. Does it mean that Policy Bureaux and the Judiciary must use BMW 7 series vehicles while departments must use Toyota vehicles and so on? No. They merely depend on the result of each tender exercise and the bid that succeeded. When I answered one of the supplementary questions, I have said in passing that a tender exercise is now taking place and the deadline for the tender exercise will be the middle of this month. We do not know which types of vehicles we would procure yet, and we have to assess and vet the bids collected before deciding on the types of government vehicles to be procured this time.

**MR FRED LI** (in Cantonese): *Madam President, the Secretary has not answered the part of my question concerning due regard to economy. The Secretary has indicated in her reply that different types of vehicles would be allocated to units at different levels. Does that mean that the identity and status of officials would be considered? The Secretary has not made this point clear. Concerning due regard to economy, why were those two types of vehicles with distinctly different degrees of luxury selected? I hope the Secretary could give an explicit reply.*

**PRESIDENT** (in Cantonese): Secretary, do you have anything to add?

**SECRETARY FOR THE TREASURY** (in Cantonese): Madam President, when we consider cost-effectiveness, apart from taking into account the prices stated on the bids, we would also take into account fuel consumption by the vehicles, the maintenance expenses of the vehicles and the maintenance period. Concerning the series of saloon cars owned by the Government, we have made our decision regarding the allocation of these saloon cars on the basis of the levels of the relevant units in the entire government structure.

**PRESIDENT** (in Cantonese): This Council has spent more than 17 minutes on this question. Although a few Members are still queuing up to raise their questions, I can only permit one of them to ask the last supplementary question.

**MR HOWARD YOUNG**: *Madam President, the Secretary said that in procurement of vehicles, the Government would ensure the best value-for-money, having regard to due economy. And she just said that fuel consumption would also be taken into account. I would like to ask whether other factors, less tangible ones, such as emission standards which affect pollution, and the normal durability or life span of a car, can be quantified and taken into account as well when assessing whether it is value-for-money?*

**SECRETARY FOR THE TREASURY**: President, all the factors which the Honourable Howard YOUNG have just mentioned will be taken into account in the assessment of the tender exercise now taking place.

**PRESIDENT** (in Cantonese): Second question.

### **Illegal Workers Working in Construction Sites with Forged Green Cards**

2. **MR CHAN KWOK-KEUNG** (in Cantonese): *Madam President, at present, proprietors in the construction industry may employ only workers holding valid certificates (commonly known as "green cards") certifying their attendance at recognized safety training courses for carrying out the related work. It has been reported that some law-breakers arrange for mainlanders to come and work illegally at construction sites in Hong Kong and provide them with forged green cards. In this connection, will the Government inform this Council:*

- (a) *of the number of illegal workers arrested at construction sites since last January and, among them, the number of those who were found holding forged green cards and the number of illegal workers who were convicted;*
- (b) *whether it will consider enhancing the security design of the green cards; and*
- (c) *whether it regularly organizes activities to teach proprietors how to distinguish authentic green cards from forged ones; if so, of the details?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese):  
Madam President,

- (a) From January 2000 to 30 April 2001, a total of 450 suspected illegal workers were arrested by the Immigration Department and the Hong Kong Police Force during their joint operations at construction sites. Of the 294 suspected illegal workers already prosecuted by the Immigration Department, 275 have been convicted.

Under the Factories and Industrial Undertakings (Amendment) Ordinance 1999, which came into effect on 1 May 2001, all construction workers must have attended recognized safety training

courses and carry with them green cards. As at the end of May, the Labour Department (LD) has not seized any forged green cards during its inspections. We are, however, very concerned about the reported use of forged green cards. The LD will pay particular attention to the authenticity of green cards in its future inspections.

- (b) We have reasons to believe that those who use forged green cards are mostly illegal workers. This is because a worker may be issued a green card on the same day after completing a one-day basic safety training course and passing a test. It is unnecessary for local workers to use forged green cards for working at construction sites. In fact, over 350 000 green cards have so far been issued to construction workers.

The purpose of issuing green cards to construction workers is to certify the holders' completion of the safety training required in law. To prevent untrained persons from working at construction sites by way of forged green cards, the LD will liaise with various training providers on the feasibility and cost-effectiveness of introducing anti-forgery designs to green cards. Indeed, if proprietors increase their vigilance in refraining from hiring illegal workers, the problem of forged green cards could be eliminated.

- (c) Before the implementation of the legislation regarding green cards, the LD has written to employers' associations in April this year urging them to remind members to be vigilant against the possible emergence of forged green cards. The LD has also written to authorized training providers requesting them to provide assistance to proprietors or contractors in verifying the authenticity of the green cards where necessary.

Holders of forged green cards are mostly illegal workers. To employ illegal workers is a very serious offence, and the offender shall be liable on conviction to a maximum penalty of a fine of \$350,000 and three years' imprisonment. Before offering employment to workers, proprietors in the construction industry should scrutinize carefully if the workers possess valid identity cards and other necessary documents. If they are in doubt, they should immediately seek assistance from relevant government departments and training providers.



As the use of the green cards has become more commonplace, employers and employees should be more familiar with it. At present we have no plans to organize regular activities to teach proprietors how to distinguish authentic green cards from forged ones. Relevant government departments will, however, in the course of their day-to-day publicity and inspection work, continue to remind proprietors to be vigilant against illegal workers and the appropriate actions to take.

**MR CHAN KWOK-KEUNG** (in Cantonese): *Madam President, I do not know whether it is because the Government has really failed to find any forged green cards or because the cards look almost the same as authentic ones that makes detection so difficult. Will the Government issue guidelines on green cards for Labour Inspectors to follow when carrying out inspections?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Madam President, the design of green cards is actually very simple. Insofar as the current design is concerned, it is not difficult at all to forge a green card. However, a green card contains some information and a reference number. If an employer suspects forgery, he may call the relevant training provider to verify if the cardholder has received training against the reference number printed on the card, thereby ascertaining the authenticity of the card. Furthermore, each green card bears the chop of the issuing authority and the card issuer.

Although Labour Inspectors are aware of the basic information contained in green cards, it is not easy for them to distinguish authentic green cards from forged ones immediately on the spot. However, they may, by virtue of their experience, judge whether or not the workers being inspected are illegal workers. Such clues as timid behaviour of the workers or a particular dialect with which they speak will help Labour Inspectors to decide whether it is necessary to seek assistance from training providers for verification. From 2 May to 7 May, staff from the LD have inspected various construction sites and conducted random checks on the green cards held by more than 400 workers. No forged cards were detected.

**MISS LI FUNG-YING** (in Cantonese): *Madam President, in the second paragraph of part (c) of the main reply, the Secretary mentioned that to employ*

*illegal workers is a very serious offence. In part (a) of the main reply, the Secretary also mentioned that 275 illegal workers have been convicted. Will the Secretary inform this Council of the number of employers who have been prosecuted accordingly and of their convictions?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Madam President, I do not have at hand information on the number of employers of these 200-odd prosecuted workers. I will furnish a written reply some time later. (Annex I)

**MR YEUNG YIU-CHUNG** (in Cantonese): *Madam President, under the current system, employers or sub-contractors may allege that they cannot distinguish authentic green cards from forged ones and use this as a ground for defence and to avoid being punished. At the same time, the LD has not instructed employers how they can solve this problem either. Will the Secretary inform this Council what the Government will do to address this problem before the registration system is introduced?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Madam President, it is not true that the LD has not given any instruction to the employers, and basically, everyone knows what the green cards look like. We have no idea how closely the forged cards resemble the authentic ones. However, I believe employers are aware that they must step up their vigilance after receiving the letters from the LD. Furthermore, we have provided employers with some channels for verification. If employers are in doubt, they should immediately call the relevant training providers for verification.

**MR ANDREW CHENG** (in Cantonese): *Madam President, it is obvious from the main reply that the Government is of the view that to employ illegal workers is a serious offence. Nevertheless, it was mentioned in part (a) of the main reply that a total of 450 illegal workers were arrested in the first four months of this year. This shows that the problem of illegal workers does exist in the local construction industry and the problem is quite serious, coupled with the fact that*

*"subcontracting" has been in existence in the industry for a long time. Will the Secretary inform this Council of the measures to be taken by the Government to tackle the key point raised in this question today against a background of illegal workers and "subcontracting", or in other words, of the measures to be taken to prevent illegal workers from being employed to work at construction sites with the use of forged green cards?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Madam President, I have to make a correction. What we are discussing at the moment is the number of illegal workers detected during the period from January 2000 to 30 April 2001. During these 16 months, a total of 400-odd suspected cases of illegal workers were detected. No prosecution and conviction have been taken with respect to some cases due to the lack of sufficient evidence.

As a whole, the Government has made a lot of efforts in addressing the problem of illegal workers. The most fundamental step taken by the Immigration Department is to make a lot of efforts in intercepting illegal immigrants. Although two-way permit holders are not allowed to take up employment in Hong Kong, they are often found working on construction sites. They are most likely to hold forged green cards.

In fact, in 1999, the Immigration (Amendment) Ordinance 1999 was enacted for the main purpose of combating the employment of illegal workers and, by virtue of the Ordinance, both contractors and persons in charge of construction sites may be subject to penalty. Since its commencement, the legislation has been able to produce a substantial deterring effect. The number of two-way permit holders coming to Hong Kong to work on construction sites has also seen a remarkable fall from 1 415 in 1998 to 653 in 1999, 267 in 2000, and a mere 45 from January to April 2001. In our opinion, the legislation has been able to produce a real deterrent effect. Of course, we hope this problem can be eliminated.

**MR JASPER TSANG** (in Cantonese): *Madam President, the Government has issued over 350 000 green cards and used up a lot of resources. However, the Secretary stated that it is unnecessary for local workers to forge green cards*

*because all applications will be granted. In that case, is the action taken by the Government unnecessary and will it lead to wastage of resources?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese):  
Madam President, I do not get the full meaning of this supplementary question.  
*(Laughter)*

Many people see the green cards as symbols of training as holders must have completed their safety training. For such cardholders, they are protected once they receive the cards. The fact that 358 000 green cards have been issued means that 358 000 people have received safety training, though all of them do not necessarily work at construction sites. As far as I remember, the former Commissioner for Labour, Mr Matthew CHEUNG, was issued with a green card after attending a one-day course. Notwithstanding the grant of government subsidy, attendants for such courses are required to pay a small amount of course fee. In my opinion, although the green cards are useful, it is not necessary for local workers to forge green cards in order to work at construction sites, because the charges for issuing the green cards and the course fees are low, abundant places are available, and the course only lasts for one day. There is simply no need for the workers to take the risk of forging the green cards.

**MR LAU CHIN-SHEK** (in Cantonese): *Madam President, employers obviously do not know who should be punished if employees are found to possess forged green cards. I believe card-forging syndicates might have existed. What measures will the Government take to ensure that this issue will be handled more fairly and a solution will be proposed to tackle the problem?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese):  
Madam President, to start with, we can only obtain clues to help us examine whether card-forging syndicates really exist when forged green cards are found, or when someone is arrested by the police or the Immigration Department for using a forged green card. However, as I said in the main reply, people using forged green cards are mostly illegal workers. We are unable to trace whether such syndicates are located in Hong Kong or the Mainland unless forged green

cards are found. So far, the LD has not formally seized or found any forged green cards during its inspection rounds. We were only told by the media that there was such a problem.

**MISS CHAN YUEN-HAN** (in Cantonese): *Madam President, the earlier remark made by the Secretary that no forged green cards have been found as at the end of May has made me feel even more insecure, because in the actions taken jointly by the Immigration Department and the Hong Kong Police Force, 450 people were arrested in 16 months for working illegally at construction sites, and yet no relevant figures have been reported by the LD in May for nil discoveries. This is probably one of the reasons which made people worry as cited by this Council and some newspapers. Will the Secretary inform this Council whether such a situation is caused by the fact that there are some problems with the standard of inspections carried out by the LD? Why is it possible for the Hong Kong Police Force and the Immigration Department to have arrested 450 illegal workers? Faced with the results of inspection carried out by different government departments, is the Secretary concerned about the current standard of inspections carried out at construction sites by the LD?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Madam President, I was referring to two different periods of time in the main reply. This is because the relevant legislation did not come into formal effect until 1 May whereas the 400-odd illegal workers were arrested before the green cards came into effect. We hope the Immigration Department and the Hong Kong Police Force can, in addition to inspecting the identity papers of the workers, ask them to produce their green cards in the course of carrying out inspections at construction sites.

I have absolutely no doubts about the ability of Labour Inspectors. I trust that they will carry out inspections in the same manner and refer the relevant cases to the Immigration Department if illegal workers are found at construction sites.

**MISS CHAN YUEN-HAN** (in Cantonese): *Madam President, the Secretary has not answered my supplementary question. She was right in saying that she had*

*referred to different government departments. In part (a) of the main reply, she mentioned that 400-odd illegal workers were arrested by the Immigration Department and the Hong Kong Police Force as at April 2001, though the LD has detected no illegal workers at construction sites in May. This is why I questioned whether there is any problem with the standard of law enforcement. The Secretary has not answered this question.*

**PRESIDENT** (in Cantonese): Secretary for Education and Manpower, do you have anything to add?

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Madam President, I have answered the supplementary question put by the Honourable Member. Actually, no data is available at the moment for comparison with the data obtained with respect to the police and the Immigration Department after May. If the Honourable Member is interested, we may follow up the issue in the meetings of the Panel on Manpower after a few months to see if any detection has been made by the Immigration Department and the police in carrying out inspections.

**PRESIDENT** (in Cantonese): We have spent 16 minutes on this oral question. This is the last supplementary question.

**MR LEE CHEUK-YAN** (in Cantonese): *Madam President, the Secretary stated earlier that no forged cards have been found at the moment. If such cards are found, investigations will be carried out to see if card-forging syndicates do really exist. Actually, even if such forged cards are found, the Government could not institute any prosecution for even though anyone employing illegal workers will be penalized, the current law does not impose any penalties with respect to the forging of green cards, is that correct?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Cantonese): Madam President, I would like to answer this supplementary question after the

meeting because I want to check what is actually laid down in the law. (Annex II)

Nevertheless, I am of the view that insofar as this issue is concerned, illegal workers constitute the main reason, while forged cards is only an auxiliary tool. I think we should refer the matter to the Hong Kong Police Force for investigation. I will consult the police to see if it is possible for the source to be traced.

**PRESIDENT** (in Cantonese): Third question.

### **Provision of Sufficient Cultural, Leisure and Sports Facilities in New Towns**

3. **MR TAM YIU-CHUNG** (in Cantonese): *Madam President, it has been reported that there are signs of triad infiltration in schools in Tung Chung. Regarding the provision of sufficient cultural, leisure and sports facilities to allow young people to actively participate in such activities and reduce the chances of their going astray, will the Government inform this Council whether it will:*

- (a) *speed up the construction of cultural, leisure and sports facilities, such as libraries, community halls and stadiums, and provide more open spaces in Tung Chung; if so, of the details; if not, the reasons for that;*
- (b) *when developing new towns, consider the early construction of various cultural, leisure and sports facilities as well as open spaces; and*
- (c) *consider drawing up a fast-track funding process for the construction of cultural, leisure and sports facilities, so as to avoid any delay caused by the need for them to compete with other construction projects for financial resources?*

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): Madam President, my reply to Mr TAM Yiu-chung's question is as follows:

- (1) In planning the provision of district facilities in new towns, the Leisure and Cultural Services Department (LCSD) takes account of the population growth and the local demand for leisure and cultural services facilities. In the case of Tung Chung, its population is 21 000 at present, and is expected to increase to 90 000 by 2003. By 2006, its population will further increase to about 200 000. We have a number of leisure and cultural projects under active planning in order to meet the demand of residents in new towns for such facilities. Our current focus is on developing an Open Space project in Area 7 and an Indoor Recreation Centre cum Library project in Area 17 of the town. For the latter project, we will also consider including community hall facilities in the project scope.
- (2) In planning and implementing new leisure and cultural projects, we have to follow a number of procedures aimed at ensuring the proper utilization of public resources. These include:
  - (a) Establishing the need for the projects, in terms of population growth, community demand, the readiness of the site, availability and utilization rate of similar facilities in the locality and cost-effectiveness of the project;
  - (b) Finalizing the precise scope of the project;
  - (c) Confirming that the project is technically feasible; and
  - (d) Securing financial resources for the project.

We recognize the need to provide leisure and cultural facilities in a timely manner to cope with the rapid population growth in new towns and other districts under development. We are making an effort and will do our utmost to meet this need.

- (3) As with other public capital works projects, the funding of leisure and cultural facilities is subject to established procedures aimed at ensuring the proper and timely use of public funds. The existing funding procedures for public works projects are formulated on the basis of long years of accumulated experience for compliance by all Policy Bureaux and departments. Any attempt to fast-track the



existing funding mechanism by jumping certain important steps would run the risk of greater delays in the longer term due to factors neglected in the initial planning process. Nonetheless, we shall further examine the possibility of streamlining certain procedures, particularly in respect of smaller projects, such as district open space leisure facilities, which involve less complications.

**MR TAM YIU-CHUNG** (in Cantonese): *Madam President, in his reply to my main question, the Secretary mentioned that the current focus is on developing Areas 7 and 17 in Tung Chung. Both projects are in Category C. May I ask the Government when will these projects commence and when will they be completed? Besides, regarding the open space projects in Areas 1 and 15 in Tung Chung, and the project to build an indoor game centre in Area 2 of the town, when will construction works commence?*

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): Madam President, for the time being, we hope that the Open Space project in Area 7 and the Indoor Recreation Centre cum Library project in Area 17, Tung Chung can be included in our funding applications under the resource allocation exercises in 2001 and 2002 respectively. As for the other facilities, we hope to seek funding for them within the parameters of the resource allocation exercise in the coming fiscal years.

**MR ALBERT CHAN** (in Cantonese): *Madam President, when the Government develops new towns, it is often the case that many recreational facilities (including sports facilities) have still yet to be completed some time after the intake of population. In Tin Shui Wai, for example, its population now has reached 200 000 but the library will only be completed in 2005-06. The same is likely to happen in Tung Chung at any time. That is, the relevant recreational facilities will not be completed long after the intake of population. Can the Government tell us explicitly when will the library, indoor recreational centre and public swimming pool in Tung Chung be completed?*

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): Madam President, we can set out the exact timetable for completion of the projects only after funding is

sought through the resource allocation procedures and with the approval of the Public Works Subcommittee of the Legislative Council. However, Madam President, we do appreciate Members' concern over the provision of cultural, leisure and sports facilities in new towns. But I wish to point out that for some services, say, the library service, provisional service will be provided prior to the completion of a library project. For example, there are mobile libraries in the new town of Tung Chung, providing service for residents three times a month. Some district facilities of a smaller scale are also available, and they are included in the design of public housing estates. It is encouraging to see that private housing developments generally attach great importance to recreational and sports facilities now. For instance, a large private housing estate in Tung Chung is well-equipped with leisure facilities which can provide its residents with the relevant recreational activities. But anyhow, Madam President, I can assure Members that the LCSD is very concerned about whether these projects can be completed as scheduled, and I will endeavour to seek the requisite resources through the resource allocation procedures.

**PROF NG CHING-FAI** (in Cantonese): *Madam President, the Secretary's earlier reply mostly revolves around hardware facilities, but it is inadequate to rely solely on hardware facilities to resolve effectively the problem of triad infiltration in schools. Will the Secretary tell us if the Home Affairs Bureau or any other Policy Bureau has plans to provide cultural, leisure and sports activities for the town, particularly as the hardware facilities have not yet been fully available for use? What arrangements will the authorities make, say, for the forthcoming summer holiday?*

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): Madam President, we certainly cannot rely on the provision of passive cultural, leisure and sports facilities alone to tackle the problem of triad harassment in schools. In fact, many Policy Bureaux have provided a myriad of healthy activities for students. For instance, on education front, apart from the extra curricular activities provided by schools, the Quality Education Fund also provides considerable resources for schools and educators to organize healthy activities for students. Moreover, the Home Affairs Department (HAD) organizes an extensive summer youth programme every year during the summer holidays. The accumulated number of participants in the programme in recent years has exceeded 1 million, showing its popularity among youngsters. In addition, even if the hardware

facilities cannot be made available in time, the LCSD will provide various kinds of cultural, leisure and sports activities for youngsters in the light of the respective circumstances and environment in different districts. Back to residents in Tung Chung. Tung Chung is basically easily accessible in terms of its transport facilities. There are railway and buses servicing the town, and it takes less than 30 minutes to reach the Kwai Ching District. As there are large-scale and well-established cultural, leisure and sports facilities in the Kwai Ching District, I believe they should be able to meet the demand of residents in Tung Chung to a certain extent.

**MR IP KWOK-HIM** (in Cantonese): *Madam President, new towns are in fact a new development in the context of urban development, and they should have the set-ups ready before residents are allowed to move in. The Secretary mentioned just now that remedial measures will be taken in the event of inadequate facilities. Will the Government tell us why, in designing new towns, the relevant facilities are not completed for use by residents in advance? In designing new towns, the Government should have projected the population to be accommodated in future. It should not be the case that the Government has no idea about the speed of their development or what they are going to look like ultimately. Under such circumstances, can the Government set a basic requirement in respect of cultural, leisure and sports facilities and get prepared beforehand, so that it will be unnecessary to provide such services as mobile libraries? Can the Government consider setting a basic requirement or standard for cultural, leisure and sports facilities in a community?*

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): *Madam President, currently we have based on the Hong Kong Planning Standards and Guidelines in planning facilities for new towns. I think in developing new communities, not only Hong Kong but also countries all over the world will face a question that cannot be answered easily and that is, at what pace should these facilities be provided? I think it is obviously most desirable to have all facilities prepared before the intake of population. But in reality, as we always have to compete for resources in all aspects, this ideal is very often not the best option in terms of cost-effectiveness. Moreover, there are also problems in reality concerning the programme of works and site formation. Therefore, despite prior planning efforts, sometimes the facilities can be completed only at a later stage. In view of this, there must be a certain degree of flexibility by sharing the facilities of*

neighbouring districts. In any case, the LCSD will seek adequate resources through the relevant procedures on the basis of the Hong Kong Planning Standards and Guidelines as far as possible, with a view to providing adequate cultural, leisure and sports facilities for the new town of Tung Chung.

**MISS CYD HO** (in Cantonese): *Madam President, in part (b) of the main reply the Secretary replied in all sincerity that he would do his utmost to provide community recreational and cultural facilities at places with rapid population growth. In fact, the rate of population growth is already known: 21 000 in 2001, 90 000 in 2003, and it will further increase to 200 000 by 2006. Such being the case, what criteria does the Bureau adopt for deciding when to start planning for the community facilities? The current situation is that there is no synchronized provision of facilities. But with early planning, we should be able to provide them in synchronization with the intake of population, particularly as the Government well knows that the population will reach 200 000 by 2006. Will the Secretary inform this Council whether the Government aims to synchronize the provision of facilities with the intake of population or to do its utmost to embark on planning only after all residents have moved in?*

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): Madam President, we have many years of experience in the development of new towns. Very often, owing to various factors, such as the timetable for the completion of public housing or market-oriented adjustments made to development sites by private developers, the actual rate of population growth will not be entirely the same as our projection. Therefore, apart from the LCSD, all departments responsible for providing supplementary facilities, and even the Education Department tasked with the provision of facilities as important as schools, often have to adjust the programme of the relevant works projects in the light of the actual circumstances. Besides, the need to bid for resources from the central government is another factor. I can say that for a long time, it has generally not been a big problem to bid for resources for public facilities, for we currently have rather abundant resources for non-recurrent expenditure. But if non-recurrent expenditure will lead to a growth in recurrent expenditure in future, then I will have to fight for resources for recurrent expenditure, and this would actually be subject to the overall economic environment. Therefore, for all bureaux and departments, not just the HAB or the HAD, theoretically they are required to provide facilities in the light of population growth. Every bureau

and department will plan in advance, and it is not the case that they start planning only after residents have moved in. That said, there will always be variations in respect of the actual date of completion, for it depends on a diversity of objective factors, including the overall economic environment, budgetary conditions, progress of public works, capacity of the construction industry, and so on. In the long run, however, the overall development of new towns and progress of matching projects are generally well co-ordinated, albeit occasional slippage.

**DR TANG SIU-TONG** (in Cantonese): *Madam President, in part (c) of the main reply the Secretary said that the funding of these facilities is subject to established procedures, and that any attempt to fast-track the existing funding mechanism would run the risk of delays in the longer term due to factors neglected in the initial planning process. Since the procedures have been observed, what factors would have been neglected and hence resulted in the subsequent delays? Has the Government any solution to enable these projects to get started earlier?*

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): Madam President, perhaps let me explain it briefly. Drawing lessons from past experience, we are convinced that in the current public works procedures, the completion of some procedures is compulsory. They include a feasibility study of each project. This study is introduced only in recent years. It is because for projects upgraded from Category C to Category B which had been considered feasible in their initial detailed design, they were often found to be not feasible in actual implementation after funding had been sought. As a result, many projects, including projects in Category A, have remained outstanding even after long delays. From past experience, a feasibility study must be conducted for each project prior to its implementation. The work involved in the initial stage is often more time-consuming, and it is generally not a big problem to secure funding for the project. This is a good experience because after the introduction of the project feasibility study, indeed we have seen less cases of extensive delays occurred after funding was sought and the project got started, unless problems such as the contractor having gone bankrupt, and so on, are involved. Therefore, the Government holds that these procedures must be preserved. We cannot conduct studies hastily and wind things up frivolously only to enable the projects to get started soon. In the event of any delay caused, the losses will outweigh the gains.

**PRESIDENT** (in Cantonese): We have spent over 18 minutes on this question. We now proceed to the fourth question.

**List of Shortfall Posts for Professionals in Information Technology and Financial Services Sectors**

4. **MR LEUNG FU-WAH** (in Cantonese): *Madam President, it has been reported that a list of shortfall posts for professionals in the information technology and financial services sectors has been drawn up in order to speed up the vetting of applications made under the Admission of Mainland Professionals Scheme (AMPS). In this connection, will the Government inform this Council of:*

- (a) *the details of the list;*
- (b) *the criteria adopted for drawing up the list; and*
- (c) *the organizations and persons it has consulted before drawing up the list?*

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, the AMPS was implemented on 1 June, and details of the application procedures were announced by the Immigration Department (ImmD) on 18 May. At present, the AMPS only applies to the information technology and financial services sectors.

Members asked on several occasions about the future manpower requirement and shortage in these two sectors, as well as the occupation categories which will face manpower shortage when the Administration introduced the AMPS to the relevant Panels of the Legislative Council over the past months. The Government of the Special Administrative Region provided the required statistics (including information on occupation categories which will face manpower shortage) to the Legislative Council on 28 March. Members have discussed the relevant information.

The Government does not have a list of shortfall posts as referred to by Mr LEUNG Fu-wah. We make reference to the estimated figures on manpower growth and shortage stated in the Report on Manpower Projection to 2005 and

the Consultancy Study on Manpower and Training Needs of the Information Technology Sector published by the Education and Manpower Bureau (EMB) last year. We also pay regard to the following reference information on broad occupation categories:

- (a) the manpower requirement of various skill categories between 2000 and 2004 as set out in the Manpower Survey Report 2000 published by the Committee on Information Technology Training and Development under the Vocational Training Council. The report covers survey response from 1 493 companies; and
- (b) information on occupation categories with serious manpower shortage arising from relevant Policy Bureaux's consultation with organizations and representatives of the information technology sector as well as financial market participants.

Manpower shortage in the information technology sector is found in the occupation categories of information technology management, application systems development, telecommunications and networking, information technology education and training, and so on. As regards the financial services sector, the shortfall occurs in the occupation categories of trade and project finance, economic analysis, capital raising and investment services, risk management, actuarial services, and so on. Since the relevant information has been set out in our submission on 28 March (which is the Annex to the main reply), I will not repeat each and every detail here.

In vetting applications made by the professionals, the ImmD will make reference to the above information so as to have an initial idea of whether the posts concerned face a serious shortage of manpower. I must, however, stress that each application will be assessed independently, based on the background and job requirements of the applicant. As it is impossible to produce an exhaustive list of each and every post in short supply, coupled with the fact that market demand may fluctuate from time to time, the information will only be used for reference purpose. There is no question that the normal vetting procedure can be bypassed even if the post applied for matches the general information on job categories with shortfall. The ImmD will process all applications in a fair and equitable manner, and will consult relevant departments and organizations where necessary to ascertain whether there are difficulties in recruiting local professionals to fill the posts concerned.

**MR LEUNG FU-WAH** (in Cantonese): *Madam President, the Secretary mentions in the third paragraph of her main reply that the Government does not have a list of shortfall posts, yet she also points out in part (a) of the paragraph that a survey covering 1 493 companies has been conducted. From this we can infer that those 1 000-odd companies should have reflected the manpower shortage situation. Since the Secretary says the Government does not have a list of shortfall posts, may I ask her what her rationale is in saying so?*

**SECRETARY FOR SECURITY** (in Cantonese): *Madam President, I guess the Honourable LEUNG Fu-wah is influenced by a press report to raise this supplementary question, as the report claims that the Government has drawn up a list of shortfall posts. But the fact is that we do not have such a list, we have only consulted some relevant material, including the detailed report published by the Committee on Information Technology Training and Development under the Vocational Training Council that Mr LEUNG referred to just now. The report sets out the manpower requirement of various skill categories between 2000 and 2004 and covers survey response from 1 493 companies. As I point out in the main reply, we have also paid regard to other information, such as that prepared by relevant Policy Bureaux upon consultation with the industries concerned. So, we do have some reference material, but we do not have a list of shortfall posts as referred to by Mr LEUNG.*

**MR ALBERT HO** (in Cantonese): *Madam President, the relevant Panels of the Council have also read the part of the Report on Manpower Projection to 2005 relating to the financial services sector. However, we noticed that there was not any figure in the Report pointing to the sector that has any manpower shortage problem — I stress that there is no figure or data in this respect, the report only broadly criticized the students of Hong Kong as being less competitive in such aspects as language ability, communication skills, leadership, field of vision, and so on. If we infer from such broad comments that employers are having much difficulties recruiting suitable personnel to take up posts in the relevant industries, how is the ImmD going to vet applications in the light of these broad standards? Basing on this Report, we may almost be sure that all applications will be approved because the students of Hong Kong are not competitive enough. With regard to the manpower shortage situation inferred from the broad comments made in the Report, could the Secretary inform this Council whether the Government has any objective criteria for vetting the applications?*



**PRESIDENT** (in Cantonese): Which Secretary will answer this supplementary question? Secretary for Security.

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, Mr Albert HO is right in saying that the EMB has not set out any specific manpower shortage figures in the Report it published. But then, basing on the information contained in the Report, the EMB has further inferred that by 2005, the estimated number of managers, executives, professionals and associate professionals required to fill vacancies in banks, insurance companies and other financial services institutions might amount to 16 800. Besides, we have also consulted the Financial Services Bureau and learnt that according to members of the financial markets, manpower shortage would mainly be found in the occupation categories of trade and project finance, economic analysis, capital raising and investment services, risk management, insurance services training, actuarial services, and so on. Madam President, these data are for reference only. In addition to making reference to the information on hand upon receiving an application, during the vetting process the ImmD will also consult relevant Policy Bureaux like the Financial Services Bureau or other relevant organizations to see if a certain post (for example, actuary) really faces a shortage of manpower, before it considers whether or not to approve the application concerned.

**MR ALBERT HO** (in Cantonese): *Madam President, the Secretary's reply does not seem to answer my supplementary question. My point is that if the report only broadly mentions that there is a shortage of manpower because the standards of the tertiary institution students in Hong Kong are below par, how can the Secretary formulate any criteria for vetting the applications? If the standards of local students should be below par as pointed out in the report, then almost all applications would be approved. Should that be the case, could the Government really formulate any criteria for vetting the applications? In other words, any applicants can come and work here, as their applications will certainly be approved.*

**PRESIDENT** (in Cantonese): Secretary, do you have anything to add?

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, actually we have mentioned it many times that regardless of whether the applicants are from the Mainland or overseas, our criterion for approving applications for work permits has all along been the same and that is, the applicants must have expertise that cannot be available locally in Hong Kong. It is our standing practice to require employers to provide evidence that they have tried, but without success, to recruit local talents to fill the posts concerned. We also adopt the same practice when vetting applications for admitting professionals from the Mainland. For example, if a certain company needs to recruit an actuary from the Mainland, in addition to consulting the relevant Policy Bureaux or members of the trade to see if there is indeed a shortage of manpower, we will also ask the company concerned whether it has really made an effort to recruit talents locally. The company is required to make this declaration in its application form. Under the Immigration Ordinance, any company giving false information to the Director of Immigration is liable to a criminal offence. If the ImmD should have any suspicion regarding the declarations made in the application form, before accepting the application concerned, the Department could certainly ask the company concerned to come and make clear whether it has any evidence proving that it did have make an attempt to recruit talents locally, such as placing recruitment advertisements or making inquiries to the Labour Department about the availability of local talents in the field. Any company making an application may be prosecuted if the ImmD has reasonable grounds to believe that it has given any false information.

**DR LUI MING-WAH** (in Cantonese): *Madam President, while the present AMPS is applicable to only the information technology and financial services sectors, we know that professionals in different field are in actual need in society. I do not understand why the Government only confines the AMPS to these two sectors. Companies and firms in other sectors also have needs for professionals, why can they not be allowed to recruit professionals from outside Hong Kong? Could the Secretary inform this Council of the Government's rationale behind this policy?*

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, I have already mentioned the reason when answering the supplementary question raised by Mr Albert HO just now. Traditionally speaking, persons admitted to Hong Kong from elsewhere must meet the prerequisite that the experience, skills or

knowledge they possess must be useful to and lacking in Hong Kong. When considering relaxing the restrictions on admission of mainland professionals to take up employment in Hong Kong, the information on hand, which includes the various reports I mentioned earlier on, has already provided with enough evidence that the information technology and financial services sectors are currently faced with a shortage of manpower. As regards the question of whether other sectors are also faced with similar problems, we will consider it when reviewing the AMPS.

**MISS CHOY SO-YUK** (in Cantonese): *Madam President, I am more concerned about the number of persons willing to participate in the AMPS. Could the Secretary inform this Council of the general response to the AMPS as at 1 June; or, in other words, the number of mainland professionals willing to participate in the AMPS?*

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, 1 June was last Friday, which was just a few working days earlier. The response to the AMPS is as follows: We have so far distributed 7 000-odd pamphlets and 2 000-odd application forms and received a total of nine properly completed applications, of which five were from the information technology sector and four from the financial services sectors.

**MR CHAN KWOK-KEUNG** (in Cantonese): *Madam President, according to the Secretary's main reply, the Administration will consult relevant departments and organizations of the trade in respect of certain applications. May I ask the Secretary what did she mean by relevant organizations? Could the Secretary also inform this Council whether relevant trade unions or associations are also included; and if not, could they be included as well?*

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, I thank Mr CHAN Kwok-keung for his supplementary question and I am glad to have this opportunity to clarify the standing practice of the ImmD. The organizations the

ImmD consults are comparatively more objective and independent, and have a more comprehensive supply of information, including the EMB (to find out which industries are faced with a shortage of manpower), Labour Department, Census and Statistics Department, as well as Vocational Training Council. Where necessary, the ImmD will also consult members of the sectors concerned through relevant Policy Bureaux (such as the Financial Services Bureau).

**MR AMBROSE LAU** (in Cantonese): *Madam President, at the end of her main reply the Secretary mentions that the ImmD "will consult relevant departments and organizations where necessary to ascertain whether there are difficulties in recruiting local professionals to fill the posts concerned". In this connection, may I ask the Secretary what does "where necessary" mean? Could the Secretary provide this Council with a detailed explanation?*

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, what I mean is that in some cases the posts involved are rather uncommon, there are even some which the ImmD has never heard of before. For such posts, which are very much unlike actuary or information system manager, it is not possible to ascertain whether there is really a shortage of manpower just by making reference to the information provided by the Labour Department or the Census and Statistics Department. In dealing with applications of this kind, the ImmD will consult the relevant government departments where necessary. In the event that the shipping sector is involved, for example, the ImmD may need to consult the Policy Bureaux responsible for shipping matters, the Marine Department, and so on. The ImmD may also consult members of the sector via these bureaux and departments such the need arises. But then again, cases of this kind are rather rare.

**MISS CHAN YUEN-HAN** (in Cantonese): *Madam President, according to the Secretary's reply to the main question asked by Mr LEUNG Fu-wah, the Government consulted the information technology sector through the relevant Policy Bureaux. Besides, in answering the supplementary raised by Mr CHAN Kwok-keung just now, the Secretary further mentioned that relevant organizations would also be consulted. For occupation categories in both the information technology sector and the financial services sector alike, the*

*Administration will consult only the relevant companies and Policy Bureaux. That being the case, may I ask the Secretary whether the Government feels that the information collected this way is unbalanced, in that a part of the consultation process, which is the consultation structure comprising members of relevant trade unions, is missing?*

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, the aim of the ImmD is to draw on some comparatively objective information to ascertain whether there is really a shortage of manpower in the market. The measure adopted by the Department has been in operation for several decades and proven effective. There is no question of too many or too few applications being approved each year; the successful applications can largely cater for the needs of the market. We therefore consider the existing mode of operation sufficient.

**MISS CHAN YUEN-HAN** (in Cantonese): *Madam President, the Secretary has not answered my supplementary. Just now I said the Government consulted only the relevant companies or operators of the two sectors without paying regard to the views of trade unions formed by the employees concerned. I asked the Secretary whether she considered the information collected this way unbalanced, but she did not answer my question.*

**SECRETARY FOR SECURITY** (in Cantonese): Madam President, actually, we do not consult the companies concerned. If there should be a shortage of planning managers in the shipping sector, for example, some companies would apply for admission of professionals from outside Hong Kong to fill the posts. Upon receiving such applications, we will consult the Labour Department and the Census and Statistics Department to ascertain whether the posts concerned really face a shortage of manpower. We may also need to learn more about the mode of operation of the industry. In that case we will have to consult the Economic Services Bureau or consult members of the industry through the Bureau. We consider it is most important to ascertain objectively whether certain posts really face a shortage of manpower. We do not think the information collected is unbalanced just because we do not actively solicit views from trade unions.

**PRESIDENT** (in Cantonese): Last supplementary question.

**MR LEE CHEUK-YAN** (in Cantonese): *Madam President, we read in the newspapers that in vetting applications for admitting professionals the ImmD would refer to a set of wage level indicators — I believe the wage level indicators are provided objectively by the Census and Statistics Department. May I ask the Secretary whether it is the Government's existing policy to reject all applications offering wages below the relevant indicators?*

**SECRETARY FOR SECURITY** (in Cantonese): *Madam President, this should be true under normal circumstances. Unless in very exceptional cases, applications offering wage levels lower than the indicators concerned should not be approved.*

**PRESIDENT** (in Cantonese): Fifth question.

### **Progress of Rolling Out of Wireline-based Local Fixed Telecommunications Networks**

5. **MR CHAN KAM-LAM** (in Cantonese): *Madam President, three new wireline-based local fixed telecommunications network services operators (new FTNS operators) have signed Deeds of Undertakings with the Government to commit themselves to certain capital investment and network coverage by the end of 2002. The Administration has anticipated that more than 50% of the residential line customers should have at least one additional choice of the services provided by new FTNS operators by that time. In this regard, will the Government inform this Council:*

- (a) *of the respective network coverage of these new FTNS operators in public housing estates (PREs), private residential premises and commercial premises in each district at present, and how these figures compare with their commitments made to the Government;*
- (b) *of the estimated percentage of PREs which will have been provided with new networks by the end of 2002; and*

- (c) *whether it plans to assist new FTNS operators in expediting the rolling out of their networks; if it has, of the details; if it has not, how it will ensure real competition in the FTNS market and the safeguards for customer rights and benefits?*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam President, I will answer the three parts of the question *seriatim*.

- (a) The commitments regarding the extension of network and services coverage made by the three new FTNS operators, namely Hutchison Global Crossing Limited (HGC), New T&T Hong Kong Limited (New T & T) and New World Telephone Limited (NWT) to the Government cover:
- (i) Network coverage through "Type II interconnection" to the local exchanges of PCCW-HKT (that is, interconnection by the new FTNS operators to the local loops of PCCW-HKT such that the former can provide service to its customers using the local loops of the latter);
  - (ii) Provision of direct access to buildings; and
  - (iii) A minimum capital investment for the rollout of telecommunications network and service.

In addition to the commitments for 2002, the new FTNS operators have also laid down the interim milestones for the years 2000 and 2001. The commitments are set out at the Annex.

All the operators have met the respective interim milestones made for 2000 except HGC, which have not completed the Type II interconnection in three local exchanges such that the interim milestone in commitment (i) above have not been attained. Some operators have rolled out beyond the initial commitments. The Telecommunications Authority (TA) has already requested HGC to take reasonable actions or remedies to fulfill the set target.

Given that the milestones are not separately measured on the basis of network coverage in PREs, private residential premises and commercial premises, it is difficult to make any comparisons. However, it is stipulated in the licence conditions (that is, GC 10(2)) that if an FTNS operator has access to the telephone exchange of a region or has direct connection to a particular building, it should provide services to customers of that region or occupants of that building. Also, it cannot refuse to provide services to customers of individual buildings (for example, PREs), otherwise it will have violated the licence conditions. Should infringements of the licence condition be found, the Office of the Telecommunications Authority (OFTA) could take disciplinary actions against the operators concerned in pursuant of the Telecommunications Ordinance by issuing instructions or imposing fines.

Having regard to the number of the telephone exchanges and premises connected by the three new FTNS operators in 2000, we estimate that currently more than 30% and 45% of residential line and commercial line customers respectively can choose to subscribe to the services provided by one of the three new operators.

- (b) As the commitments made by the new FTNS operators are not based on the network coverage in PREs or private premises, we are not in a position to estimate the percentage of PREs that will be covered by new fixed network by the end of 2002. However, considering the current progress of network coverage, we believe that by the end of 2002, more than 50% of residential line customers will have an alternative choice of at least one of the three new FTNS operators.
- (c) The OFTA is committed to assisting new FTNS operators in rolling out their networks so as to ensure effective competition and to protect consumers' interest. Specific measures include the following:
  - (i) Provide assistance to the three new FTNS operators in overcoming difficulties in rolling out networks through Type II interconnection

A working group was formed in late 1998 comprising the OFTA, the Hong Kong Telecom and the three new FTNS operators. An "Industry Code of Practice for the



Interconnection of Local Access Link" was promulgated to resolve the problems encountered by the FTNS operators in conducting Type II interconnection and to expedite action. The working group is convened frequently to discuss problems encountered in implementing the Industry Code of Practice and to work out solutions. It also keeps under review relevant provisions in the Code of Practice.

- (ii) Accelerate the establishment of "Customer Access Network" to enable new FTNS operators to lay telecommunications cables in buildings

In view of the difficulties in laying telecommunications cables owing to limited space in buildings, the Government has amended the Buildings Ordinance and its supplementary code of practice to provide adequate space and facilities for installing telecommunications cables in new buildings on a mandatory basis. The OFTA has also set up a task force to co-ordinate arrangements of access to the buildings by FTNS operators. To clarify the FTNS operators' rights of access to the buildings, the Telecommunications Ordinance was also amended in June 2000 to provide the TA solid legal grounds for making the relevant determinations.

- (iii) To enable the price of residential lines to be determined by economic principles

For a long time, the price of residential lines was below their cost, and the residential line service was cross-subsidized by external telecommunications services, that is, IDD. Undoubtedly, this will have an adverse effect on the commercial incentives of new FTNS operators to develop residential line service.

With the liberalization of external telecommunications market, the cross-subsidization on local services from external services no longer exists. PCCW-HKT has gradually increased the price of residential lines to cost level. The three new FTNS operators no longer need to provide service at a price which is below cost. This provides the commercial incentive for the three new FTNS operators to develop local telephone line services on an economic basis.

## Network and services commitments made by the new FTNS operators

## (1) Expansion of network coverage through Type II interconnection

	<i>HGC</i>	<i>New T &amp; T</i>	<i>NWT</i>
Late 2000	Admiralty, Chai Wan, [East], [Hermes House], Hung Hom, Jordan, King's Road, Kwai Chung, Lockhart, Ngau Tau Kok, Queen's Road, [Sha Tin], Shau Kei Wan, Telecom House, Wan Chai, West  A total of 16 exchanges  Note: Exchanges in [ ] were uncompleted.	Admiralty, Kwai Chung, Ngau Tau Kok, Queen's Road, Shau Kei Wan, Telecom House, West  - a total of seven exchanges  [Kwun Tong,] [Wan Chai]  Note: Exchanges in [ ] were completed in advance of schedule.	Admiralty, East, Jordan, Lockhart, Ngau Tau Kok, Shau Kei Wan, Telecom House, Tsuen Wan, West,  - a total of nine exchanges
Late 2001	Admiralty, Chai Wan, East, Hermes House, Hung Hom, Jordan, King's Road, Kwai Chung,	Admiralty, Kwun Tong, Kwai Chung, Ngau Tau Kok, Queen's Road, Shau Kei Wan, Telecom House, West	Admiralty, East, Jordan, Kwai Chung, King's Road, Lockhart, Ngau Tau Kok, Shau Kei Wan,

	<i>HGC</i>	<i>New T &amp; T</i>	<i>NWT</i>
	Lockhart, Ma On Shan, Ngau Tau Kok, Queen's Road, Sha Tin, Shau Kei Wan, Tai Po, Telecom House, Wan Chai, West	- a total of eight exchanges  [Wan Chai]  Note: Exchange in [ ] was completed in advance of schedule.	Telecom House, Tsing Yi, Tsuen Wan, West,  - a total of 12 exchanges
	a total of 18 exchanges		
Late 2002	Aberdeen, Admiralty, Chai Wan, East, Hermes House, Hung Hom, Jordan, King's Road, Kwai Chung, Lockhart, Ma On Shan, Ngau Tau Kok, On Lok, Queen's Road, Sha Tin, Shau Kei Wan, Tai Po, Telecom House, Tsing Yi, Wan Chai, West, Yuen Long	Admiralty, Kwai Chung, Kwun Tong, Lai Chi Kok, Ngau Tau Lok, Queen's Road, Shau Kei Wan, Telecom House, Wan Chai, West  - a total of 10 exchanges	Admiralty, East, Jordan, King's Road, Kwai Chung, Lockhart, Ngau Tau Kok, Shanghai Street, Sha Tin, Shau Kei Wan, Telecom House, Tsing Yi, Tsuen Wan, West, Wong Tai Sin  - a total of 15 exchanges
	- a total of 22 exchanges		

(2) Specified number of buildings being committed to have direct access

	<i>HGC</i>	<i>New T &amp; T</i>	<i>NWT</i>
Late 2000	780	950*	140
Late 2001	1 300	1 050*	200
Late 2002	1 500	1 200*	260

Note: \* includes network coverage through Type II interconnection.

(3) Accumulated capital investment commitment as from 1 January 1999 (in million HK dollars)

	<i>HGC</i>	<i>New T &amp; T</i>	<i>NWT</i>
Late 2000	1 300	200	300
Late 2001	1 700	300	500
Late 2002	2 000	400	600

**MR CHAN KAM-LAM** (in Cantonese): *Madam President, according to the information in the Annex to the main reply of the Secretary, before late 2000, the new FTNS operators have completed interconnection to the exchange at Kwun Tong in advance of schedule. The reply indicated the commitments made are not based on the network coverage in PREs or private premises. Given that 70% of the premises in Kwun Tong are PRE units, will the Secretary inform this Council whether the three new FTNS are laying telecommunication cables in Kwun Tong with a preference for private premises and ignoring PREs? Do the authorities have any data for this?*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): *Madam President, as I have explained a moment ago, the commitments made are not based on the network coverage in PREs or private premises. So, we do not have such kind of data.*

**MR WONG SING-CHI** (in Cantonese): *Madam President, from the information in the Annex to the main reply, we can see that there are no new FTNS operators*

*to provide service in the North District or Tuen Mun District before late 2002. How can the TA ensure that, in the commitments, there will still be a choice of FTNS services for households in the districts excluded from such services?*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam President, the figure 50% was an estimate obtained from the three FTNS operators. FTNS operators may roll out beyond the commitments. They may also extend their networks to other districts, such as the North District. Of course, it all depends on their own commercial decisions. But we must not forget that other than existing FTNS operators providing these voice services, there are also other licences issued by the Government. For example, in early 2000, among the six FTNS licences issued, five were non-wireline-based FTNS licences, under which operators may provide residential and commercial telephone services. We understand some operators are planning to provide the relevant services. In the 2000 policy address, we undertook to invite applications for new FTNS licences in 2001, that is, this year. There is a possibility that the new FTNS operators may extend their market coverage to the areas mentioned by Mr WONG. Furthermore, we have a very competitive mobile telephone service, which is also an extra choice for consumers. At present, the mobile telephone penetration rate in Hong Kong is already nearly 80%.

**MISS EMILY LAU** (in Cantonese): *Madam President, in her main reply, the Secretary said the HGC has not completed the Type II interconnection in three local exchanges such that the interim milestones have not been attained and the TA has already requested the HGC to take appropriate actions. Will the Secretary inform this Council whether there have been any investigations into the reasons for the failure? What are the problems that the company is facing? Moreover, what were the responses when the TA discussed with the company?*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam President, up to now, problems with one of the exchanges have been solved. For the second exchange, there has not been sufficient exchange capacity for cables, but the OFTA is now taking active steps to assist the new FTNS operator to find a place for the relevant facilities. It fails to complete the Type II interconnection exchange for the last

exchange because there are insufficient telecommunications pipelines for the cables. At the moment, PCCW-HKT is conducting a feasibility study on the problem.

**MR SIN CHUNG-KAI** (in Cantonese): *Madam President, I would like to ask about price increases. From the present penetration rate, I do not think the situation will be too desirable in the next half year no matter how hard the Government may try. Will the Government inform this Council what benchmark it would use to consider the application for price increases to be made by the PCCW-HKT in 2002? This is related to penetration rate, which is also an issue among Mr CHAN Kam-lam's concerns. A high penetration rate means sufficient competition, in which case people have a choice. It is like buying a piece of soap. One may choose this one or that one. However, the present situation is that people do not have a choice or an alternative, even though they want to choose. When the people do not have sufficient choices and FTNS operators apply for price increases, how will the Government make a decision?*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam President, first of all, I tend to disagree with what Mr SIN said about FTNS operators failing to reach the commitments, because we are at present .....

**MR SIN CHUNG-KAI** (in Cantonese): *Madam President, a point of elucidation.*

**PRESIDENT** (in Cantonese): Secretary, just a minute, can you please give Mr SIN a chance to clarify his supplementary question as there may be some misunderstanding?

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Yes.

**MR SIN CHUNG-KAI** (in Cantonese): *Madam President, I was afraid if I raised my point of elucidation later, you might not allow me to do so.*

*I did not say FTNS operators failed to attain the commitments. I said the people practically did not have sufficient choices. Even if FTNS operators attain the so-called "performance commitments", the people may not have sufficient choices.*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam President, perhaps we skip the issue of penetration which Mr SIN raised, but directly answer the question about price increases, which is Mr SIN's concern. In fact, in part (c) of my main reply, I put forward an argument, which is that if local residential line service was cross-subsidized by other telecommunication services so that other operators have to provide services below cost, the investment incentive of operators would be adversely affected. On the other hand, if operation is done rationally and all operators are competing without cross-subsidization, FTNS operators will have sufficient commercial incentive to extend their services to more remote areas and increase their coverage.

**MISS CHOY SO-YUK** (in Cantonese): *Madam President .....*

**PRESIDENT** (in Cantonese): Excuse me, Miss CHOY. It seems that Mr SIN has wanted to raise a follow-up question. Mr SIN, which part of your supplementary question has not been answered?

**MR SIN CHUNG-KAI** (in Cantonese): *Madam President, the Secretary mentioned the word cross-subsidization. What did the word "cross-subsidization" mean, that is to say, what was the relevant differentiation?*

**PRESIDENT** (in Cantonese): Was that part of your supplementary question? If not, you cannot raise the question now.

**MISS CHOY SO-YUK** (in Cantonese): *Madam President, as the Secretary said in her main reply, the relevant standards were not made on the network coverage in PREs, private premises or commercial premises. Thus, a situation may*

*easily arise where FTNS operators would tend to establish telecommunications networks in commercial premises for the profits would be much higher. By doing so, they may ignore some private premises, especially the speed with which they lay cables in PREs would be affected. Will the Secretary inform this Council whether, in order to enable all areas to have a fair share of attention, the Government may make some adjustments in negotiating with FTNS operators so that they will not concentrate on commercial premises in laying cables?*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam President, Members may in fact turn to the Annex to my main reply and they will see that, by late 2002, areas that can be reached by telecommunications cables will include those with PREs galore, such as Ngau Tau Kok, Kwun Tong, Chai Wan, Shau Kei Wan, Kwai Chung, Tsuen Wan, Tai Po, Sha Tin, Ma On Shan, Aberdeen and Tsing Yi. Such areas have a certain ratio of PREs. Hence, we cannot see why PRE tenants cannot obtain the relevant services.

**PRESIDENT** (in Cantonese): Last supplementary question.

**MR FRED LI** (in Cantonese): *Madam President, despite what the Secretary said, I find from the Annex to the main reply, Ngau Tau Kok, for example, is a place with a number of private industrial and commercial premises. Tenants in the area may have a choice in late 2002. Will the Secretary inform this Council whether she would conduct a serious review? The reason is that at present, some areas with a high density of PREs, such as Sau Mau Ping, Lam Tin and so on have fewer commercial premises and it seems coverage may not reach such areas, thereby depriving tenants of their choices. Has the Secretary noticed the situation? If she has, would she take remedial action?*

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam President, in fact, I have already answered this question once. Other than choices provided by FTNS operators mentioned, alternative choices may also be made available by other operators.

**PRESIDENT** (in Cantonese): Sixth question.



## Despatch of Water Tankers for Emergency Water Supply

6. **MR IP KWOK-HIM** (in Cantonese): *Madam President, regarding the despatch of water tankers for emergency water supply, will the Government inform this Council:*

- (a) *of the numbers of water tankers currently operated by the Water Supplies Department (WSD) and the Food and Environmental Hygiene Department (FEHD) respectively, together with a breakdown by three service regions, namely the Hong Kong Island, Kowloon and the New Territories, as well as the basis for determining the distribution of water tankers;*
- (b) *of the respective numbers of occasions in which water tankers were deployed to provide water supply to the various regions last year; and*
- (c) *whether it has assessed if the current number of water tankers is sufficient to cope with the demand?*

**SECRETARY FOR WORKS** (in Cantonese): Madam President,

- (a) The numbers of water tankers currently operated by the WSD and the FEHD are five and 66 respectively. Their distribution by service region is as follows:

	<i>Hong Kong Island</i>	<i>Kowloon</i>	<i>New Territories</i>	<i>Total</i>
WSD	1	2	2	5
FEHD	16	17	33	66

The water tankers of the two departments perform different duties. The WSD's water tankers are used for the provision of emergency water supply, while the FEHD's water tankers are mainly used for the department's daily operational purposes, such as cleansing and watering of plant.

The WSD's water tankers are distributed on the basis of supply regions, with one tanker for each of the five supply regions in the territory. In fact, the Kowloon regions as mentioned above cover some parts of the New Territories, such as Sai Kung and Kwai Tsing, which are grouped with the "Kowloon East" and "Kowloon West" regions respectively. Apart from this, the WSD also makes flexible arrangement in the deployment of water tankers. As Kowloon lies between the Hong Kong Island and the New Territories, the two water tankers of the Kowloon regions will provide cross-region support for the Hong Kong Island or the New Territories regions as and when required. In return, water tankers of the Hong Kong Island or the New Territories regions will provide the same support for the Kowloon region.

The FEHD's water tankers are distributed in accordance with the workload of various districts. They will provide support for the WSD's emergency water supply services if necessary.

- (b) During the period from April 2000 to March 2001, a total of 508 water tankers were deployed to various regions. This figure represented the total number of water tankers deployed on each occasion. Their distribution by region is as follows:

<i>Hong Kong Island</i>	<i>Kowloon</i>	<i>New Territories</i>	<i>Total (number)</i>
182	224	102	508

- (c) When there is a disruption to the supply of water, the WSD will first of all ascertain whether important facilities such as hospitals, prisons, the airport, and so on, will be affected. It will also assess whether the problem will have serious impact on the residents, such as during the meal preparation time. Under such circumstances, the WSD will immediately arrange temporary water supply for the residents.

Besides, the WSD will also assess the time required to resume the water supply. Storage tanks are normally incorporated as part of the water supply systems of multi-storey buildings. These tanks can normally maintain water supply to their residents for several

hours. The WSD will immediately arrange for temporary supply of water if the water supply cannot be resumed within a short time.

Water tankers are not always needed for the provision of temporary water supply. If other water mains are available in the vicinity of the affected area, a public standpipe will be connected to the fire hydrant to supply water to the residents within the shortest possible time. If such an arrangement is not feasible, water tankers will be deployed to provide temporary water supply.

Nevertheless, there are certain restrictions in deploying water tankers to provide water supply. Since a water tanker, which has a storage capacity of 6 cu m, is relatively large in size, it may not be easy for it to enter a narrow access. There are also constraints in serving an area with a small but scattered population. The parking location of the water tanker has also to be carefully determined, taking into account the actual environment. The location of the tanker should prove convenient to the majority of the residents, ensure the traffic safety of those who queue up for water, and avoid any danger caused by over-crowdedness.

In view of this, the WSD has recently introduced the use of mobile water tanks with a storage capacity of 1 cu m to support the water tankers in providing water supply in order to improve their services continuously. Since the mobile water tanks can be transported by trucks, the WSD will have more flexibility in providing temporary water supply. Besides, as the water tankers are only responsible for adding water to the mobile water tanks in such case, the demand for the tankers will be reduced. If the use of mobile water tanks is proven successful, the WSD will further promote such a measure.

We are aware that suspension of water supply will cause inconvenience to the residents. As such, we will try various means to reduce the impact on the residents, such as completing the emergency repairs as soon as possible to resume normal water supply. In addition, information on suspension of water supply, temporary water supply arrangements and the estimated time for the resumption of normal water supply will be provided to the affected residents as soon as possible through the 24-hour service of the

WSD's Customer Telephone Enquiry Centre, or through TV or radio broadcasts so that the residents may make timely preparations.

On the deployment of water tankers, the WSD is supported by other departments and an effective liaison network exists between the departments concerned. Therefore, on the whole, the current water tanker service is considered adequate. However, we will review the need from time to time, and will further enhance the service when necessary.

**MR IP KWOK-HIM** (in Cantonese): *Madam President, emergency water supply is an issue that concerns hundreds to thousands of people. Wah Fu Estate has experienced suspension of water supply for four times last month, one of which was the suspension of water supply in four buildings at the same time. The WSD had only dispatched one water tanker then, how could that be enough? It was definitely not enough.*

*The Secretary stated in part (a) of his main reply that the FEHD's water tankers are dispatched in accordance with the workload of various districts. They will provide support for the WSD's emergency water supply services if necessary. May I ask the Secretary, on what mechanism are the 16 water tankers on Hong Kong Island operated? When the water supply in Wah Fu Estate was suspended, only one water tanker was in service, no other water tanker was further available, would the Secretary explained under what mechanism are the water tankers be deployed? The Secretary stated in part (b) of his main reply about the total number of water tankers deployed on each occasion. It has been mentioned that 508 water tankers have been deployed between April 2000 and March 2001. Would the figure include those dispatched by the FEHD?*

**SECRETARY FOR WORKS** (in Cantonese): Madam President, the question raised by Mr IP Kwok-him comprises various parts. I will first answer the last part of his question. We have deployed the FEHD's water tankers, out of the 508 water tankers I have just mentioned, 318 of which were dispatched by the WSD, and 190 water tankers were dispatched by the FEHD. I have also mentioned that, in areas where there are frequent water pipe bursting, we would pay special attention to the emergency water supply service. Fortunately, it

does not happen frequently. For areas where water pipe bursting frequently happens, the department would first repair the water pipes without delay and then we would pay special attention to those areas and arrange for emergency water supplies.

**MR WONG YUNG-KAN** (in Cantonese): *Madam President, the Secretary mentioned in part (c) of his main reply about the use of fire hydrants. It has been stated that when water pipe bursting occurred in areas such as housing estates, public standpipe will be connected to the fire hydrant to supply water to the residents. As far as I know, the use of fire hydrants for this purpose is prohibited in housing estates, therefore, would such action result in any contradictions?*

**SECRETARY FOR WORKS** (in Cantonese): Madam President, what we have mentioned was in fact two different occasions. Under normal circumstances, it is definitely not allowed. However, we are discussing the case when there is a disruption to the water supply due to pipe bursting. Just as I have mentioned, the WSD will first of all check if other water mains are available in the vicinity of the affected area, if available, a public standpipe will be connected to provide temporary water supply.

**MR NG LEUNG-SING** (in Cantonese): *Madam President, the Secretary stated in his main reply that the WSD has recently introduced the use of mobile water tanks with a storage capacity of 1 cu m to enhance the flexibility of the water supply. May I ask the Secretary what are the changes in the cost of water supply after the changeover to mobile water tanks? The Secretary also mentioned that if the use of mobile water tanks has proven successful, the WSD would further promote the measure. When would such changes take place?*

**SECRETARY FOR WORKS** (in Cantonese): Madam President, I have already mentioned that, in order to make continuous improvements on our service, we would actively consider any other better alternatives. The mobile water tanks with a storage capacity of 1 cu m have only been used for a few months, and over this period of time, we found the use of mobile water tanks a very satisfactory mean to support the water tankers in providing water supply. As such, we will

order more of these one cubic metre mobile water tanks to further enhance the flexibility of the water tankers, and to facilitate a more efficient arrangement of water supply.

**MR JASPER TSANG** (in Cantonese): *Madam President, would the Government, as for other emergency services, make any performance pledge for temporary water supply, for instance, would there be any pledge to residents that the suspension of water supply would not exceed a certain period of time?*

**SECRETARY FOR WORKS** (in Cantonese): *Madam President, I would like to tackle the question from two aspects. Firstly, if there was a pipe bursting, the water supply would undoubtedly be affected, our performance pledge then would be: in cases when there is an disruption of water supply due to water pipe bursting, 80% cases can resume water supply within eight hours, in cases when there is an disruption of water supply due to water pipe bursting, 90% cases can resume water supply within 12 hours. These refer to stable and normal water supply, but what I mentioned in the main reply was temporary water supply. Under certain cases, although we could provide services according to our performance pledge, the water tanks in housing estates cannot maintain water supply for a relatively long period of time, therefore, we will arrange for temporary water supply by water tankers.*

**MR IP KWOK-HIM** (in Cantonese): *Madam President, I may have raised too many questions in my supplementary question, so the Secretary has not answered some of my questions, with particular reference to the mechanism on which the water tankers are operated. I have already mentioned on that occasion, when there was a sudden disruption of water supply in four buildings, but only one water tanker had been dispatched. The residents have requested for additional water tankers, but the Government has failed to do so. The residents were outrageous and there were voices of dissatisfaction. In this respect, may I ask the Secretary how would the mechanism be operated to deploy the FEHD's water tankers to back up water supply?*

**SECRETARY FOR WORKS** (in Cantonese): *Madam President, I have mentioned in the main reply that there is one water tanker for each of the supply region in the territory. Whenever necessary, for instance, there is a disruption of water supply in certain areas on Hong Kong Island, we would usually deploy*

water tankers of the Kowloon and the New Territories regions to provide support. When there is greater demand for temporary water supply, we will liaise with the FEHD to dispatch their water tankers for back up. The mechanism is simple, we would inform the FEHD by telephone of the need for further support, and request for their assistance in the deployment of water tankers.

**MR NG LEUNG-SING** (in Cantonese): *Madam President, thank you for allowing me to ask a supplementary question again, so that I can follow up the question I have just raised.*

*The Secretary has not answered my question. The WSD has to rent a lorry every time the one cu m water tank is used to support the water tankers, this would result in a change of costs. May I ask the Secretary that, under such circumstances, how would the costs be affected?*

**SECRETARY FOR WORKS** (in Cantonese): Madam President, the WSD is equipped with vehicles to transport the water tanks to the location where they are needed. These water tanks have to be filled up with the support of water tankers. The use of these water tanks has not generated any extra costs.

**PRESIDENT** (in Cantonese): Last supplementary question.

**MISS CHOY SO-YUK** (in Cantonese): *Madam President, may I ask the Secretary that, if such mechanism is to be operated, and the WSD called the FEHD for their assistance, would the FEHD process such request with priority? Or the FEHD would first finish off their duties, such as the watering of plants and gardening, before they would provide support to the WSD and deploy the water tankers when available? Since this issue involves the water supply for residents and hospitals, would the FEHD respond to the request with priority?*

**SECRETARY FOR WORKS** (in Cantonese): Madam President, we understand that water supply is very important to the daily lives of the citizens, therefore, we inclined to take a more conservative approach, that is, to first deploy water tankers to the site. We would rather to have it not in service, then to have an inadequate water supply.

Regarding the question raised by Miss CHOY So-yuk, the answer is positive. Even when there are areas with an interruption of water supply, priority will be given by the FEHD to dispatch water tankers to provide support.

## WRITTEN ANSWERS TO QUESTIONS

### Information about Cross-border Committees

7. **DR DAVID LI:** *Madam President, regarding the various cross-border committees, established by the Government of the Hong Kong Special Administrative Region (SAR) and the relevant authorities in the Mainland, for discussing matters of mutual concern, will the Government inform this Council of:*

- (a) the names and terms of reference of all the committees and their sub-committees established to date;*
- (b) the names and offices of the representatives from each side on these committees and sub-committees;*
- (c) the full meeting schedules of these committees and their sub-committees in 2001; and*
- (d) the initiatives that will be taken to enhance the transparency of the operation of these committees and their sub-committees?*

**SECRETARY FOR CONSTITUTIONAL AFFAIRS:** Madam President, bureaux and departments of the SAR Government have established various communication channels with their mainland counterparts to discuss matters of mutual interest. Among these communication channels, there are at present three standing cross-boundary committees, viz the Hong Kong/Guangdong Co-operation Joint Conference (the Joint Conference), the Cross-boundary Liaison System, and the Hong Kong and Mainland Cross-boundary Major Infrastructure Co-ordinating Committee (ICC).

The Joint Conference provides a high-level forum for enhancing strategic co-operation with Guangdong. Co-operation items that have been discussed include environmental protection, tourism and implementation of a joint cheque



clearance system and so on. It is jointly chaired by Mr Donald TSANG, Chief Secretary for Administration of the SAR Government and Mr OU Guangyuan, the Vice-Governor of the Guangdong Province. Composition of the delegations on the Hong Kong and Guangdong sides depends on the agenda of each meeting. The last plenary of the Joint Conference was held on 25 September 2000. The next plenary is expected to be held later this year.

Under the Joint Conference, experts from both sides meet as necessary to discuss various matters. A Joint Working Group on Sustainable Development and Environmental Protection (the Joint Working Group) has been set up on a standing basis to step up co-operation on cross-boundary environmental issues. The Joint Working Group is chaired by Mrs Lily YAM, the SAR Government's Secretary for the Environment and Food, and Mr YUAN Zheng, Director of Guangdong's Environmental Protection Bureau. Meetings are held on a regular basis. The Joint Working Group held its second meeting in February 2001. The terms of reference, membership and meeting schedule in 2001 of the Joint Working Group are set out in Annex A.

Under the Joint Working Group, eight Special Panels have been established under the Joint Working Group to study specific projects. They are:

- (1) Pearl River Delta Region Air Quality Special Panel
- (2) Hong Kong-Guangdong Motor Diesel Fuel Specification Special Panel
- (3) Hong Kong-Guangdong Afforestation and Conservation Special Panel
- (4) Hong Kong-Guangdong Marine Resources and Conservation Special Panel
- (5) Dongjiang Water Quality Protection Special Panel
- (6) Pearl River Delta Water Quality Protection Special Panel
- (7) Hong Kong-Guangdong Town Planning Special Panel
- (8) Mirs Bay and Deep Bay (Shenzhen Bay) Area Environmental Management Special Panel

The terms of reference, membership and meeting schedules for 2001 of the special panels are set out in Annexes B to I.

The Cross-boundary Liaison System provides a communication mechanism for the relevant authorities on the Hong Kong and Guangdong sides to resolve day-to-day operational issues affecting both sides of the boundary, such as the fight against cross-boundary crimes and ensuring the smooth and efficient flow of vehicles and passengers across the boundary. The Annual Boundary Liaison Review Meeting is held at the beginning of each year to review the operation of the Cross-Boundary Liaison System in the past year. Delegation on the Hong Kong side is led by Mr Michael SUEN, the SAR Government's Secretary for Constitutional Affairs and composed of representatives from the Security Bureau, the Transport Bureau, the Hong Kong Police Force, the Immigration Department and the Customs and Excise Department. Other bureaux or departments are represented on a need basis. The Guangdong delegation is headed by Mr HUANG Ziqiang, Director of the Foreign Affairs Office of the Guangdong Provincial People's Government. Other government departments on the Guangdong side are represented on a need basis. The last Review Meeting was held on 22 March 2001. The next meeting is expected to be held in the beginning of 2002.

The ICC co-ordinates major cross-border infrastructural projects between Hong Kong and the Mainland. The ICC is jointly chaired by Mr Gordon SIU, the Secretary for Planning and Lands of the SAR Government and Mr ZHANG Liangdong, the Director-General of Exchange and Co-operation of the Hong Kong and Macao Affairs Office of the State Council. The membership of the ICC is at Annex J. The ICC has not yet scheduled any meeting in 2001.

Under the ICC, one Expert Group and two Panels have been formed, namely, the Expert Group on Huanggang/Lok Ma Chau Passenger Crossing which co-ordinates the implementation of a rail passenger crossing at Huanggang/Lok Ma Chau; the Roads and Bridges Panel which considers new cross-border links; and the Panel on Marine Channels which examines cross boundary marine channels including the proposed Tonggu Channel project. The membership of the Expert Group and the two Panels is at Annex K.

Under the Expert Group on the Huanggang/Lok Ma Chau Passenger Crossing, a Joint Working Group was established in mid 2000 to take forward

the implementation of the passenger footbridge crossing. The last Joint Working Group meeting was held on 6 March 2001. Two more meetings are expected to be held in 2001. The Roads and Bridges Panel has not yet scheduled any meeting in 2001, but experts from the two sides will continue to have informal discussions. The Panel on Marine Channels has not yet scheduled any meeting in 2001.

Press releases announcing the date, venue, items to be discussed and leaders of the Hong Kong and mainland delegations are issued prior to the meetings of these cross-boundary committees. After each meeting, delegation leaders on both sides will hold press briefings and answer media questions. These arrangements do not apply to meetings at the expert level for discussing operational and technical matters.

Annex A

Hong Kong-Guangdong Joint Working Group on  
Sustainable Development and Environmental Protection

*Terms of reference*

- (1) to deliberate on issues pertinent to the environmental quality, natural resources, ecological environment and sustainable development;
- (2) to review existing and planned work programmes in respect of their possible implications on the environment and ecology of Hong Kong and Guangdong with a view to taking proactive measures to improve the environmental quality;
- (3) to exchange information on the quantitative change of pollutants, environmental quality, waste disposal, ecological changes, protection of natural resources and environment, natural and ecological conservation;
- (4) to review on a regular basis the implementation of various programmes of the Joint Working Group.

*Membership*

Hong Kong side:

Secretary for the Environment  
and Food (Group Leader)Representative of the  
Environment and Food BureauRepresentative of the Planning  
and Lands BureauRepresentative of the Works  
BureauRepresentative of the Transport  
BureauRepresentative of the  
Constitutional Affairs BureauRepresentative of the  
Environmental Protection  
DepartmentRepresentative of the  
Agriculture, Fisheries and  
Conservation Department

Guangdong side:

Director of the Environmental  
Protection Bureau of the Guangdong  
Province (Group Leader)Representative of the Environmental  
Protection Bureau of the Guangdong  
ProvinceRepresentative of the Foreign Affairs  
Office of the Guangdong Provincial  
People's GovernmentRepresentative of the Development  
Planning Commission of the  
Guangdong ProvinceRepresentative of the Construction  
Department of the Guangdong  
ProvinceRepresentative of the Economic and  
Trade Commission of the Guangdong  
ProvinceRepresentative of the Water  
Resources Department of the  
Guangdong ProvinceRepresentative of Bureau of Ocean  
and Fisheries, Guangdong Province

Hong Kong side:

Representative of the Planning  
Department

Representative of the Water  
Supplies Department

Guangdong side:

Representative of the Forestry  
Bureau of the Guangdong Province

Representative of the Shenzhen  
Municipal Government

Representative of the Environmental  
Protection Bureau of the Shenzhen  
Municipality

*Meeting Schedule in 2001*

A meeting was held on 22 February 2001. The next meeting is yet to be scheduled subject to the progress of discussions of the Special Panels.

Annex B

Pearl River Delta Region Air Quality Special Panel

*Terms of reference*

- (1) to monitor the progress of the topical study on pollution caused by acid rain, nitrogen dioxide, photochemical smog and particulate and to explore mitigation measures;
- (2) to identify the causes of problems that affect air quality in the Pearl River Delta Region;
- (3) to explore and to recommend effective mitigation measures;
- (4) to report findings of the study and to make recommendations to the Expert Group under the Joint Working Group on Sustainable Development and Environmental Protection.

*Membership*

Hong Kong side:

Guangdong side:

Environmental Protection  
Department (Panel Leader)Environmental Protection Bureau of  
the Guangdong Province (Panel  
Leader)

Environment and Food Bureau

Environmental Monitoring Central  
Station of the Guangdong Province*Meeting Schedule in 2001*

A meeting will be held in June 2001.

Annex C

## Hong Kong-Guangdong Motor Diesel Fuel Specification Special Panel

*Terms of reference*

- (1) to look into the feasibility of harmonizing motor diesel fuel specifications between the two places;
- (2) to discuss a concrete action plan to achieve such harmonization;
- (3) to explore other measures that can be implemented in the short term to reduce air pollution caused by cross-boundary traffic;
- (4) to report findings of the study and to make recommendations to the Expert Group under the Joint Working Group on Sustainable Development and Environmental Protection.

*Membership*

Hong Kong side:

Environment and Food Bureau  
(Panel Leader)

Economic Services Bureau

Environmental Protection  
Department

Transport Department

Customs and Excise Department

Guangdong side:

*Ex-officio Member:*Economic and Trade Commission of  
the Guangdong Province (Panel  
Leader)*Ad hoc Members:*Quality and Technology Supervision  
Department of the Guangdong  
ProvinceCommunications Department of the  
Guangdong ProvinceGeneral Administration of Customs,  
Guangdong BranchTraffic Police Headquarters  
Guangdong Provincial Public  
Security DepartmentEnvironmental Protection Bureau of  
the Guangdong Province*Meeting Schedule in 2001*

A meeting will be held in mid June 2001.

Annex D

Hong Kong-Guangdong Afforestation and Conservation Special Panel

*Terms of reference*

- (1) to deliberate on issue pertinent to the development of forestry and nature conservation;

- (2) to exchange information on forestry and nature conservation between the two places and to explore co-operation plans;
- (3) to report findings of the study and to make recommendations to the Expert Group under the Joint Working Group on Sustainable Development and Environmental Protection.

### *Membership*

Hong Kong side:

Agriculture, Fisheries and Conservation Department (Panel Leader)

Guangdong side:

Forestry Bureau of the Guangdong Province (Panel Leader)

Forest Fire Prevention Office of the Guangdong Province

Office of the Afforestation Committee of the Guangdong Province

Wildlife Conservation Department of the Guangdong Province

### *Meeting Schedule in 2001*

A meeting was held on 16 March 2001 and the next meeting is scheduled for the second half of 2001.

Annex E

## Hong Kong-Guangdong Marine Resources and Conservation Special Panel

### *Terms of reference*

- (1) to deliberate on issues pertinent to fisheries resources management, conservation of Chinese White Dolphins, aquaculture and red tide monitoring of the two places;



- (2) to exchange information on the conservation of fisheries, Chinese White Dolphins and other marine resources;
- (3) to report findings of the study and to make recommendations to the Expert Group under the Joint Working Group on Sustainable Development and Environmental Protection.

### *Membership*

Hong Kong side:

Agriculture, Fisheries and  
Conservation Department  
(Panel Leader)

Environmental Protection  
Department

Guangdong side:

Ocean and Fisheries Environmental  
Monitoring Centre of the Guangdong  
Province (Panel Leader)

### *Meeting Schedule in 2001*

A meeting has been scheduled for the second half of 2001.

Annex F

## Dongjiang Water Quality Protection Special Panel

### *Terms of reference*

- (1) to monitor the water quality of Dongjiang and the Dongshen Water Supply System;
- (2) to discuss the strategy and plans for further protecting and improving the water quality of Dongjiang with a view to improving the quality of water supplied to Hong Kong;
- (3) to monitor the effectiveness of the plans for protecting and improving the water quality of Dongjiang;

- (4) to report findings of the study and to make recommendations to the Expert Group under the Joint Working Group on Sustainable Development and Environmental Protection.

*Membership*

Hong Kong side:

Works Bureau (Panel Leader)

Water Supplies Department

Environmental Protection  
Department

Guangdong side:

Environmental Protection Bureau of  
the Guangdong Province (Panel  
Leader)

Water Resources Department of the  
Guangdong Province

Municipal governments,  
environmental protection bureaux and  
relevant authorities along Dongjiang

*Meeting Schedule in 2001*

A meeting has been tentatively scheduled for late June 2001.

Annex G

Pearl River Delta Water Quality Protection Special Panel

*Terms of reference*

- (1) to formulate a management plan for the water quality of the Pearl River Delta;
- (2) to discuss proposals and concrete action plans for enhancing co-operation in protecting the water quality of the Pearl River Delta;
- (3) to report findings of the study and to make recommendations to the Expert Group under the Joint Working Group on Sustainable Development and Environmental Protection.

*Membership*

Hong Kong side:

Environmental Protection  
Department (Panel Leader)

Environment and Food Bureau

Drainage Services Department

Guangdong side:

Environmental Protection Bureau of  
the Guangdong Province (Panel  
Leader)Water Resources Department of the  
Guangdong ProvinceMunicipal governments,  
environmental protection bureaux and  
relevant authorities in the Pearl River  
Delta*Meeting Schedule in 2001*

Technical discussions are taking place with a view to having a meeting in the second half of 2001.

Annex H

## Hong Kong-Guangdong Town Planning Special Panel

*Terms of reference*

- (1) to exchange information on the planning of Hong Kong and the Guangdong Province, especially Guangzhou, Shenzhen, Zhuhai and other cities in the Pearl River Delta region;
- (2) to enhance co-operation and discuss jointly on the use of land and the co-ordination in infrastructural developments in Guangdong and Hong Kong;
- (3) to study and to make recommendations on ways to co-ordinate the social and economic developments between Guangdong and Hong Kong and to mitigate environmental impacts arising from such developments with a view to achieving long-term sustainable development;

- (4) to exchange information on the academic studies and surveys on town planning;
- (5) to report progress and to make recommendations to the Expert Group under the Hong Kong/Guangdong Joint Working Group on Sustainable Development and Environmental Protection.

*Membership*

Hong Kong side:

Guangdong side:

*Ex-officio Members:*

*Ex-officio Member:*

Planning and Lands Bureau  
(Panel Leader)

Construction Department of the  
Guangdong Province (Panel Leader)

Planning Department

*Ad hoc Members:*

*Other Members:*

Transport Bureau

Guangdong Provincial Development  
Planning Commission

Commerce and Industry  
Bureau

Department of Communication of the  
Guangdong Province

Economic Services Bureau

Land and Natural Resources  
Department of the Guangdong  
Province

Transport Department

Highways Department

Environmental Protection Bureau of  
the Guangdong Province

Environmental Protection  
Department

Guangzhou Urban Planning Bureau

Agriculture, Fisheries and  
Conservation Department

Shenzhen, Zhuhai Planning and Lands  
Bureau

Other Policy Bureaux and  
departments

*Meeting Schedule in 2001*

A meeting was held on 12 March 2001. Another meeting will be held in the second half of 2001.

Annex I

Mirs Bay and Deep Bay (Shenzhen Bay)  
Areas Environmental Management Special Panel

*Terms of reference*

- (1) to audit the progress of the action plans for the protection of Mirs Bay and Deep Bay (Shenzhen Bay);
- (2) to study and to make recommendations on how to enhance co-operation in improving the quality of the environment in Mirs Bay and Deep Bay;
- (3) to exchange information and environmental impact assessment reports on projects in Hong Kong and Guangdong which may affect Mirs Bay and Deep Bay (Shenzhen Bay);
- (4) to submit for information regular reports to the Expert Group under the Joint Working Group on Sustainable Development and Environmental Protection.

*Membership*

Hong Kong side:

Environmental Protection  
Department (Panel Leader)

Hong Kong side:

Agriculture, Fisheries and  
Conservation Department

Planning Department

Guangdong side:

Shenzhen Environmental Protection  
Bureau (Panel Leader)

Guangdong side:

Shenzhen Urban Planning and Land  
Bureau

Shenzhen Agricultural Department

*Meeting Schedule in 2001*

A meeting was held on 16 May 2001 and the next meeting is scheduled for October 2001.

Annex J

Membership of ICC

Hong Kong side:

- Secretary for Planning and Lands (Leader)
- Secretary for Constitutional Affairs
- Secretary for the Treasury
- Secretary for Economic Services
- Director of Planning
- Principal Assistant Secretary, Planning and Lands Bureau

Mainland side:

- Director-General of Exchange and Co-operation, Hong Kong and Macao Office, State Council (Leader)
- Director, Communication and Energy Department, State Planning Commission
- Director, Department of Technical Transformation, State Economic and Trade Commission
- Director, Planning Department, Ministry of Communications
- Deputy Director General, Air Traffic Management Bureau, General Administration of Civil Aviation of China

- Deputy Director-General, International Co-operation Department, Ministry of Railways
- Deputy Director, Guangdong Provincial Planning Commission

Annex K

### Membership of ICC Roads and Bridges Panel

#### Hong Kong side:

- Secretary for Planning and Lands (Leader)
- Director of Planning
- Principal Assistant Secretary, Transport Bureau
- Principal Assistant Secretary, Planning and Lands Bureau
- Principal Assistant Secretary, Constitutional Affairs Bureau
- Assistant Commissioner for Transport

#### Mainland side:

- Director of Comprehensive Planning Department, Ministry of Communications (Leader)
- Deputy Director of Guangdong Planning Commission
- Deputy Mayor, Shenzhen Municipality
- Deputy Secretary-General, Zhuhai Municipal Government

- Deputy Chief cum Chief Engineer of Highway Planning and Design Institute (Zhuhai Branch), Ministry of Communications
- Deputy Director, Inspection Office, Planning and Design Institute, Ministry of Communications
- Member from China International Consulting Corporation

#### ICC Panel on Marine Channels

##### Hong Kong side:

- Secretary for Economic Services (Leader)
- Secretary, Port and Maritime Board
- Director of Civil Aviation
- Director of Marine
- Director of Hong Kong Observatory
- Deputy Director of Agriculture, Fisheries and Conservation
- Principal Assistant Secretary, Planning and Lands Bureau
- Principal Assistant Secretary, Constitutional Affairs Bureau
- Chief Town Planner, Planning Department
- Principal Marine Officer, Marine Department
- Assistant Director, Civil Engineering Department
- Senior Environmental Protection Officer, Environmental Protection Department



Mainland side:

- Director-General of Planning Department, Ministry of Communications (Leader)
- Deputy Director-General, Guangdong Provincial Development Planning Commission
- Chief Engineer, Planning and Design Institute of Water Transportation, Ministry of Communications
- Deputy Chief, Shenzhen Harbour Superintendency
- Deputy Director, Shenzhen Municipal Port Authority
- Division Chief, Hong Kong and Macao Affairs Office of the State Council
- Vice Director-General, Department of Communications of Guangdong Province
- Member from China International Consulting Corporation

Membership of ICC Expert Group on  
Huanggang-Lok Ma Chau Passenger Crossing

Hong Kong side:

Leader: Secretary for Transport

Members: Representatives from the Transport Bureau, Highways Department, Transport Department, Customs and Excise Department, Hong Kong Police Force, and Immigration Department

Mainland side:

Leader: Vice Chairman of the Planning Commission of Guangdong Province

Members: Representatives from the relevant departments of the Guangdong Provincial and Shenzhen Municipal Governments, Hong Kong and Macao Affairs Office of the State Council and Shenzhen Metro

### **Implementation of Article 24 para 2(2) of Basic Law**

8. **MR JAMES TO** (in Chinese): *Madam President, Article 24 para 2(2) of the Basic Law stipulates that Chinese citizens who have ordinarily resided in Hong Kong for a continuous period of not less than seven years before or after the establishment of the Hong Kong Special Administrative Region (SAR) shall be permanent residents of the SAR. "The opinions of the Preparatory Committee for the Hong Kong Special Administrative Region of the National People's Congress (the Preparatory Committee) on the implementation of Article 24 para 2 of the Basic Law", which were adopted on 10 August 1996 at its Fourth Plenary Meeting, are that "people who have obtained permission to stay in Hong Kong under specific government policies" are not regarded as "having ordinarily resided" in Hong Kong. In this connection, will the Government inform this Council:*

- (a) whether, having regard to the opinions of the Preparatory Committee, it has formulated criteria for determining which government policies are "specific policies"; if so, of the criteria;*
- (b) of the current government policies that are "specific policies"; and*
- (c) of the respective numbers of persons who have obtained permission to stay in Hong Kong under each specific policy since 1 July 1997?*

**SECRETARY FOR SECURITY** (in Chinese): Madam President,

- (a) Under the Immigration Ordinance, persons falling under section 2(4) shall not be treated as ordinarily resident in Hong Kong. They include persons permitted to stay in Hong Kong under specific

government policies as referred to in the opinions of the Preparatory Committee on the implementation of Article 24 para 2 of the Basic Law, which were adopted at its Fourth Plenary Meeting held on 10 August 1996.

The formulation of such specific policies is based on the guiding principle that certain persons admitted for employment specifically for a short-term period, a particular project, or a particular employment contract should not become part of the permanent population of Hong Kong.

- (b) Currently there are two such specific policies, relating to the employment of contract workers from outside Hong Kong under a government importation of labour scheme, and the employment of domestic helpers from outside Hong Kong. Relevant provisions are in sections 2(4)(a)(v) and (vi) of the Immigration Ordinance.
- (c) Statistics on the number of visas issued to persons entering Hong Kong under each of the policies mentioned in part (b) since 1 July 1997 are set out below:

<i>Year</i>	<i>Contract Worker Under a Government Importation of Labour Scheme*</i>	<i>Domestic Helper*</i>
1997 (July to December)	1 147	26 042
1998	2 162	41 313
1999	830	43 511
2000	1 194	60 145
2001 (January to April)	443	20 158

\* number of visas issued

**Pay Reduction and Voluntary Departure Scheme of MPFA**

9. **MISS EMILY LAU** (in Chinese): *Madam President, it was reported that the Mandatory Provident Fund Schemes Authority (MPFA) introduced in May this year a scheme, applicable to 10-odd managerial staff members, under which they were given the options of demotion with pay reduction or voluntary departure. Regarding this incident and the remuneration levels of the staff of other statutory bodies, will the executive authorities inform this Council whether:*

- (a) *they know:*
  - (i) *the reasons for the MPFA implementing such a scheme;*
  - (ii) *the details of the scheme, including the amount of money involved; and*
  - (iii) *the number of staff members affected and how they are affected; and*
- (b) *they will make suggestions to other statutory bodies for reviewing if the remuneration levels of their staff are commensurate with their work?*

**SECRETARY FOR FINANCIAL SERVICES** (in Chinese): Madam President,

- (a) (i) *Reasons for conducting the demotion/reduction of salary and voluntary departure plan*

The implementation of the salary reduction/voluntary departure plan is a result of the recommendation of the organizational structure review, which was approved by the MPFA Management Board on 10 May 2001. It was agreed that the structure at the middle management levels should be rationalized and the number of staff at these levels should be reduced.

The organizational structure of MPFA has hitherto been based on the recommendations of a consultancy study conducted in

1998, prior to the establishment of MPFA and the commencement of MPFA's regulatory work. This organizational structure, which was designed for processing a large amount of work, met the requirements of MPFA at its initial stage of development.

The launch of the Mandatory Provident Fund (MPF) System in December 2000 marked the completion of preparatory phases and the beginning of the full implementation of the MPF System. The MPF System is new and the emphasis of MPFA's work would be changed as necessary to meet operational needs. Furthermore, being a new regulator, it is necessary for the MPFA to periodically review its organization and establishment so that in the course of its development, the MPFA could respond effectively and flexibly to the changing focus of its functions and the tasks it performs.

(ii) *Details of the package*

For those staff who are required to leave the service as a result of the organizational review, the MPFA will offer the following:

- Give requisite notice for termination of service: one month for those on probation, and three months for confirmed staff, or payment-in-lieu;
- Encash all accrued annual leave;
- An ex-gratia payment calculated as follows:

<i>For up to 12 months in the 1st year of service</i>	<i>Equivalent to one month's basic salary</i>
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In the 2nd year of service

- For less than six months      Plus equivalent to half month's basic salary
- For six months or more      plus equivalent to one month's basic salary

The total ex-gratia payment to be made to affected employees who will have to leave the service is about \$740,000.

(iii) *The number of staff affected and the impact on them*

Eighteen managers are affected, one of whom has already tendered resignation; six would stay until 31 March 2002 to meet the short-term operational needs of the MPFA. Another six were offered Senior Officer positions but the offer was declined. The six managers concerned, together with the remaining five managers (that is, 11 in total), will leave the service and receive ex-gratia payment.

- (b) The Government normally does not intervene into the pay and conditions of service for employees of statutory organizations, as these are employment matters between the employees and the management of the organizations concerned. Where the statutory organizations are subvented by the Government, the Government's guidelines on the management and control of government subventions apply, including the general rule that the terms of service for subvented posts may not be superior to those of civil servants in comparable grades.

### **Taxi Drivers' Practice of Multiple Loading of Passengers**

10. **MR LAU KONG-WAH** (in Chinese): *Madam President, regarding taxi drivers' practice of multiple loading of passengers and charging them individually (commonly known as "taxi pooling"), will the Government inform this Council:*

- (a) *of the number of complaints about such practice received last year, together with a breakdown by the districts where such taxi drivers picked up their passengers;*
- (b) *of the follow-up actions it has taken upon receipt of such complaints;*

- (c) *of the measures to crack down on the taxi drivers engaging in such practice; and*
- (d) *whether it plans to review the penalty for such offences?*

**SECRETARY FOR TRANSPORT** (in Chinese): Madam President, in 2000, the Hong Kong Police Force (the police) received 20 complaints about taxi drivers engaged in "taxi pooling" activities. A breakdown of these 20 complaints received by the districts where the alleged taxi pooling activities were found is given below:

<i>District where the Alleged Taxi Pooling Activities were found</i>	<i>Number of Complaints Received by the Police in 2000</i>
Wan Chai	1
Central and Western	1
Kowloon City	1
Yau Tsim Mong	4
Kwun Tong	6
Islands	2
Tai Po	1
North	1
Yuen Long	3
Total:	20

Upon receipt of a complaint about taxi drivers engaged in "taxi pooling" activities, the police will conduct investigation and take appropriate prosecution action as necessary and appropriate. The investigation of the 20 complaints mentioned above resulted in prosecution in four cases, of which there were two successful convictions for the offence of "permitting any person other than the hirer to enter the taxi without the consent of the hirer". The offenders were each fined a sum of \$1,500. Two of the other 16 complaints were subsequently withdrawn by the complainants. As for the remaining 14 complaints, there was insufficient evidence after investigation for further follow-up action.

To avoid "taxi pooling" activities, the police will strengthen the deployment of plain-clothed officers to patrol the major areas and carry out target-oriented enforcement operations.

Analyses are conducted from time to time based on feedbacks from various sources to ascertain the need to revise the level of penalty. At present the offence of "permitting any person other than the hirer to enter the taxi without the consent of the hirer" carries a maximum penalty of a fine of \$5,000 and imprisonment for six months, whereas the more serious offence of "soliciting passengers" carries a maximum penalty of a fine of \$10,000 and imprisonment for six months. So far, there is no indication that the current level of penalty has lost its deterrence effect. A review is therefore not planned for the time being.

### **Supervision of Private Schools by Education Department**

11. **MR DAVID CHU** (in Chinese): *Madam President, it was reported that the Hong Kong College of Management was closed in mid-May. As at 17 May, the Consumer Council had received a total of 144 complaints from students of the College, involving prepaid tuition fees amounting to \$1.3 million. With regard to the Education Department's (ED) supervision of private schools, will the Government inform this Council of:*

- (a) *the total number of complaints received by the ED against the College since January 1999, together with a breakdown by subjects of complaint; how ED followed up such complaints, and the reasons for the failure of such follow-up actions to rectify the College's malpractices at an earlier stage and reduce the students' losses; and*
- (b) *the measures the ED takes, apart from instituting prosecutions, to prevent private schools from overcharging fees and mismanaging their affairs?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Chinese): Madam President,

- (a) From January 1999 to August 2000, the ED received eight written complaints against the Hong Kong College of Management. From the commencement of the 2000-01 school year to the end of April 2001, the ED received a total of 159 complaints, including those referred by the Consumer Council, against the school.



From January 1999 to August 2000, complaints filed were mainly about collection of school fees not in accordance with the approved number of instalments, running unapproved courses and poor teaching quality and so on. Except for two anonymous complaints where the ED could not get in touch with the complainants for further action, all cases were settled.

From the commencement of the 2000-01 school year to April 2001, complaints filed were mainly about termination of courses due to closure of schools, improper class arrangement/failure to operate courses as originally scheduled, collection of school fees not in accordance with the approved number of instalments and poor teaching quality and so on.

The ED and the police are now investigating the complaints filed from the commencement of the 2000-01 school year to April 2001. Legal advice is that it is not appropriate at this stage to disclose details of the complaints and the follow-up actions, pending completion of investigation and possible legal proceedings.

- (b) At present, the Education Ordinance (Cap. 279) requires that school fees have to be approved by the Director of Education (DE). The Ordinance also empowers the DE to cancel the registration of a school or a school manager, appoint additional managers to sit on the school management committee or direct remedial measures to be taken within a specified period, if a school is found not to be managed satisfactorily.

Apart from enforcing the Ordinance, the ED also takes the following measures to prevent schools from overcharging fees and mismanaging their affairs:

- (i) organizing briefing sessions for school operators to draw their attention to the relevant provisions of the Education Ordinance and the importance of complying with these provisions;

- (ii) launching publicity, for example, API and radio broadcast, to alert parents and students of possible malpractices of private schools; and
- (iii) publishing approved school fees on the ED's website for public information.

### **Basis for Calculating Medical Unit Costs**

12. **MISS EMILY LAU** (in Chinese): *Madam President, will the executive authorities*

- (a) *inform this Council of the current unit costs in respect of the following services provided by the Hospital Authority (HA):*
  - (i) *cost per bed day occupied for acute and general hospitals;*
  - (ii) *cost per specialist outpatient attendance; and*
  - (iii) *cost per Accident & Emergency (A&E) attendance; and*
- (b) *give a detailed account of how the above figures are computed?*

**SECRETARY FOR HEALTH AND WELFARE** (in Chinese): Madam President,

- (a) Information on the average unit cost of the following services provided by the HA in 1999-2000 is shown below:

<i>Type of Services</i>	<i>Average Unit Cost</i>
General inpatient services per bed day in acute and general hospitals	\$3,358
Specialist out-patient services per attendance	\$638
A&E services per attendance	\$588

The HA is in the process of collating full-year cost data for 2000-01. As such, the average unit cost for 2000-01 for the services in question is not yet available.

- (b) The unit cost of general inpatient services per bed day is calculated on the basis of cost data of all acute general beds in 27 acute and general hospitals, that of specialist out-patient services on the basis of the cost data of all 51 HA specialist out-patient clinics and that of A&E services per attendance on the cost data of 15 A&E departments in the HA. The average unit cost is computed by dividing the estimated total costs of providing a particular type of service in a reference period by the corresponding total patient activities in the same period. The total costs include the estimated costs incurred by the HA (such as staff costs, administration overheads, depreciation, drugs, medical consumables and utility charges) and the costs of services provided to the HA by the government departments (such as Architectural Services Department for building maintenance services, Electrical and Mechanical Services Department for electrical and mechanical services and Department of Health for certain medical services).

### **Water Quality of Bottled Natural Mineral Water and Distilled Water**

13. **MR LAU KONG-WAH** (in Chinese): *Madam President, regarding the water quality of bottled natural mineral water and distilled water on sale in Hong Kong, will the Government inform this Council whether:*

- (a) *it has stipulated the water quality standards such bottled water is required to meet; if so, how such standards compare with the international standards; if not, of the reasons for that;*
- (b) *laboratory tests are conducted regularly on such bottled water; if so, of the results of such tests conducted in the past year, and how cases of substandard quality have been followed up; if not, how the Administration ensures that such bottled water is suitable for human consumption; and*

- (c) *it knows the countries and regions which regularly conduct laboratory tests on the water quality of bottled water; whether the Administration has sought the relevant information from the organizations concerned for reference?*

**SECRETARY FOR THE ENVIRONMENT AND FOOD** (in Chinese):  
Madam President,

- (a) Both bottled natural mineral water and distilled water on sale in Hong Kong are food items subject to regulation under the "Public Health and Municipal Services Ordinance" (Cap. 132). This Ordinance provides that all food items (including bottled drinking water) on sale must be suitable for human consumption. Subsidiary legislation under the Ordinance also provides specific standards in respect of the amount of artificial sweeteners, colouring materials, preservatives, minerals oils and heavy metals contained in food. The Food and Environmental Hygiene Department (FEHD) conducts laboratory tests on bottled drinking water against the statutory standards. It also conducts laboratory tests on the level of micro-organism in bottled drinking water in accordance with the "Standard for Natural Mineral Waters" laid down by the Codex Alimentarius Commission under the United Nations and the "Guideline for Drinking-water Quality" of the World Health Organization. The standards adopted in Hong Kong are similar to international standards.
- (b) In 2000, the FEHD conducted tests on 120 bottled natural mineral and distilled water samples. Results indicate that they have all met the required standards.
- (c) At present, European and North American countries conduct tests on the water quality of bottled drinking water on a regular basis. Some of the countries publish their test results on web-pages and the FEHD visits these web-pages regularly for reference and for studying the reports. In addition, the FEHD has in place a notification system with the European community and with the Food and Drug Administration of the United States. The FEHD may ask for specific information whenever necessary.

## Compensation for Industrial and Commercial Enterprises Affected by Land Resumption

14. **MR ALBERT CHAN** (in Chinese): *Madam President, regarding the Government's resumption of land by invoking the Lands Resumption Ordinance (Cap. 124), will the Government inform this Council:*

- (a) *of the respective numbers of the industrial and commercial enterprises affected by land resumption in the past five years and, among them, the respective numbers of enterprises closed down as a result, together with a breakdown by trade, the floor area of their factories and offices as well as the number of employees; and*
- (b) *whether it will consider increasing the ex-gratia allowances (EGAs) or compensation for the industrial and commercial enterprises affected by land resumption, or providing land for these enterprises to re-build factories and offices with a view to reducing the number of closure of enterprises arising from land resumption?*

**SECRETARY FOR PLANNING AND LANDS** (in Chinese): Madam President,

- (a) The statistics requested by the Honourable Member are as follows:

*Industrial and Commercial Undertakings Affected by  
Land Resumption in the Past Five Years*

	(A)	(B)	(C)	(D)
<i>Trade</i>	<i>Number of Undertakings resumed</i>	<i>Number of undertakings closed down as a result</i>	<i>Floor area (sq m) involved in (B)</i>	<i>Estimated number of employees involved in (B)</i>
Workshop <sup>1</sup>	20	6	1 382	14
Retail	86	18	4 575	59
Restaurant	6	6	535	37
Ship building	3	2	9 830	20
Total	115	32	16 322	130

<sup>1</sup>such as garages, repair shops.

- (b) The Lands Resumption Ordinance (Cap. 124) provides, among other things, for the payment of statutory compensation for land resumption and for the associated claims for loss of business. Under the Ordinance, claims for statutory compensation have to be supported by documentary proof. Affected owners and occupiers often need to spend considerable time and effort to produce evidence to support their claims. In some cases, affected occupiers had difficulties or were unable to produce sufficient documentary proof of business loss to support their claims. To enable prompt dealing with affected businesses, the Finance Committee of the Legislative Council approved an EGA to facilitate early resolution of the claim procedures involving industrial and commercial properties. Under this arrangement, occupiers concerned may opt to receive the EGA in lieu of their right to make statutory claims for business loss arising from land resumption. The rates for this EGA was last revised by the Finance Committee on 30 March 2001. Other than the statutory compensation for affected owners and occupiers, the Government does not provide land for commercial or industrial operators to re-establish their businesses after assumption. Affected operators need to find alternative premises that will suit their own business operations.

Affected industrial clearers in a number of recent land resumption exercises have put forward the view that the existing EGA arrangements are not adequate to facilitate the removal and re-establishment of their industrial operations. In view of this, we are undertaking a review of the compensation arrangements for industrial operators affected by land resumption. We will brief Members on our proposals once the review is completed.

### **Breeding of Termites in Public Housing Units**

15. **MISS LI FUNG-YING** (in Chinese): *Madam President, regarding the handling of the issue about the breeding of termites in the public housing units of the Hong Kong Housing Authority (HA) and the Hong Kong Housing Society (HS), will the Government inform this Council whether it knows:*

- (a) *the respective numbers of relevant complaints received by the HA and the HS from residents in each of the past three years;*
- (b) *if the HA and the HS have assessed the damage caused by termites to the units and the property of the residents; if so, of the details of the damage over the past three years; and*
- (c) *the details of the existing procedures adopted by the HA and the HS to eradicate termites and whether they regularly assess the effectiveness of their termite eradication efforts; if not, of the reasons for that?*

**SECRETARY FOR HOUSING** (in Chinese): Madam President, the numbers of complaints about termites in public rental housing flats operated by the HA and the HS, together with the expenses of termite treatment and repairs, in the past three years are given below:

	<i>HA</i>		<i>HS</i>	
	<i>(Total no. of tenants: 2 013 000)</i>		<i>(Total no. of tenants: 102 700)</i>	
	<i>No. of complaints</i>	<i>Expenses on treatment</i>	<i>No. of complaints</i>	<i>Expenses on treatment</i>
1998	1 338	\$630,000	17	\$13,000
1999	1 458	\$790,000	21	\$31,000
2000	1 527	\$820,000	15	\$39,000

Neither the HA nor the HS has assessed separately the damage to flats. No report of damage to tenants' property has been received.

On receiving a tenant's complaint about termite problem, the HA or the HS will arrange for a pest control contractor to carry out anti-termite treatment. The contractor is required to examine the flat thoroughly and to exterminate all surface and hidden termites and their nests. Post-treatment guarantee up to a year is provided to ensure effectiveness. Both the HA and the HS conduct inspections to check the effectiveness of the treatment. Both the HA and the HS monitor regularly their arrangements for termite control in housing estates.

**Statistics on Suicide Cases**

16. **MR MICHAEL MAK** (in Chinese): *Madam President, regarding suicide in each of the past two years, will the Government inform this Council of:*

- (a) *the number of persons who died in suicide, with a breakdown by their age and sex, and the causes and means of suicide;*
- (b) *the proportion of the number of persons who died in suicide to the total population of Hong Kong; and*
- (c) *the number of persons who attempted suicide?*

**SECRETARY FOR HEALTH AND WELFARE** (in Chinese): Madam President,

- (a) The Census and Statistics Department compiles mortality statistics, which cover suicide, using information on deaths registered with the Immigration Department. Tables 1 and 2 show the number of known suicide deaths in 1998 and 1999 by age group and sex, and by means of suicide. This source does not capture information on the reasons for suicide.

Compilation of suicide statistics involves a substantial lead time. This is due to the need to establish, for certain cases, that these are indeed suicide cases (involving police investigation, autopsy, inquest by the Coroner and so on). As such, final statistics for 2000 are not yet available.

- (b) The crude suicide death rates in 1998 and 1999, per 100 000 of the population, were 12.3 and 12.1 respectively.
- (c) There are no official statistics on the number of attempted suicides in Hong Kong. This is partly due to the limitations in various systems in arriving at a global figure which fully reflects the situation, the complexity in ascertaining whether cases are attempted suicide and underreporting of such sensitive information by persons who have attempted suicide. Nevertheless, some relevant data is



available for reference, as the Government provides assistance to persons known to have attempted to commit suicide and their family members, who are willing to come forward for help.

The Social Welfare Department maintains records on new attempted suicide cases known to its Family Services Centres, those of non-governmental organizations, and public hospitals served by its Medical Social Service Units. The number of persons known to this system for the year ending 31 March 2000 was 1 522 and for the year ending 31 March 2001 was 1 220.

Recognizing that the number of cases captured by this System is not exhaustive, efforts are being made to improve the System and collect data from other service units, where practicable.

Table 1 Known suicide deaths by age group and sex, 1998-1999

<i>Age group</i>	<i>1998</i>			<i>1999</i>		
	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
0-19	19	12	31	10	9	19
20-39	168	104	272	178	102	280
40-59	165	82	247	185	82	267
60+	155	114	269	145	105	250
Total	507	312	819	518	298	816

Table 2 Known suicide deaths by type of suicide, 1998-1999

<i>Type of suicide</i>	<i>1998</i>	<i>1999</i>
	<i>Number</i>	
Jumping from a height	425	365
Hanging	266	218
Use of solid, liquid or gases substances	66	187
Drowning	35	16
Others	27	30
Total	819	816

## Footnote

The suicide figures presented in Tables 1 and 2 refer to the number of suicide deaths which occurred in a particular year and were known at the time of publication. They are based on the findings of the verdict by the Coroner's Court and registered with the Immigration Department known at the time of publication.

### Supply and Demand of International School Places

17. **DR YEUNG SUM** (in Chinese): *Madam President, it has been reported that, due to a shortage of places in schools under the English Schools Foundation and other international schools, some foreign professionals abandoned their plans to come to work in Hong Kong after they had failed to secure for their children such school places. In this connection, will the Government inform this Council of:*

- (a) *the supply and demand position of international school places in Hong Kong in the past three years; and*
- (b) *the plans to ensure a sufficient supply of international school places for the children of expatriate professionals working in Hong Kong?*

**SECRETARY FOR EDUCATION AND MANPOWER** (in Chinese): Madam President,

- (a) International schools refer to schools which offer a non-local curriculum. The provision of international school places and enrolment in the past three years are as follows:

<i>School Year</i>	<i>School Places</i>	<i>Enrolment</i>
1998-99	29 600	23 500
1999-2000	29 600	23 900
2000-01	29 700	25 200

- (b) The Government conducts annual surveys on the provision of international school places and the actual enrolment.

While it can be seen from (a) above that the overall provision of international school places in Hong Kong is adequate, the demand is unevenly distributed. The more popular schools have a long waiting list.

With China's imminent accession to the World Trade Organization and as the economy recovers, we envisage an expansion of the expatriate community and in turn, an increasing demand for international school places. In view of the lead time for construction of new schools and the difficulty of projecting the demand for international school places of various national curricula, the Government is taking active steps to increase the provision of good quality, non-profit-making private independent schools (PISs) which can cater for the needs of both expatriate and local students. International school operators are also encouraged to run them. Non-profit-making PISs are eligible for land grants at nominal premium and capital grants (up to 100% of the cost of building a standard design primary or secondary public sector school of the same student population) for the construction of school premises. They may offer a local or non-local curriculum, such as the International Baccalaureate or other national curricula, with the study of Chinese language, Chinese history and culture being part of the core curriculum. Five PIS applications were approved in the past two years, of which two are expected to begin operation in the 2003-04 school year.

We will continue to monitor the situation and take appropriate action to ensure that the education needs of our expatriate community are properly met.

### **Provision of Education Services for Children in Children's Homes**

18. **MR JAMES TO** (in Chinese): *Madam President, it was reported that, in its investigation report published last month, the Hong Kong Human Rights Monitor alleged that the Social Welfare Department (SWD) had neglected the*

*educational needs of the children in some of the children's homes it operated, which was not in conformity with international human rights standards. In this connection, will the Government inform this Council of:*

- (a) the number of children in each children's home operated by the SWD at present, together with a breakdown by age bands and sex, and the number of teaching staff; and*
- (b) the measures the SWD will take to improve the educational services provided to the children in the children's homes it operates, such as the number of additional teaching staff and the new courses to be provided?*

**SECRETARY FOR HEALTH AND WELFARE** (in Chinese): Madam President,

- (a) The Administration is committed to providing education for all residents of children's homes operated by the SWD, which is consistent with obligations under the United Nations Convention on the Rights of the Child. The number of children (with a breakdown by age and sex) and the number of teaching staff in each of these Homes is provided in the Annex. Of the 31 teachers, one is a Principal Assistant Master based in the SWD's Headquarters with the role of co-ordinating the education programmes in the Homes. Six are Senior Assistant Masters/Mistresses, seven are Assistant Masters/Mistresses and 17 are Certificated Masters/Mistresses. These staff work in the Homes and conduct teaching programmes for the residents. In addition, eight Workshop Instructors III and 13 Workshop Instructors II assist in delivering educational programmes.
- (b) The SWD has plans to strengthen the teaching establishments in both the short-term and long-term Homes to improve the educational services provided. Eight graduate teacher posts will be provided

by September 2001. One Senior Education Officer post will be created in the SWD's Headquarters and will be responsible for the effective implementation and professional development of the education service. Two Education Officer posts and five Assistant Education Officer posts will be created to assume teaching duties in the Homes.

The prime objective of the educational activities in the Homes is to facilitate the reintegration of residents into mainstream schools or the job market. Subjects offered in the curriculum include Chinese Language, English Language, Mathematics, Social Studies, and pre-vocational training such as plumbing, air-conditioning repair, printing and IT application and so on. IT training for residents in all the Homes has been enhanced since 1999. Residents also participate in numerous open competitions and public examinations, covering choral speaking, sports, English, typing and word processing and so on.

Annex

Profile of residents and teaching establishments in the SWD's Homes  
(as at 30 April 2001)

Long-term Homes

*Shatin Boys Home*: a probation home for boys

<i>Age</i>	<i>Boys</i>	<i>Capacity: 100</i>
12	1	
13	7	
14	23	
15	46	Strength of teaching staff:
16	20	12, including
Total	97	5 Workshop Instructors

*Fanling Girls Home:* a probation home for girls

<i>Age</i>	<i>Girls</i>	<i>Capacity: 30</i>
12	1	
13	0	
14	5	
15	13	Strength of teaching staff:
16	4	3, including
Total	23	1 Workshop Instructor

*O Pui Shan Boys' Home:* a reformatory school for boys

<i>Age</i>	<i>Boys</i>	<i>Capacity: 80</i>
13	4	(to be revised to 60)
14	5	
15	14	
16	8	Strength of teaching staff:
17	1	10, including
Total	32	3 Workshop Instructors

*Wai Yee Hostel:* a non-statutory home for girls

<i>Age</i>	<i>Girls</i>	<i>Capacity: 100</i>
13	7	(to be revised to 80)
14	12	
15	19	
16	13	Strength of teaching staff:
17	2	14, including
Total	53	3 Workshop Instructors

## Short-term Homes

*Ma Tau Wai Girls' Home:* a place of refuge, a remand home and a place of detention for girls

<i>Age</i>	<i>Girls</i>	<i>Capacity: 100</i>
11	2	
12	8	
13	15	
14	18	Strength of teaching staff:
15	10	6, including
16	5	5 Workshop Instructors
Total	58	

*Begonia Road Juvenile Home:* a remand home and a place of detention for boys

<i>Age</i>	<i>Boys</i>	<i>Capacity: 50</i>
12	1	
13	8	
14	3	
15	4	Strength of teaching staff:
Total	16	3, including 2 Workshop Instructors

*Pui Chi Boys' Home:* a place of refuge and a place of detention for boys

<i>Age</i>	<i>Boys</i>	<i>Capacity: 40</i>
11	2	
12	3	
13	7	
14	1	Strength of teaching staff:
15	8	3, including
16	0	2 Workshop Instructors
17	5	
Total	26	

Note: in addition to the seven institutions above, the SWD also operates the Kwun Tong Hostel. It is a probation hostel for boys aged 15 to 21. It is an open institution, and the boys leave the hostel in the daytime to work.

**Donations to Private Charitable Funds by Administration**

19. **MR ALBERT HO** (in Chinese): *Madam President, regarding the donations made by the Administration from public funds or other sources to privately established and managed charitable funds, will the Government inform this Council of:*

- (a) *the following information regarding each of the private charitable funds which received such donations in the past five years:*
  - (i) *the name and objective of each fund, and the current membership list of its board of directors and executive committee; and*
  - (ii) *the amount of donation received and its uses, and the titles of the major events organized, in each of the past five years; and*
- (b) *the measures to ensure that the principles of fairness and openness are adhered to in making decisions on donations to charitable funds, and to prevent any conflict of interests which may arise due to civil servants serving as directors or executive committee members of such funds?*

**SECRETARY FOR THE TREASURY** (in Chinese): Madam President,

(a) Each year the Administration makes donations for various purposes to a lot of privately established and managed charitable funds or organizations. The donations are mainly made from the Disaster Relief Fund and the General Revenue Account. The donations made from the Disaster Relief Fund for the past five years are listed in Appendix 1. The bulk of donations made from the General Revenue Account come from capital expenditure under Head 106 Miscellaneous Services. A list of the relevant items in the past five years under this category is at Appendix 2.



In view of the large number of allocations involved as indicated in the appendices, it is impossible to provide detailed information on each and every fund or organization that received such donations for the past five years and the events they organized.

(b) In dealing with such allocations, we will fully consider all the relevant factors, including the availability of similar charitable funds or activities having regard to the need for fairness and openness as well as the need of the beneficiaries. In addition, donations under the Disaster Relief Fund are made on the advice of the Disaster Relief Fund Advisory Committee as required under the resolution passed by Members in 1993. The consent of the Finance Committee is required for a grant in excess of \$8 million under the Disaster Relief Fund. For non-recurrent allocations exceeding \$10 million from the General Revenue Account to privately funded organizations, the approval of the Finance Committee is required.

There are stringent rules on conflict of interest governing civil servants serving as directors or executive committee members of privately established charitable funds. Civil Service Circular No. 19/92 stipulates clearly that a civil servant:

- (i) must not use his official position, nor any information made available to him in his capacity as a civil servant, to benefit himself or his family, or to favour his relations or friends or any group of people to whom he is obliged in anyway; and
- (ii) must avoid putting himself in a position which creates reasonable suspicion that he has done so.

In addition, if a civil servant serves on the board of directors of a privately established charitable fund in his private capacity, he is also subject to the stringent reporting requirements under Civil Service Regulations 550 to 564 on outside work.

DISASTER RELIEF FUND  
(Payments)

<i>Sub-head (Code)</i>	<i>Actual expenditure 1996-97 \$'000</i>	<i>Revised estimate 1997-98 \$'000</i>	<i>Estimate 1998-99 \$'000</i>
Head 800 — Disaster Relief			
027			
Snowstorm relief programme in Qinghai, Mainland — grant to World Vision Hong Kong .....	1,000	-	-
028			
Post-flood relief work in the Democratic People's Republic of Korea — grant to Hong Kong Red Cross .....	1,500	-	-
029			
Relief programme for flood victims in Guizhou, Mainland — grant to Oxfam Hong Kong .....	3,000	-	-
030			
Relief programme for flood victims in Guizhou, Anhui and Hunan, Mainland — grant to Salvation Army ..	3,000	-	-
031			
Relief programme for flood victims in Zhejiang, Anhui, Guizhou, Jiangxi, Hunan and Guangxi, Mainland — grant to Hong Kong Red Cross .....	3,000	-	-
032			
Relief programme for flood victims in Anhui, Guizhou and Jiangxi, Mainland — grant to World Vision Hong Kong .....	3,000	-	-
033			
Relief programme for flood victims in Anhui, Zhejiang and Guizhou, Mainland — grant to Medecins Sans Frontieres Hong Kong .....	3,000	-	-
034			
Relief programme for refugees in the Great Lakes region of Central Africa — grant to Medecins Sans Frontieres Hong Kong .....	2,000	-	-
035			
Relief programme for earthquake victims in Jiashi Country of Xinjiang Uygur Autonomous Region, Mainland — grant to World Vision Hong Kong .....	-	1,070	-
036			
Relief programme for earthquake victims in Khorasan Province, Iran — grant to Hong Kong Red Cross...	-	1,200	-
037			
Relief programme for flood victims in Guizhou and Guangxi, Mainland — grant to Oxfam Hong Kong .	-	770	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1996-97 \$'000</i>	<i>Revised estimate 1997-98 \$'000</i>	<i>Estimate 1998-99 \$'000</i>
Head 800 — Disaster Relief			
038			
Relief programme for children suffering from starvation in the Democratic People's Republic of Korea — grant to Oxfam Hong Kong .....	-	3,000	-
039			
Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to World Vision Hong Kong .....	-	3,200	-
040			
Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to Cedar Fund Limited .....	-	1,100	-
	19,500	10,340	-
Head 800: total .....			
Total (Payments) .....	19,500	10,340	-
	=====	=====	=====

## DISASTER RELIEF FUND

(Payments)

<i>Sub-head (Code)</i>	<i>Actual expenditure 1997-98 \$'000</i>	<i>Revised estimate 1998-99 \$'000</i>	<i>Estimate 1999-2000 \$'000</i>
Head 800 — Disaster Relief			
035			
Relief programme for earthquake victims in Jiashi Country of Xinjiang Uygur Autonomous Region, Mainland — grant to World Vision Hong Kong .....	1,070	-	-
036			
Relief programme for earthquake victims in Khorasan Province, Iran — grant to Hong Kong Red Cross...	1,200	-	-
037			
Relief programme for flood victims in Guizhou and Guangxi, Mainland — grant to Oxfam Hong Kong.	770	-	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1997-98 \$'000</i>	<i>Revised estimate 1998-99 \$'000</i>	<i>Estimate 1999-2000 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
038			
Relief programme for children suffering from starvation in the Democratic People's Republic of Korea — grant to Oxfam Hong Kong .....	3,000	-	-
039			
Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to World Vision Hong Kong .....	3,200	-	-
040			
Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to Cedar Fund Limited .....	1,100	-	-
041			
Relief programme for earthquake victims in Hebei Province, Mainland — grant to Hong Kong Red Cross .....	6,240	-	-
042			
Relief programme for earthquake victims in Hebei Province, Mainland — grant to World Vision Hong Kong .....	3,000	-	-
043			
Relief programme for earthquake victims in Hebei Province, Mainland — grant to Jian Hua Foundation Limited.....	500	-	-
044			
Relief programme for earthquake victims in Hebei Province, Mainland — grant to Oxfam Hong Kong	2,600	-	-
045			
Relief programme for typhoon victims in Vietnam — grant to Hong Kong Red Cross .....	1,200	-	-
046			
Relief programme for earthquake victims in Hebei Province, Mainland — grant to Hong Kong Committee for United Nations Children's Fund.....	2,930	-	-
047			
Relief programme for earthquake victims in Hebei Province, Mainland — grant to Salvation Army ....	2,000	-	-
048			
Relief programme for snowstorm victims in Qinghai Province, Mainland — grant to Oxfam Hong Kong	2,600	-	-
049			
Relief programme for snowstorm victims in Qinghai Province, Mainland — grant to World Vision Hong Kong .....	3,500	-	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1997-98 \$'000</i>	<i>Revised estimate 1998-99 \$'000</i>	<i>Estimate 1999-2000 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
050			
Relief programme for people in the Democratic People's Republic of Korea — grant to Medecins Sans Frontieres Hong Kong .....	2,500	-	-
051			
Relief programme for snowstorm victims in Qinghai Province, Mainland — grant to Jian Hua Foundation Limited.....	740	-	-
052			
Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to Cedar Fund Limited .....	-	1,000	-
053			
Relief programme for drought victims in Mindanao, the Philippines — grant to Oxfam Hong Kong.....	-	350	-
054			
Relief programme for people suffering from a cholera epidemic in Mozambique — grant to Medecins Sans Frontieres Hong Kong.....	-	500	-
055			
Relief programme for earthquake victims in Afghanistan — grant to Hong Kong Red Cross .....	-	1,200	-
056			
Relief programme for displaced people in Sudan — grant to World Vision Hong Kong .....	-	500	-
057			
Relief programme for flood victims in Jiangxi and Guangxi Provinces, Mainland — grant to World Vision Hong Kong .....	-	3,000	-
058			
Relief programme for flood victims in Hunan and Guangxi Provinces, Mainland — grant to Salvation Army .....	-	3,000	-
059			
Relief programme for flood victims in Hunan, Sichuan and Yunnan Provinces, Mainland — grant to Medecins Sans Frontieres Hong Kong.....	-	5,390	-
060			
Relief programme for flood victims in Jiangxi, Hunan and Hubei Provinces, Mainland — grant to Hong Kong Red Cross .....	-	3,000	-
061			
Relief programme for flood victims in Hubei and Jiangxi Provinces, Mainland — grant to World Vision Hong Kong .....	-	4,000	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1997-98 \$'000</i>	<i>Revised estimate 1998-99 \$'000</i>	<i>Estimate 1999-2000 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
062			
Relief programme for flood victims in Hubei, Hunan, Anhui, Heilongjiang, Jilin Provinces and Inner Mongolia Autonomous Region, Mainland — grant to Hong Kong Committee for United Nations Children's Fund .....	-	3,000	-
063			
Relief programme for flood victims in Shaanxi, Guangxi and Yunnan Provinces, Mainland — grant to Oxfam Hong Kong .....	-	1,000	-
064			
Relief programme for flood victims in Hubei Province, Mainland — grant to Medecins Sans Frontieres Hong Kong .....	-	1,630	-
065			
Relief programme for flood victims in Bangladesh — grant to Oxfam Hong Kong .....	-	510	-
066			
Relief programme for flood victims in Hunan and Heilongjiang Provinces, Mainland — grant to The Association of Chinese Evangelical Ministry Limited .....	-	500	-
067			
Relief programme for flood victims in Bangladesh — grant to Hong Kong Red Cross .....	-	1,500	-
068			
Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to World Vision Hong Kong .....	-	2,000	-
069			
Relief programme for flood victims in Bangladesh — grant to World Vision Hong Kong .....	-	1,500	-
070			
Relief programme for hurricane victims in Nicaragua — grant to Medecins Sans Frontieres Hong Kong .....	-	2,000	-
071			
Relief programme for earthquake victims in Yunnan and Sichuan Provinces, Mainland — grant to Oxfam Hong Kong .....	-	2,000	-
072			
Relief programme for earthquake victims in Yunnan Province, Mainland — grant to World Vision Hong Kong .....	-	1,230	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1997-98 \$'000</i>	<i>Revised estimate 1998-99 \$'000</i>	<i>Estimate 1999-2000 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
Head 800: total .....	38,150	38,810	-
Total (Payments) .....	38,150	38,810	-
	=====	=====	=====

DISASTER RELIEF FUND  
(Payments)

<i>Sub-head (Code)</i>	<i>Actual expenditure 1998-99 \$'000</i>	<i>Revised estimate 1999-2000 \$'000</i>	<i>Estimate 2000-01 \$'000</i>
Head 800 — Disaster Relief			
052 Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to Cedar Fund Limited .....	1,000	-	-
053 Relief programme for drought victims in Mindanao, the Philippines — grant to Oxfam Hong Kong .....	350	-	-
054 Relief programme for people suffering from a cholera epidemic in Mozambique — grant to Medecins Sans Frontieres Hong Kong .....	500	-	-
056 Relief programme for displaced people in Sudan — grant to World Vision Hong Kong .....	500	-	-
057 Relief programme for flood victims in Jiangxi and Guangxi Provinces, Mainland — grant to World Vision Hong Kong .....	3,000	-	-
058 Relief programme for flood victims in Hunan and Guangxi Provinces, Mainland — grant to Salvation Army .....	3,000	-	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1998-99 \$'000</i>	<i>Revised estimate 1999-2000 \$'000</i>	<i>Estimate 2000-01 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
059			
Relief programme for flood victims in Hunan, Sichuan and Yunnan Provinces, Mainland — grant to Medecins Sans Frontieres Hong Kong .....	5,390	-	-
060			
Relief programme for flood victims in Jiangxi, Hunan and Hubei Provinces, Mainland — grant to Hong Kong Red Cross .....	3,000	-	-
061			
Relief programme for flood victims in Hubei and Jiangxi Provinces, Mainland — grant to World Vision Hong Kong .....	4,000	-	-
062			
Relief programme for flood victims in Hubei, Hunan, Anhui, Heilongjiang, Jilin Provinces and Inner Mongolia Autonomous Region, Mainland — grant to Hong Kong Committee for United Nations Children's Fund .....	3,000	-	-
063			
Relief programme for flood victims in Shaanxi, Guangxi and Yunnan Provinces, Mainland — grant to Oxfam Hong Kong.....	1,000	-	-
064			
Relief programme for flood victims in Hubei Province, Mainland — grant to Medecins Sans Frontieres Hong Kong .....	1,630	-	-
065			
Relief programme for flood victims in Bangladesh — grant to Oxfam Hong Kong.....	510	-	-
066			
Relief programme for flood victims in Hunan and Heilongjiang Provinces, Mainland — grant to The Association of Chinese Evangelical Ministry Limited.....	500	-	-
067			
Relief programme for flood victims in Bangladesh — grant to Hong Kong Red Cross .....	1,500	-	-
068			
Relief programme for people suffering from starvation in the Democratic People's Republic of Korea — grant to World Vision Hong Kong .....	2,000	-	-
069			
Relief programme for flood victims in Bangladesh — grant to World Vision Hong Kong .....	1,500	-	-



<i>Sub-head (Code)</i>	<i>Actual expenditure 1998-99 \$'000</i>	<i>Revised estimate 1999-2000 \$'000</i>	<i>Estimate 2000-01 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
070			
Relief programme for hurricane victims in Nicaragua — grant to Medecins Sans Frontieres Hong Kong .....	2,000	-	-
071			
Relief programme for earthquake victims in Yunnan and Sichuan Provinces, Mainland — grant to Oxfam Hong Kong .....	2,000	-	-
072			
Relief programme for earthquake victims in Yunnan Province, Mainland — grant to World Vision Hong Kong .....	1,230	-	-
073			
Relief programme for hurricane victims in Nicaragua and Guatemala — grant to Oxfam Hong Kong .....	460	-	-
074			
Relief programme for flood victims in Jiangxi and Anhui Provinces, Mainland — grant to The Association of Chinese Evangelical Ministry Limited .....	-	500	-
075			
Relief programme for flood victims in Hubei Province, Mainland — grant to World Vision Hong Kong .....	-	2,000	-
076			
Relief programme for earthquake victims in Turkey — grant to Hong Kong Committee for United Nations Children's Fund .....	-	2,500	-
077			
Relief programme for earthquake victims in Turkey — grant to Hong Kong Red Cross .....	-	1,800	-
078			
Relief programme for typhoon and flood victims in the Philippines — grant to Medecins Sans Frontieres Hong Kong .....	-	1,210	-
079			
Relief programme for flash flood victims in Xinjiang Uygur Autonomous Region, Mainland — grant to Medecins Sans Frontieres Hong Kong .....	-	890	-
080			
Relief programme for earthquake victims in Taiwan — grant to Salvation Army .....	-	2,500	-
081			
Relief programme for earthquake victims in Taiwan — grant to World Vision Hong Kong .....	-	3,120	-
082			
Relief programme for earthquake victims in Taiwan — grant to The Association of Chinese Evangelical Ministry Limited .....	-	1,000	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1998-99 \$'000</i>	<i>Revised estimate 1999-2000 \$'000</i>	<i>Estimate 2000-01 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
083			
Relief programme for earthquake victims in Taiwan — grant to Hong Kong Red Cross .....	-	2,000	-
084			
Relief programme for East Timor refugees — grant to Oxfam Hong Kong .....	-	1,000	-
085			
Relief programme for flood victims in Anhui Province, Mainland — grant to World Vision Hong Kong .....	-	2,500	-
086			
Relief programme for refugees within East Timor and in West Timor — grant to Medecins Sans Frontieres Hong Kong .....	-	900	-
087			
Relief programme for flood victims in Bangladesh — grant to Hong Kong Red Cross .....	-	530	-
088			
Relief programme for cyclone victims in India — grant to World Vision Hong Kong .....	-	1,500	-
089			
Relief programme for flood victims in Vietnam — grant to World Vision Hong Kong .....	-	1,000	-
Head 800: total .....	38,070	24,950	-
Total (Payments) .....	38,070	24,950	-

## DISASTER RELIEF FUND

(Payments)

<i>Sub-head (Code)</i>	<i>Actual expenditure 1999-2000 \$'000</i>	<i>Revised estimate 2000-01 \$'000</i>	<i>Estimate 2000-02 \$'000</i>
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Head 800 — Disaster Relief

<i>Sub-head (Code)</i>	<i>Actual expenditure 1999-2000 \$'000</i>	<i>Revised estimate 2000-01 \$'000</i>	<i>Estimate 2000-02 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
074			
Relief programme for flood victims in Jiangxi and Anhui Provinces, Mainland — grant to The Association of Chinese Evangelical Ministry Limited.....	500	-	-
075			
Relief programme for flood victims in Hubei Province, Mainland — grant to World Vision Hong Kong.....	2,000	-	-
076			
Relief programme for earthquake victims in Turkey — grant to Hong Kong Committee for United Nations Children's Fund .....	2,500	-	-
077			
Relief programme for earthquake victims in Turkey — grant to Hong Kong Red Cross .....	1,800	-	-
078			
Relief programme for typhoon and flood victims in the Philippines — grant to Medecins Sans Frontieres Hong Kong .....	1,210	-	-
079			
Relief programme for flash flood victims in Xinjiang Uygur Autonomous Region, Mainland — grant to Medecins Sans Frontieres Hong Kong .....	890	-	-
080			
Relief programme for earthquake victims in Taiwan — grant to Salvation Army .....	2,500	-	-
081			
Relief programme for earthquake victims in Taiwan — grant to World Vision Hong Kong .....	3,120	-	-
082			
Relief programme for earthquake victims in Taiwan — grant to The Association of Chinese Evangelical Ministry Limited .....	1,000	-	-
083			
Relief programme for earthquake victims in Taiwan — grant to Hong Kong Red Cross .....	2,000	-	-
084			
Relief programme for East Timor refugees — grant to Oxfam Hong Kong .....	1,000	-	-
085			
Relief programme for flood victims in Anhui Province, Mainland — grant to World Vision Hong Kong.....	2,500	-	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1999-2000 \$'000</i>	<i>Revised estimate 2000-01 \$'000</i>	<i>Estimate 2000-02 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
086			
Relief programme for refugees within East Timor and in West Timor — grant to Medecins Sans Frontieres Hong Kong .....	900	-	-
087			
Relief programme for flood victims in Bangladesh — grant to Hong Kong Red Cross .....	530	-	-
088			
Relief programme for cyclone victims in India — grant to World Vision Hong Kong .....	1,500	-	-
089			
Relief programme for flood victims in Vietnam — grant to World Vision Hong Kong .....	1,000	-	-
090			
Relief programme for cyclone victims in India — grant to Hong Kong Red Cross .....	500	-	-
091			
Relief programme for flood victims in Vietnam — grant to Hong Kong Red Cross .....	500	-	-
092			
Relief programme for flood victims in Quang Ngai Province, Vietnam — grant to Medecins Sans Frontieres Hong Kong.....	350	-	-
093			
Relief programme for earthquake victims in Yunnan Province, Mainland — grant to World Vision Hong Kong .....	1,500	-	-
094			
Relief programme for earthquake victims in Yunnan Province, Mainland — grant to Jian Hua Foundation Limited.....	500	-	-
095			
Relief programme for earthquake victims in Yunnan Province, Mainland — grant to Salvation Army ....	820	-	-
096			
Relief programme for flood victims in Mozambique — grant to World Vision Hong Kong .....	2,500	-	-
097			
Relief programme for flood victims in Mozambique and nearby regions — grant to Hong Kong Red Cross ..	-	750	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1999-2000 \$'000</i>	<i>Revised estimate 2000-01 \$'000</i>	<i>Estimate 2000-02 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
098			
Relief programme for flood victims in Mozambique — grant to Oxfam Hong Kong.....	-	1,200	-
099			
Relief programme for snowstorm victims in Mongolia — grant to World Vision Hong Kong ....	-	1,000	-
100			
Relief programme for famine victims in Ethiopia — grant to World Vision Hong Kong .....	-	2,780	-
101			
Relief programme for famine victims in Ethiopia — grant to Oxfam Hong Kong.....	-	2,000	-
102			
Relief programme for drought victims in India — grant to Oxfam Hong Kong.....	-	1,000	-
103			
Relief programme for drought victims in Eastern Africa (Ethiopia, Kenya, Eritrea, Somalia and Djibouti) — grant to Hong Kong Committee for United Nations Children's Fund .....	-	3,000	-
104			
Relief programme for flood victims in Shaanxi Province, Mainland — grant to World Vision Hong Kong .....	-	1,360	-
105			
Relief programme for flood victims in Henan Province, Mainland — grant to World Vision Hong Kong.....	-	1,500	-
106			
Relief programme for flood victims in Henan and Guangxi Provinces, Mainland — grant to The Association of Chinese Evangelical Ministry Limited.....	-	1,300	-
107			
Relief programme for flood victims in India — grant to World Vision Hong Kong.....	-	1,840	-
108			
Relief programme for flood victims in India — grant to Cedar Fund Limited .....	-	1,000	-
109			
Relief programme for flood victims in Bangladesh — grant to Hong Kong Red Cross .....	-	2,000	-

<i>Sub-head (Code)</i>	<i>Actual expenditure 1999-2000 \$'000</i>	<i>Revised estimate 2000-01 \$'000</i>	<i>Estimate 2000-02 \$'000</i>
Head 800 — Disaster Relief (Cont'd)			
110 Relief programme for flood victims in Hainan Province, Mainland — grant to The Association of Chinese Evangelical Ministry Limited .....	-	500	-
Head 800: total .....	31,620	21,230	-
Total (Payments) .....	31,620	21,230	-
	=====	=====	=====

Appendix 2

Donations to privately established and managed charitable funds  
Head 106 Miscellaneous Services  
1996-97 to 2000-01

<i>Item</i>	<i>1996-97 \$'000</i>	<i>1997-98 \$'000</i>	<i>1998-99 \$'000</i>	<i>1999-2000 \$'000</i>	<i>2000-01 \$'000</i>
Grant to Warehouse project	850	1,150	-	-	-
Donation to the Hong Kong Youth Arts Festival	-	2,000	-	-	-
Grant to the Warehouse Teenage Club	-	2,000	-	-	-
Grant to Breakthrough Youth Village Phase II development	-	-	9,500	-	-
Donation to Dragon Foundation	-	-	-	10,000	-
	850	5,150	9,500	10,000	-

**Services for Young Night Drifters**

20. **MR WONG SING-CHI** (in Chinese): *Madam President, regarding the services provided to young night drifters (YNDs) who regularly hang around in the streets or in places of entertainment late at night, will the Government inform this Council:*

- (a) *whether it has estimated the present number of YNDs aged between 12 and 21; if so, of the details of its estimation, and the major districts where they usually hang around, as well as their popular hangouts;*
- (b) *whether it has assessed the effectiveness of the pilot scheme, under which YNDs are taken to police stations to wait for their parents to bring them home, in tackling the YND problem; if so, of the details of its assessment;*
- (c) *of the current manning scale of outreaching services targeted at YNDs;*
- (d) *of the maximum numbers of young people that can be accommodated at any one time in activity centres and other service centres which are open for YNDs at night, as well as their respective usage rates; and*
- (e) *whether it will consider opening some cultural and sports facilities or other community facilities late at night to attract YNDs to the activities held in such facilities, thereby reducing the chances of their being recruited into triad societies; if so, of the details; if not, the reasons for that?*

**SECRETARY FOR HEALTH AND WELFARE** (in Chinese): Madam President,

- (a) To examine the service needs of YNDs, the Administration conducted a pilot Youth Mobile Team (YMT) Service project between 1997 and 1999. Based on data obtained from this pilot scheme, 10 277 YNDs were identified over a 16 month period. Of

these, 4 713 (46%) were assessed to have no need for service; 1 905 (19%) were assessed either to have no immediate need for service or were already receiving service from other social workers during the day; 2 182 (21%) were assessed to be in need of service but declined receipt; and 1 477 (14%) received services from the two YMTs. Most of the young people were between the age of 14 and 17. The districts where YNDs were most prevalent included Eastern, Yau Tsim Mong, Tai Po, Sham Shui Po and Kwai Tsing. Parks and playgrounds were popular spots, where YNDs congregated.

- (b) Based on similar schemes in Tuen Mun and Yuen Long Police Districts, a pilot scheme (the Juveniles Case Scheme) was introduced by the police in Tai Po Police District in September 2000. The objective is to protect juveniles under 16 by dissociating them from the risk of becoming involved in crime or being exposed to undesirable influences. Beat police officers approach juveniles found on the streets between midnight and 6 am to see if they are in need of care and protection. If so, they are escorted to a police station and their parents are contacted and requested to take them home. For juveniles who have been taken to a police station on three or more occasions, the police will liaise with the Social Welfare Department to ascertain whether care or protection proceedings are required. To date, this has not happened. Up to 31 March 2001, 60 juveniles have been reached by the Scheme, with only one individual being found on two occasions.

We will continue to monitor the operation of the Scheme and introduce measures to enhance its effectiveness, having regard to, feedback from the community, crime prevention, juvenile protection, and the degree of assistance provided to juveniles and their families.

In February 2001, the police conducted a questionnaire survey amongst the parents or guardians of the juveniles reached under the Scheme. The vast majority supported the Scheme whilst a few found it inconvenient to take their children home from police stations late at night. The Scheme is also supported by the North and Tai Po District Fight Crime Committees, local youth agencies and members of school discipline master committees in the North District.



The police and the Social Welfare Department will discuss how the Scheme can be further improved, by taking into account the views of professional social workers involved in youth work.

- (c) Since the completion of the pilot project referred to in paragraph (a), a number of outreach social work teams (OSWTs) and integrated teams (ITs) have extended their operating hours to serve YNDs. As they provide services to YNDs as part of their work with young people, there is no separate manning ratio for the YND service.

In 2001-02, the Administration has earmarked additional recurrent resources to strengthen the manpower provision of 18 ITs (with an addition of three professional social workers to each IT) to provide targeted services to YNDs. Each of the 18 selected ITs will also be provided with a van and mobile phones to facilitate efficient service delivery.

- (d) Based on data obtained from the two pilot YMTs, 46% of YNDs were assessed to have no need for service from social work units. The service needs of the remaining 54% included assistance to be off the street to avoid exposure to danger, assistance to handle their problems in the family context, assistance to handle negative peer influence, services to promote their mental health, services to prevent the occurrence of at-risk behaviour, and an employment service. The objectives of the YMTs were to provide on the spot crisis intervention, including escort services to homes or temporary shelters, if required; to provide short-term intervention, including welfare referrals and, if necessary, escorting them to the relevant welfare agencies; and to arrange for them to receive mainstream youth services to facilitate their social and personal development. In the light of this experience, the 18 ITs identified for expansion to serve YNDs will help develop programmes to meet the multifarious needs of YNDs.

The OSWTs and ITs serving YNDs provide a wide range of services according to needs, including various services in their centres for YNDs at night. However, the present reporting system does not require them to provide statistics on night-time centre-based services for YNDs. The 18 ITs will also provide night-time centre-based services according to needs in their districts.

In addition to these centre based facilities, residential centres have been provided to meet the needs of YNDs who are temporarily unable or unwilling to stay at home. Financial support from the Government has been provided to a non-governmental organization (NGO) to operate two crisis residential centres in Sha Tin and Eastern Districts, providing a total of 30 places. Between January and April 2001, the utilization rates of the two centres were 84% and 98%. Additional recurrent subvention has also been provided since May 2001 to enable another NGO to operate a similar temporary residential service (eight places) in Kowloon for YNDs.

- (e) Community Centres and Community Halls run by the Home Affairs Department are open daily from 9 am to 10 pm. Leisure facilities and civic centres under the management of the Leisure and Cultural Services Department normally open until 10 pm to 11.30 pm.

In the short-term, applications from youth organizations or service providers to organize activities for YNDs at these venues late at night, will be considered on a case by case basis. In the long term, if experience demonstrates that night-time opening is an effective means to help meet the objectives of the welfare services provided to YNDs, we will consider how the operation of these facilities can be changed to contribute towards this process.

## **BILLS**

### **First Reading of Bills**

**PRESIDENT** (in Cantonese): Bills: First Reading.

### **COMPANIES (AMENDMENT) BILL 2001**

### **POST SECONDARY COLLEGES (AMENDMENT) BILL 2001**

### **EMPLOYMENT (AMENDMENT) BILL 2001**

**CLERK** (in Cantonese): Companies (Amendment) Bill 2001  
Post Secondary Colleges (Amendment) Bill 2001  
Employment (Amendment) Bill 2001.

*Bills read the First time and ordered to be set down for Second Reading pursuant to Rule 53(3) of the Rules of Procedure.*

## **Second Reading of Bills**

**PRESIDENT** (in Cantonese): Bills: Second Reading.

### **COMPANIES (AMENDMENT) BILL 2001**

**SECRETARY FOR FINANCIAL SERVICES** (in Cantonese): Madam President, I move that the Companies (Amendment) Bill 2001 be read the Second time.

The Bill seeks to amend the relevant provisions of the Companies Ordinance to allow listed companies incorporated in Hong Kong (listed companies) to issue summary financial reports. All limited companies incorporated in Hong Kong, including listed companies, are required under the Companies Ordinance to send financial documents that are to be laid before the company at a general meeting to their shareholders, debenture holders and other entitled persons (shareholders and relevant persons) not less than 21 days before the date of the meeting. The documents comprise the balance sheet with its annexes, the director's report and the auditor's report.

Shareholders in general may not have interest in the financial documents given their length and complexity, and may not read them in detail. Taking into account overseas experience, we consider that there is room for improvement in the present arrangement. We propose to amend the Companies Ordinance to allow listed companies to send summary financial reports in lieu of the full set of financial documents to their shareholders and relevant persons.

The summary financial report sets out the important information of the company in a simpler and more concise manner to facilitate better understanding of the operation, business and financial position of a listed company by general

investors. Moreover, the printing of summary financial reports, in comparison with that of the full sets of financial reports, will consume less paper and hence is more environmentally friendly.

Madam President, the main purpose of allowing listed companies to issue summary financial reports is to provide the shareholders and relevant persons with an additional choice and the shareholders' right of access to full corporate information will not be affected.

The Bill provides that a listed company shall only send a summary financial report to shareholders and relevant persons after it has ascertained their wishes and obtained their consent to do so. Shareholders and relevant persons may still ask for a full set of financial documents from the company even if they have selected to receive the summary financial report and have received it, subject to the request being made prior to the next general meeting. The company is required to send out the documents within 14 days upon receipt of the relevant notification. I should also point out that under the Bill, a listed company would be considered to have fulfilled its legal requirement of sending a summary financial report if he published the report on its website and notified the shareholders and relevant persons who had agreed with this arrangement of such posting. This arrangement would also apply to the sending of the full set of financial documents. This proposal would further promote electronic communication between listed companies and their shareholders.

The above proposals are set out in the Companies (Amendment) Bill 2001. As regards the details of implementation, such as the contents of summary financial reports and how to ascertain the wishes of shareholders and relevant persons, they will be provided in the form of regulations after the Bill has been passed. In other jurisdictions such as the United Kingdom, Australia and Singapore, listed companies are allowed to issue summary financial reports and the arrangement has been accepted by listed companies and shareholders alike.

Madam President, I hope that Members will support this Bill, which not only will bring convenience to shareholders and relevant persons, but will also be environmentally friendly.

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the Companies (Amendment) Bill 2001 be read the Second time.

In accordance with the Rules of Procedure, the debate is now adjourned and the Bill referred to the House Committee.

## **POST SECONDARY COLLEGES (AMENDMENT) BILL 2001**

**SECRETARY FOR EDUCATION AND MANPOWER:** Madam President, I move that the Post Secondary Colleges (Amendment) Bill 2001 be read the Second time.

The Bill seeks to enable a post-secondary college registered under the Post Secondary Colleges Ordinance to award degrees, subject to the prior approval of the Chief Executive in Council.

The Hong Kong Shue Yan College (Shue Yan College) is currently the only post-secondary college registered under the Ordinance. The proposed amendments, if enacted, will enable Shue Yan College to offer four degree programmes starting from September this year. The Chief Executive in Council has approved in principle that Shue Yan College may award these degrees, subject to programme validation by the Hong Kong Council for Academic Accreditation.

Shue Yan College has a vision to become a local private university. The attainment of degree-awarding status is a major step towards this goal. I commend the Bill to Members and hope that it will be passed within the current legislative session so that Shue Yan College can launch the degree programmes in September this year.

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the Post Secondary Colleges (Amendment) Bill 2001 be read the Second time.

In accordance with the Rules of Procedure, the debate is now adjourned and the Bill referred to the House Committee.

## **EMPLOYMENT (AMENDMENT) BILL 2001**

**SECRETARY FOR EDUCATION AND MANPOWER:** Madam President, I move that the Employment (Amendment) Bill 2001 be read the Second time.

The principal amendments of the Bill aim to clarify that an employer's contribution to a relevant mandatory provident fund (MPF) scheme may be set off against any severance payment or long service payment due to the employee, irrespective of whether or not the employee has already withdrawn the accrued benefits in the MPF scheme.

Sections 31I and 31Y of the Employment Ordinance provide for the offsetting arrangements. However, the existing provisions are worded in such a way that offsetting can only occur if the MPF scheme benefits are still being held in an MPF scheme. Under normal circumstances, employees are not allowed to withdraw their accrued MPF benefits without leaving employment and hence are covered by the existing provisions. There are, however, exceptional cases. For example, if the employee has already withdrawn his entire accrued MPF scheme benefits upon reaching the age of 65, the retirement age prescribed under the Mandatory Provident Fund Schemes Ordinance, but continues employment with the same employer, then when the employee eventually leaves the employment, the employer would not be able to offset his contribution to the employee's MPF scheme against the severance payment or long service payment due to the employee. Also, some MPF scheme rules do allow the flexibility for employees to withdraw the accrued benefits in respect of the employers' voluntary contribution before leaving employment.

This is not in line with the original policy intent. We, therefore, propose to amend the relevant provisions so as to reflect fully and clearly the original policy intent which is to allow offsetting of severance payment or long service payment against MPF scheme benefits attributable to the employer's contribution in all circumstances.

Although there have not been any reported cases of double payments, to effectively preserve the original policy intent, we propose that the Bill should take effect from the date of gazettal. This is necessary to avoid the possibility, however remote, of any employee taking advantage of the unintended loophole in the Ordinance and withdraw his accrued MPF scheme benefits before the Bill is passed.

Madam President, the Bill contains amendments which are purely technical in nature. I commend the Bill to Honourable Members and urge that Members approve the Bill as soon as possible.

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the Employment (Amendment) Bill 2001 be read the Second time.

In accordance with the Rules of Procedure, the debate is now adjourned and the Bill referred to the House Committee.

## **MEMBERS' MOTIONS**

**PRESIDENT** (in Cantonese): Members' motions. Two motions with no legislative effect. I have accepted the recommendations of the House Committee as to the time limits on speeches for the motion debates. Under the Rules of Procedure, I am obliged to direct any Member speaking in excess of the specified time to discontinue.

First motion: Bridging the digital divide.

## **BRIDGING THE DIGITAL DIVIDE**

**MR SIN CHUNG-KAI** (in Cantonese): Madam President, I move that the motion, as printed on the Agenda, be passed. The motion I move today is "Bridging the digital divide".

Over the past few years, Hong Kong has made remarkable achievements and rapid development in the field of information and communication technologies (ICT). Today, ICT has already closely knitted with our everyday lives. Mobile phone, electronic mail and the Internet have gradually become our major means of communication. While we can learn what is happening in the world without leaving home, inter-personal communication and information exchange have become more convenient and direct. As regards electronic-business, it is not only an inevitable trend of the new economy but also a key to unlimited business opportunities. As members of the IT sector, we should really take pride in the development of Hong Kong in recent years into one of the leading digital cities in Asia and even worldwide.

At the meeting of the Legislative Council Panel on Information Technology and Broadcasting held on 14th May, I chaired a public hearing relating to the digital divide issue. Members from 14 bodies representing

different sectors in society attended the meeting to express their complaints about the issue. They pointed out clearly that due to various reasons, certain members of our community so far could not enjoy the benefits of ICT. At that meeting, we learnt that people with disabilities were unable to buy the supplementary computer facilities that suit their needs because they could not afford the huge costs involved, and that senior citizens, because of their low education level, simply could not appreciate the benefits of ICT and thus did not have any confidence in learning the use of computer. We have heard that the blind and the visually impaired were unable to read certain information online because the design of the websites concerned had not catered for their needs. What is more, we have also heard that some low-income families were unable to apply for any Internet services because they did not have any credit cards, as the majority of Internet service providers would only accept payment by credit cards. All these are but the voices of a small group of people. We know it very well that digital divide is indeed existing in Hong Kong. Despite the fact that the Hong Kong Government has been striving hard to develop Hong Kong into a leading digital city, the issue of digital divide has all along been overlooked.

Digital divide refers to the gap between individuals at different social-economic levels with regard to their opportunities to access ICT for a variety of activities. During the times of rapid ICT development, the "digitally rich", being able to exploit the opportunities and benefits of ICT, can further enhance their quality of life. To the "digitally poor", however, instead of contributing towards the enhancement of their lives, ICT will only push them further to the margin of society and leave them in a far more disadvantageous position. To put it simply, digital divide is a form of polarization between the rich and the poor and a social phenomenon bred from the process of ICT development.

Last month, in the document "The 2001 Digital 21 Strategy: Connecting the World" published by the Information Technology and Broadcasting Bureau, the Administration gives an account of the achievements Hong Kong has made in respect of ICT development. At the same time, it also points out that digital divide is less a problem in Hong Kong as compared with other places in the world. The document tells us that our mobile phone penetration rate is among the highest in the world, one third of our population are Internet users, and broadband networks have covered all business premises and over 95% of households in Hong Kong. Judging from these figures, it seems that our ICT development is not lagging behind the major developed countries in Asia, and that apparently digital divide is not so visible an issue in Hong Kong. However,



the fact is another story. If we make a comparison of the disadvantageous groups in Hong Kong and other developed countries in terms of their computer penetration rate and Internet penetration rate, we can see that the pace of ICT diffusion in Hong Kong is much slower than that of other countries and is thus more worrying.

According to the use of ICT survey conducted by the Census and Statistics Department last year, the majority of the low-income, lowly educated and economically less active members of our community, such as housewives, retirees and senior citizens, very seldom use ICT. Taking the lowly educated as an example, only 3.3% of those in Hong Kong are Internet users. This rate is much lower than the 22%, 11% and 7.5% recorded in Taiwan, the United States and Singapore respectively. Another example is the Internet penetration rate among the economically inactive. The mere rate of 7.5% recorded in Hong Kong is lower than not only the 7.8% and 17% recorded in Singapore and Britain respectively, but also the Internet penetration rates among the non-employed people and non-working population in the United States, which stand at 45.3% and 29% respectively.

Further still, the ICT exploitation rate among the elderly in Hong Kong also arouses concern. While only 3.4% of our elderly persons have surfed the Internet, the corresponding figures in Japan, the United States, Britain, Taiwan and Singapore are 33.2%, 29.6%, 13%, 10% and 5.3% respectively. So, we can see that the situation in Hong Kong compares less favourably with the places mentioned.

One of the reasons why the issue of digital divide has not been given widespread attention is that the Administration has all along focused on making a comparison of the overall ICT penetration rate in Hong Kong and other countries to the neglect of the ICT needs of the disadvantageous groups.

As a matter of fact, digital divide is indeed an existing issue in Hong Kong. Polarization between the "digitally rich" and the "digitally poor" is obvious and there is an aggravating tendency. Unlike the Government's remark that digital divide is less a problem in Hong Kong as compared with other places in the world, the issue is far more complicated and serious than we have imagined, only that the Administration has overlooked its existence. Actually, developed countries like the United States, Britain, Australia, Korea, Japan, Singapore, and so on, have started conducting in-depth researches into the issue since the mid

'90s and formulated comprehensive policies on digital divide, with a view to narrowing down the gap and preventing the issue from impacting gravely on the development of the digital economy as a whole. The Hong Kong Government, however, seems to have difficulty in appreciating the seriousness of the issue. Just imagine, if a large number of people are still unaware of the benefits of ICT or unable to exploit ICT when the majority of public services and commercial institutions are replacing the traditional mode of operation with electronic options, how can our society move forward with a sharpened edge with ICT development and develop into a leading digital city in the world?

The issue of digital divide will certainly impact gravely on the competitiveness of Hong Kong in the information age. When the "digitally poor" fail to keep pace with ICT development, they cannot become members of the working population in a knowledge-based economy, and thus cannot be among our consumers. In other words, society would suffer a loss in terms of their potential talents, manpower resources, and the contributions that these people may bring about. In any case, the sustainable development of Hong Kong as a whole will be adversely affected.

Moreover, digital divide is actually derived from the polarization between the rich and the poor. If the disadvantageous groups should be further abandoned by society because of their inability to master ICT, the problem of polarization between the rich and the poor would be aggravated. On the other hand, if the disadvantageous groups could make proper use of ICT, these people who used to be alienated by society would be able to obtain information, participate in cultural activities and access to employment opportunities, thereby widening their field of vision and improving their economic position.

At present, the actions taken by the Administration to tackle the issue of digital divide are rather passive, while the various measures adopted are also too piecemeal to achieve any visible results. Indeed, the Government has never conducted any comprehensive research into the difficulties the disadvantageous groups have encountered in using ICT or their needs in this respect, to say nothing of formulating a independent digital divide policy.

I hereby urge the Administration to make as its objective the establishment of a "digital inclusive community" and expeditiously formulate strategies and relevant measures to enable the people of Hong Kong to make use of ICT, regardless of whether they are at home, at school, using public facilities, at work,

or even participating in various kinds of public and business activities. In addition, they should also be enabled to acquire sufficient ICT skills and knowledge to obtain the information they need from the Internet.

Apart from that, I also urge the Administration to formulate a clear policy on bridging the digital divide, so as to ensure that the policies on ICT can coordinate with other policies. At the same time, the Administration should also develop a set of benchmarks — such as digital divide index — to review the information awareness of the people of Hong Kong, improve our rate of progress in this connection, as well as make comparisons with the digital divide situation in other countries of the world.

Actually, there are many ways to eliminate the digital hurdle, but our Government must co-operate whole-heartedly with the business sector and the non-profit-making bodies in order to bring about a "digital embracing community". As such, the Administration should actively invite relevant government departments, as well as representatives of private and non-profit-making bodies to look into, concern themselves with and implement measures to close the digital divide.

Madam President, certain banks have recently started to charge minor depositors on the various services provided at counters on the one hand, and further promote their free automatic teller machine and electronic-banking (e-banking) services to cut back on administration costs on the other. As a matter of fact, automatic teller machine and e-banking services are convenient and less expensive. Yet, to many elderly persons, people with disabilities, or other people who do not know how to use such services, they are being deprived of rather than being given the chance of enjoying the benefits of these services.

The purpose of developing ICT is to improve the quality of life of all members of society rather than causing more obstacles to their lives. I hope the Government can collaborate with businesses and non-profit-making bodies to create a mutually adjusted environment to help close the digital gap, so that the benefits of ICT can be reflected more expeditiously and effectively, thereby developing Hong Kong into a "digital embracing society".

Madam President, I so submit.

**Mr SIN Chung-kai moved the following motion: (Translation)**

"That this Council urges the Government to explore and examine the issue of the digital divide in Hong Kong and to expeditiously formulate effective policies and measures, in order to promote the co-operation among private enterprises, charitable and non-profit-making bodies and government departments in bridging the digital divide and assisting the disadvantaged groups in assimilating into the digital era."

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr SIN Chung-kai be passed.

**MR HOWARD YOUNG** (in Cantonese): Madam President, Hong Kong is one of the advanced economies in the Asia-pacific region. According to the household survey conducted by the Census and Statistics Department in March last year, the personal computer penetration and Internet surfer rates among families in Hong Kong are 50% and 36% respectively, which should be considered acceptable in the Asia-pacific region. However, for those families with income less than \$10,000 a month, the corresponding rates are only 15.3% and 7.7% respectively. Further still, because of education or other special reasons, some members of society, such as elderly persons, people with disabilities, housewives and new arrivals, can hardly have a chance to come into contact with, and to learn to use, information and communication technologies, and thus become the so-called victims of digital divide.

The Government should therefore square up to the issue of digital divide and take the lead in helping the disadvantaged groups to learn to use information technology (IT). It is the opinion of the Liberal Party that the Government could introduce different measures to encourage the IT and commercial sectors to join hands with voluntary agencies in making good use of existing resources to provide the disadvantaged groups with assistance in such aspects as material support, software, technological support and training.

For example, the Government may organize a computer recycling or give-away campaign by first offering incentives to encourage businesses to donate their computer and appliances that need to be replaced by delivering them to venues provided by voluntary agencies, and then properly recycle the donated

appliances to people with the needs. The present problem is that even though businesses have such appliances for giving away, they do not know to whom they can give the appliances away. If the Government can play the role as middleman and do the necessary liaison work, it will be easy to achieve the purpose of making good use of the existing resources without the need to allocate huge amount of funds. Apart from that, the Government can also provide voluntary agencies with subsidies to invite members of the IT sector to teach the disadvantaged groups basic computer knowledge, thereby resolving the digital divide issue among the low-income groups.

We understand that the Government is now sparing no efforts in forging ahead with its Digital 21 IT Strategy; besides, it is also implementing a Community Cyberpoint project to equip community centres, town halls and public libraries with a total of approximately 2 250 computers for use by members of the public free of charge and for their Internet surfing. Besides, the Super Cyber Centre to be opened by the Home Affairs Department soon will also provide 100 personal computers connected for Internet purpose, which members of the public may use for free. In our view, while it is a good idea for the Government to offer the public more opportunities to use IT through the provision of personal computers, care must be taken to ensure that the facilities are put into proper use. For example, the opening hours of the venues concerned should be better co-ordinated to enable the public to use the facilities on public holidays, or volunteers should be stationed at the venues to teach users basic IT knowledge. These are measures the Government should take into serious consideration.

With regard to the digital divide facing people with disabilities, the visually impaired, for example, because they really have difficulty in acquiring, using and reading information, they are much handicapped in making use of IT to obtain information. To tackle the problem, we suggest that the Government should first improve its various web pages, with a view to making it easier for people with disabilities to use and browse the websites concerned. In addition, the Government may also install specially designed facilities such as large print visual display unit, braille, speech simulation software and large flat LCD monitor at community digital stations for the blind and the visually impaired. They will certainly find these facilities helpful.

As regards private companies and organizations, however, we believe that we cannot ask too much of the private sector. If the cost involved is not too

high, the Government may in fact encourage relevant producers to look into ways to improve their websites. We cannot, however, ask the Government to require the IT sector to fully meet the different needs of people with disabilities when developing web pages and new software. Actually, the Government may as well consider discussing with suppliers of aid facilities for people with disabilities over bulk purchase of relevant facilities at discount prices or providing subsidies to enable people with disabilities to purchase suitable software or hardware at lower costs, with a view to eliminating the digital divide for people with disabilities in the long run.

Madam President, as a measure to receive the information age and to resolve the issue of digital divide, the Government must step up its publicity efforts to help establishing a culture of IT application among the people of Hong Kong. Siding with the efforts made by the Government, our society should also take on its responsibility to provide assistance for the disadvantaged groups in the community, safeguard their civil rights, as well as protect their abilities to act independently. I so submit and support the motion on behalf of the Liberal Party.

**MR YEUNG YIU-CHUNG** (in Cantonese): Madam President, with information technology (IT) developing by leaps and bounds, the issue of digital divide is becoming increasingly visible. This will very easily give rise to a situation where the poor are getting poorer while the rich are getting richer, thereby causing society to gradually divide into confronting sectors. In particular, as they lack IT knowledge and skills, the disadvantaged groups in society may lose their jobs and confidence, communicate less with the surrounding environment, and slowly, they may even become afraid of coming into contact with the community. They will eventually lose all their defence and become victims of IT development.

A present, the Government has already set up a number of channels to provide services for the needy sectors. However, since the IT needs of the disadvantaged groups are different from that of other sectors, the Government should not apply the same measures to them indiscriminately. Rather, it should first review the existing measures concerned. The location and distribution of community digital stations, for example, will also directly affect people's interest in using the facilities. One important purpose of the digital stations is to encourage people to use computers. That being the case, rather than

concentrating all the computers in one large area, it should be better to provide them at different places for the convenience of the public. Public libraries, town halls, district offices, post offices, as well as other service agencies should be considered for such a purpose.

A comprehensive review of the existing policy on closing the digital divide is compulsory and urgently needed, and we can draw on the experience of some advanced countries for reference. For example, the United States, which has a higher digital inclusion rate than Hong Kong, has released reports on similar investigations and reviews conducted in this respect. In October last year, the country released its fourth report in the "*Falling Through the Net*" Series, setting out clearly the achievements made in different stages and aspects, the problems that still need to be dealt with, and a number of proposed new measures made subsequent to concrete analyses. In addition to conducting reviews, we can see that other countries are also taking proactive actions in resolving the digital divide issue. In February this year, the former President CLINTON of the United States announced an extensive programme which included compiling budgets of: US\$2 billion for tax concession purposes to encourage non-government organizations to donate computers, set up community network, provide training technology application for employees, and so on; US\$100 million for setting up a total of 1 000 Community Technology Centers in low-income urban and rural areas; and US\$50 million for helping the public sector to establish partnership with non-government organizations to increase sharply the chance of low-income families to have access to computers and the Internet.

Taking Singapore as an example, the Singaporean Government provides second-hand computers equipped with free Internet access facilities and basic training for 30 000 household users with an integrated income of less than S\$2,000 (approximately HK\$4,600), and at the same time offers tax concession to service providers and other relevant organizations which have donated such facilities. Further still, the country also introduces an easy payment loan scheme to help its people with visual impairments to borrow as much as 75% of the cost for the equipment concerned at a nominal interest rate of 1%. As regards Taiwan, it has already formulated a full set of policies to promote the development of a knowledge-based economy, including measures to assist the disadvantaged groups in assimilating into the new economy, such as researches into the practical needs of different sectors in the knowledge-based new economy.

The Government should proactively make an effort to narrow down the digital divide by drawing on the successful experience of other countries to remedy our shortcomings. In the long run, widely increasing people's access to computers and Internet facilities, developing a system of IT education and promoting the concept of lifelong learning should be the most thorough methods to resolve the digital divide issue. That being the case, choosing the right government department to deal with the digital divide issue is also of crucial importance. In the past, matters relating to the polarization between the rich and the poor used to be tackled under the leadership of the Social Welfare Department (SWD). However, if the efforts to bridge the digital divide should still be lead by the SWD, I am afraid the policy concerned would become a passive assistance policy aiming at providing people with assistance to cover the costs for digital inclusion. From a different view, if society is to develop towards a knowledge-based economy, enhancing the IT standards of the public is an inevitable long-term investment. Encouraging the people to learn IT is an important measure to improve their abilities in assimilation into the new economy and in securing employment. Besides, the ability to make use of computers to obtain information can also help members of the public to communicate better with other members of the public, with the Government and with society. All these will eventually contribute towards the progress of the economy. Compared to the welfare approach which emphasizes the provision of assistance, this human resources development approach is more far-sighted.

Madam President, the pace of IT development will not slow down just because there are people lagging behind; however, it could still be bogged down by the resulting digital divide. We hope that the Government will pay regard to the long-term development of a knowledge-based economy and expeditiously formulate comprehensive policies to deal with the issue.

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

**MR DAVID CHU** (in Cantonese): Madam President, in a society that features extensive IT application, the disadvantaged groups, such as the low-income group, women at the grass-roots level, the disabled, the elderly, and so on, will be increasingly isolated from society if they fail to grasp the relevant knowledge in time. According to the Government's Survey on Information Technology Usage and Penetration in the Business Sector, the computer penetration rate and Internet usage rate among low-income households are far lower than those of



households in other income groups. Computer users among senior citizens and among people with low education and less economic activities also account for a lower percentage. In view of the adverse impact of a digital divide and a widening digital gap on the long-term development of Hong Kong, the Hong Kong Progressive Alliance (HKPA) considers it necessary for the Government to address the relevant issues squarely by taking effective measures to bridge the digital divide and assist the disadvantaged groups, so that they will be able to share the benefits of IT advancement. In this connection, the HKPA has the following proposals:

Firstly, to resolve the problem of the low-income group lacking funds to purchase computers and gain access to the Internet, the Government should vigorously expand the Community Cyberpoint project to provide the disadvantaged groups with computer facilities and access to the Internet.

Secondly, in addition to hardware support, the Government must also provide suitable induction courses for the disadvantaged groups to increase their IT knowledge, thereby reducing their resistance to and alienation from IT. In this connection, apart from stepping up IT education in the context of employees' training and retraining, the Government must also inject additional resources for community education.

Thirdly, to effectively remove the digital divide, it is not enough to rely on the efforts of the Government alone. Instead, the joint efforts of all sectors of the community, including social service providers, private companies, particularly software and hardware suppliers and network service providers, are required in order to succeed. Therefore, the Government must foster communication and co-operation between government bodies and community organizations, with a view to establishing partnership, so that they can work in concert to bridge the digital divide.

Madam President, IT development enables the entire society to make greater progress and offers more convenience for people in their daily living. The disadvantaged groups should be allowed to acquire more knowledge through this development in order to better equip themselves. Therefore, there is every reason for the Government to take corresponding measures and provide assistance in terms of its public policies. With these remarks, I support the motion.

**MR CHAN KWOK-KEUNG** (in Cantonese): Madam President, in this information-led era, the development of society and the economy is IT-oriented. To many people, accessing the Internet has become part of their lives. It has also become an essential element in the pursuit of better living and career prospects. In fact, resources on the Net have brought us considerable convenience. On-line financial management is an example. Through accessing the Internet, we can enjoy the financial management services provided by banks, and also through accessing the Internet, we can enjoy some government services. These services, which are provided in a convenient and user-friendly manner, save us plenty of time. To the people of Hong Kong who cannot afford to waste one single minute or second, we have indeed benefited a lot from it. Certainly, through accessing the Internet, we can easily obtain the most up-to-date and fastest world news; we can also use the e-mail service, which costs us less and is environmentally friendly.

On the face of it, IT development has indeed brought considerable convenience and benefits to people's living. As IT becomes increasingly pervasive in all aspects of life, people with IT knowledge can obtain support for their living via many channels. IT breaks down the time or geographical barriers and facilitates the more effective flow and spread of information. Getting hold of information helps enhance economic efficiency and competitiveness. It can also improve the quality of our living. However, the fruits of IT development are not shared by all. Those who fail to grasp the skills early or find it difficult to grasp such skills, such as the disadvantaged groups of the elderly, the disabled and the impoverished, will be rejected by the world of IT. Hence their social status, livelihood and financial conditions gradually deteriorate. The rapid development of the information network has polarized the public. On one side are people having the resources and capacity to surge freely on the Net; but on the other side are people who cannot access the Net for various reasons. The knowledge gap between them is getting wider and wider as IT advances, leading to a digital divide that aggravates the means gap and uneven distribution of resources.

According to a survey conducted by the Public Opinion Programme of the University of Hong Kong as commissioned jointly by the Radio Television Hong Kong and the Hong Kong Computer Society aiming to gauge public opinion on electronic lifestyles, the people of Hong Kong in general have very limited IT knowledge, while the general public is also shown to know very little about IT.

People affected by the digital divide mostly belong to the disadvantaged groups in society. They include poor people with low income, women, people with low education, people with disabilities or physical handicap, the visually impaired, the new arrivals, and so on.

The impoverished people generally do not have adequate means to afford a personal computer. So, they lack even the most basic tool for accessing the Internet — a computer, let alone surfing on the Net to acquire various kinds of information. Furthermore, a great majority of Internet service providers only accept registration by credit cards. To the impoverished people in general, even though they have a computer, they still cannot gain access to the Internet for they do not have a credit card. For people who are less well-educated, they may not necessarily know how to access the Internet due to their limited knowledge; and even if they know how to access the Internet, the language barrier may hamper their reception of information, for most webpages now are still mainly written in English. To people with disabilities or physical handicap, it is very difficult for them to use computer and they must rely on expensive auxiliary aids. To the visually impaired, they cannot benefit from technological advancement, and their needs are seldom taken into consideration by manufacturers in developing IT products.

Rapid IT development has supported and improved our living in many ways, but it has at the same time created in society another gap between the rich and the poor. This gap may even be widened by the popularization of broadband. In fact, IT development should be people-oriented, and it should base on the principle of fairness to avoid creating new social contradictions.

The Government should provide more assistance for these disadvantaged groups. Apart from subsidizing the relevant organizations directly, it should also formulate corresponding measures for this cause. For instance, the Government can consider granting tax concessions to the disabled to encourage them to purchase auxiliary computer devices. The Government can also encourage its departments, in designing their webpages, to consider more about the needs of the visually impaired and people who are less well-educated in respect of the layout and words, in order to play a leading role and encourage various sectors of the community to have regard for the needs of different people in designing their webpages. Moreover, in developing electronic public services, the Government should plan in detail ways to take care of the needs of the disadvantaged groups, so as to avoid creating new inequalities, and should do

its utmost to assist them to assimilate into the digital era and bridge the digital divide.

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

**MR HUI CHEUNG-CHING** (in Cantonese): Madam President, as a representative of the import and export constituency geared mainly to small and medium enterprises (SMEs) and a member of the Small and Medium Enterprises Committee, I am particularly concerned with the problem of digital divide faced by SMEs. According to the findings of the Survey on Information Technology Usage and Penetration in the Business Sector conducted by the Census and Statistics Department last year, employees of nearly 90% of large enterprises and 80% of medium enterprises in Hong Kong are owners of personal computers. More than 70% of large enterprises and 60% of medium enterprises are connected with the Internet. However, employees of less than 50% of small enterprises with fewer than 10 employees are owners of personal computers, with lower than 35% connected with the Internet. If we calculate on the basis of such data, the import and export industry is probably worst hit by the issue of digital divide. This is because about one third of the 300 000 SMEs in Hong Kong are engaged in import and export businesses. Of these SMEs, more than 80 000 enterprises employ one to nine staff. If such calculations are close to the true picture, the competitiveness of the industry will be severely undermined if it cannot apply information technology (IT) in time and provide its employees with proper training. This is not conducive to any attempt made by Hong Kong in retaining its position as an international trading centre. Moreover, it will severely undermine Hong Kong's economic development that is geared by re-export and export.

Promoting IT in the import and export industry would not only fit in well with the competitive mode of the industry, particularly for SMEs which have very limited manpower but require demanding speed and convenience, but it will also help cut down on a lot of time-consuming work procedures. In recent years, the Government has done a lot to reduce the industry's resistance to IT and its sense of isolation by implementing electronic custom declaration and organizing training courses for IT assistants, and so on. With government subsidy, The Hong Kong Chinese Importers' and Exporters' Association, to which I belong, worked jointly with the Hong Kong Productivity Council last year and successfully developed a software system called "Trade@Anywhere" to

help the toy and general merchandizing industries to handle custom declaration, procurement, receipt, stock management, shipment, and so on, through the Internet. However, as many IT sales personnel are still not fully aware of the needs of SMEs, the software they designed has failed to cut costs and to effectively help the industry to promote its business. I hope the relevant authorities can continue with their efforts to subsidize more trade associations and develop more softwares that can cope with the actual business requirements.

Of course, SMEs cannot rely solely on one or two technicians to put IT into full application. The Administration must provide more incentives to attract SMEs to make productive use of IT. For instance, I have more than once raised the point in this Council that despite the offer of loan schemes by banks for the procurement of computer equipment, interest rates are still high. Moreover, software is not included in such loan schemes. I think the Administration can make good use of the remaining balance of the guarantees of the Special Finance Scheme for Small and Medium Enterprises to set up a loan assurance fund so as to help SMEs to install additional computer equipment and procure expensive software. This can definitely encourage SMEs to bridge the digital divide, to cut costs and to enhance efficiency in coping with the increasingly keen global competition.

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

**MR LAU PING-CHEUNG** (in Cantonese): Madam President, Hong Kong has now entered the digital age. Even advertisements put up by private homes for the elderly make great play of the availability of computers with which the elderly can enjoy broadband Internet access service. It is indeed opportune for Mr SIN Chung-kai to propose a motion on "Bridging the digital divide" for debate in this Council at this point in time.

In an information era, all people are competing for the largest share of and the most up-to-date information. Whoever wins in this competition can get hold of more information to improve their living. Much to our regret, in this society of Hong Kong where free economy is practised, such competition does not start out as a fair competition right at the outset. Some people who are better off financially would have their own personal computers and get started in the competition earlier. However, the disadvantaged groups can only gain access to this digital world at a later time.

Hong Kong is a free society. While we accept its merits, we must at the same time accept its demerits. In view of this unfair competition, I agree that the Government is duty-bound to mobilize social resources as far as possible to help the disadvantaged groups, so that they can have the opportunity to get in touch with the digital world and seek necessary information to bridge the digital divide.

For specific measures, I believe colleagues who have close contact with the IT sector or social work sector will provide more valuable input. I wish to raise one point for Members' consideration. Microsoft is known as the giant in the IT sector. Many people have criticized its software for monopolizing the market. But in recent years, this giant has consistently met challenges. Its challengers, surprisingly enough, come from places all over the world. They are computer programme enthusiasts who have never met one another before and they do not even know one another in the first place. They have collaborated to perfect a computer platform called LINUX and other relevant software for free use by people. Despite a tendency for commercialization of this computer platform and the relevant software, they cost a mere 10% to 20% of similar software by Microsoft. Besides, LINUX is intensely catching up and stands a good chance to outdo Microsoft software.

I cited this example in the hope of drawing Members' attention to the fact that assistance for the disadvantage groups is not necessarily confined to the paradigms that we followed in the past, that is, assisting them by providing funds, purchasing apparatuses or employing full-time IT professionals to serve specific disadvantaged groups. In fact, the disadvantaged groups are made up of different communities, including the elderly, the unemployed, people with physical disabilities, and so on. They have different needs for information, and it may be necessary to specifically design some hardware or software for them. The past practices mentioned above may not necessarily be effective and may even lead to considerable wastage of public funds. Members may recall that two years ago the Chief Executive encouraged the application of computer technology among tertiary students, and to this effect, the Government had granted loans to university students for them to purchase notebook computers. But after the fad subsided, many students simply shelved their computers, resulting in tremendous wastage.

In fact, many in the community are willing to contribute both their time and knowledge to help people in need. Their potential cannot be neglected

indeed. The IT sector is no exception, and as I have just mentioned, there are computer programme enthusiasts who have worked in concert to come up with LINUX. In the past two years, a commercial radio initiated a campaign to collect old computers, and volunteers were recruited to refurbish the computers which were then given to people in need. Moreover, some voluntary agencies have recruited a group of elderly people and taught them how to access the Internet, and these trained elderly people are then tasked to teach other elderly people. From what I have learnt, the results are pretty encouraging.

Madam President, I believe that if the Government can mobilize the people who are interested in serving the community by providing them with the set-ups and basic requisites and subsequently enlisting their services for the disadvantaged groups, it may produce even better results. With these remarks, I support the motion. Thank you, Madam President.

**MISS CHOY SO-YUK** (in Cantonese): Madam President, the following is a joke that had truly happened. Some 10 years ago, a friend came to Hong Kong from his home town to visit relatives. He watched a television drama series at his place and in the middle of the programme, he left to pay visit to another relative. At the place of that relative, he saw on television the same drama series, and he pointed at the television and said in profound astonishment, "This lady is superb. Just now she was acting at my place and now she is here acting at your place!"

Madam President, we certainly find such a case somewhat unimaginable now. As IT advances rapidly, however, modern versions of similar incidents are actually happening on and on around us. Four or five years ago, most Hong Kong people might just know little about such terms as Internet, e-mail and webpage, or they might have never come across them at all. But in just a few years' time, many people have become inextricably linked with the digital world in their everyday work and living, learning and entertainment. Any Secondary school student who says that he or she knows nothing about the above terms relating to the Net will certainly draw inquisitive stares from others.

Web-based technology develops by leaps and bounds. If we fail to keep pace with it, we will lag behind others and will even be detached from society in a twinkling of an eye. E-mail has in fact replaced conventional correspondence and facsimile, and has become the most expedient means of interpersonal

communication. More and more people are accustomed to staying at home and accessing the Internet and interactive telephone systems to handle their personal affairs, such as payment for public services, placing orders for goods or services, handling personal finances, obtaining all kinds of information, and so on. Even children will have to surf the Net to seek information in order to complete some of their homework; and during leisure, they will be engrossed in downloading a variety of computer games from the Internet. If parents are ignorant of these new technologies and knowledge, a generation gap is bound to arise and this will affect parent-children relationship.

Madam President, while I handle my personal affairs by e-mails every day, I only have scanty knowledge of the digital world. So, I always say that I am "computer illiterate". Therefore, I have rather intensive feelings about this topic.

No doubt the popularization of IT can upgrade the standard of living. But it has one characteristic and that is, one will come across many texts, particularly texts written in English, in order to obtain information. For example, I have just received a pamphlet on digital divide distributed by Mr SIN among Members and it is all written in English. Besides, it takes a lot of money to purchase a computer and the relevant software. Under the circumstance, elderly people who are less well-educated and who do not know English or the low-income families are likely to become disadvantaged yet in another sense. As a result, people having no access to IT will be further marginalized. If society does not provide them with assistance to enable them to obtain IT knowledge, they will be increasingly isolated from mainstream society and will be more vulnerable to discrimination. Therefore, I would suggest Mr SIN to translate the pamphlet into Chinese as soon as possible.

In Hong Kong, Madam President, women at grass-roots level mainly play the role of housewives or elementary workers. Most of them do not know English. Coupled with their socio-economic status, they seldom have the chance to come into contact with IT. Consequently, they become fearful of it and hence resist it, thinking that all these are playthings meant for young and modern people. Moreover, the gender stereotypes of men and women have made some in the community, even women themselves, think that knowledge of IT, computers, and so on, should target at male. For example, the number of female students in IT and science disciplines remains on the low side. Furthermore, the pressure of household chores and the lack of adequate financial



resources among low-income families are the principal factors preventing women from grasping IT knowledge. For these reasons, initiatives to identify ways to help bridge the digital divide for grass-roots women are of paramount importance.

For a start, the Government must address the problem of insufficient resources. On the one hand, it should set up cyberpoints at more locations, so that women without a computer at home can have access to computer more readily. On the other hand, it must study ways to help low-income families procure computer facilities, and also encourage network service providers to offer concessions to low-income families. Besides, women groups, voluntary agencies and community organizations in various districts have contacts with the grassroots most often and therefore know best about their actual needs. The Government should make good use of this network and foster co-operation with these organizations to, among other things, organize more activities aimed to promote digital technologies at district level by, for instance, organizing computer courses, interest groups, and so on.

Madam President, I wish to add that the pricing of computer software and hardware is also a crucial factor for the digital divide to be bridged. As we all know, the market of general word processing software for offices is now virtually monopolized by Microsoft, resulting in high prices of the relevant software. To break this monopoly, the Government should take the lead to use LINUX as well, which has no copyright, in order to encourage more companies to use less expensive or even free software, thereby rendering the software market more pluralistic. Only in this way can software prices fall to a reasonable level acceptable to the general public. With these remarks, Madam President, I support the motion.

**DR RAYMOND HO** (in Cantonese): Madam President, according to the definition of the Organization for Economic Co-operation and Development, digital divide means the gap between people who can participate in and hence benefit from an information economy and people who cannot participate in it. Computer access, Internet connection and IT application have gradually become essential to people's living. At work, IT application enhances our efficiency; and through accessing the Internet, we can grasp the latest information to facilitate our business development. In respect of our living, we can, without having to leave our homes, access the Internet to learn about the current

development in the globe, compare the prices and functions of commodities that we intend to buy, or chat with friends on the Net and send e-mails to them. So, whether a person has the ability to fully participate in society will hinge upon whether he has the opportunity to participate in this information environment.

Like other advanced countries, Hong Kong also faces the problem of a digital divide at the same time as efforts are made to actively develop and promote IT. As pointed out by the Secretary for Health and Welfare, Dr YEOH Eng-kiong, in his reply to a question asked by a Member in this Council last week about supporting the disadvantaged groups to learn IT, people with disabilities, the elderly, the low-income group, housewives and the new arrivals may have less opportunities to access information and communication technology. In fact, these people will not be able to avail themselves to the benefits and opportunities brought by IT development for they lack the opportunity to have access to computers and communication technology. At the same time, they cannot enhance their competitiveness by grasping the latest information technology. Compared to those who "have" access to IT, these people are the "have nots", and they will be put in an even more disadvantageous position.

To avoid the further widening of the digital divide in Hong Kong, the concerned authorities should step up assistance for the disadvantaged groups to enhance their knowledge and application of IT. For a start, the Government should provide additional funding for community halls, libraries and other relevant public facilities in various districts to facilitate the installation of computer and communication facilities, with a view to enabling more members of the public to gain access to IT and the Internet. Meanwhile, the concerned authorities should approve funding for voluntary or non-profit-making bodies to organize computer and IT-related courses to help bridge the digital divide.

On the other hand, the Government can proactively invite the private sector, particularly computer and IT companies, to partake in programmes to mitigate the digital divide. These programmes can include donations of or discounts for computer hardware, communication equipment, software application and Internet connection service, and so on, so as to benefit more companies and people in need and help resolve the problem of digital divide.

From the viewpoint of donors, enabling more people to gain access to computer and the Internet will bring them certain tangible benefits too. First, the relevant programmes will help companies making donations or offering

discounts as well as their brandnames become more widely known, thus boosting sales or usage of their services. Moreover, if more people are well-versed with IT, it will provide a pool of suitable talents for the development of these companies. For the overall interests of Hong Kong, enabling more people to master IT will sharpen the competitive edge of Hong Kong and this will be all the more conducive to the future development of the territory.

Madam President, as the information economy develops in Hong Kong, we must at the same time exert ourselves to bridge the digital divide before all sectors of the community can share the fruits of development.

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

**PRESIDENT** (in Cantonese): Does any other Member wish to speak?

**MR LEE CHEUK-YAN** (in Cantonese): Madam President, some have said that information technology (IT) is another important technological reform in human history but according to the records of unofficial history, during the last technological reform, every member of the first group of people who caught the train of reform earned the first bucket of gold earlier than expected. Their body shape suddenly changed, their waistline tremendously increased overnight and all of them had a large belly. Yet, those who failed to catch the train became bony and skinny and they possessed nothing. As historians told us, the field was littered with corpses and there were disaster victims everywhere after the train of technological reform passed through. HAGER said that important historical events and figures often appeared twice and MARX added that the first appearance was a tragedy and the second was a farce. As compared with the last technological reform, IT had faster, deeper and wider impacts on human society. If the last technological reform caused a tragedy to human society, the motion debate today on bridging the digital divide is intended to avoid a farce.

Madam President, in our discussions about bridging the digital divide, the mainstream arguments (including the motion debated today) focus on how to assist the disadvantaged groups in catching the train of IT. Although this is important, I believe a similarly important but neglected point is that some people will fail to catch the train of IT for certain reasons. To really bridge the digital divide and reduce the negative effects of the digital divide on the disadvantaged

groups, we should try our best to prevent those who fail to catch the train from feeling as though they have been sent to hell forever, with no chance of deliverance. For example, banks have recently collected charges from the disadvantaged groups. Depositors are not charged if they are familiar with digital and on-line operation, otherwise, they will be charged for using conventional counter services. It seems as though those who do not know how to apply IT or new technologies would be sent to hell as they would be charged and "carved".

The second example concerns the protection of workers who fail to master IT to ensure that they would likewise enjoy stable and reasonable employment. If the world continues to develop this way, a crisis will emerge whereby workers who can master IT can secure jobs with reasonable wages, otherwise they will have to accept low wages and suffer. I hope to remind Members not to forget all those who are responsible for cleaning the streets and collecting rubbish. Although they lack IT knowledge, if they suddenly suspend work tomorrow, the effect on Hong Kong would be bigger than the suspension of work by IT personnel and the impact on the public would be deeper. Thus, I hope everybody would think about this, a division of labour does exist in the society and workers who cannot master IT should not have lower wages or remuneration just because they fail to keep up with the times.

As regards assisting the disadvantaged groups to catch the train, I am concerned about how workers at different academic and technological levels could enjoy the job opportunities brought by IT and how we could avoid the extension of the digital divide into the next generation. I wish to say that people's criticisms about the Employees Retraining Board sometimes made me unhappy. Some asked since housewives do not have jobs, why do they need to obtain computer knowledge and whether it would be useful for them to obtain computer knowledge? I think these comments are not very good. Although housewives would not immediately apply the computer knowledge they have obtained in the market, they would have mastered technological knowledge. Why should we regard them as having cheated the Government of its resources? I hope that Members would be more open. If we really wish to bridge the digital divide and allow all workers and those who do not have a job to master IT, we should not adopt such an attitude.

At the first motion debate in the millennium, I have brought up that extensive IT application by enterprises would directly strike a blow at middle clerical posts, but then, on another occasion, the Secretary for Education and

Manpower criticized me for exaggerating things and for scaring people. However, the northward movement of the Data Processing Supports team of the HSBC proved that the above phenomenon had emerged. I always think that the tendency of extensive IT application by enterprises may not be diverted by one's wishful thinkings. There are many different proposals for the IT application by enterprises and they do not necessarily have to move some units northward or scrap middle posts. I once again urge the Government to set up a tripartite team and explore a proposal for IT application and process reorganization that can accommodate and take care of the interests of employers and the different ranks of employees. For example, enterprises can gradually implement an IT application scheme to match the progress of employee training instead of remaining indifferent even if employees fail to catch the train. They should not request for labour importation once they do not have qualified personnel. Regarding computer programming and application interface and process splitting, they should try their best to take care of employees at lower technological levels to enable them to perform the relevant tasks. Thus, IT knowledge would not be the exclusive rights of a minority.

To avoid the extension of the digital divide into the next generation, I hope that the Government would increase subsidies for the procurement of computers, application software and Internet connection by poor students, with the objective of allowing each household with school children to own at least one computer that allows for Internet access. Some organizations are also collecting second-hand computers for distribution to poor students in need. If the Government could take coupling administrative measures, the scheme could be carried forward and more needy people would be benefitted.

Lastly, I would like to emphasize in particular that we should never blindly worship digital application. If so, we would be controlled by the spirit of digital application and it would seem as though we could not do anything without digital technologies. I think that it would be better for the world to become simpler. Too much information makes the world more and more complicated and causes a deeper and deeper alienation among people. I firmly believe that with less information, there will be more tender feelings and closer human relationship. There may also be stronger cultural flavour and taste and people will not only sit stiffly in front of the computer every day. I do not wish to dampen the enthusiasm of Mr SIN Chung-kai today but I only hope that Members would try their best not to excessively worship digital application.

Thank you, Madam President.

**MR AMBROSE LAU** (in Cantonese): Madam President, a digital divide refers to the disparity between different countries, regions and groups of people in the mastery and usage of information technology (IT). For Hong Kong, the penetration rate of personal computers and the Internet in high-income families is higher than that of low-income families, but the handicapped, housewives and new arrivals seldom have access to IT. The difference between the penetration rate of personal computers and the Internet in high-income families with an income of over \$50,000 and low-income families with an income of less than \$10,000 is 67.5% and 63.7% respectively. Although the difference is not too big as compared with that in other regions, an accountable government should be prepared for danger in times of peace and become fully aware of the negative effects of an aggravated digital divide on the co-ordination and development of society and social stability.

Madam President, people used to pay more attention to the disparity between the rich and the poor in the past, but the digital divide in an era of a knowledge-based economy is more serious than the disparity between the rich and the poor and the impacts on social harmony and stability are greater. To a certain extent, the digital divide originates from the disparity between the rich and the poor, then an aggravated digital divide conversely aggravates the disparity between the rich and the poor, thus resulting in a bigger and bigger difference between the prospects of development and living standard of high-income families and low-income families. Consequently, it is even harder for the disadvantaged groups to make efforts to improve their condition.

Madam President, the Government cannot treat the digital divide lightly because it spreads extensively. Almost 20 years since the upsurge of IT, the number of countries categorized by the United Nations as the most undeveloped has increased from 29 to 47, people in developing countries living below the International Poverty Line Standard has increased by 40% to over 1 billion, while over 600 million are living in abject poverty. I suggest that the Government should also carefully investigate and conduct a study on the poor and those living in abject poverty in Hong Kong. On the basis of the statistics gathered by the Hong Kong Social Security Society last year, a total of 440 000 households in Hong Kong secured an average income of \$8,500 or less, and 166 000 households among them secured an average income of only \$2,000 and they were living in abject poverty. The problem is very serious. The Government should attach great importance to the poverty problem in Hong Kong, it should investigate, study and analyse how the poverty problem has

brought about the digital divide as well as how the digital divide has aggravated poverty. The Government will then be able to find the remedy to the cause and adopt measures to bridge the digital divide, so that impoverished families and the disadvantaged groups can, through learning and mastering computer and Internet skills, overcome the plight of unemployment and increase income in order to improve their living standard.

Madam President, the disparity between the rich and the poor and the digital divide form vicious circles but it is possible to shorten the distance between the two in a benevolent cycle. A successful example was Finland in Europe. In the past, Finland lacked resources and it had a sparse population, a small market as well as average living standards and economic development. But since the 1980s in the last century, IT education became universal and was developed in Finland and no effort was spared to develop IT, information products and industries, thus the Finnish economy rapidly became a high-tech and high value-added economy. At present, the per capita gross national product of Finland still ranks among the first 15 countries in the world, and as its nationals have generally learnt and mastered computer and Internet technologies, the phenomenon of a digital divide has substantially mitigated, with the positive effect of alleviating the disparity between the rich and the poor. The SAR Government has all along vigorously advocated and promoted the development of IT industries. It should follow the example of and learn from Finland, a more successful illustration in the international arena. As our forefathers said, "Aim high and you may attain the average; aim at the average and you can only attain the lower level". The SAR Government should know this very well.

Madam President, if Hong Kong is to bridge the digital divide, the authorities concerned should grasp the latest situation and new features of the global IT development, and follow closely the changes of the times in respect of education and the development of information industries. For instance, in regard to the tendency of Internet development, in a year or two, the information infrastructure would develop into a mobile Internet, and a lot of regional and exclusive web-based networks would develop from communication networks into information and intellectual networks. "A portable Internet for Internet surfing" would come true very soon in the financial, economic and social aspects. Therefore, the Government should have the sense of urgency of bridging the digital divide and follow closely and adapt to the changes in the times. Assisting the disadvantaged groups in assimilating into the digital era is closely tied up with urging the community to follow closely the rapidly changing

technological innovation in a digital era. The Government should expeditiously explore and consider a comprehensive and forward-looking plan. If the Government is conservative or just follows the footsteps of others, it will certainly have to pay an enormous price for Hong Kong.

Madam President, I so submit.

THE PRESIDENT'S DEPUTY, MRS SELINA CHOW, took the Chair.

**MR LAW CHI-KWONG** (in Cantonese): Madam Deputy, we started discussing the digital divide when the Information Technology and Broadcasting Bureau was established in 1998 and we were especially worried about whether the digital divide would aggravate the disparity between the rich and the poor.

Just now, Mr LEE Cheuk-yan has made some remarks, and I wish to make some immediate response to the remarks. Mr LEE Cheuk-yan has asked why the digital divide affects so many disadvantaged groups. In fact, there is disparity between Members in this Chamber in respect of the application of digital technology. For instance, I use the computer but some Members do not and there is disparity between us in respect of the mastery of information technology (IT). However, such disparity does not create a divide because it is only a matter of choice. When we discuss the mastery of IT by the disadvantaged groups, we have said that they do not have any choice in respect of usage owing to limited resources, capability and access. Therefore, when we discuss the digital divide, we should deal with it as a matter of choice, and I have not asked everybody to thoroughly master digital application.

However, in this regard, I once had a personal experience. Soon after I told my colleagues in the university that I intended not to communicate with my colleagues in the form of printed letters in the future but would use e-mail instead, I received a letter of protest from a colleague written with a Chinese writing brush. He stated that excessive computer communication would cause a lack of human contact and the loss of our traditional culture. Thus, he had written the letter of protest with a Chinese writing brush and he had certainly not sent the letter to me via e-mail. The obvious problem is that time and again, experience has told us that a digital divide will sometimes be created in real life and it may cause a wide gap and even reduce human contact. But if we can bridge this



divide, digital application could eliminate the obstacles of communication. We very often find that the relationship between people becomes closer through such means as ICQ. Therefore, communication on the Internet has its advantages and disadvantages. A lot of young people maintain contact with their classmates or friends via the Internet which helps improve their relationship. Hence, digital application can cause the divide to narrow down. For instance, old people and their grandchildren overseas can establish digital contacts and the divide between two or even three generations can become narrower. Thus, the IT tool of digital application can make the divide narrower.

We are worried that the digital divide would aggravate the disparity between the rich and the poor and there are a lot of examples. Most evidently, the situation of young people with different financial capacity differs greatly. Some families are well equipped with Internet and broadband facilities and young people who grow up in such families are much better equipped for learning than those who live in cubicles. Even if we give the latter computers, they do not know where they can put them. So, there is inequality in their opportunities for development. Regarding the digital divide, we have to pay attention to the point that we should avoid the aggravation of the disparity between the rich and the poor as a result of the difference in financial capacity.

Mr LEE Cheuk-yan has also given the example of bank charges. My views are somewhat different on this because I think that charges for services are inevitable in the long run. As the marginal costs of on-line operation are lower, banks would wish to attract account holders to switch to using the Internet. In the future, the collection of various indirect and direct charges by banks is unfavourable to those who lack knowledge of IT. If the application of digital technology were just an alternative offered, and customers prefer paying more service charges than choosing to use on-line services, then there would not be any problem; but it would basically be unfair if customers cannot choose on-line services because of a digital divide, as they are incapable even of accessing on-line services. Thus, the problem lies in how we can mitigate the unfairness caused by the digital divide.

In discussing the digital divide, we are looking at the issue of "posing power" from another angle. The digital divide will create an obstacle, but if we can overcome this obstacle, we will be able to enhance our mastery of knowledge and information which will be an important tool of "posing power". For instance, quite a few old people have told me their on-line experience, and they

think that they have more self-confidence in the world of IT, and they think that they are keeping up with the times and they are useful despite the fact that they are old. Perhaps some old people have difficulty in moving around but they can roam around freely on the Internet and surmount geographical restrictions. For them, digital application has not created a divide or an obstacle, but instead it has given them more opportunities.

Another issue that comes with the digital divide concerns whether digital application is the mainstream. Initially, we have held discussions over a cyberpoint, and from 1998 till now, I have made the point that a lot of disabled persons fail to use the services in a cyberpoint and they have to visit places specially designed for disabled persons before they can use such services. This is a hardware problem. I hope that every cyberpoint can be installed with a computer for disabled persons. If we consider the matter from another angle, the problem can be solved through software development. For instance, a lot of servers have software development programmes and we do not need to design the software on our own. In particular, there is some audible on-line information, so we do not need to install such software on our computers, and the developer does not have to tackle such problems that have already been handled by the servers. Such software development is helpful in mitigating the digital divide and it will help improve on the issue as to whether digital application is the mainstream.

Lastly, I wish to add one point. Mr LAU Ping-cheung has also mentioned Microsoft and LINUX. One of the recent arguments is related to intellectual property and my views on this are somewhat different from those of other Members. I think that respecting intellectual property is helpful in mitigating the digital divide and reinforcing the application of programme software in Hong Kong as well as alleviating the monopolization of digital application by certain companies. Although we may have to pay more to Microsoft in the short term, it is helpful in mitigating the digital divide which will be more unfavourable to Microsoft in the long run.

Thank you, Madam Deputy.

**MISS CYD HO** (in Cantonese): Madam Deputy, the development in information technology has brought about great convenience to people and improved our living standards. The Government has promulgated the "Digital

21 Strategy", with the aim of developing Hong Kong into a business society and digital city linked up by networks. Government services have been digitized, bills of many public services could be settled through the terminals installed in the community cyber points, this provides additional means for the public to access information technology. However, we must say, the set-up of the terminals, if not installed with software that matches them, would have put the disadvantaged groups, particularly women, the disabilities or illiterate under the threat of digital divide. When we refer to the digital divide, it may not necessarily be the access to Internet, job hunting, the acquisition of updated information or reading academic research papers, it could also be something related to our daily life. The use of the Octopus card, the purchase of MTR ticket, or even the use of remote control digital recordings, are in one way or the other, forms of information technology.

I am very glad that in the discussion we just conducted, we have eventually involve an aspect more related to our daily life, that of the concern for the small depositors. This is a very good example to illustrate that digital divide is, in fact, closely related to our daily life, and also it would make the poor become even poorer. We are all aware of the levy of charges by certain banks on small depositors recently, for when the deposited amount fall below a certain amount, the depositors will be charged for the use of counter service. However, the customers are given choices, they would not be charged if they would use the automatic teller machines (ATMs). Why would so many people dislike the use of ATMs? Some people are illiterate, they cannot understand the messages displayed on the screen. Some elderly may be slow, they may have input the wrong data the first time, and after two more trials, their card would be withheld, and they have to wait for two weeks before they can get back the card. This best illustrates that the emergence of digital divide may not be the result of inadequate hardware facilities. You can just imagine, which company would have owned as many terminals as the few large banks and the two main banking systems, with so many in numbers and so widely distributed as seen everywhere on the street? Why would the availability of so many terminals still hinder the elderly and the illiterate from using them? Moreover, they are getting more and more unwilling to use the terminals. Their concern is the misuse of the card would result in the seizure of the card and some two weeks of inconvenience. This reveals that apart from an adequate number of hardware facilities, the software as well as the overall design must also have to be very "friendly". For instance, could the displayed messages be expressed in diagrams and not in words? As the banks have already deployed staff to assist customers to fill in

pay-in slips, would it be possible to have staff to assist and teach the elderly or the illiterate how to use ATMs? If the card has been seized, is it possible for the bank to open the machine for the card or return the card to the customer within the shortest time?

In fact, the emergence of the digital divide is a result of whether the designer has considered from the point of view of the disadvantaged groups at the time when the software was designed, could the designer appreciate the fear and the remoteness experienced by those who do not know about information technology? When we talk about digitized and electronic services, are we intentionally or unintentionally trying to upgrade ourselves to an aristocracy with the knowledge we have acquired? Just as Mr LAW Chi-kwong mentioned that the Members on that side do not use computer, and those on his side do, it seems that the use of computers has a differentiating effect on the status of people. As such, would such a state of affairs unintentionally marginalize those who do not know about information technology?

Madam Deputy, we possess the technology for communications, which are very advanced technology for communications, but we also need to have the heart for communications, or we would have wasted the technology. These ever-changing technologies are innovated at a pace no one can follow, but it would, after all, result in increasing obstacles between people. Madam Deputy, after we have considered the issue of "heart", we also have to discuss the issue of money. A set of computer is very expensive, and not everyone can afford to have one. As we have mentioned before, the set up of community cyberpoints and super cyber centre is well-intended, but it is just as inadequate as other government facilities. For example, the super cyber centre in Yau Ma Tei which has only been operated for one year will be closed by the middle of next year. Such a good project has to be terminated merely because the Government will resume the land. It is a pity that until now, it is still unknown where this super cyber centre will be relocated in a year's time.

With regard to education, the Government should also take into serious consideration the programme that every student is equipped with one terminal. At the same time when we encourage development of a digitized knowledge-based economy, we should also take into account how we can subsidize poor families to procure computers, and to provide school-aged students with the adequate facilities to acquire knowledge in information technology, so that every student are given a fair chance to develop.

Madam Deputy, although I may have a slight difference in opinion on digital technology with Members from the Liberal Party, I will still support the original motion.

**MR TAM YIU-CHUNG** (in Cantonese): Madam Deputy, recently I attended the APEC High Level Meeting on Human Capacity Building in Beijing. When the delegates and representatives from different countries and regions spoken on the ideas and suggestions to strengthen the structure of human resources, they have also expressed their concerns about the urgent need to bridge the digital divide. They appealed to the governments of the member states to strengthen co-operation and allow different regions to develop its strengths to complement and benefit one another, thereby enhancing the human resources standards in all regions. Earlier, the SAR Government has promulgated the "Digital 21" Information Technology Strategy, with the main objective of strengthening different social groups the ability to master information technology. One of the major indicators of evaluating the success of such work is whether the policy can benefit the disadvantaged groups.

To master information technology would not only relate to the competitiveness at work, it has also become a basic living skills in this digitized era. As more public services have been digitized, and industrial and commercial companies actively develop electronics services, people with low academic qualifications, the low-income earners and the elderly are incapable of mastering the skills and have thus been marginalized. The digital divide would eventually expedite the disparity between the rich and the poor.

Among the socially disadvantaged group, the elderly faced the most severe digital divide. According to the study conducted by the Census and Statistics Department, within the age group between 55 and 64, only 6.6% have used the computer in a year. Among the elderly over 65 years of age, only 0.6% have used computer. There are a number of reasons why it is difficult for the elderly to master information technology. Many elderly have not received any education due to historical or family reasons, in addition, the decline in their physical functions, cause them to encounter tremendous difficulties in learning how to operate the computer. Moreover, most elderly are hindered by economic constraints that they are unable to install the required facilities or to take computer courses. I have recently received a complaint from an elderly

who is almost 80 years old. He was rejected for his credit card application due to his age, and the Internet service provider has also rejected his application since he could not settle his bill by credit card. This case seems to be utterly unbelievable, but it is what happening in our society.

To bridge the wide gap faced by the elderly, the most important solution is that the Government will provide the basic facilities, to encourage the common use of computers for Internet access, and to promote the wide use of information technology. Regarding the infrastructure, the Government should work with various voluntary organizations and regional groups in the establishment of adequate community cyberpoints. In addition to the existing Internet access in public libraries, more computers should be installed at community offices and community halls, to increase the ratio between man and computer, so that more elderly could have access to information technology. The Government should strengthen co-ordination and publicity, and encourage information technology service provider companies to provide concessions to the disadvantaged groups. Recently, various telecommunications companies have offered free information technology services, such as the PCCW e-community Mobile Centre Project. The Government should consider offering some tax-reduction benefits to these companies to fully utilize the capacity of private enterprises, and work together to bridge the digital divide. Moreover, the Government should conduct a study on the feasibility of allowing the families which receive Comprehensive Social Security Assistance (CSSA) to apply for the information technology subsidy according to their need, to purchase computers and access to the Internet.

Regarding capacity building, the Government should organize more information technology and computer literacy projects. The computer courses provided by the Government at present are too short in time, the time for the elderly to access to the Internet is restricted to only four hours, which as the colloquialism goes, only "reaches to the throat but not to the lungs". I hope that the Government would make available sufficient resources to assist the elderly to learn about the operation of computer. Moreover, the Government should support the grass-roots groups to organize volunteer groups to provide technical support to the elderly.

Madam Deputy, only by bridging the digital divide could more people enjoy the advantages of information technology. With these remarks, I support the motion.

**DEPUTY PRESIDENT** (in Cantonese): Does any other Member wish to speak?

(No Member responded)

**SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING** (in Cantonese): Madam Deputy, first of all, I would like to express my gratitude to Mr SIN Chung-kai for moving this motion on bridging the digital divide and to Honourable Members who have spoken today for the concern and valuable opinions they have expressed over the issue. I hope that the debate today will help to cause members of the public to concern themselves more with this issue. I also hope to take this opportunity to explain to Members the policy and measures the Government has in place to tackle the digital divide issue.

The Organization for Economic Co-operation and Development defines "digital divide" as "the gap between individuals, households, businesses and geographic areas at different social-economic levels with regard both to their opportunities to access information and communication technologies (ICT) and to their use of the Internet for a wide variety of activities". With this broad definition, "digital divide" exists in every economy in some form or the other; the difference is therefore in the extent of the divide. To look into the issue of digital divide, different economies are using the chances that members of the different sectors of society have access to and make use of ICT and the Internet as their assessment standards.

Hong Kong is one of the most advanced economies in the Asia-Pacific Region. Our ICT development is at the forefront in the region. Hong Kong has excellent telecommunications infrastructure. Our personal computer (PC) and Internet penetration rates are comparable to advanced economies in the world. Madam Deputy, although Members who spoke just now have already quoted the relevant figures, I still wish to seek your permission to repeat them here. According to the annual household survey conducted by the Census and Statistics Department in March 2000, we have a household PC penetration rate of around 50% and more than one third of our population are connected to the Internet. Besides, latest figures show that our mobile phone penetration rate is close to 80% and tops the rest of the world together with countries in the Scandinavia. As regards e-money smart cards, so far there are more than seven million e-money cards in use in Hong Kong. Generally speaking, a substantial

proportion of the people of Hong Kong already have the opportunities to access ICT and the use of the Internet. The use of ITC in our community is comparable to many advanced economies and compares favourably with many other economies. As indicated in the results of a recent survey, for example, Hong Kong ranks second in the world in terms of the surfing frequency of our Internet users. So, digital divide is less a problem in Hong Kong as compared with other places in the world and our people have stronger capability in the exploitation of ICT than people in other places of the world. Nevertheless, I must stress that it does not follow that the Government of Hong Kong is not attaching importance to the issue just because we address digital divide from a comparative angle. Actually, I understand very much that there is no room for complacency, and that we must never under-estimate and lightly dismiss the issue of digital divide. On the contrary, we should formulate appropriate policies and corresponding implementation measures to eliminate or prevent any possible digital divide among members of the various sectors of society.

Concerning the issue of digital divide, the Government has formulated clear policies to tackle the issue. In our first "Digital 21 Information Technology Strategy" published in 1998, we have clearly set out that one of our key initiatives was to create a culture and environment conducive to the innovative and popular use of ICT in our community. Under the "2001 Digital 21 Strategy" promulgated last month, strengthening the Hong Kong community for digital exploitation is one of our key result areas. We hope the community can take advantage of the use of IT in their daily lives.

In order to bridge the gap or avoid the emergence of potential gap between various sectors of the community, the Government has implemented a series of measures, including providing education and training, creating a favourable environment for technology diffusion in the community, enhancing knowledge and awareness, and developing E-government, to achieve the following objectives:

- to enable members of the various sectors of society to acquire basic ICT knowledge and understand the possible opportunities that ICT may bring about;
- to enable members of the various sectors of society to apply ICT in their daily lives; and



- to enable members of the various sectors of society to have the opportunity to enjoy obstacle-free access to and make use of ICT.

With regard to the measures to promote ICT education and training, in the field of education we are actively pursuing the five-year strategy "Information Technology (IT) for Learning in a New Era" launched in November 1998 to promote ICT education in schools. This involves capital spending of \$3.2 billion and annual recurrent spending of over \$550 million. Our objective is to enhance the effectiveness of teaching and learning through the use of IT.

Apart from that, we also provide teachers with training to enable them to attain a certain level of ICT competency. We will also increase the use of IT in teaching, with a view to ensuring that our future generation has the capabilities to process information effectively and efficiently, and develops the attitude and capability for independent lifelong learning. We have targeted to deliver 25% of the school curriculum with the assistance of ICT by the 2002-03 school year.

To encourage students to use the Internet for self-learning, we have also provided recurrent grants to schools to connect to the Internet. All schools are now connected to the Internet and over 90% of them are connected by leased line or broadband.

To help students from less well-off families who cannot afford to buy computers for use at home, a sum of \$200 million from the Quality Education Fund has been allocated to provide funds to secondary schools to buy notebook computers with free Internet access for loan to needy students. Moreover, in order to ensure that needy students will have free access to computers and Internet outside normal school hours, incentive grant has been provided to schools to encourage them to make available their computer rooms and ICT facilities for use by students after school hours. In the 2000-01 school year, about 560 schools have participated in this scheme.

In order to enable students to gain early exposure to the use of ICT, we will collaborate with world-renowned IT companies, including Microsoft, Sun Microsystems and Hewlett-Packard of the ICT industry, to launch pilot programmes this summer to provide professional IT training to students at secondary level. These training programmes will lead to professional qualifications which are recognized internationally and will help the students acquire state-of-the-art ICT skills. This will give them a competitive edge in

establishing a career in the ICT field or pursuing future study in ICT. We will also partner with companies like the Pacific Century CyberWorks and Compaq to organize a series of IT summer camps to provide students with an opportunity to enrich themselves with knowledge and early exposure to IT. We will continue to implement these pilots programmes provided they are well received. In this connection, we appeal to the sectors concerned, including the ICT and education sectors, to adopt the successful pilot schemes, improve on or intensify the contents and use them in furthering their development efforts. This is to achieve the ultimate purpose of having these programmes organized and brought to a greater height by leaders of the sector who understand the needs of the market, so that students and their parents can have more options regarding the methods to acquire knowledge and skills of the ever developing ICT.

At the vocational training and employee retraining level, both the Vocational Training Council (VTC) and the Employees Retraining Board (ERB) have organized many IT training courses for the employed as well as the unemployed, with a view to better equipping them to assimilate into the digital economy. In this connection, the Hong Kong Institute of Vocational Education of the VTC has offered over 3 000 IT sub-degree training places in 2000-01. Each year, the Information Technology Training and Development Centre (ITTDC) of the VTC has also provided about 10 000 training places under its IT skills upgrading courses for in-service personnel and IT conversion courses for non-IT university graduates. In addition, the ITTDC has provided through the Youth Pre-employment Training Programme about 1 000 training places for the IT modules in 2000-01. As for the ERB, it is currently providing over 40 000 part-time short-term basic IT skills training places each year to help trainees sustain their employment in a knowledge-based society. Also, the ERB is now jointly running an IT Assistant Training (ITAT) course with the VTC. This course targets at junior IT assistant level. It takes about 10 weeks to complete the course which covers areas like basic IT skills, web authoring, introduction to e-commerce, networking, and so on. The pilot course has received positive response from the market and achieved an encouraging placement rate for the trainee. In 2000-01, a total of 900 training places were provided. We will continue to provide another 1 400 training places in 2001-02 to increase the supply of trained IT manpower at the junior level. We will review the course in the light of market demand.

On the front of technology diffusion in the community, our policy is to provide a favourable environment for ICT to diffuse in the various sectors of

society. We have adopted pro-competition and pro-consumer policies in the telecommunications sector. Market liberalization and competition have driven the prices of telecommunications services down to a competitive and affordable level.

In the mobile phone sector, the availability of six operators and 11 networks have enabled Hong Kong to become one of the economies with the highest penetration in the world. In the fixed line sector, Hong Kong has achieved universal coverage for fixed line telephone networks.

Meanwhile, our broadband networks have covered all business premises and over 95% of households in Hong Kong. Further liberalization measures are expected to enhance substantially the choice of broadband access to households and will keep the prices further down. To date we have a total of over 400 000 broadband Internet connections.

Regarding public computers, in order to enable the general public as well as the disadvantaged groups to have more opportunities to use ICT, we have provided under the "Community Cyberpoint" project and through subvention to non-government organizations (NGOs) more than 2 200 PCs with Internet connection for free use by the public at convenient locations around the territory (including community halls/centres, District Offices, public libraries, post offices, and government-subsidized organizations and voluntary agencies). A super cyber centre set up at the former Canton Road Government Offices in Yau Ma Tei with 100 PCs to provide free ICT facilities, resource materials and ICT training to the community has also entered into operation. We expect to increase the number of public computers provided for use by the public free of charge to about 3 200 by the end of the year. The Home Affairs Department is now dealing with matters relating to the relocation of the centre in the future, and I believe the service will be continued.

To enable the blind and the visually impaired to access computers and the Internet, computers with specially designed facilities were installed at eight NGO-run service units. These special facilities include screen enlarging software, voice synthesizer software, power braille and large-size flat LCD monitor. We will explore the further development of this project in the light of response and operational experience. Apart from that, 24 public libraries also provide PCs which have installed similar software for the blind and the visually impaired.

To further encourage the use of ICT, we have also launched the Universal Free E-mail Service in co-operation with the ICT industry and over 1.3 million free e-mail accounts have been distributed.

To assist people with disabilities to set up PC workstation at home so as to help them find and sustain an income-generating job, a Central Fund for Personal Computers was set up in 1997 with an allocation of \$1 million. To date, 63 applicants have received support. A grant of \$3 million from the Lotteries Fund has been injected in March 2001 into the Fund so that the scheme can be extended. We expect that about 200 more disabled persons will benefit.

We are aware that suitable software products are of vital importance to people with disabilities in using ICT. For this reason, we have been making an effort to provide funding for local institutions to develop software products for the blind and visually impaired. The "Access with Speech and Braille" developed by the Hong Kong Polytechnic University on Chinese voice synthesizer software is one example. We will continue with our effort to encourage local institutions to develop suitable software products for use by the blind and visually impaired.

As a measure to promote the awareness of ICT in the community, the "IT Hong Kong" campaign was launched in September 2000. The campaign comprises a series of ICT awareness programmes, the establishment of a dedicated "IT Hong Kong" website, the introduction of an ICT Pioneer scheme, the organizing of district ICT activities, and broadcasting educational and promotional programmes about ICT on television.

The purpose of the district-based ICT awareness programme is to enable the public, especially those who have less opportunities to use ICT (such as senior citizens, housewives and new arrivals and people with disabilities) to learn basic ICT knowledge. So far about 18 000 members of the public have participated in this programme. We are now making arrangements for the 2000-01 basic ICT awareness courses, about 5 000 places will be reserved for senior citizens and people with disabilities.

In addition to the "IT Hong Kong" campaign, the Government has co-organized with other NGOs various activities to promote the awareness and use of ICT targeting at different sectors of the community. For example, the Radio Television Hong Kong produced in collaboration with the Hong Kong Computer

Society a series of TV episodes entitled "IT Files" in 1999 to promote the use of ICT in our daily lives. The Government has also partnered with the Pegasus Social Service Christian Organization (Pegasus) and operated the "E-Community Ambassador" project which made use of a mobile facility to promote various government ICT initiatives around Hong Kong at district level. The Quality Education Fund has also funded the Pegasus to operate the IT Training Centre, mobile IT Bus and e-Teaching Aids Centre which help train school teachers and students to use ICT for teaching and learning. Under an "Opportunity for the Elderly Project", the Social Welfare Department has provided financial subsidies for welfare sector NGOs to launch ICT-related projects benefiting 13 600 senior citizens. The projects included basic training on the use of Octopus cards, automatic teller machines, basic web surfing, and so on. These training courses are designed to suit the practical needs of the trainees.

To bridge the digital divide, we will continue to develop new projects or co-organize different kinds of activities in collaboration with other organizations, including private enterprises and charitable and non-profit-making organizations, thereby enabling members of the various sectors in society to become acquainted with IT and encouraging them to apply the IT skills they have learned.

With regard to the development of e-Government and the delivery of public services, the Government has launched the "Electronic Service Delivery" (ESD) scheme to deliver online services to the community 24 hours a day and seven days a week. Members of the public can access these services through the Internet or public kiosks installed at convenient locations. So far, e-options of more than 70 kinds of public services have been provided. This year, we will be rolling out more new services for the convenience of the public, including booking of marriage dates, booking of sports and leisure facilities, online sale of government publications, registration to sit for public examinations, and so on.

To meet the needs of people with disabilities, the ESD website is designed in conformity with the internationally recognized "Web Content Accessibility Guidelines" developed by the World Wide Web Consortium. It also provides text only version for use by the blind and the visually impaired. The public kiosks are also equipped with touch pad for easy web page navigation and control by wheelchair users. In the further implementation of the scheme in 2001-02, we will equip the public kiosks with large-size flat LCD monitor to make it more convenient for the visually impaired to access to services under the ESD.

To facilitate access by the blind and the visually impaired to electronic government services, we aim to enhance all government websites by 2002 in accordance with our internal web accessibility guidelines, which are developed based on the "Web Content Accessibility Guidelines". These Guidelines have also been issued to public bodies and government-subsidized organizations for reference and adoption. The Government has also organized seminars for the ICT sector to enhance its awareness about web accessibility and to encourage the sector to take care of the matter properly. We will also work with the Internet Professionals Association to organize a Web Care Campaign to promote web accessibility to the private sector and urge it to address the issue expeditiously.

Concerning the question of tax concession, under the existing salaries and profits tax regimes, expenditure for acquisition of computer facilities for use in work or business operation is eligible for depreciation allowance. Taxpayers who support disabled dependents are also eligible for salaries tax allowance which can be used to purchase equipment to improve the well-being of disabled persons.

Madam Deputy, in addition to squaring up to the issue on the policy front, we are also taking practical measures to bridge the digital divide. Apart from investing substantially in developing IT in education, we have also spent close to \$2.2 billion on the various projects and programmes I mentioned just now, with a view to strengthening the capability of the community to acquire digital knowledge and skills.

Madam Deputy and Honourable Members, the Government has all along attached great importance to the potential problems that digital divide may cause to Hong Kong. In this connection, we have drawn on the experience of the international community to implement relevant measures to help the various sectors of society to assimilate into the digital world. As pointed out by Mr SIN Chung-kai, a public hearing was held by the Legislative Council Panel on Information Technology and Broadcasting on the 14th of last month to discuss the digital divide issue. With regard to the submissions we received from more than a dozen relevant organizations during the meeting, we will examine the views in detail with the government departments concerned and make response to the Panel as far as possible.

We will continue to strive co-operate closely with the ICT sector, the academia, private organizations, charitable and non-profit-making agencies, and

so on to organize all kinds of activities to help the various sectors of society to learn and use ICT. But the Government's efforts alone are not sufficient. Hence, we must call for the co-operation and collaboration with the industry and other organizations to jointly strive to achieve the target of strengthening the community for digital exploitation and making Hong Kong a premier "digital inclusive" city.

Lastly, I would like to take this opportunity to express my gratitude to Honourable Members and my support for the motion. Thank you, Madam Deputy.

THE PRESIDENT resumed the Chair.

**PRESIDENT** (in Cantonese): Mr SIN Chung-kai, you may now reply and you have three minutes 45 seconds.

**MR SIN CHUNG-KAI** (in Cantonese): Madam President, I am very grateful to the speeches made by the other 13 colleagues and the response from the Secretary. I am pleased to know that everyone cares about the issue of digital divide.

I would like to firstly respond to a question raised by Miss CHOY So-yuk. I can assure you that the pamphlet on digital divide would also be produced in Chinese. It is only that it could not meet the printing schedule at present. I agree with the importance of bilingualism, and we would not discriminate against those who only know Chinese. I have also heard Mr LAU Ping-cheung promoting the use of the LINUX software. There are, in fact, a number of software on the Internet, such as STAR OFFICE, are available for free download by those who cannot afford the purchase of computer software. The software should also be more commonly available.

Madam President, the only thing I am sorry for, is that Mr LEE Cheuk-yan has misunderstood me. I have never worshipped information technology. Although I am the Council Member that represented the information technology sector, I have never worshipped information technology. Also, I do not intend to, as Miss Cyd HO said, make the use of computer aristocratic. Mr LAW

Chi-kwong and I never look at the issue from this point of view, but we do believe in one point, that there is a need for the popularization of information technology. I do not think we are capable of starting this train, and I do not intend to do so. Maybe Mr Lee Cheuk-yan thinks that he cannot grab the train, therefore he did not do so, but he still hopes that he can. I believe that the digital divide is not a problem which we can solve today. The problem may continue. ATM, for instance, was a technology invented 30 years ago and has existed for at least 20 years. We can project that in 20 years' time, everything as well as the services provided by the Government would be different from the way they are. A number of government services have been digitized and are available through the Internet. The situation may be different in future, or even an opposite to what it is now. There are things which are unavoidable, government services also have to take account of costing. The northward relocation of production lines has nothing to do with information technology, the main cause is the issue of costing.

Madam President, I realised that there is also the emergence of digital divide in some enterprises. The digital divide in small and medium enterprises (SMEs) as mentioned by Mr HUI Cheung-ching is also a serious issue. It is a pity that we do not have any officials from the Commerce and Industry Bureau to respond to the issue of the digital divide among the SMEs. However, I agree that the problem does exist.

Madam President, I do not subscribe newspapers at home, but I read many newspaper everyday or on Sundays. The extra cost I have to pay for this is zero, because I am reading on-line newspapers. If I purchase all the newspapers I read, I may have to pay for tens of dollars, now that I can read so many newspapers, I am paying a price much lower than others. Such cases, as well as the use of ATMs, would marginalize two groups of people. Our theme today is that whether we can solve the problem of digital divide in the long run. It may be possible that the problem would never be solved, but we could not ignore its existence.

I have mentioned a number of measures in the book, but I do not dare to include them in the motion, as it may involve a number of controversial issues. A few other colleagues have made some suggestions to bridge the digital divide. Among them many are worth considering. I hope that the Government will exert joint efforts with other organizations to solve the problem. Thank you, Madam President.



**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr SIN Chung-kai be passed. 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.

**PRESIDENT** (in Cantonese): Second motion: The avian flu incident.

## **THE AVIAN FLU INCIDENT**

**MR WONG YUNG-KAN** (in Cantonese): Madam President, I move that the motion as printed on the Agenda be passed. In 1997, we witnessed the bloody slaughter of hundreds and thousands of poultry, meant chiefly to stop the continual spreading of avian flu, which may be lethal. In the middle of last month, once again, we witnessed a similar bloody slaughter, with the aim of halting the spread of the much-hated avian flu. In a short span of just four years, there were two large-scale outbreaks of avian flu, which necessitated the slaughter of over one million poultry. For some time, people thus had no live chickens for consumption, and we have to spend millions of public money on helping those in the poultry trade to tide over their difficulties and resume their business afterward. As the saying goes: "Let it be known where the God of Plague wishes to go, and we will burn paper boats and candles to send it afloat". With the repeated outbreaks of avian flu, we really have to explore very seriously how to send away this "God of Plague".

Hong Kong is a tiny but densely populated place with sultry weather, where viruses of all kinds can grow and spread appallingly fast. So, if we fail to maintain proper hygiene standards, there is bound to be a much higher incidence of large-scale epidemic outbreaks. If we look at the procedures, we will have to admit that a system much more stringent than that adopted before the last outbreak of avian flu in 1997 has been put in place, for the chickens imported to Hong Kong from the Mainland have to undergo quarantine several times before they can reach the retail markets for sale. That said, I must add that the poultry trade is not very satisfied with the performance of front-line inspection staff because they are lazy, and they lack any awareness of possible crises and a proper attitude towards their monitoring duties. To begin with, some unscrupulous poultry farmers will pass off chickens with unknown origin which have not undergone any quarantine as chickens with health certification. This is similar to the malpractice of some in the garment industry to pass off substandard products as goods with certificates of origin. The poultry industry has also pointed out that when chickens go through customs, both the Hong Kong and mainland inspection personnel will not bother to unload all chicken cages for inspection, and they will just inspect the chickens kept in the cages placed at the rear part of the lorry. This has given many chances to unscrupulous elements.

Madam President, while we see the need to perfect the existing quarantine system, we must also note that the procedures of transporting chickens may also cause the rapid spreading of diseases. Chickens from the Mainland have to undergo a very long vehicle journey before they can reach Hong Kong, and before they are further transported to the wholesale market, they also have to be isolated for quarantine. This means that in some cases, two days will have passed between the loading of chickens for lorry transportation in a poultry farm and the chickens' arrival at retail outlets. During this period of time, the chickens will not be given any food and water, and they are kept inside cages crammed with other chickens, with practically no room for any movement. Worse still, water will be sprayed five to six times onto them to lower the temperature. In this way, even "robust roosters" may become "diseased chickens". Besides, since there is currently an over-supply of chickens from the Mainland, and also since hoarding of chickens in wholesale markets is not permitted, wholesalers of chickens have no alternative but to sell their chickens to retailers at very low prices. This has made the already crammed cages in retail markets all the more crowded. What is even worse is that the hygiene conditions in our markets are very poor; so, the already weakened chickens, when kept in such crammed conditions, are particularly vulnerable to the attack

of viruses. The pitiable scenes of so many dying chickens we saw earlier on were precisely the result of this.

We can thus see that the recent outbreaks of avian flu have actually been the result of a whole chain of factors. The only ultimate solution should be for us to make all-out attempts to step up the supervision of quarantine work and improve the hygiene conditions of the various spots at which chickens are kept. Besides poultry farms, wholesale and retail markets are the places where chickens are kept in large numbers. That is why recent public criticisms have focused on the fact that our markets have become the hotbed of viruses due to poor hygiene conditions and poor ventilation. It is indeed true that our markets are very humid and stuffy, especially in summer, and people will not choose to stay there for any length of time unless they have to buy food, because staying there is so very uncomfortable. This morning, I visited the market at Yue Wan Estate. Although no chicken was kept there any more, and although all the stalls were tidied up, it was still very stuffy inside. So, we can easily imagine that those feeble chickens kept in such cramped conditions would suffer even more. We understand that the Government has reached an agreement with the chicken stall operators in various markets under which all stalls are to be cleared of all chickens for disinfection once a month. The DAB welcomes this agreement, and it also urges the government departments concerned and the poultry retail industry to put in place a mechanism of regular contacts, so as to review the operational problems connected with shops selling live poultry and livestock.

Madam President, some in the community are demanding a central slaughtering system for chickens, arguing that this can effectively prevent any further outbreak of avian flu. Even the Government seems to be "persuaded" now. However, the DAB does not think that this is a wise policy, and it also thinks that the advocates of central slaughtering must note the following points very clearly:

- (1) Once the policy of central slaughtering is put in place, people would have to make do with chilled chickens, the meat of which is of a poorer quality. Is this acceptable?
- (2) The experience of adopting central slaughtering for ducks and geese tells us that if the same system is put in place for chickens, the entire poultry industry will certainly decline

drastically. In that case, it is feared that as much as 90% of the 50 000 or so people who are now engaged in the industry would lose their jobs. Since these people are all low-skilled workers with little academic qualification, it will be virtually impossible for them to switch to new occupations. Does Hong Kong really wish to drive them into unemployment, forcing them to apply for CSSA?

- (3) Central slaughtering also involves risks. Since all chickens are to be rounded up for central slaughtering, any contamination during the slaughtering process, such as by salmonella or faecal coliform, will definitely aggravate the scope of infection, and so will be the harmful effects on people's health. So, is this really a perfectly safe measure?
- (4) Do we really have no other alternative?

Madam President, we should not always think of central slaughtering as a way out so very easily. On 28 May, the DAB submitted a representation to the Guangzhou Commissioner of the Ministry of Foreign Trade and Economic Co-operation on the hygiene monitoring of poultry supplied to Hong Kong. The DAB is of the view that if the SAR Government can implement the following 10 measures, a further outbreak of avian flu can be effectively prevented: (1) the establishment of a co-ordination mechanism in conjunction with mainland authorities on regulating the quantities of chickens supplied to Hong Kong; (2) co-operation with the Mainland in stepping up the monitoring of random quarantine for live poultry and chilled poultry; (3) co-operation with the Mainland in stepping up the curbing of poultry smuggling and the passing off of chickens not having been quarantined as those which have; (4) establishment of a poultry marketing organization to centralize the sale of chilled poultry and live poultry; (5) improvements to the ventilation systems of markets and the storage of chickens, with regular clearing and disinfection of chicken stalls to ensure proper hygiene and cleanliness standards; (6) strict implementation of the recovery and cleansing of plastic cages used for transporting chickens; (7) a limit on the number of chicken cages permitted to be stored in a market plus requirements on water supply and feeding facilities and rust-proof cages; (8) introduction of a leg-labelling system for local and imported poultry to facilitate identification of their origin; (9) removal of heads and legs from frozen or chilled ducks and geese that are imported, and a requirement banning the sale of live

chickens and frozen poultry at one single stall, unless a refrigerator is available for the storage of the latter; and (10) courses on the maintenance of hygiene standards, virus prevention and disinfection (for those engaged in the processes of production, supply, transportation and sale of chickens).

The DAB has already circularized a list of these 10 measures on written form to all the Members present, and now, I only wish to say a few words on the proposed leg-labelling system for poultry. The DAB is of the view that the existing leg-labelling system is not satisfactory enough, with the result that we have so far failed to identify the source of the second outbreak of avian flu. Therefore, we maintain that even chickens from local and mainland chicken farms must also be tagged on the leg, and that thoughts must be given to the possibility of labelling all chickens under a registration system for the purpose of identifying their farms of origin. This will not only enable us to track the sources of viruses effectively, but will also prevent the smuggling activities of illicit chicken farms. That way, people will have more confidence in the safety of eating live chickens. Some companies in the industry have already made their own initiatives to introduce similar labelling systems; subjectively, they hope to build up brand images through such a practice, but objectively such are the traces which enable the identification of the origin of their products. The DAB maintains that the Government should phase-in a leg-labelling system for the poultry industry.

Madam President, the actions taken by the Government following the recent outbreak of avian flu have received the support of both the community and the industry, and these actions are much better and more decisive than those taken in 1997. On the question of compensation following the slaughter of chickens, the Government has also drawn up a scheme acceptable to all after listening to the views of Members, the industry and the community. Actually, the industry has been very willing to co-operate fully with the Government throughout the whole incident, whether over the slaughter of chickens or the issue of compensation. And, the Government has also been willing to take the views of the industry. So, I am sure that as long as all of us work with one heart, we will be able to solve all problems. I also believe that the whole poultry industry will assume its own responsibility of further improving its operation, so as to restore people's confidence in the safety of eating live poultry.

With these remarks, Madam President, I beg to move.

**Mr WONG Yung-kan moved the following motion: (Translation)**

"That, as the recent outbreak of avian flu in Hong Kong has forced the Government to carry out another mass slaughter of chickens, thereby seriously affecting people's livelihood and the operation of the poultry trade, in order to prevent as far as possible a further outbreak of avian flu in the territory and to ensure that the trade can continue with its operation, this Council urges the Government to:

- (a) strengthen the quarantine for local and imported poultry and review the existing process of poultry conveyance, so as to ensure that imported poultry meet safety standards;
- (b) introduce a labelling system for local poultry to facilitate identification of their origin;
- (c) improve the sanitary conditions and the business environment in markets; and
- (d) properly handle the follow-up work on the current slaughter of chickens so as to reduce the impact on the trade and its operators."

THE PRESIDENT'S DEPUTY, MRS SELINA CHOW, took the Chair.

**DEPUTY PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr WONG Yung-kan be passed.

**DEPUTY PRESIDENT** (in Cantonese): Mr Tommy CHEUNG will move an amendment to this motion, as printed on the Agenda. In accordance with Rule 34(4) of the Rules of Procedure, the motion and the amendment will now be debated together in a joint debate.

I now call upon Mr Tommy CHEUNG to speak and move his amendment.

**MR TOMMY CHEUNG** (in Cantonese): Madam Deputy, I move that Mr WONG Yung-kan's motion be amended, as printed on the Agenda.

Madam Deputy, in 1997, avian flu attacked Hong Kong for the first time and took a toll of six lives, scaring both the Government and the people at the mere mention of chickens. Following the attack, the Government and the relevant departments of the Mainland worked out a system on quarantine, monitoring and prevention, which received the support of the poultry trade. Very few people could have imagined that there would be another outbreak of avian flu four years later. But this time around, the Government quickly decided to slaughter all chickens in Hong Kong before any mutation of the virus, thus successfully stopping the spread of the virus, avoiding any human casualties and significantly reducing the period with no supply of chickens. In brief, there are great improvements in the handling of the outbreak this time around. However, people would still ask, "Who knows when there will be a third outbreak? Where does the problem lie anyway?"

Where the problem lies is precisely the focus of the motion debate today. Is it because the existing system itself is not satisfactory enough? Or, is it because there are problems with the implementation of the system? I must thank Mr WONG Yung-kan for moving this motion, for it enables this Council to raise all these problems for thorough discussions. I have moved the amendment on behalf of the Liberal Party with the main intention of introducing a greater number of specific proposals that may clearly alert the Government to the directions to which improvements should follow. But we of course do not think that our discussions should be focused only on the proposed measures, and we welcome any other recommendations from the Government and Members. I am now going to discuss the recommendations we make in the motion one by one.

Following the first outbreak of avian flu in 1997, Hong Kong and the Mainland joined hands to work out a stringent quarantine system especially for chickens, and a "through-train" chicken conveyance procedure was also put in place, whereby a designated lorry hired by a Hong Kong chicken stall operator will drive straight to a designated quarantine chicken farm in the Mainland after disinfection. Then, the lorry will transport chickens which have passed random quarantine inspection to Man Kam To, where both mainland and Hong Kong quarantine personnel will conduct random quarantine inspection once again. Following this, the lorry will transport the chickens to the wholesale market at

Cheung Sha Wan for "unsealing" before the chickens are distributed in batches to different retail markets. During the whole process, "through-train" conveyance is provided by the same lorry.

The poultry trade accepts such a mode of conveyance, thinking that by doing away with the need for changing to another lorry in the process, it can reduce the chances of virus infection and prevent unscrupulous merchants from passing off chickens from undesignated chicken farms, or even "diseased chickens", as those which have passed quarantine inspection. It is also of the view that in case any chickens are found to have contracted avian flu, this mode of conveyance can enable us to trace the origin of the virus and take appropriate measures to tackle.

However, some in the industry have pointed out that this conveyance procedure has not been so strictly adhered to in recent years. Chickens from mainland chicken farms are usually first transported by local lorries to Shenzhen, and it is only in Shenzhen that chickens are loaded onto lorries from Hong Kong for onward conveyance to the Cheung Sha Wan wholesale market via Man Kam To. This worries the local poultry trade, for it is difficult to ensure the hygiene standards of mainland lorries, to ascertain whether the lorries have been used beforehand for conveying poultry such as ducks and geese, and to know whether this may lead to any possibility of cross-infection of the virus. Besides, it does not rule out the possibility that some unscrupulous chicken farmers and merchants may mingle "diseased chickens" with other chickens and put them in the inner parts of lorry compartments. It is feared that if quarantine personnel are indolent and just pick the chickens loaded on the outer part of a lorry compartment for random inspection, then it will be very difficult to spot the "diseased chickens" hidden inside. That way, "diseased chickens" may get into the markets of Hong Kong.

To avoid these problems, the poultry industry urges the Government to hold discussions with the relevant departments in the Mainland on the strict enforcement of the "through-train" conveyance of chickens, and it also urges both the Mainland and Hong Kong to require their quarantine personnel to do their work seriously and systematically by picking chickens loaded in different parts of a lorry compartment for inspection. If necessary, the number of quarantine inspection should also be increased.



Second, there is also a need to maintain the stringency of the quarantine of local poultry. Although the sale and quarantine of chickens sold by local chicken farms are under the strict supervision of the Agriculture, Fisheries and Conservation Department, local chicken farms are still permitted to sell their chickens directly to retail merchants without going through any wholesale merchants. Should this procedure be improved? Mr WONG Yung-kan has already discussed this in detail, and I do not intend to do so any more. But I still think that the Government should explore ways of improving the labelling system, and the most important thing is for us to ensure that once any virus infection is detected among the chickens supplied by local chicken farms directly to retail markets, we can always trace the origins.

The third point. Yesterday, when we met with the poultry industry and the Food and Environmental Hygiene Department, the industry expressed its unanimous support for a moratorium day on the 25th of each month for the purpose of cleansing. But it was also proposed that if the moratorium day fell on a major festival (as in the case of the 25th of June this year, which is going to be the Dragon Boat Festival), then there should be a deferment of one day. The industry hopes that after the resumption of business, if the Government also thinks that this is practicable, the new scheme should be implemented.

Fourth, we should renovate and improve market ventilation. The general hygiene conditions in the poultry stalls of markets are generally very poor. I do not know whether it is just a matter of coincidence, but the fact is that all the markets in which avian flu was first detected this time, including those at Fa Yuen Street, Smithfield Road and Yeung Uk Road, are all managed by the Food and Environmental Hygiene Department. Is this a mere coincidence? Is it because there is something wrong with the ventilating system of these markets? Is it because of other problems? No matter what, the problems should be connected with inadequate ventilation, lack of fresh air and storage of too many chickens.

Currently, of all the 74 markets under the Food and Environmental Hygiene Department, only 11 are equipped with air-conditioning. In some of these markets, there is a very high density of chicken stalls. In the Tai Shing Street Market, for example, there are 36 chicken stalls, and 26 of them have been rented out. In the Yeung UK Road Market, 24 chicken stalls are in operation. But for other markets managed by the Housing Authority, there are usually only several stalls in each. Besides, in some markets with older designs, central

ventilation is operated which can easily lead to the concentration and spread of germs. The temperature there is also very high.

In some recently completed markets of the Food and Environmental Hygiene Department, such as those at Chai Wan, Ap Lei Chau and Sai Ying Poon, a new design is adopted under which all chicken stalls are grouped on one side of the market, and the slaughtering and ventilating systems of them are all separated from the main systems. This new design should be supported and encouraged. The renovation and improvement of market ventilating systems is a matter of extreme urgency, and the Government should promptly explore the need or otherwise to apply for funds from the Legislative Council to rearrange the distribution of chicken stalls in old markets, and to install separate ventilating systems for these stalls, so that their ventilating systems can operate 24 hours a day.

Fifth, although the actions taken by the Government to deal with the recent outbreak of avian flu are quicker and more decisive than those it took in 1997, one can still say that it could have done a better job to tackle the aftermath of the outbreak. It is hoped that the Government can consider the above proposals, so as to reduce the adverse effects on the community and the poultry industry.

Finally, I wish to remind the Government and the poultry industry that Hong Kong is renowned as the "Gourmets' Paradise", and this is very much due to its emphasis on the freshness of food; for this reason, chilled chickens cannot possibly satisfy the Hong Kong people's desire for delicious food. If our reputation as the "Gourmets' Paradise" is tarnished by avian flu, if people are thus denied the pleasure offered by delicious food, and if both the catering industry and tourism industry also thus suffer, then the community as a whole and the economy will certainly sustain very heavy blows.

It is time for those engaged in the poultry industry to stop accusing one another, and to stop going after one another to find faults, or passing the buck. They should not shift the blame on to one another. Hong Kong should not accuse the Mainland, nor should the Mainland blame Hong Kong; wholesalers should not blame retailers, and retailers should not criticize chicken farms, which in turn should not shift the blame to the chicken conveyance trade. The problem simply cannot be solved that way. The Mainland, Hong Kong, chicken farms, the chicken conveyance business, the chicken slaughtering occupation, retailers and wholesalers are all the segments of the same production

line; they are all interlocked and interdependent, and the inco-ordination of any one of them is bound to affect the entire poultry industry. That is why all these segments should really join hands to make improvements.

There have been two outbreaks of avian flu. Faced with the threat of avian flu, the increasingly high demand of people and the whole community in respect of market hygiene and the increasingly diversified range of goods sold by supermarkets, the poultry industry should no longer cling to its traditional way of operation. Instead, it should adopt a more progressive attitude and do its utmost to promote higher hygiene standards among its members and in all chicken shops and stalls. All in the industry should join hands to improve the hygiene conditions in market chicken stalls and shops selling live poultry, so as to build up an image of our markets as places where hygiene is observed by both individual workers and shops in general. That way, people will have the confidence to buy chickens in our markets, for such a comfortable shopping environment is offered. This is also a way for the poultry industry to show its thanks to the people who have for years supported the sale of live chickens in markets.

The Hong Kong Government should step up its contacts with the relevant units in the Mainland, and both places should strictly enforce their respective quarantine systems and the "through-train" conveyance of chickens. All in the poultry industry should join hands to prevent a further outbreak of avian flu by observing hygiene in their own areas of work. That way, people can keep their dietary habit and continue to buy live chickens in markets, and to eat dishes prepared from live chickens in restaurants. The reputation of Hong Kong as the "Gourmets' Paradise" can thus be maintained. This is the only three-win solution for the Government, the poultry industry and the people.

Madam Deputy, I so submit.

**Mr Tommy CHEUNG moved the following motion: (Translation)**

"to add "improve the existing operating environment of the trade and perfect the poultry quarantine system and the sanitary conditions in markets; the relevant measures may include" after "this Council urges the Government to"; to delete "strengthen" after "(a)" and substitute with "consulting the relevant mainland authorities about strengthening and strictly enforcing"; to delete "local and" after "the quarantine for"; to

delete "and review the existing process of poultry conveyance" and substitute with ", ensuring that inspection and certification standards in the wholesaling and conveyance of chickens are enforced, and adopting a "through-train" mode of conveyance in order that the source of virus can be accurately traced and, at the same time, the risk of imported chickens being infected during the process of conveyance can be reduced"; to delete "introduce" after "(b)" and substitute with "introducing"; to delete "improve" after "(c)" and substitute with "improving"; to delete "and the business environment"; to delete "; and" after "in markets" and substitute with ", for instance, by implementing a system whereby the sale of live and fresh chickens is temporarily suspended in markets at intervals, for the purpose of cleaning chicken stalls and cages thoroughly; (d) renovating and improving the existing ventilation systems and other facilities in markets; and"; to delete "(d)" and substitute with "(e)"; and to delete "handle" and substitute with "handling". "

**DEPUTY PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Tommy CHEUNG to Mr WONG Yung-kan's motion, be passed.

**MR LAU CHIN-SHEK** (in Cantonese): Madam Deputy, I am sure that the central issue of the debate today and also the greatest concern of the people of Hong Kong should be how we can prevent any further outbreak of the avian flu calamity.

I am no expert in medicine and hygiene matters. But I still know that diseases caused by viruses such as H5 cannot be completely prevented. All actually depends on the random quarantine system for chickens — on whether it can quickly stop the spread of avian flu by effectively, promptly and accurately spotting the origins of the H5N1 virus.

I understand that two quarantine tests are adopted under the existing avian flu surveillance system: the antibody test, which is conducted on chickens imported into Hong Kong at customs checkpoints; and the virus cultivation test, which is conducted in random in retail markets. But the problem lies precisely with these two tests, because as pointed out by many experts, both of the tests are incapable of spotting the H5N1 virus promptly and accurately.

I believe that all of us are aware that 90% of the chickens consumed by the people of Hong Kong are imported from mainland China, and only a very small portion of the chickens we consume is supplied by local chicken farms. That is why when it comes to avian flu surveillance, quarantine inspections at customs checkpoints at the time of chicken import should be of critical importance. The antibody test conducted at customs checkpoints cannot ascertain directly whether a chicken has contracted avian flu; rather, it is a "roundabout" method which seeks to spot the presence of the avian flu antibody in a chicken as a proof of its contraction of the disease. But the point is that such an antibody will only be produced in a chicken five to seven days after infection. This is what is referred to as the "incubation period". If, by the time the antibody test is conducted, a chicken has been infected for fewer than five to seven days, it will show no response to the test. That is why the passing of the antibody test does not necessarily mean that a chicken is not infected.

During the course of conveyance to Hong Kong, chickens are especially vulnerable to virus infection because it is extremely crowded and stuffy inside their cages. Since the conveyance journey is not very long, those chickens infected on the way may not have enough time to produce any antibody by the time they reach the Hong Kong customs checkpoints for quarantine inspection. As a result, the test may very often fail to identify the chickens with health problems. In the end, because of ineffective control at source, infected chickens may pass quarantine inspection and enter the market of Hong Kong. Avian flu may then spread around, making it quite difficult to trace the origin of the virus any more.

For the virus cultivation test used in retail poultry markets, I understand that the whole process will take three to five days to complete. Since it takes such a long time to ascertain whether a chicken is infected by the avian flu virus, the virus will have spread around long before the results are available.

Therefore, it can be said that the two tests adopted under the existing avian flu surveillance system, that is, the antibody test and the virus cultivation test, are both plagued with loopholes. If the Government does not make any improvements, it is simply very difficult to ensure that avian flu will not break out in the near future.

Last year, a research project with the participation of the Hong Kong University of Science and Technology successfully worked out a DNA testing

system for H5N1; it is understood that this research project is supported by the Innovation and Technology Commission of the Government, and the Agriculture, Fisheries and Conservation Department also took part in it. The Agriculture, Fisheries and Conservation Department has confirmed that the technology applied in the testing system is the most reliable and effective. Unlike the antibody test, the DNA test is a direct means of detecting the presence of H5N1 in a chicken, and it will take just a couple of hours. So, whether in terms of accuracy and time taken, it is far better than the existing methods used by the Government.

If this DNA test, which has been explored with both government funding and manpower support, can really achieve quick and accurate results, then I would think that the Government really has to seriously consider its full-scale implementation as a means of monitoring avian flu. Just think about what is going on. Once every three to four years, we have to slaughter all chickens, to spend millions and millions of our public money on paying compensation. The business of the poultry industry is seriously affected, and so is the livelihood of workers. Worse still, the international image of Hong Kong is also impaired. We definitely do not wish to see any further outbreak of avian flu. Therefore, a satisfactory avian flu surveillance system is of very great, or even vital importance.

With these remarks, Madam Deputy, I support the motion.

**PROF NG CHING-FAI** (in Cantonese): Madam Deputy, when avian flu broke out for the first time in Hong Kong in 1997, the Government launched a large-scale campaign to slaughter all the chickens in Hong Kong, and it also put in place a series of measures to reduce the chances of a further outbreak. But in less than four years, the Government has been forced to launch another large-scale campaign to slaughter chickens. In the recent chicken slaughtering campaign, the actions taken by the Government are much more decisive, obviously because it has learned from the technical experience last time. This explains why it has won the favourable comments of people. Well, all the chickens have now been slaughtered and compensation paid, so, while some religious people, out of charity, mourn and pray for the dead chickens, we may also need to mourn for the \$200 million of taxpayers' money spent on the campaign and seriously consider how best to avoid any further large-scale slaughter of chickens in the future.

I can still remember that following the first outbreak of avian flu in 1997, the Government put in place a series of measures to prevent further outbreaks of the flu in January 1998. Many of the measures put in place then are just the same as the recommendations made in the motion: first, identical hygiene standards for both local chickens and those supplied by mainland chicken farms, and health certification and random quarantine inspection at the time of import for all chickens; second, a labelling system at the wholesale level and in local chicken farms to help identify the origins of poultry. The then Urban Services Department also stepped up its inspection of chicken stalls to ensure proper hygiene standards. These measures are raised once again in the motion today; does this mean or imply that all these measures have not been properly implemented?

What is worth noting is that these measures were considered adequate to prevent a further large-scale outbreak of avian flu by experts from the World Health Organization and the Centers for Disease Control and Prevention of the United States at that time. For this reason, we cannot help wondering whether these measures have been properly implemented over the past few years. How many chicken-mongers in a market, for example, would put on gloves and white robes? Is there any labelling for local chickens and those from the Mainland which can help us identify their origins? If it is really true that these measures have not been properly implemented, then what are the causes? The inadequate hygiene awareness of the poultry industry? The failure of the authorities concerned to implement the measures and monitor the situation properly? Or, are there any problems with the feasibility of the measures themselves? I think both the Government and the poultry industry should conduct a review, or else the \$200 million of taxpayers' money will be wasted for no cause at all.

Madam Deputy, there has not been any consensus on the origin of avian flu. Generally speaking, the following physical factors may all cause infection of the virus by chickens: conditions in chicken farms, the process of conveyance and conditions in markets. For this reason, any integrated preventive mechanism should take account of all these physical factors. Of the three physical factors mentioned, the process of conveyance is least likely to cause infection, because there is usually an incubation period for virus infection. That said, we cannot of course rule out such a possibility.

As early as the last outbreak of avian flu, that is, in 1997, the experts from the Centers for Disease Control and Prevention of the United States already

warned that the 15 types of viruses detected among poultry could spread very easily in chicken farms, and human beings might also be infected. Besides, these viruses may first undergo mutation in other creatures and then infect human beings. Actually, since 1997, two new types of avian flu viruses (H9N2 in 1999 and H5N1 during the recent outbreak) have been detected, and this can prove the argument of the experts. It is definitely certain that cramped cages is a factor that can be avoided, and the need for regular cleansing of places where chickens are sold is also indispensable.

The recent outbreak of avian flu has aroused renewed discussions on a central slaughtering mechanism. As mentioned above, the prevention of avian flu should require an integrated approach. Although a central slaughtering system may reduce the incidence of avian flu, it cannot eliminate the disease in practice. It will not only deny the local people the pleasure of eating dishes prepared from live chickens, but, worse still, it will affect the livelihood of the several dozen thousand employees of the poultry industry. So, while it may be argued that having no live chickens to eat should not matter that much, it is definitely a different matter when it comes to the livelihood of several dozen thousand people. A central slaughtering system thus must not be adopted so very easily unless there are no other alternatives. There is actually another measure which can be considered. The chicken stalls in various markets may close for one day a week on a rotation basis, or they may just close for one day every 10 days, so that thorough cleansing can be carried out. Those in the poultry industry must also enhance their awareness of hygiene, always keep their places clean and provide more storage room for their chickens. Such a measure takes into account the incubation period for viruses and the fact that viruses will only have a few days to spread after their outbreaks. So, this measure may well be feasible. Unlike a central slaughtering system, this measure can protect the livelihood of the employees concerned without creating too much inconvenience, for the local people and tourists will still be able to enjoy dishes prepared from live chickens. I think it really merits our consideration. Naturally, I also hope that the Government can co-operate more with tertiary institutions in the area of related research.

Back to the motion itself, it can be seen that some of its proposals are in fact meant to urge the Government to put its past commitments into practice. These should of course be supported. However, as it is worded, the amendment seeks to delete the word "local" from item (a). This may reinforce the impression that the origins of avian flu are usually the places of chicken



export, and may well achieve the opposite result of reducing the poultry industry's own awareness of the need to improve its hygiene and management standards. This deletion is also not conducive to our monitoring of the Government to ensure that it will properly implement the various surveillance measures. Another point is that there is actually no proof to substantiate that the Mainland is the origin of the recent outbreak of avian flu. As a result, it will not do us any good if continue to intensify the thinking that all problems with primary produce are invariably connected with the Mainland. So, I find the original motion more agreeable to me.

Madam Deputy, I so submit.

**DR TANG SIU-TONG** (in Cantonese): Madam Deputy, having learnt a lesson from the avian flu incident in 1997, the Government has behaved with extreme confidence this time. It no longer hesitated and with no clumsiness, it took decisive actions and carried out another mass slaughter of poultry before the avian flu spread to the full and jeopardized people's health. Although this made it more difficult to trace the origin of the virus, it at least reduced the risk of the threatening of the public by the virus. The Government complied with people's wish and increased the amounts of low interest loans so as to give the affected traders more capital. It also made the compensation in instalments to prevent irresponsible traders from deducting workers' wages. Evidently, the Government's remedial actions had a sound basis.

Although the Government had aptly mended the fold after the sheep were lost, it could not be indifferent and ignore its responsibilities for the outbreak of avian flu again. The relevant market in the incident was actually managed by the Food and Environmental Hygiene Department (FEHD) and the Housing Department. Since the last avian flu incident, the FEHD made public the sanitary standards of poultry stalls including the point that the ventilation systems needed improvement. However, the avian flu incident this time exposed that blood was found all over the poultry stalls and chicken manure was still found on the cages. It was the most disappointing point that among the 74 markets under the FEHD, only 11 were installed with air-conditioning facilities, and some were even not installed with regular ventilation facilities because the authorities concerned had underestimated the flow of people and the quantity of poultry handled. The room temperature of these markets exceeded 40 degrees Celsius, thus, avian flu is bound to break out sooner or later. The authorities just started

to enhance ventilation in some markets in recent months and there was not any plan to improve the ventilation systems in over 60 markets. The Government killed chickens before scrapping the two Municipal Councils, and it was said that the Government "took advantage of chickens to scrap the two Municipal Councils". It also declared that the centralization of power would help improve food and environmental hygiene. Did the facts tell us that the Government had properly managed markets that were closely bound up with the public after it had arrogated all powers to itself? How many sanitary standards of markets could the Government implement thoroughly? The two Municipal Councils should have really died with everlasting regret.

Madam Deputy, to effectively prevent the resurgence of avian flu, it was not enough to mend the fold after the sheep were lost but it was most important to introduce to the public and put into practice a preventive system with stringent monitoring and control in respect of import, wholesale and retail. The Government should strictly require importers to establish a system for the registration of the place of origin of poultry and the date of import. It should explore the supply of all imported poultry by designated farms, encourage traders to separately transport poultry from different origins and with different date of import. It should also strictly require traders to control the density of poultry in a cage and step up random inspections to see whether the sanitary and ventilation conditions of traders are up to standard. Quite a few traders had not suitably disposed of the slaughtered poultry. For instance, they had not put the slaughtered chickens into plastic bags or just scattered them around which created an opportunity for which avian flu and other viruses could take advantage of. The authorities should couple threats with promises and emphasize both education and punishment so as to urge the traders to understand that they might have to spend more time tidying up their stalls and keeping them clean at ordinary times. It would be much better than the regular resurgence of avian flu as they would then suffer great losses, caused a general turmoil would arise and a lot of public money would be wasted.

In the meantime, the authorities should step up the random inspection of imported poultry, severely crack down poultry smuggling, establish highly efficient links with the quarantine and health departments of the major places of origin of the products as well as establish partnerships among poultry importers, wholesalers, sellers and the medical and health sectors. Then, it could more accurately master the actual process of poultry management and take appropriate contingency measures. The Government should also allocate more resources to

explore whether we should import more advanced and accurate virus antibody testing technologies as well as assist the medical and health sectors in developing methods to resist avian flu. Stringently implementing a labelling system for local poultry to facilitate identification of their origin could be very helpful to tracing and dealing with the possible mode of transmission of avian flu. Yet, quarantine for local poultry could not be overlooked. Although local poultry only take up a very small portion of our sales, the portion is fairly important. Stringent quarantine for local poultry is an imperative measure to ensure food safety.

The Government has considered establishing a central slaughterhouse to collectively handle slaughtered chickens, I think that the idea can theoretically reduce the opportunity of the spread of avian flu in Hong Kong. However, why had two avian flu incidents taken place? Which poultry handling procedure was problematic? These questions can still not be answered. If the Government hastily sacrifices the livelihood of tens of thousands of workers in the poultry slaughtering trade and implement a central slaughtering system, it may see the disadvantages before the advantages. In my view, it is appropriate to adopt a compromise proposal first such as the "Sales Suspension Day" as discussed by the trade. It was proposed that stalls should suspend sale once a month for thorough cleaning and sterilization. The Government can also consider the designation of slaughtering areas in markets in which workers would slaughter poultry. This would facilitate the centralized monitoring of the sanitary conditions of the slaughtering areas and avoid the unemployment of poultry stall workers. All in all, regardless of the proposal to be implemented by the Government in the future, the Government should adequately consult the trade and the public in order to suit the remedy to the cause and balance the interests of various parties.

Madam Deputy, I so submit.

**MR CHAN KAM-LAM** (in Cantonese): Madam Deputy, yesterday the Government started to pay out compensation to poultry stall owners affected by the avian flu incident. The markets in Hong Kong underwent another major cleansing and work on testing chickens for the avian flu virus is nearly complete, it is expected that by the middle of this month, the public will be able to eat live chickens again. However, what is worrying is that when after some time when the avian flu incident is forgotten, people will stop talking enthusiastically about

issues like improvements on poultry quarantine system and sanitary conditions in the markets. The lesson from avian flu which costs us \$200 million will again be forgotten.

Madam Deputy, not only is the recurrent outbreak of avian flu related to the poultry quarantine system and the labelling system, but sanitary conditions in the markets is also an essential factor.

Honourable colleagues who have visited the markets will know that sanitary conditions in markets operated by the Food and Environmental Hygiene Department (FEHD) or the Housing Department (HD), especially in the poultry stalls in the old markets, are all very poor. The first thing is that these markets have extremely poor ventilation systems and the temperature there gets to as high as 30 to 40 degrees Celsius even before summer comes. It is no surprising that one gets suffocated walking in these markets, and more so would the chickens be. This is coupled with conditions like the narrow space between the stalls for shoppers, crammed poultry cages, chicken faeces on the floor and chicken feathers flying all over the place. Things have become intolerable and no wonder when large supermarkets appear, the stalls in the markets have become no match to these supermarkets.

Of the some 70 markets operated by the FEHD, only 11 are air-conditioned. Before the reunification, the two former Municipal Councils urged the authorities to install air-conditioning in all of the markets in Hong Kong in order to improve the conditions there, but the progress has not been satisfactory. In a Legislative Council Subcommittee on following up the work of the two former Municipal Councils, we have on many occasions discussed the issue of installing air-conditioning in the markets. Despite pressure from the Members, the Government only responded by saying that surveys will be conducted in the markets to see whether most of the tenants will agree to bear the costs of installing air-conditioning before work can commence to install air-conditioning. From this we can see that officials are totally lacking in awareness of what the situation is like in the markets and they have no sense of urgency to improve on the situation. All they know is that funds must be collected before any action can be taken. On the other hand, every time when we visit the markets, the tenants will tell us that they want to have air-conditioning installed so that they can have a better environment to do business. Madam Deputy, our officials may only go to those markets with better facilities

to do their shopping and that is why they have come up with such an impression of the markets. If they have the time, I will be glad to take them to the markets in Kowloon East for a look, including those markets in Shui Wo Street, Ngau Tau Kok, Ngau Chi Wan and Tai Shing Street. Then they can see for themselves what is really like to be in these markets which have made them become so notorious.

Madam Deputy, Mr S. H. PAU, the Director of the Architectural Services Department, who is responsible for the building of markets operated by the FEHD, admitted to the media some time ago that the existing design of the ventilation system in the markets is unable to meet practical needs. This when coupled with the wrong projections made by the Government on the number of people shopping in the markets and the number of poultry there, have served to aggravate the conditions in the live poultry stalls. Actually the design of stalls in markets is also a very important thing. In the markets we have, live poultry stalls are mixed with other stalls selling fish and vegetables. Their size is small and the chicken cages take up most of the space in the stall, making the space in the stalls all the more insufficient. Cages with chickens for sale have to be placed two or three feet outside the stalls. It is common to see empty cages placed all over the markets. That is not the fault of the poultry stall owners, but the design of the markets. Therefore, the Government should rectify this mistake as soon as possible. It should also take all feasible measures to improve the conditions in the markets.

Apart from improving the ventilation systems, the sanitary conditions in the poultry stalls are also very important. The poultry wholesale markets now have a certain disinfection procedure in place. This includes three rest days every month in which the markets are thoroughly disinfected. Every morning and afternoon when business is over, the people there will disinfect the place to ensure germs will not breed and spread. It is sad to see that there is no such procedure in the poultry stalls in the markets where the sanitary conditions are even worse. The DAB therefore supports the decision made by the Government with the poultry industry yesterday that there will be a rest day for the poultry stalls on the 25th of each month so that cleansing and disinfection can be carried out.

Madam Deputy, I so submit to support the motion.

**DR LO WING-LOK** (in Cantonese): Madam Deputy, I am also speaking on behalf of six Members, namely Mr Eric LI, Mr NG Leung-sing, Mr Abraham SHEK, Mr Bernard CHAN, Dr LUI Ming-wah and Dr Raymond HO. We do not regard that the Government should be held totally responsible for the outbreak of avian flu, the aftermath and prevention, thus, we have reservations about the amendment and the original motion.

There was an avian flu attack in 1997 that caused the death of six persons. After the incident, communicable disease experts confirmed through detailed research that men contracted avian flu after men and poultry came into contact with markets with poor sanitary conditions. Therefore, if we wish to thoroughly prevent the outbreak of avian flu again and avoid causing the loss of life and economic losses, we must get rid of two harms, that is, unnecessary contacts between men and poultry as well as the poor environment of markets.

On the basis of our experience in 1997, the death of a large number of chickens would precede the transmission of avian flu to men. There was also evidence that showed that several victims had bought chickens at markets before contracting the virus. In some cases, children contracted avian flu after they had played before chicken stalls and came into contact with chicken manure under no protection. Four years later, a large number of chickens in a few markets died of avian flu and the Government have to slaughter chickens again. Fortunately, there was no casualty this time.

Chicken stalls are found all over Hong Kong, Kowloon and the New Territories but they have different business and sanitary environment. Highly conscious stall owners clean their stalls twice a day and their stalls can be described as the "show flats" of chicken stalls. However, some stall owners sell poultry in crowded markets and they cannot clean their stalls thoroughly, thus, their chicken stalls are the hotbeds of avian flu.

In his motion, my colleague urges the Government to improve the business environment of the trade, the quarantine system and the sanitary conditions of markets. For example, he urges the Government to adopt a "through-train" mode of conveyance and the temporary suspension of sale by chicken stalls once a month for thorough cleaning. Have we carefully considered the costs that the proposals involved?

After the avian flu incident in 1997, the authorities spent a lot of public money to set up a stringent monitoring and quarantine system. Owing to the objective environment of markets and some man-made factors, the monitoring and quarantine system failed to prevent the resurgence of avian flu. How much public money has to be spent if the Government wishes to further strengthen monitoring, improve the environment and the facilities? If the costs to be invested by the Government are transferred to people who like to eat chickens, as in line with the "chicken eater pays" principle, I am sure the prices of chickens would substantially increase. Would the public be willing to bear the costs of buying live chickens economically?

I would try to discuss the positioning of the live chicken trade in Hong Kong from a wider perspective.

Hong Kong ranks among the three largest international financial centres in the world, it stands side by side with New York and London and is the centre of service industries in the world. Although Hong Kong is a small place, it has a rapid and frequent flow of people. Can a bustling international financial centre where every inch of land has a high price accommodate a large number of live chicken stalls at all costs? We should carefully consider the direction of development and the orientation of Hong Kong.

Avian flu broke out twice in Hong Kong and this precisely reflected that some industries inevitably had to change the mode of business and keep up with the times in the course of continuous social development and transformation. Taking the age-old industry of the sale of live poultry as an example, we cannot remain unconcerned about the mode of business of the industry, otherwise, avian flu may break out once every few years. Does the Government have explicit ideas for ruling Hong Kong and tackling the problems arising from continuous social development? Or, would it obstinately think of the taxpayers' wallets every time and make concessions to avoid trouble, thinking that the problem can be solved satisfactorily?

As government officials and Members who should bear responsibilities and who are accountable, we should not, with the occurrence of every avian flu incident slaughter the chickens at the first instance and then make compensation, because we would really have qualms about doing so to our taxpayers who remain silent and we would have overlooked the general interests of the community. Although the community has the responsibility of assisting chicken

traders in solving their urgent livelihood problems, in the long run, we should help them review their mode of business instead of giving them endless compensations which would urge them to invariably run business in the conventional manner. Otherwise, the avian flu nightmare and Hong Kong would only be inseparable as body and shadow.

After the reunification, we wished to have a high degree of autonomy and give up the colonial government's short-sighted policy-making practice that treated only the symptoms but not the disease. This incident is like a mirror reflecting the lack of explicit ideas on the part of the Government in ruling Hong Kong, inadequate courage on the part of officials and Members to bear responsibilities, and the way that the public only knows how to protect themselves with a lacking in the sense of belonging. If things continue this way, it would be harmful to the future development of Hong Kong. The price of being short-sighted is the loss of vitality in the long run. I so submit.

THE PRESIDENT resumed the Chair.

**PRESIDENT** (in Cantonese): Dr LO Wing-lok, I just resumed the Chair when you started to speak. You said that you were speaking on behalf of six Members. According to the Rules of Procedure, Members could not speak on behalf of another Member. However, other Members can share your views, so my interpretation is that the six Members have the same views as yours.

**DR LO WING-LOK** (in Cantonese): Thank you, Madam President.

**MR FRED LI** (in Cantonese): Madam President, the speech made by Dr LO contained ideas ranging from the avian flu to principles on which Hong Kong should be administered. It surprised me.

In a span of four years, the avian flu appeared twice. Recently, experts from the World Health Organization made it known on the newspaper that they were worried that the South China region could still be a source from where the next outbreak of avian flu might originate. Indeed, the South China region would also include the Mainland, in addition to Hong Kong and Macao.



During the present attack by the avian flu, both Hong Kong and Macao suffered the same fate. Both needed to kill a large number of live chickens to check the spread of the disease. Up to now, no one (including the Government) can say with certainty where the source of the disease lies. However, we note that like us, Macao relies mainly on the Mainland for the supply of live chickens. So, it would not be helpful no matter how frequent the SAR Government conducts strict quarantine and cleaning exercises if the poultry trade does not discuss the issue with mainland health departments or urge the Mainland to strengthen health controls. A third attack by the avian flu will not only result in numerous dead chickens, but will also leave the poultry trade confronted with immense difficulties. By that time, the Government will be left with no choice but implement the central slaughtering plan. To reduce the chance of a further outbreak of the avian flu in the South China region, the Government must discuss with mainland units. Hence, for this reason alone, the Democratic Party will support Mr Tommy CHEUNG's amendment.

The outbreak of avian flu poses as the greatest challenge to the Government on its effective management of the poultry trade. Thus, not only is it important that the Mainland should do well in quarantine work, it is equally important that the SAR Government should minimize the chance of a recurrence of the outbreak and this should be an area of work that the Government must undertake on a continuing basis. Let us leave the mainland factor for the time being. Our Government must do well in quarantine and health checks of poultry at the Man Kam To Crossing, during transportation, at the Cheung Sha Wan Wholesale Poultry Market and in our retail market stalls.

Some retail poultry operators told me privately that chickens are very much heat-shy and would die easily. Hence, local chicken farms transport chickens to the Wholesale Market at night to avoid the heat and the sun in the morning. Chickens from the Mainland, however, travel long distances in the morning via the Man Kam To Crossing to the Cheung Sha Wan Wholesale Poultry Market. They have to wait several hours for a quick test result before they can be formally sold in the market. During the summer, chickens in this category stand a great chance of undergoing torturing heat in the day. Thus, the Government should discuss with the Mainland to see if the mode of transportation can be changed so that chickens are transported at night to avoid the heat at daytime during the summer.

When the avian flu attacked in 1997, the Government did a great deal of work. At that time, we thought it had done everything it could, including following up preliminary quarantine work at the Man Kam To Crossing, conducting a quick test for poultry imported from the Mainland so that poultry without any positive response for the virus may be distributed from the Cheung Sha Wan Wholesale Poultry Market to various retail outlets. Moreover, all wooden cages were replaced by plastic ones. At the time, the Urban Services Department formulated a set of sanitary standards for the then Urban Council and Regional Councils for poultry operators in their markets to follow. Despite these measures, the avian flu returned and this tells us that the Government still has a lot more to do to improve the situation. Certainly, poultry operators have to conduct some self-evaluation because they are partly responsible for the outbreak.

The avian flu this time spread quickly through our markets under the management of the District Council. Undoubtedly, the environment of our markets is conducive to the spread. We have in our markets dry goods, wet goods, live poultry, slaughtered cows and pigs and so on. All these are available in our market buildings, which is a feature of a Hong Kong market. It is precisely for this feature that we must establish very strict sanitary standards to enable our markets to operate normally.

The amendment proposes to implement a system whereby the sale of live and fresh chickens is temporarily suspended in markets at intervals. From the newspapers, I learn that the Government and the poultry trade have reached an agreement for a suspension of business on the 25th of each month for sterilizing and cleaning chicken cages thoroughly. In this way, chickens from old batches will not mix with those from new batches. We do support this practice. Nevertheless, there must also be a corresponding improvement in the environment of the markets as a whole before we can get better results out of the suspension.

I heard many colleagues mention the problems with our markets. I myself often go to markets and chat with stall owners there. I am also adviser to some market associations. I was told of the difficulties these owners faced. They told me from the markets in which they operate they find it very difficult to compete with superstores, which are equipped with air-conditioning and other facilities that make them comfortable places for shopping. Take the market at Tai Shing Street in Wong Tai Sin as an example. I know the place extremely

well. With 400-odd stalls, it is a popular shopping spot for kaifongs, or people who live in the neighbourhood. However, the temperature in the market is so high that it is intolerable, for both human beings and chickens. Before the scrapping of the Urban Council and the Regional Councils, they had a three-phase plan to install air-conditioning for all of their markets. After the scrapping, however, the Government is only willing to install air-conditioning in three phases for 19 of the 80 markets managed by the former Councils. The Government could not tell us the number of years it would take to complete just one stage. As new resources have to be applied for, the progress is very slow. There is a subgroup in the Legislative Council that follows up the work and I am a member thereof, but we simply do not know how long it would take for the installation of air-conditioning in the 19 markets. Moreover, we must not forget that 19 represents a very small number of the total number of markets managed by the former Councils. Therefore, I strongly urge the Government to conduct a comprehensive review of the market environmental conditions, especially in regard to ventilation and flying dust. Chicken stalls have a rather obnoxious environment. Chicken droppings and feathers are everywhere. Even if the chicken cages and iron racks are cleaned thoroughly, it would be meaningless if the air in the markets is foul. Hence, we request that the Government follow up improvement work in this respect. I so submit.

**MR LEE CHEUK-YAN** (in Cantonese): Madam President, Dr LO Wing-lok said just now that from this incident, we can see that the Government lacks a philosophy of governance, for the Government hastily proceeded to slaughter all chickens without bothering to give any explanation and then make compensation simply to pour oil on troubled waters. I believe what Dr LO was trying to say (I am not sure if I am correct or not) is that vendors and workers are responsible for it. But I think every citizen is responsible for it, and I must ask: Does it mean that the Government has no responsibility at all just because we are saying that the public is responsible for it? Dr LO said that if we do not support the original motion and the amendment, it appeared to suggest that the Government should not be held responsible, that the Government has no part to play in it, and that the problem would be settled as long as the parties concerned do their jobs properly. I did not quite catch this point, and could Dr LO please explain it given the chance? Regrettably, he does not have the chance to rise to speak again. But can those six Members who support Dr LO explain on his behalf what should be the philosophy of governance in your opinion? What should be the philosophy of the chicken cull? Is it true that the Government has no

responsibility at all and that only the public should be held responsible? I agree that the public should be held responsible. This message is clear, that is, each and every member of the public should be held responsible. But at the same time the Government should also be held responsible. The Government's responsibility lies in educating the public and facilitating the public to perform the duties expected of them. Anyway, I believe there is certainly a common philosophy of governance shared by all in this Chamber today and that is, no one would wish to see a third chicken cull. It should be the philosophy of governance that this Chamber most aspires for today.

Looking back on this incident of chicken cull, while no conclusion has been drawn on the source of the disease, one can be sure that it has to do with hygiene. I have learned from the trade that the process of conveyance poses the biggest problem. Chickens from the Mainland are transported to Shenzhen and then to Cheung Sha Wan and finally to local markets. During the process of conveyance, chickens are crammed into cages. Coupled with the sweltering weather, and what is more, I have heard that cold water is poured over the chickens when they arrive at the markets, chickens will of course be vulnerable to infection under such circumstances. Imagine if human beings are put under such conditions — after hours of conveyance in an extremely crowded environment and being poured over with cold water from head to toe — human beings will certainly fall ill, let alone chickens! So, the situation is all the same. How to prevent the recurrence of a chicken cull in future? I believe we must first address the hygiene problems properly.

If there is the chance to give effect to "poultry rights", I hope Members can make reference to the International Covenant on Economic, Social and Cultural Rights, and apply some of the rights therein to poultry in this incident. Article 7 of the Covenant provided that the State Parties to the present Covenant recognize the right of "poultry" (adapting "everyone" to "poultry") to the enjoyment of just and favourable conditions of work which ensure, in particular: (b) safe and healthy working conditions; Article 11 provided that the State Parties to the present Covenant recognize the right of "poultry" to an adequate standard of living for itself and its family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. I believe housing is very important to chickens as overcrowdedness will give rise to the present problem of avian flu. Article 12 provided that the State Parties to the present Covenant recognize the right of "poultry" to the enjoyment of the highest attainable standard of physical and mental health, including the improvement of

all aspects of environmental and industrial hygiene, the prevention, treatment and control of epidemic, endemic, occupational and other diseases, and the creation of conditions which would assure to all ("poultry" in this case) medical service and medical attention in the event of sickness.

I believe if we can really establish these rights for poultry, avian flu can then be truly prevented. To give effect to these rights, first, chickens should not be put under overcrowded conditions on vehicles in the course of their conveyance. Such vehicles should be installed with air-conditioners and be allowed to clear customs through the express lane, and the chickens must be subject to stringent quarantine procedures. Second, chickens from different farms must not be mixed up at wholesale markets, and chickens should not be kept for a long time at wholesale markets. Third, many people have suggested independent slaughter rooms and that is, all stalls selling chickens in a market should be grouped together at a certain part of the market, separated from other stalls. The number of chickens kept by each chicken stall must be stringently limited to ensure against overcrowdedness, and there must be sufficient ventilation facilities or air-conditioning facilities that can suppress the spread of virus. Fourth, chicken stalls must strictly comply with the code of practice of the trade. They must conduct disinfection, cleansing and sampling tests for virus regularly.

If markets can conduct self-regulation and observe good hygiene standards, I believe the proposed central slaughtering system will be unnecessary. I oppose the proposal of central slaughtering for it cannot resolve the avian flu problem. Prof Frederick LEUNG Chi-ching of the Faculty of Science, the University of Hong Kong, stated that central slaughtering can neither exterminate the H5N1 virus nor curb the spread of any virus. He added that central slaughtering is meant to block all contacts between the public and chickens, but if it is not handled properly, it may lead to other problems such as bacteria infection. So, I believe if the entire chain system from transportation, wholesale to retail can observe good hygiene standards, central slaughtering will be unnecessary.

Finally, I must say that the compensation made to workers affected by the slaughter of chickens is regrettable. The Environment and Food Bureau would not believe that I should make no mention of this point here. I always hold that the complaint mechanism is not feasible, although I have not been able to confirm it yet, for many chicken stalls have not resumed business and so, the

workers still have not come into contact with their employers. Once their business resumes and when both parties have contacts, we will have to see if workers will be stopped from lodging complaints. Here, I must urge workers to approach trade unions for assistance first if they fear that they would be given the sack for making complaints. I believe the problem of compensation for workers can be resolved through the manoeuvres of trade unions. Thank you, Madam President.

**MISS LI FUNG-YING** (in Cantonese): Madam President, in such a short span as four years, Hong Kong has twice been hit by avian flu. Those in the trade, the employees, members of the public and even the Treasury, have all suffered losses in various degrees. When compared with the avian flu of 1997, there has been marked progress in the strategies adopted by the Government to tackle the problem. Decisive actions are taken from the discovery of the virus to the prevention of its spread. This shows that the existing surveillance mechanism for avian flu has been effective. The departments concerned have also made speedy responses and these are helpful in maintaining stability in society, protecting the health of the people and restore public confidence.

There are two sides to a coin. On one hand this mass slaughter of chickens has shown that the crisis handling ability of the executive authorities has improved. However, on the other hand, as the *ex gratia* compensation is not sound and fair, the livelihood of the workers in the trade and the operators in the poultry business all suffered losses to a certain extent. There are members of the public who queried the way the departments are handling the incident. These departments have the mentality of trying to eliminate all risks and so they want to kill all poultry just to make sure that there is no risk. This is doubtful whether this way of risk assessment is a scientific approach to take. The Director of Agriculture, Fisheries and Conservation stated that no avian flu virus was found in local poultry farms and the decision to destroy all poultry was because of the fact that the sale of poultry in the markets had to be stopped for three weeks and farm chickens of an marketable age would have lost their market value. Therefore, all the 1.06 million fowls in the 210 farms across the territory had to be destroyed. The number of fowls destroyed represented about 30% of the total number in the territory. Can the departments concerned think of a feasible solution so that if a crisis of a similar nature arises, those uninfected

fowls can be kept and then supplied to the public in a safe and sanitary manner, thereby avoiding a waste of resources?

On the issue of compensation arrangements, due to the fact that the departments concerned acted in haste at the initial stages, when the compensation arrangement was being formulated, no consideration was made on how to protect the rights of the workers in the trade. In the poultry cull in 1997, there were some irresponsible owners who pocketed all of the *ex gratia* compensation payments. This time when the Government is to formulate the arrangements of the *ex gratia* compensation payments again, no measures are taken to ensure that workers will not be treated at a disadvantage. That is disappointing. It is fortunate, however, that with the help of the parties concerned, and when the executive authorities are under the great pressure of the Legislative Council, a better compensation package has been proposed and put into force. That has minimized to a certain extent the impact on the workers in the trade.

Madam President, we get wiser with the experience we gained. The departments concerned should make a thorough review of the lessons learned from this incident, make a full-scale assessment of the risks and identify the areas that need to be improved. For example, on the issue of poor sanitary conditions in the old markets, can poultry stalls be segregated from other stalls and put in an area of their own, so that they will not mix with other stalls selling clothes or other things? Or about those sanitary standards on the placing of the chicken cages, the number of chickens in a cage, the operation procedures taken by the workers, and the requirement for workers to wear working clothes and so on, these standards should be strictly enforced. In terms of cleansing, not only should the floor and the chicken cages be cleansed, the ventilation and air-conditioning ducts and pipes should also be kept clean on a regular basis. Chicken stalls and live poultry areas should have independent ventilation systems to make the air less stuffy. A special point to note is that after the markets are closed for the night, the air-conditioning and ventilation systems are all turned off, would that pose a great risk to the live poultry? In addition, there should be strict monitoring of the transportation of the poultry and the sources of the avian flu virus must be traced in order that the potentials for an outbreak of avian flu can be eliminated. More importantly, when policies have been formulated, they should be consistently and strictly enforced.

I hope that with the supervision and assistance from the departments concerned, the poultry trade can work together to improve its business environment, the poultry quarantine system and sanitation in the markets, as well as to take the preventive steps to forestall the recurrence of avian flu. It should

also aim at minimizing the inconvenience caused to the public, the impact on the trade itself and the workers, as well as any unnecessary spending in public money.

I so submit to support the motion and the amendment. Thank you, Madam President.

**MRS SELINA CHOW** (in Cantonese): Madam President, I believe a consensus has been reached in this Council that we all regret the recurrence of avian flu in Hong Kong and we do not want to see another hit on the territory again. I think we will work together to prevent avian flu from recurring.

What has caused regret in us is that apart from the occurrence of this incident, there is also something which baffles us. After the outbreak of the avian flu in 1998, certain improvement measures have been adopted in poultry supply from the Mainland, quarantine of imported poultry and sanitation in the markets, but we are unable to know the source of the avian flu this time. There are lots of speculations on this. Some people say that avian flu started in the chicken farms in the Mainland which supplied the chickens to Hong Kong. Some say that the chickens contracted the virus on their way to Hong Kong. Others say that the chickens contracted the virus after having been imported into Hong Kong and after inspection work had been done.

It is hard for me to accept these explanations, for we already have the experience of avian flu and have since taken some preventive measures, but we are still unable to identify the source. It may actually be the existing arrangements we have that we are unable to locate the source. We know when we talk about the incident with those in the trade that many of the arrangements are beyond the control of the Government and the trade. For example, chickens from different farms are gathered and transported to Hong Kong on vehicles from the Mainland, then they will be put on local vehicles and transported to places in the territory. When the chickens are imported into Hong Kong, as the number is very great, even if sampling inspection is done, those chickens with virus may not be accurately and reliably singled out. Hence the source of the virus cannot be located. Nobody knows if this is really the cause. The poultry trade thinks that they have been unfairly treated. What they hope is that the problem should not be allowed to remain there until the slaughter of all chickens has become a necessity. The problem should have been prevented at the quarantine stage and its gravity detected then. Once problems are found, they can be traced back to their origin.



It is against this background that the poultry trade has proposed the idea of a "through-train" way of conveying the poultry. That is to say, the same fleet of vehicles should be used to convey the chickens, instead of having the chickens conveyed in different vehicles. What is the advantage of the former method? The poultry farms in the Mainland will use the vehicles in the Mainland and the cost for using mainland vehicles is cheaper than using local vehicles. But why does the poultry trade in Hong Kong prefer to use local vehicles even if they have to pay more? The first reason is that if local vehicles are used, there is no need to put the chickens onto other vehicles after they are imported into Hong Kong. This will minimize a certain degree of risk. The second reason is that there may be better control of local vehicles in cleansing and sanitation. Having said that, the problem cannot be solved with the efforts of one party alone. I hope the Government will discuss the issue with the mainland authorities on this proposal.

There is also a fundamental problem and that is the lack of adequate transparency in supplies. We know that when avian flu first appeared in 1998, we took a series of measures and for the following couple of years, we were very confident that these measures would be effective. However, in recent years, public confidence began to erode. People in the trade thought that the problem began to get worse because they found that the quality of the chickens could not be maintained. If people in the trade are having doubts and lacking in confidence, how can we expect the public to have any confidence? The Government should therefore think of ways to deal with the series of problems.

I also agree with some Honourable colleagues that some of our markets are really not up to standard. However, can the Government absolve itself of all responsibilities? The answer is of course no. I cannot understand why Dr LO and those Honourable Members who agree with him that apart from the poultry trade, no one should be held responsible. As a matter of fact, the owners of the markets are the Food and Environmental Hygiene Department, the Agriculture, Fisheries and Conservation Department, and the Housing Department. These departments have failed to put the sanitary conditions in the markets under control. This is something we cannot accept. I think we all need to work hard on that.

The poultry trade is aware that the public has reservations on centralized slaughtering and they know that despite the fact that theoretically there appears to be some protection in sanitation, centralized slaughtering does have many disadvantages. With Hong Kong being a gourmet's paradise, the public here

thinks that there is a unique flavour in live chicken meat and that is something which contributes to the quality of our food. If centralized slaughtering is adopted, many people will resist the idea of eating chilled poultry instead. That will also affect the quality of our food. This is something we do not want to see.

The trade well understands that we all want to enhance the sanitation level and the people in the trade are willing to help and co-operate to solve the problem. They do not want to see the problem being described as something exclusive to the trade and there is no need for the Government to care about it.

**MR MICHAEL MAK** (in Cantonese): Madam President, in such a short span as four years, avian flu has occurred in Hong Kong twice and the Government is compelled to undertake a massive slaughtering of chickens. In these two operations, a total of \$238 million was spent as compensation and *ex gratia* payment. In the operation carried out this May, most members of the public praised the Government for its swift response to the crisis, but we are worried whether there would be a recurrence of avian flu in the future. At a time when public spending is reduced and the economy has not seen any signs of recovery, can we afford the hundreds of million dollars of compensation payments?

To tackle the problem of avian flu at its roots, the Government has proposed to adopt the centralized slaughtering system to prevent individual retailers from handling chickens improperly, thereby triggering the outbreak of avian flu. I have reservations on the idea of centralized slaughtering. It is because it may not be the panacea to prevent the occurrence of avian flu completely. The centralized slaughtering of different types of poultry may also cause cross-contamination and re-assortment of the avian flu virus. In the end and as a last resort to prevent the spreading of the virus, a massive slaughtering of poultry may also have to take place. The result will be the same as the present practice of having the poultry to be handled by individual poultry sellers.

Moreover, centralized slaughtering will lead to certain social problems. For example, the some 2 000 workers in the trade would be forced out of their jobs. Some people may say that the Government may assist them to find work in other trades. But it would be very difficult for these workers, many of whom are middle-aged, to find jobs elsewhere. Centralized slaughtering would change the eating habits of the people as they can only buy slaughtered chickens in the market. They may no longer have a chance to see for themselves whether

the chickens are alive and well before they buy them. In this way, centralized slaughtering would deprive the public of their right to choose. If the Government can provide research findings to prove that centralized slaughtering can prevent the occurrence of avian flu, and that a scheme is in place to help workers in the trade to find other jobs, then I would give my support to the idea of implementing centralized slaughtering.

To identify the source of the avian flu virus, a mandatory labelling system for chickens should be introduced. This will facilitate the departments concerned to identify the farms which are the source of the virus once the virus is found in the quarantined samples. In this way the other chickens infected in the course of conveyance can be destroyed and that the farms concerned can be barred from importing chickens to the territory. Poultry stall operators should be required to handle separately poultry which is delivered at different dates. They should be required to cleanse the chicken cages everyday to maintain a good hygiene condition of their stalls. Monitoring and supervisory efforts in importing, wholesale, transportation and in the markets should be stepped up. Though this would surely raise the costs, it is worthwhile when seen from a long-term perspective and in particular, from the perspective of risk management.

Apart from Hong Kong, other countries have also been hit by avian flu. In order to minimize the adverse impact of the disease on human beings and animals, special laboratories have been set up to make a surveillance of the developments in bird viruses. For example, in Harbin, China, a laboratory for animal testing in the avian flu virus has been set up. I suggest that the Government should set up a research centre for bird viruses and obtain poultry samples from markets in different places of Hong Kong and from major farms in the Mainland regularly for analysis. In this way the changes in the avian flu situation in Hong Kong and south China can be monitored.

In December 1997, the Government announced that a new strain of avian flu was discovered. After a boy died of this strain of avian flu, many people with signs of influenza flocked to the emergency wards for consultation, causing a drastic rise of more than 20 000 people admitted to emergency wards over the previous month, that is, November 1997. In order that this kind of panic among the public can be dispelled, the Government should enhance its efforts in community education and make the public informed of the causes, symptoms and serious nature of avian flu. In addition, the Government should suggest proper ways of handling and cooking poultry meat.

Madam President, there are some Honourable Members who have said that it seems as if we are being too generous at the expense of others. I think they just lack a sense of social justice. First, no one has ever wanted avian flu to occur. Second, after its occurrence, we should not try to pass off the responsibilities. If as Members of this Council we think that the Government has not done its job well enough, we should ask ourselves what have we done as Members of the Council to monitor the work of the Government. If the way they think and their concepts are always right, then there is no need for us to devise any plans to improve on the work in social welfare, health, correctional services and so on, and to work to improve the behaviour of the public and our culture or to eliminate what is unfair and unhealthy in our society.

Madam President, I so submit to support the original motion and the amendment.

**MR JASPER TSANG** (in Cantonese): Madam President, an article advocating a complete change in the operating mode of poultry retail has this as its title: "Which is more important — delicious dishes or people's health?" I do not quite know how to answer this question. Many people do indeed wish to enjoy delicious dishes even at the risk of doing harm to their own health. However, many others, such as some Members of this Council, actually attach very great importance to a healthy diet. Mr Martin LEE, for example, has been adhering rigidly to a healthy diet, which is why he is so very healthy. However, not many Members belonging to the Democratic Party are like him. That is why the health of many the Democratic Party Members is just like that of a "gastronome" like me, only that the conditions of their eyes are not so poor.

The more advanced and civilized humanity becomes, the less likely that people will prefer health to gastronomy. We can even say that without gastronomy, the progress of our civilization will certainly become less remarkable as it is. We need not quote the example of those who eat globfish at the risk of their lives to illustrate this point, and if we simply look at the modern-day society, we can already notice that there are many delicious foods which doctors say are bad to people's health. If people follow doctors' advice of refraining from eating these foods, then they will probably find that there are many kinds of food which they cannot eat. The reality, however is not quite like this.

Madam President, the point I wish to raise is that the title of this article is actually founded on a wrong premise, because it looks at avian flu as an issue involving two mutually exclusive options: delicious dishes and health. What is implied is that if people wish to enjoy delicious dishes, then they will have to forego their health, or if they wish to remain healthy, they will have to give up all delicious foods. This means that they should stop thinking about buying live chickens from markets and consuming them. But is this really the case in reality? Is the poultry industry really in such a poor state? Is it really true, as described by Dr LO Wing-lok, that if the poultry industry continues to operate as it is, Hong Kong will be unable to bear the consequences?

During the discussions of the relevant Panel of the Legislative Council, I once asked, "Fire frequently breaks out in Karaoke establishments, and people will also be plunged into great dangers if fire breaks out in restaurants. That being the case, should we just close down all Karaoke establishments and restaurants?" Dr LO Wing-lok said that should not be the case. I do not know what reasons he has, and it is a pity that he cannot offer an answer now as he is not in this Chamber. According to him, fire and avian flu are of a very different nature, because the effects of avian flu are much more far-reaching. He did talk about \$100 million, \$200 million. Only six people died as a result of the two outbreaks of avian flu, but the number of casualties in one single fire may be far greater than this already. So, how can we argue that outbreaks of fire are not important? Dr LO Wing-lok wondered if we should continue to keep so many live chicken stalls regardless of the resultant costs. But we can also ask, "Should we continue to operate so many restaurants and Karaoke establishments regardless of the costs?" If we close down all these establishments, the functional sector which Mr Tommy CHEUNG represents will certainly be deleted. So, I think the logic involved is not quite like that given by Dr LO Wing-lok. We simply should not argue that if the live chicken trade continues to exist, Hong Kong will be plunged into deep trouble.

One or two Members talked about the outbreak of avian flu once every three to four years. Why do people argue in such a way? Is this really a rule rather than an exception? Is it really true that if the live chicken or poultry trade continues to exist, avian flu will definitely break once every three to four years? This is nothing but a defeatist mentality, a mere excuse to shirk responsibilities, which does not stand to reason at all.

Is it really true that not any improvement has been made since the last outbreak of avian flu? This is definitely not true. We notice that the Government has put in place many preventive and quarantine measures; we also notice that the hygiene conditions in poultry farms and wholesale markets have been greatly improved. Following the last outbreak of avian flu, many people suddenly realized that the problem of poor hygiene in many poultry farms and wholesale markets has existed for decades. But then, lots of improvements have been made over the past few years. That is why I do not think that it is just a coincidence that the origin of the virus this time around is not found in poultry farms and wholesale markets. In contrast, as many Members have pointed out, the hygiene conditions of the poultry stalls in retail markets have not shown any marked improvements over the past few years. The Government is not the only one to be held responsible for this, and we should not shift the blame to stall operators either. Various factors have led to the lack of significant improvements in the hygiene conditions of markets over the past few years. So, I do not think that it is just a coincidence that the virus was first detected in the markets run by the Food and Environmental Hygiene Department.

I am sure that both the original motion moved by Mr WONG Yung-kan and the amendment moved by Mr Tommy CHEUNG today are not meant to shift all the blame on to the Government. Following the recent outbreak of avian flu, many Members have held many meetings with people engaged in the poultry industry, including those belonging to the poultry feed, retail, wholesale and conveyance sectors. We can all testify that during all these meetings, all from the poultry industry, including operators and employees, did show a very strong intention of improving their mode of operation. They put forward many improvement proposals, and they certainly did not intend to shift the blame on to the Government. But are proposals in the motion and the amendment really feasible? Or, should they be implemented at all? Or, if they are to be put into practice, why do we not ask the Government to be responsible for the work?

**MR ALBERT CHAN** (in Cantonese): Madam President, for two weeks, avian flu has been discussed as an important subject in this Council. Last week, this topic was discussed by the Finance Committee, and this week, at this meeting of the whole Council, a formal motion on it is once again discussed. That avian flu, commonly called "chicken plague", has still to be discussed as such an important subject in a legislature in the 21st century is really something very saddening and ironical. Most people would think that such problems should

only occur in backward countries or ancient agricultural societies. Their occurrence in a metropolis will only show that the systems put in place by the government and its handling of the problems are plagued with loopholes. To handle the crisis arising from this chicken plague, the Government has had to spend \$240 million, which is a very big sum. Simple calculations tell us that with \$240 million, we can build 26 schools, or meet the CSSA payments to 3 000 families for one year. This type of expenditure could have been avoided, but why have there been two outbreaks of avian flu in a matter of just four years? It is hoped that the Government can learn from the bitter experience and make thorough-going improvements.

Actually, as mentioned by quite a number of Members, the avian flu issue is connected with many policies and measures, and it has been in existence for many years. I remember that when the Yeung Uk Road Market was inaugurated in 1990, the chicken stall operators there have lodged lots of complaints. The Yeung Uk Road Market is one of the three markets where avian flu was first detected this time around. But the Yeung Uk Road Market was completed as recently as 1990, and it is quite a modern market already. The main reason for constructing this market years back was that the Government had to resettle the hawkers in the area; for this reason, several dozen chicken stalls were moved to the market at that time. In 1990, when the market was completed, the poor ventilating system of the whole market was the cause of most complaints from stall operators. This was something that happened as early as 10 years ago. And, the poor ventilating system of the chicken slaughter room there was one of the biggest causes of discontent and grievances among stall operators. I went to the chicken slaughter room a couple of times then, and all I saw there was thick steam all around, which reduced one's visibility to less than 5 ft. Members know that chicken stall owners all put their stoves and boilers in the slaughter room, because they will first slit the throats of their chickens and drain their blood, and then bring the chickens to the slaughter room for de-feathering in hot water before bringing them out again for sale. All the 20 or so stall operators at the Yeung Uk Road Market did their work in the same slaughter room, but the ventilating system of this newly completed market was far from good enough at that time. It was only after repeated complaints and with the assistance of District Board members that the Government eventually agreed to spend several million on improving the ventilating system of the market. But such an improvement was made only after the completion of the market. I really fail to understand the reason why a market with such advanced facilities, designed by so many professionals, should

have developed into such a problem. And, even after the installation of additional ventilating facilities, stall operators are not entirely satisfied. This is especially the case in summer, when the ventilating system of the chicken slaughter room is unable to provide adequate ventilation.

The chicken slaughter room is just the tip of an iceberg. I am sure that people must have visited markets in many districts in Hong Kong, and I am sure that they will notice a very serious ventilating problems in all these markets, whether old or new. Over the years, we have been putting forward many requests to the Government on behalf of the stall operators in different markets. But, invariably, in each case, it took us a very long time before the Government finally entertained our request. It is hoped that following the bitter experience this time around, especially after it has been forced to spend \$240 million on remedial measures, the Government can install some facilities which can really improve the overall ventilation of our markets, for with poor ventilation, germs and viruses will spread very easily.

Madam President, having criticized the Government so much, I must praise it for one matter — its handling of the recent crisis arising from avian flu is markedly better than what it did last time. The decisive actions taken by the Government this time have cost it millions of dollars in compensation. In order to bring the situation under control and solve the problem, the Government launched a very large-scale operation within a very short time. During the operation, many government workers worked very hard, which is why I must take this opportunity to express my thanks to them. And, I also wish to express my appreciation of their performance. Concerning compensation, the various political parties in the Legislative Council have taken a rare move in forming an alliance to exert pressure on the Government, pressing it to make concessions over the protection for the affected employees. Naturally, the final settlement scheme is still not perfect, but at least there is a bit more protection for some of the affected employees.

Madam President, just when the avian flu incident was going on, the Government promulgated a logo for Hong Kong. Members should know that the logo depicts a flying dragon, with the words of "香港/HK" printed below it. When I chatted with my friends at that time, they all said that upon close examination, the logo could look like a dragon, but it could also simply be a chicken cornered by a butcher, with feathers standing up and mouth wide open because of pains. Such a comment sounds really interesting, for \$9 million was



spent on the design of the logo, but the final product is looked upon by some as a "chicken with avian flu" which is cornered by a butcher. The Hong Kong Government has been trying to promote Hong Kong as a modern city always on the move. Therefore, I hope that avian flu will never break out again, or else Hong Kong will certainly become a "City of Avian Flu".

Thank you, Madam President.

**MISS CHAN YUEN-HAN** (in Cantonese): Madam President, in the avian flu incident this time, the two public officers sitting in this Chamber now are the major figures in the "opposite camp" with whom we dealt with. So I would like to talk about them first. In handling the avian flu incident this time, the Government has made concessions repeatedly when our opinions differed. There was a night when I talked with Mrs Stella HUNG KWOK Wai-ching as late as well past 11 pm and she said that we might go on talking. I think her attitude deserves our praise. However, I would also like to make some criticisms.

The avian flu incident has been effectively and speedily handled this time, and that is because the Government has learned the lessons from the avian flu incident in 1997. However, there are still some problems which are left unsolved. And that has made us worried. For example, the issue of centralized slaughtering has been put forward for consultation as soon as the incident is over. As members of the Federation of Trade Unions (FTU), we are opposed to the idea. A while ago I heard outside the Chamber the ideas presented by our party chief Mr Jasper TSANG on gourmet food and health. I agree with what he says. I think we cannot simply say that the outbreak of avian flu is due to live chickens and so centralized slaughtering should be adopted. This shows that we have not considered the issue of whether we can find a solution to all the related problems as a result of this incident, and the fruit of such consideration could make us stand out among other places which have been hit by avian flu. I think we have something unique in ourselves. There are two sides to a coin. If the Government can handle the incident effectively, the areas which need to be improved will gradually become better. The question is that the Government has not learned the lesson regarding the causes leading to the outbreak of avian flu in 1997, nor has it learned the lesson from the views put forward by the poultry trade in 1997 on the compensation package. After the outbreak of avian flu last time, the labour sector asked why no

compensation was given to workers in the compensation package proposed by the Government. The Government has not learned a lesson from that. At that time many of the people in the trade were in urgent need of money to tide over their difficulties, and so we were forced to agree to the compensation package. However, the views we expressed at that time should be recorded and these views should be considered when the compensation package is formulated this time.

I have said earlier that there are two sides to every coin. In 1997 when problems arose, the poultry trade and the public had put forward a lot of views. The views raised were unlike those put forward by the Government that centralized slaughtering should be adopted. Views like tracing the source of avian flu were put forward. Unfortunately, these are not adopted. Presently there are a lot of rumours on the sources of avian flu. From what we can see, the farms in the Mainland which supply chickens to Hong Kong seem to be doing their job well. However, we have also heard of unquarantined chickens being swapped or passed off as quarantined chickens. I do not know whether this is true or not. Some people say that when farms which are considered to be qualified to deliver chickens to Hong Kong do not have enough chickens for such purpose, they will find some chickens from other farms to pass off as their own chickens. Is this really the case? The Legislative Council has set up a subcommittee to follow up the engineered works left over by the two former Municipal Councils and there is a Panel on Food Safety and Environmental Hygiene. Members from these two committees have raised the point to the Government that the ventilation problem in the markets must be solved. The market in Tai Shing Street belongs to my constituency and the stuffy air in that market is something we all know. The Government is also well aware of the conditions of the chicken stalls there. But when the Panel and the Subcommittee raised the issue to the Government, the Government replied that the problem of installing air-conditioning system is being studied. That is only dragging the problem without solving it. In 1997, when Hong Kong was hit by avian flu, foreign countries declared Hong Kong as an epidemic city. We were greatly distressed. The poultry trade raised a lot of suggestions, but the Government did not seem to consider any of these, nor did it adopt them. When the two Municipal Councils were abolished, the problem was transferred to the Legislative Council. I am a member of the Panel and the Subcommittee and I have put forward my views many times, but the Government has not paid any serious attention to the management and air circulation problem in the markets. Lots of problems remain unsolved. These include the entire system

of quarantine, labelling and transportation of the imported poultry, as well as the problems found in the markets. When these problems remain unsolved, the Government is putting forward the idea of centralized slaughtering. In my opinion, not only will the centralized slaughtering system destroy the poultry trade, it will also destroy Hong Kong.

I would like to turn to another subject and maybe I should emphasize how serious the problem is. For example, we used to have a lot of places of historical or cultural interest. In the past when urban development was to take place, many groups put forward a lot of views, but none of them was adopted. What the Government is interested in is only property development. And so much of our heritage has been destroyed. After the establishment of the Urban Renewal Authority, it has stated that it will preserve places of historical and cultural interest and will not just demolish buildings, despite this claim, however, for some time we have taken a course that we do not want to. By the same token, are we going to adopt centralized slaughtering as a panacea for all our problems? I do not think we should. I hope very much that the Government can consider our views.

I would also like to raise one point and that is: the Government says that it wants to turn Hong Kong into a financial centre and that it will be committed to the development of high-technology and to make Hong Kong a so-called new Manhattan. But if the Government wants to implement centralized slaughtering, then what is going to happen to those grass-roots workers whose number stands at over 1 million? For tens of thousands of workers will lose their jobs. What are we going to do about this? All these problems should be considered by the Government.

In addition to that, I would like to talk about the compensation package this time. I do not want to talk about the amount of the compensation, I just want to ask why workers are not included in this compensation package. The Government tells us that it does not want to intervene in the numerous rounds of negotiations held. But I wish to state that it is not a question of whether the Government should intervene or not, it is a question of whether we want to address the problems we have. There are some workers who have no one to care for them and Mrs HUNG knows this very well. We have held many discussions on the issue of what we should do to help these workers. The Government recognizes that this issue does exist, and the issue does not surface as a result of this incident, it has already been pointed out by someone during the

last avian flu incident. The only problem is that it has not been properly addressed. The present compensation package brings out the bone of contention that we have in this assembly. People from outside will not be able to understand what we are talking about, they think that we are saying something not sensible, just like what Dr LO Wing-lok has said earlier. However, people may come up with a different conclusion, especially after I have showed them the workers in the markets.

I would like to tell Mrs HUNG and the public officers that in this incident, the Government has already intervened. For if they have not done so, the FTU would not have given its support to the amended package proposed later. Therefore, I think they should admit the fact that they have indeed intervened. Even as they have intervened, they have not done what we have expected, and that is to deal with the issue of compensation to be made out to workers as a separate issue. Those casual workers, that is, those who work for less than 18 hours for a continuous period of four weeks are the ones we should take care of. I take these workers to the Social Welfare Department every day and that is what I do. I would like Mrs HUNG to know that there is a great number of these workers. My present task is to bring them to the Social Welfare Department every day. My wish in bringing them there everyday is that when the Government is to reach any conclusion on this issue, it should not hastily think that everything has been resolved.

Finally, I would like to ask the Government two questions. The first one is, can the decision to implement centralized slaughtering not be made in haste? For these are some issues which we need to consider and reach some conclusions. Secondly, why are the workers in the poultry trade being treated so unfairly? Madam President, we support the original motion and the amendment. Thank you.

**MR NG LEUNG-SING** (in Cantonese): Madam President, I had originally intended not to speak — Mr LEE Cheuk-yan happens not to be here in this Chamber. As some Honourable Members responded to the speech delivered by Dr LO just now, I want to take part in the discussion as well. After learning a lesson from the 1997 incident, the Government has responded swiftly to the outbreak of avian flu last month. With the close co-operation among various government departments and proper co-ordination, the Government has been able to slaughter chickens within a short period of time to effectively curb the

spreading of the virus. It is fortunate that no one has died as a result of this outbreak. Judging from the chicken-slaughtering action alone, we can see that the establishment of the Environment and Food Bureau to centralize the management of policies related to food and environmental hygiene helps enhance administrative efficiency.

It is however regrettable and disturbing to note that we know very little about the real source of the two outbreaks. After the outbreak of avian flu in 1997, the Mainland has taken a series of additional measures with respect to the quarantine of poultry supplied to Hong Kong. As Members are all aware, a number of measures for strengthening management have been adopted. They include the setting up of a registration system for feeding grounds, the introduction of separate quarantine, sampling examination, packaging surveillance, centralized barging, departure inspection, and so on. Yet there eventually came another outbreak of avian flu. Views appear to be divided in Hong Kong over how the virus has been triggered and whether the virus has originated from the Mainland or locally. Some public opinions and reports hold that the virus has come from the Mainland, yet they lack substantial evidence to support what they say. On the other hand, a lot of people think that the virus might have been triggered off during local conveyance, or in the wholesale or retail markets. For instance, there are some who hold the view that the virus can be easily triggered off in hot weather because of the size and number of poultry stalls, the unsatisfactory sanitary conditions, and the poor ventilation of local markets. On the other hand, some people think that the spreading of the virus has been caused by the improper cleansing of bird cages in wholesale markets and market stalls, and the accumulation of large stock of chickens.

In any case, the truth is that the Government has so far been unable to come up with a scientific and concrete conclusion with respect to the source and causes of the avian flu. Obviously, this is not satisfactory. Even though the Government has decisively taken the effective measure of chicken slaughtering, it is still unable to guarantee that the avian flu will not appear for a third time. The relevant trades and the whole community will still need to pay a high price for this. Therefore, to trace the origin is of utmost importance. In order to achieve this, the Government should not focus on the supply of chickens by the Mainland only by looking to the Mainland for causes whenever problems occur. It should, at the same time, strengthen surveillance with respect to local conveyance, wholesale and retail, examine and formulate a standardized process of operation in line with hygiene standards with the ultimate goal of effectively preventing the outbreak of the virus and effectively tracing the origin whenever the virus is detected.

Another issue of public concern triggered off by the recent outbreak of avian flu concerns compensation offered to the trade. One of the most prominent points is that there are no concrete mechanism and standard with respect to the determination of the amount of ex-gratia allowance. This gives the public the impression that the Government can exercise great discretion in handling the matter and disputes often arise easily. Obviously, the Government has to take further follow-up action and improvement measures to tackle the problem. In principle, if, under normal circumstances, fresh or packaged food is found to be unable to meet hygiene standards or having other problems that will harm public health, retailers, wholesalers and manufacturers are obliged to recall their products voluntarily. In this process, the community is not obliged to give compensation or subsidy. This is because the relevant trades must bear associated risks in the course of operating their business. The trade has its unique way of operating live poultry business. In order to tackle avian flu, it is also necessary for the Government to carry out mass slaughtering. As the source of the avian flu is still uncertain, the Government can only choose to kill all chickens. As in the case of natural disaster, there is nothing the Government can do but to grant allowance. As a matter of principle, however, the community has put in place a set of environmental and food hygiene standards and has the right to ask the relevant trades to comply with the relevant standards before they are allowed to operate. This is the major responsibility of the operators who want to make profits. Regrettably, it seems to me that the original motion and the amendment are trying to avoid mentioning the responsibilities of the trade. There must be a reasonable and clear basis for the granting of compensation or subsidy to individual trades. The Government must act with caution when society instead of the trade is asked to bear the operating costs. This is exactly an integral part of a clear concept on governance.

Therefore, I have reservations about the original motion and the amendment for they have only made an appeal to the Government while failing to ask people in the trade to share out the work and co-operate with one another before the source of the incident could be identified. Madam President, I so submit.

**DR RAYMOND HO** (in Cantonese): Madam President, the avian flu is a terrible virus. It kills and may be transferred without warning from fowls to people. When the avian flu attacked Hong Kong in 1997, six people died. To

prevent the spread of the disease, the Government then killed all chickens and other fowls. Now, the Government takes the same steps to tackle the problem but with greater determination and swiftness. As a result, there is no victim this time, which is something to be commended. However, killing fowls is only a temporary measure while exterminating the virus is a permanent one.

Four years ago, the Hong Kong Government killed all fowls in Hong Kong and lost a large sum of money. Worse still, Hong Kong's image was tarnished; but what did it get in return? Is the avian flu this time not more severe than the one last time? If the avian flu attacks again in future, will other innocent fowls be victimized once more? Will the Government have to deal out large sums of compensation again? Madam President, at the meeting of the Finance Committee last Friday, the Government applied for a new financial commitment, which was a large sum, as compensation and *ex gratia* payments to poultry operators affected. Did the authorities foresee, four years ago, that they have to pay a heavy price today for the avian flu? If we could put the clock back, I would spend the same sum on preventive rather than remedial work. For me, I would spend the money on work such as improving the hygiene and ventilation in our markets. People who have never been to the markets would not know the unsatisfactory conditions of the markets.

Hong Kong should have learned a lesson after the outbreak of the avian flu in 1997 and there should not be a second outbreak. Why did it happen again in four years? I trust this has to do with the hygiene in our markets and the way poultry operators operate.

To a certain extent, our market hygiene is related to the facilities in our markets, such as the availability of air-conditioning and proper drainage systems. It is also related to the co-operation and self-discipline demonstrated by our poultry operators. After the outbreak of the avian flu four years ago, the Government urged poultry operators to clean their shops and cages frequently and wear gloves and white gowns in handling chickens. But only a few operators follow the advice. That is due to the fact that it is part of Hong Kong people's nature to take opportunities well and poultry operators regard time as money. Thus, given the very high rents for shops in Hong Kong, poultry operators may find government advice incongruous with their operating principles, for cleaning stalls and cages is time-consuming while wearing gloves and white gowns would cause delays. Understandably, they will not heed the advice of the Government. Thus, one can easily tell whether or not poultry operators will close their stalls for a day periodically for a thorough cleaning of their shops and cages. The answer is clear enough.

Since the Government cannot effectively control the way poultry operators operate, it may be a good idea to change the way poultry operators operate. For example, the Government may encourage poultry operators to reduce their stock of live chickens so that as many chickens as possible are sold at the close of business each day to reduce the chance of diseases being spread. The Government may also encourage poultry operators to control their purchase to avoid having too many chickens left unsold. If poultry operators can take these steps, I think they may help to avoid a further outbreak of the avian flu.

The avian flu has certain negative effects on the reputation of Hong Kong. So, the Hong Kong Government must face the issue squarely. Killing the chickens and paying compensation are only temporary measures. The best step to take is to remove the source generating the virus. I hope that through this discussion, the Government and the public may pay more attention to the case in order to avoid a third outbreak of the avian flu.

Madam President, I so submit.

**PRESIDENT** (in Cantonese): Does any other Member wish to speak?

**MRS SOPHIE LEUNG** (in Cantonese): Madam President, I have listened to a number of Honourable colleagues who have spoken on the motion today, but I would really like to say sorry, for every time when I have heard them speak so wisely, I would feel a need to add something. Many Honourable colleagues have said earlier that the motion and the amendment have not mentioned anything about the responsibilities of the poultry trade. Only the question of principle has been raised and it seems that the principle has been violated or something like that. What role in fact should the Government play in incidents like this? Someone has also raised the point concerning those in the poultry business who deliver live chickens to the Hong Kong market and what responsibility should they bear to keep the goods (that is, the chickens) fresh. Discussions like these are in my opinion well-grounded. However, many Honourable colleagues, including those who are opposed to the original motion or the amendment, conclude by saying that if no effective method is found to prevent the recurrence of avian flu, then the centralized slaughtering system should be considered. That is almost like saying that all other issues need not be considered.



I would like to ask all Honourable Members who hold such an opinion, are we sure that there is no effective solution available? Have we ever tried other methods which would work out? In this regard I would like to cite one example. In the summer of 1996, that should be the year if my memory does not fail me, there was an outbreak of E.Coli epidemic in Tokyo. Many children got infected and there were some adults too. The authorities in Tokyo quickly took measures which used to be at the research and experimental stages to deal with the problem. They proved to be very effective in stopping the epidemic and were even able to prevent its later recurrence. I think for the authorities in Tokyo, that was a great success. Moreover, the people can continue with their eating habits and there is no need to change all the eating habits just because of some germs.

Madam President, with your permission, I would like to say that there are actually some other effective solutions. In 1998, when Hong Kong was hit by avian flu, the public suggested that this approach should be considered, but the Government ignored it completely. This time when the avian flu incident occurred, I talked to people at all levels and I said to officials from many departments that this approach should be considered. It is because if this approach is adopted, it is likely that the spread of this virus can be checked in the chicken farms and markets. If this is proved to be effective, it can be introduced in chicken farms for cleansing. In the course of the outbreak of the epidemic, we can see that it is clear that the virus came from the faeces of chickens and waterfowls and subsequently the chickens got infected. In the Government's efforts to prevent the outbreak of avian flu for a third time, it seems that the Government has not given the approach a thorough study. I hope very much that the Government will do so. Besides, I would like to remind the Government that the Japanese Government used a kind of ozone technology to deal with the problem in 1996. It was in fact a very simple technology. Afterwards the FDA of the United States also uses this ozone technology in many of its measures in protecting food. Therefore, I think this approach should be considered.

The second point I wish to mention is about the point made by many Honourable Members earlier that the Government has not taken any effectively measures. I believe in the first outbreak of avian flu in 1998, there were many Members of this Council who reminded the Government to pay attention to a number things. The Government has certainly adopted some measures which are appropriate, for if not, the outbreak of avian flu this time would not have

been detected so quickly. However, the approach taken by the Government can also be said to have given the public an unfavourable impression, for the public will think that the Government has not really looked into how avian flu can be prevented. They will ask whether any more effective measures are available to prevent the occurrence of avian flu at its source. They will also ask whether any attempt has been made to find out the source of the virus.

Some members of the public have talked with me concerning the avian flu incident. They ask why is the way in which the Government handles the incident often gives people the impression that it is just trying to settle the matter in haste, and then the case will subsequently be closed. It seems that the Government is doing nothing to convince us that it is looking for a real and long-term solution. In this regard, I would like to bring out a point expressed by the public and that is, is the Government just trying to settle incidents this way and close the file on them? I hope it will reflect on this mentality and to see whether its actions are affected by this culture. The Government should really reflect on this and to see how it can give confidence to the people that government officers are not just trying to settle the matter but that the root of the problem will be thoroughly looked into, and that they will positively try to look for a solution.

Madam President, I so submit.

**PRESIDENT** (in Cantonese): Does any other Member wish to speak?

(No Member responded)

**PRESIDENT** (in Cantonese): Mr WONG Yung-kan, you may now speak on the amendment moved by Mr Tommy CHEUNG. The time limit is five minutes.

**MR WONG YUNG-KAN** (in Cantonese): Madam President, the motion I move used to contain four points and Mr Tommy CHEUNG has amended it to five. Irrespective of the fact that the motion may contain four or five points, there is a common ground between Mr CHEUNG and I and that is, after the outbreak of avian flu we have tried our best to help the trade engage in a dialogue with the Government and to look for an effective solution. In Mr CHEUNG's amendment, he has deleted the idea of a local poultry quarantine system which I

think is the most important, nonetheless, he mentions the idea again in his speech.

Why do I bring up the issue of a local poultry quarantine system? It is because a local poultry quarantine system and a poultry quarantine system in the Mainland are one and the same thing and the two should be linked. We find that the local and mainland quarantine officers, including the veterinary surgeons of our Agriculture, Fisheries and Conservation Department (AFCD) have only taken samples from those chicken cages at the top of the pile for quarantine purposes. That is merely done for the sake of convenience. As a matter of fact, quarantine work done in the past was not like that. The quarantine sampling size was greater and not just chickens from five or six cages were sampled, but that one or two chickens from each cage of a large number of chicken cages would be sampled for quarantine purposes. But that is not done now.

However, the AFCD deserves to be commended for one measure it have taken and that is the system of taking samples every 15 days. When live chickens are delivered to the farms, they will be put in quarantine. Then for every 15 days thereafter, sample testing is done and the numbers will all be put down in record.

In addition, there are some Honourable colleagues who have raised the point of chickens to be delivered at night time. According to practice in local farms, the person responsible must inform the Government three days before chickens are to be delivered and they can only do so after permission is obtained from the Government. That is something very clear. However, we have discovered a problem and that has been mentioned by Mr Tommy CHEUNG earlier, and that is the problem of selling chilled and live poultry meat at the same counter. At present, we can see that after chilled chickens, ducks and geese are defrosted, they would be put on sale on the tables for fresh meat. Incidentally, Dr LO is not in the Chamber and I would like to ask him whether it is true when seen from the medical perspective that germs would start to breed and so viruses would be caused and leading to cross-infection when chilled and live poultry are put together. I read a piece of news yesterday that South Korea pointed out that the chilled geese from China were found to carry H5N1 virus. A while ago some officials in Hong Kong said that 24 samples were taken from chickens, geese, ducks and other kinds of poultry from the local trade and sent to a laboratory in a university to see if any germs were there. It was found that all 24 samples were tested positive. That happened at a later time and not two or three months ago.

In fact, people in the trade have talked to the government departments to remind them that they should pay attention to some problems. I agree with Mr Tommy CHEUNG that the Government should take some action. During the motion debate, some Honourable colleagues queried whether we were shirking our responsibilities and putting the blame on the Government. They even were of the opinion that we thought that the trade was not responsible and that the Government should bear all the blame. That is not what we mean. Both Mr Tommy CHEUNG and I as well as all Members of the Council were actively involved in the incident and we were all working hard to find out how things could get better. We also made some suggestions. We did not ask the Government to take all the responsibilities. Are we not being sensible when we demand that the conditions in the markets should be improved? We think we are sensible.

Last Saturday I went to the chicken farms and then to the market in Fa Yuen Street. I found that there were no chickens in the market and the poultry stalls were all closed. The market was so hot and stuffy. This morning I went to the market in Yue Wan Estate and I found that there were no chickens for sale. The stalls there were also very hot and stuffy. The Government should therefore pay more attention to the sanitary conditions in the market as well as the problem of rats because rats are running all over the place.

As for the amendment moved by Mr Tommy CHEUNG today, I would not comment on it. I only hope that the trade will handle the incident effectively. And that is what we think. One thing unusual is that in this incident, 10 trade organizations can sit down and discuss how they can solve the problem together with the Government. I will not oppose to the amendment moved by Mr Tommy CHEUNG, for my only wish is that we can join hands to deal with the matters effectively.

Thank you, Madam President.

**SECRETARY FOR THE ENVIRONMENT AND FOOD** (in Cantonese): Madam President, first of all, I have to thank Honourable Members for expressing their valuable views on this motion. The avian flu incident has lasted precisely three weeks since the announcement of the closure of the Yeung UK Road Market, Fa Yuen Street Market and Smithfield Road Market on 16 May and the announcement of further measures to close all retail outlets for live poultry on 18 May to prevent the spreading of avian flu among chickens.

Following the killing of mature poultry in local farms on 30 May, the slaughter has finally come to an end. We have destroyed more than 1.37 million poultry.

However, we have taken only the first step in enhancing the protection of public health subsequent to the detection of H5N1 virus. More is needed to be done. Today, I would like to extend my sincere gratitude for Mr WONG Yung-kan for moving the motion and for Mr Tommy CHEUNG for moving the amendment to give me an opportunity to summarize the developments of the incident and report to Honourable Members our follow-up work.

The public in general is very concerned that the retail shops for poultry should be reopened as soon as possible. First, I would like to inform Members of the work progress in this area.

To start with, I must stress that although we are committed to reopening retail shops for live poultry expeditiously to minimize the impact on the public and operators of the poultry trade, our prerequisite is that public health must be safeguarded. To this end, we must ensure that H5N1 virus detected in the recent outbreak is eradicated completely before we allow resumption of business.

In preparation for the expeditious reopening of poultry retail outlets, the Food and Environmental Hygiene Department (FEHD) has taken three measures:

First, the FEHD firmly believes that the hygiene conditions of poultry shops must be radically improved for the effective prevention of the spread of avian flu virus. To this end, two rounds of comprehensive cleansing and disinfection have been carried out by stallholders under the supervision of the FEHD. In addition, a special inspection team comprising veteran surgeons and senior health inspectors has been appointed by the FEHD to inspect these shops to ensure that the highest hygiene standard is met.

The relevant work has been progressing smoothly. Shops passing the hygiene test will be required to undergo the third round of cleansing before reopening. The entire cleansing operation is expected to be completed within this week.

Second, as exceedingly high temperature will affect the health of poultry and even cause death, the FEHD will endeavour to improve the ventilation of poultry stalls to maintain air circulation and slow down the rise in room temperature.

Insofar as the relevant work is concerned, the FEHD has, assisted by the Electrical and Mechanical Services Department, carried out cleansing for the ventilation systems for poultry stalls in all markets. In order to further improve the hygiene of stalls to arrest the spread of the virus, the FEHD has, assisted by the Architectural Services Department, carried out minor improvement works in poultry stalls and slaughter chambers, including replacing and mending damaged floor tiles, old wall tiles and drain valves, and installing additional exhaust fans in some slaughter chambers. Such works are expected to be completed in the coming few days.

Third, to enhance the trade's awareness and general knowledge of hygiene is also a prerequisite for keeping poultry shops in a permanent hygienic condition. The FEHD has already started organizing hygiene seminars for operators of the poultry trade. The contents of such seminars include the conveyance, storage, slaughter and disposal of poultry, and the hygiene requirements of poultry shops. Such seminars will help operators to manage poultry properly and prevent cross-infection of live poultry after the reopening of the shops.

In addition, the Agriculture, Fisheries and Conservation Department (AFCD) has carried out laboratory tests in the markets by putting some healthy chickens in 13 chicken stalls to see if there is any infection. Retail outlets for live poultry are expected to resume business in mid-June if everything goes well.

Madam President, whether before the outbreak of avian flu or at present, we firmly believe that we have one of the most comprehensive and effective surveillance system for avian flu in the world. A series of corresponding surveillance measures are already in place in farms and at such levels ranging from importation to retail and wholesale markets. Nevertheless, we will take this opportunity to see what further improvement measures can be taken.

First, poultry raised in local farms. I must stress that there was no sign of poultry being infected in local farms in the recent outbreak. At present, local poultry have to be tested in batches for antibodies of H5 avian flu virus within seven days before they are released to the market for sale. In addition, staff of

the AFCD inspect local farms at an interval of once per every two weeks on average under a closely monitored system. If necessary, we will strengthen work in this area. Subsequent to this incident, the AFCD will strengthen publicity on the prevention of poultry diseases and the importance of keeping high hygiene standards in farms.

Second, quarantine for imported poultry. At present, live poultry imported from the Mainland must come from registered farms operated under the State Administration for Entry-Exit Inspection and Quarantine (CIQ SA) and accompanied by health certificates issued by the CIQ SA. Every consignment must be segregated from other poultry five days prior to the issue of the health certificates. In addition, the CIQ SA will collect blood samples five days before the poultry are transported to Hong Kong and issue certificates to prove that the chickens are free from avian flu infection. The FEHD will randomly collect blood samples from every consignment and have them subject to laboratory tests for antibodies of H5 avian flu virus. Imported live poultry will be kept in wholesale markets until the results of the laboratory tests are found to be satisfactory. This is to ensure that no chickens infected with avian flu can enter the markets.

We have been keeping close liaison with the CIQ SA in the Mainland for the purpose of putting curbing measures into actual implementation. We will negotiate with the relevant mainland authorities to strengthen the relevant work. For instance, studies are being carried out to examine whether it is possible for the Government to conduct more random serological tests on live chickens at the boundary, to put in place a mechanism for conducting random serological tests on chickens kept in wholesale markets, carry out more inspections on poultry farms in the Mainland, and so on.

As for the taking of quarantine measures for imported chilled ducks and geese, I must point out that the risk of chilled poultry carrying avian flu virus is much lower than that of live birds.

Chilled ducks and geese imported from the Mainland must be accompanied by official health certificates issued by the mainland poultry health authorities certifying that the ducks and geese are fit for human consumption. The FEHD will verify the certificates at entry points and inspect the ducks and geese. As for the request of removing the necks of imported frozen chickens, as I stated earlier in the debate, the possibility of frozen poultry causing avian flu is

extremely low. In addition, avian flu virus is usually found in the intestines and internal organs of poultry. Therefore, removing the necks from frozen chickens cannot help reduce the risk of live chicken infection.

At the same time, we will endeavour to curb the illegal importation of live and chilled poultry and make sure that such poultry must go through our quarantine system and are fit for human consumption. The AFCD and FEHD will continue to work in close liaison with the Customs and Excise Department (C&ED) and exchange information to help the C&ED carry out anti-smuggling operations.

Third, the market surveillance system. Under the existing surveillance system, we will collect samples from wholesale outlets and markets on a regular basis to see if any infected birds have entered the markets.

We have been able to detect H5N1 virus with the help of the existing surveillance system. But still we will review our existing practice and recommend improvement measures. For instance, we will strengthen the reporting system for dead chickens and conduct more post-mortem examination on dead chickens.

Just now, some Members talked about the process of poultry conveyance, the cleansing and transportation of bird cages, the strengthening of the labelling system, and so on. I would like to hold a brief discussion with Honourable Members here. Insofar as the conveyance of imported live chickens is concerned, according to the existing guidelines issued by the FEHD to transport operators, each bird cage can carry 11 to 14 live chickens from mainland farms to Hong Kong. However, the actual number will depend mainly on the weight and size of the chickens. Generally speaking, transport operators have all along been adhering to the relevant guidelines.

In accordance with the "through-train" mode of conveyance as cited by Mr Tommy CHEUNG, live chickens imported from a certain farm shall be conveyed in the same truck to go through various stages from random checks at Man Kam To to their arrival at the Cheung Sha Wan Temporary Poultry Wholesale Market. According to our understanding, whenever possible, live chickens are usually carried by the same truck from mainland farms to cross the boundary at Man Kam To until they reach the wholesale markets. However, as some mainland farms are situated far away from Hong Kong, the seal put on live



chickens from these farms will be broken at mainland quarantine stations at Man Kam To under the supervision of the mainland quarantine authorities and moved to trucks that can enter Hong Kong and put under seal again.

Chickens transported in these vehicles will be similarly subject to bird flu tests at Man Kam To and carry official health certificates issued by the mainland. Therefore, it is impossible for chickens not yet quarantined for avian flu virus to enter the local markets in the course of conveyance.

As for the cleansing of plastic bird cages, high pressure jets and electrical cleansing machines are available in the Cheung Sha Wan Temporary Poultry Wholesale Market to enable wholesalers to thoroughly cleanse and disinfect their stalls and plastic cages. Staff of the AFCD will inspect cleansed cages. Those not yet thoroughly cleansed will be returned for further cleansing.

The AFCD and wholesalers are exploring the possibility of engaging contractors to provide cleansing service for bird cages and to supervise cleansing work directly. In addition, wholesalers will cease business every 10 days, that is thrice a month, to enable the whole market to be cleansed and disinfected thoroughly. Therefore, the overall condition of the wholesale markets in term of the cleansing and disinfecting work carried out is satisfactory. We will continue to work hard in carrying out cleansing and disinfection work and will not relax in our efforts.

As for the poultry-labelling system, we think the proposal raised by Mr WONG Yung-kan with respect to the setting up of a poultry-labelling system for local and mainland farms to trace the source of avian flu virus will not achieve this effect. The reasons are as follows:

First, a large number of chickens from various farms are mixed together in the wholesale and retail outlets. Chickens will be subject to cross-infection easily if avian flu virus is found in the outlets. Therefore, even if a chicken from a certain farm is found to have avian flu symptoms, it does not mean that the farm in question is the source of avian flu. Therefore, the labelling system cannot help ascertain the source of the virus.

Second, avian flu virus is actually present everywhere in nature. Infected areas may be found in farms, in the process of conveyance, or in wholesale or retail outlets. Therefore, even if chickens are labeled, we will still be unable to

ascertain the single source of the virus. The labeling system cannot help detect and prevent the occurrence of avian flu.

Third, the labelling system will impose an additional burden on the trade. Moreover, there will be enforcement difficulty in, for instance, producing evidence with respect to false labelling.

One point I would like to stress is that we have already put in place an effect surveillance system in line with international standards. The labelling system will not render any help for such work.

I would also like to say a few words on the handling of ducks and geese. As these poultry are natural carriers of avian flu virus, we have implemented the policy of segregating ducks and geese from live chickens at all levels from importation to slaughtering since early 1998 to prevent chickens from being infected. Subsequent to the recent incident, we will consider requiring the carcasses and internal organs of ducks and geese to be packed separately before they are sold in live chicken stalls in order to further minimize the risk of cross-infection. Apart from this, we propose that the internal organs of ducks and geese reacting positively in virus tests be thrown away and not to be sold.

Madam President, the incident has aroused grave public concern over the hygiene conditions of markets. We will endeavour to upgrade the standards of hygiene and cleanliness of markets. In the past three weeks, we have repeatedly pointed out that we will actively consider the idea of introducing a "business suspension day" to chicken stalls in markets. In other words, chicken stallholders and sellers will make regular arrangements to have all their chickens and poultry sold out by a certain time and not take in any more poultry. The sale of chickens will then be suspended for one or two days so that all chicken stalls will be left vacant for thorough cleansing and disinfection. This practice can help disrupt the spread of avian flu virus among chickens.

In this aspect, the FEHD has preliminary met with representatives of relevant retail stalls on 29 May. During the meeting, the representatives generally agreed to the proposal of introducing a "business suspension day". They also proposed that poultry stalls and fresh provision shops in all markets should vacant their stalls and shops on the same day near the end of each month for thorough cleansing. The date shall be fixed by the FEHD and the trade upon further discussion.

We are also in the course of formulating a new set of guidelines on the hygiene of poultry retail stalls. The proposed measures include:

First, poultry stallholders should use handcarts with a sealed bottom to convey poultry and bird cages to keep the passages of the markets clean;

Second, bird cages should not contain a large quantity of chickens and stacked too high to prevent air circulation from being affected; and

Third, stallholders should report to the FEHD the death toll of chickens everyday.

After preliminary contact, representatives of the trade have expressed support for the proposed measures.

While Mr Tommy CHEUNG's amendment urged the Government to renovate and improve the existing ventilation systems and other facilities in markets, some Members suggested the Government to speed up the installation of air-conditioners in markets. I would like to respond to these proposals here. To start with, I want to stress that to maintain air circulation in markets is most important to upgrading the hygiene conditions of markets. However, that does not mean that the hygiene conditions will be undermined if, because of certain environmental constraints or some other reasons, it is impossible for air-conditioners to be installed in certain markets. What matters most is that adequate ventilation systems are in place to ensure good circulation of air.

At present, all newly built markets have been installed with air-conditioners. Markets with no air-conditioners are equipped with mechanical ventilation or cooling systems instead. These systems can lower the temperature of the markets and improve the circulation of fresh air. In order to further improve the conditions of markets, we will install additional exhaust fan systems and fans in markets if such needs arise.

Furthermore, we have planned to install additional air-conditioners in 16 markets. We are conducting feasibility studies to ascertain whether individual projects can be implemented. We hope stallholders can fully co-operate with us while the works are in progress to ensure the smooth implementation of the projects.

As the improvement measures proposed subsequent to this incident will affect the existing mode of operation, we will actively communicate and discuss with people in the trade. Full consultation of the trade has formally commenced on 5 June. I have actually explained each of the proposals to Members earlier in my speech.

I hope the trade can actively respond to these proposals. I must point out that we rely on the full co-operation of the trade for the effective implementation of these measures. We will not be able to achieve our desired result if we rely solely on the Government's administrative measures. Therefore, I very much hope that the trade can fully co-operate with us to improve the existing surveillance system and upgrade the hygiene standards of the markets.

I have pointed out repeatedly in the past three weeks that the detection of H5N1 virus has proved the effectiveness of the existing surveillance mechanism. As I pointed out earlier, we will review the reinforcement of the whole set of preventive and surveillance measures and actively upgrade the hygiene standards of the markets. Nevertheless, as we pointed out repeatedly before, we cannot stem out the possibility of the occurrence of H5N1 virus so long as live poultry are available for sale.

This incident has given the public an opportunity to discuss what long-term measures can be taken to tackle this problem, including whether or not central slaughtering should be adopted. I would like to stress that the Government has not taken any position or laid down any timetable at present. Members are welcome to engage in more discussion with respect to this issue. We will definitely listen to views expressed by all parties before making a decision.

Madam President, I would like to express my sincere gratitude for the full co-operation of the trade which has made it possible for the slaughtering and the cleansing of wholesale outlets and markets to be conducted smoothly.

I would also like to take this opportunity to thank my colleagues in the relevant departments, including the FEHD, the AFCD and the Department of Health, for their hard work over the past three weeks. I also appreciate the professional advice given to us by academics and experts and the valuable advice expressed by Honourable Members with respect to the follow-up work.

As I said at the very beginning, we have taken only the first step. What matters most is our follow-up work in future. We will endeavour to maintain a high degree of vigilance and continue to devote all our efforts for the prevention and surveillance of avian flu virus.

The Government is obliged to provide Hong Kong, as an international cosmopolitan, with a high-standard public health environment. I must reiterate that it is not enough to rely solely on government measures. I would like to appeal to operators of the poultry trade and the general public to work in concert to improve our public health.

Thank you.

**PRESIDENT** (in Cantonese): I now put the question to you and that is: That the amendment, moved by Mr Tommy CHEUNG to Mr WONG Yung-kan's motion, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Tommy CHEUNG rose to claim a division.

**PRESIDENT** (in Cantonese): Mr Tommy CHEUNG has claimed a division. The division bell will ring for three minutes.

**PRESIDENT** (in Cantonese): Will Members please proceed to vote.

**PRESIDENT** (in Cantonese): Have all the voting units lighted up already? Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed. The voting system has been responding quite slowly today. *(Laughter)*

Functional Constituencies:

Mr Kenneth TING, Miss Margaret NG, Mrs Selina CHOW, Mr CHEUNG Man-kwong, Mr HUI Cheung-ching, Mr CHAN Kwok-keung, Mrs Sophie LEUNG, Mr SIN Chung-kai, Mr WONG Yung-kan, Mr Howard YOUNG, Mr LAU Wong-fat, Mrs Miriam LAU, Mr Timothy FOK, Mr LAW Chi-kwong, Miss LI Fung-ying, Mr Tommy CHEUNG, Mr Michael MAK and Mr IP Kwok-him voted for the amendment.

Dr Raymond HO, Mr Eric LI, Dr LUI Ming-wah, Mr Bernard CHAN and Dr LO Wing-lok voted against the amendment.

Mr LAU Ping-cheung abstained.

Geographical Constituencies and Election Committee:

Miss Cyd HO, Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mr James TO, Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr Jasper TSANG, Dr YEUNG Sum, Mr LAU Chin-shek, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr Andrew CHENG, Mr SZETO Wah, Mr TAM Yiu-chung, Dr TANG Siu-tong, Mr Albert CHAN, Mr WONG Sing-chi, Ms Audrey EU, Mr David CHU, Mr YEUNG Yiu-chung and Mr Ambrose LAU voted for the amendment.

Mr NG Leung-sing voted against the amendment.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, 18 were in favour of the amendment, five against it and one abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 25 were present, 23 were in favour of the amendment and one against it. Since the

question was agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was carried.

**PRESIDENT** (in Cantonese): Mr WONG Yung-kan, you may now reply and you have up to four minute 13 seconds.

**MR WONG YUNG-KAN** (in Cantonese): Madam President, I wish to thank the 18 Honourable Members who have spoken on the issue of the avian flu. Counting Mr Tommy CHEUNG and myself, the number is precisely 20 persons, and that is one third of the number of Members of this Council.

The greatest controversy is that there are some Honourable Members who oppose the motion because they think that the motion is a trade-related issue and it is not quite proper to discuss it here. Honestly speaking, in this incident the trade also gets involved in labour issues and has given its support. I hope Honourable Members will not think that we are not trying to make things better. I often say that it would be very easy for the Government to destroy a trade, it is as easy as pressing a button. However, if an entire trade is to continue to survive, then it would be much more difficult. I hope those Honourable colleagues who are opposed to our position or are holding different views from ours would look at the incident from another perspective and will not only look at things superficially.

In addition, we are very positive in our response to the Government's suggestions. I also hope the Government will consider our views carefully. Basically, among the 10 points I have raised, apart from the point on labelling system, all the other nine are similar to the views held by the Government. The views put forward in the motion are not simply my personal views, they are views reached after three rounds of discussions made with 10 trade organizations. That shows that there is a consistency between the views shared by the Government and the trade, and that everyone supports the efforts made by the Government.

I once said to people in the trade that if there is a further occurrence of avian flu, everything will be over for all of us. Mr Tommy CHEUNG joked to me earlier that he might lose more than 1 000 voters. One entire group in my constituency would even disappear, too. Having said that, I do not think we

should look at the issue this way, nor should the poultry trade do so. It is because the scope of the impact is very extensive and far-reaching. So I hope that the Government can listen more to the view expressed by different parties and to engage in more dialogues with the trade.

There is a Food Safety Advisory Committee in the advisory framework of the Government, but there is never any trade representatives serving there. I am not quite sure if this is true to say so, but both Mr Tommy CHEUNG and I are not members of this advisory committee. Of course both of us do not necessarily have to serve on this committee, but the question is that there are no trade representatives in it. There are only medical doctors and scholars in it and things are to be handled by these people. That is quite similar to the situation in the Environmental Assessment Advisory Committee which we mentioned yesterday. All the related issues are to be handled by the committee members. There is no need for other people to make suggestions. Whenever there is any problem in the trade concerned, the way to handle the situation is to be decided by the committee members in accordance with their beliefs and thoughts. Would this be a correct approach to take? I would like to ask the Government to consider this point. I hope it can listen to the requests and demands from the trade through different channels. It is because the trade concerned also hopes that things could be improved for the trade.

Most of the Honourable Members who have spoken today have indicated their support to the Government's efforts in improving the sanitary conditions in the markets. Why did the source of the avian flu this time come from the markets? I am not trying to shirk responsibilities, but as many Honourable colleagues have pointed out, this is precisely because the markets are so stuffy and stinking. When temperature there exceeds more than 40 degrees Celsius, it is indeed hard to bear when one walks into it, even if there is no poultry there. I was sweating all over when I walked into a market. It may be due to the fact that I sweat very easily. However, other Honourable colleagues have also said that they find the conditions there hard to bear. This morning when I visited a market together with the District Councillor Mr CHUNG Shu-kun, he also said that he found the conditions there intolerable. There are many markets in Hong Kong which do not have any ventilation facilities and the only means to improve air circulation is the windows. The Government should therefore consider how the design for markets can be improved.



I call upon all Honourable colleagues, including those who oppose to our views, to support us.

**PRESIDENT** (in Cantonese): I now put the question to you and that is: That the motion moved by Mr WONG Yung-kan , as amended by Mr Tommy CHEUNG, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

**PRESIDENT** (in Cantonese): I think the question is agreed by a majority 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 as amended passed.

## **NEXT MEETING**

**PRESIDENT** (in Cantonese): I now adjourn the Council until 2.30 pm on Wednesday, 13 June 2001. You people need not go away in such a haste, I have not risen from my seat yet. *(Laughter)*

*Adjourned accordingly at twelve minutes to Nine o'clock.*

**WRITTEN ANSWER****Written answer by the Secretary for Education and Manpower to Miss LI Fung-ying's supplementary question to Question 2**

According to the Security Bureau, employers of persons who are not lawfully employable may be prosecuted under section 17I of the Immigration Ordinance (Cap. 115). In connection with the 294 illegal workers who were prosecuted by the Immigration Department during the period January 2000 to April 2001, 25 employers were prosecuted, of whom 23 were convicted.

The Immigration (Amendment) Ordinance 1999, which was enacted in February 1999, provided the addition of a new subsection (38A(4)) under section 38A of the Immigration Ordinance to hold controllers of construction sites liable when persons who are not lawfully employable are found taking employment at the construction sites under their charge. During the period February 1999 to April 2001, two construction companies were prosecuted under section 38A(4) and one was convicted of the aforesaid offence.

**Annex II****WRITTEN ANSWER****Written answer by the Secretary for Education and Manpower to Mr LEE Cheuk-yan's supplementary question to Question 2**

According to the Security Bureau, possession of forged "green cards" or engaging in the production of forged "green cards" are offences under the Crime Ordinance (Cap. 200). Offenders may be prosecuted under sections 71 (the offence of forgery), 73 (the offence of using a false instrument) and 75 (offences of possessing a false instrument), as appropriate.