

LEGISLATIVE COUNCIL

MINUTES

No. 32

Minutes of the meeting held on Wednesday 13 June 2001 at 2:30 pm

Members present:

President

The Hon Mrs Rita FAN HSU Lai-tai, GBS, JP

The Hon Kenneth TING Woo-shou, JP

The Hon James TIEN Pei-chun, JP

The Hon Cyd HO Sau-lan

The Hon Albert HO Chun-yan

Ir Dr the Hon Raymond HO Chung-tai, JP

The Hon LEE Cheuk-yan

The Hon Martin LEE Chu-ming, SC, JP

The Hon Eric LI Ka-cheung, JP

Dr the Hon David LI Kwok-po, JP

The Hon Fred LI Wah-ming, JP

Dr the Hon LUI Ming-wah, JP

The Hon NG Leung-sing

Prof the Hon NG Ching-fai

The Hon Margaret NG

The Hon Mrs Selina CHOW LIANG Shuk-ye, JP

The Hon James TO Kun-sun

The Hon CHEUNG Man-kwong

The Hon HUI Cheung-ching

The Hon CHAN Kwok-keung

The Hon CHAN Yuen-han

The Hon Bernard CHAN

The Hon CHAN Kam-lam

The Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

The Hon LEUNG Yiu-chung

The Hon SIN Chung-kai

The Hon Andrew WONG Wang-fat, JP

Dr the Hon Philip WONG Yu-hong

The Hon WONG Yung-kan

The Hon Jasper TSANG Yok-sing, JP

The Hon Howard YOUNG, JP

Dr the Hon YEUNG Sum

The Hon YEUNG Yiu-chung

The Hon LAU Chin-shek, JP

The Hon LAU Kong-wah

The Hon LAU Wong-fat, GBS, JP

The Hon Mrs Miriam LAU Kin-yee, JP

The Hon Ambrose LAU Hon-chuen, JP

The Hon Emily LAU Wai-hing, JP

The Hon CHOY So-yuk

The Hon Andrew CHENG Kar-foo

The Hon SZETO Wah

The Hon Timothy FOK Tsun-ting, SBS, JP

The Hon LAW Chi-kwong, JP

The Hon TAM Yiu-chung, GBS, JP
Dr the Hon TANG Siu-tong, JP
The Hon Abraham SHEK Lai-him, JP
The Hon LI Fung-ying, JP
The Hon Henry WU King-cheong, BBS
The Hon Tommy CHEUNG Yu-yan, JP
The Hon Michael MAK Kwok-fung
The Hon Albert CHAN Wai-yip
The Hon LEUNG Fu-wah, MH, JP
Dr the Hon LO Wing-lok
The Hon WONG Sing-chi
The Hon Frederick FUNG Kin-kee
The Hon IP Kwok-him, JP
The Hon LAU Ping-cheung
The Hon Audrey EU Yuet-mee, SC, JP

Member absent:

The Hon David CHU Yu-lin

Public officers attending:

The Honourable Donald TSANG Yam-kuen, JP
The Chief Secretary for Administration

The Honourable Antony LEUNG Kam-chung, GBS, JP
The Financial Secretary

The Honourable Elsie LEUNG Oi-sie, JP
The Secretary for Justice

Mr Michael SUEN Ming-yeung, GBS, JP
Secretary for Constitutional Affairs

Mr CHAU Tak-hay, JP
Secretary for Commerce and Industry

Mr LAM Woon-kwong, GBS, JP
Secretary for Home Affairs

Mr Stephen IP Shu-kwan, JP
Secretary for Financial Services

Mrs Lily YAM KWAN Pui-ying, JP
Secretary for the Environment and Food

Dr YEOH Eng-kiong, JP
Secretary for Health and Welfare

Mrs Regina IP LAU Suk-yea, JP
Secretary for Security

Mrs Fanny LAW FAN Chiu-fun, JP
Secretary for Education and Manpower

Ms Elaine CHUNG Lai-kwok, JP
Secretary for Housing

Mr Kevin HO Chi-ming, JP
Secretary for Transport

Clerks in attendance:

Mr Ricky FUNG Choi-cheung, JP, Secretary General

Mr LAW Kam-sang, JP, Deputy Secretary General

Mr Ray CHAN Yum-mou, Assistant Secretary General (3)

Tabling of Papers

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

<u>Subsidiary Legislation / Instruments</u>	<u>L.N. No.</u>
1. Import and Export (Fees) (Amendment) Regulation 2001 (gazetted on 8.6.2001)	128/2001
2. Municipal Services Appeals Board (Witnesses' Allowances) Regulation (gazetted on 8.6.2001)	129/2001
3. Banking Ordinance (Amendment of Seventh Schedule) Notice 2001 (gazetted on 8.6.2001)	130/2001
4. Midwives (Registration and Disciplinary Procedure) (Amendment) Regulation 2001 (gazetted on 8.6.2001)	131/2001
5. Import and Export (Strategic Commodities) Regulations (Amendment of Schedules 1 and 2) Order 2001 (gazetted on 8.6.2001)	132/2001
6. Administrative Appeals Board (Witnesses' Allowances) Rules (gazetted on 8.6.2001)	133/2001
7. Chiropractors (Registration and Disciplinary Procedure) Rules (gazetted on 8.6.2001)	134/2001
8. Chiropractors Registration (Fees) Regulation (L.N. 79 of 2001) (Commencement) Notice 2001 (gazetted on 8.6.2001)	135/2001
9. Fugitive Offenders (Malaysia) Order (Cap. 503 sub. leg.) (Commencement) Notice 2001 (gazetted on 8.6.2001)	136/2001
10. Banking Ordinance (Amendment of Eleventh Schedule) Notice 2001 (gazetted on 8.6.2001)	137/2001

Questions

1. Hon SZETO Wah asked Question 1.

The Secretary for Home Affairs replied.

Four Members asked supplementaries. The Secretary for Justice and the Secretary Home Affairs for replied.

2. Hon LAU Chin-shek asked Question 2.

The Secretary for Education and Manpower replied.

Six Members asked supplementaries. The Secretary for Education and Manpower and the Secretary for Home Affairs replied.

3. Hon James TO asked Question 3.

The Secretary for Home Affairs replied.

Five Members asked supplementaries. The Secretary for Home Affairs, the Secretary for Justice and the Secretary for Education and Manpower replied.

4. Hon Martin LEE asked Question 4.

The Secretary for Constitutional Affairs replied.

Six Members asked supplementaries. The Secretary for Constitutional Affairs and the Secretary for Justice replied.

5. Hon Mrs Selina CHOW asked Question 5.

The Secretary for Security replied.

Five Members asked supplementaries. The Secretary for Security and the Secretary for the Environment and Food replied.

6. Hon Michael MAK asked Question 6.

The Secretary for Health and Welfare replied.

Five Members asked supplementaries. The Secretary for Health and Welfare and the Secretary for Justice replied.

Written replies to Questions 7 to 20 were tabled for Members' information.

Bills

First Reading

Hong Kong Court of Final Appeal (Amendment) Bill 2001
Import and Export (Electronic Transactions) Bill 2001
Medical and Health Care (Miscellaneous Amendments) Bill 2001

The Bills were 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

Hong Kong Court of Final Appeal (Amendment) Bill 2001

The Chief Secretary for Administration moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Import and Export (Electronic Transactions) Bill 2001

The Secretary for Commerce and Industry moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Medical and Health Care (Miscellaneous Amendments) Bill 2001

The Secretary for Health and Welfare moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Motions

Proposed resolution under the Road Traffic Ordinance

The Secretary for Transport moved the following motion and addressed the Council:

Resolved that the period for which there remains in force the limit on the number of vehicles which may be registered as public light buses specified in the Public Light Buses (Limitation on Number) Notice (Cap. 374 sub. leg.) and extended to 20 June 2001 by Legal Notice No. 158 of 1999, be further extended to 20 June 2006.

Question on the motion proposed

Two Members spoke on the motion.

The Secretary for Transport replied.

Question on the motion put and agreed to.

Proposed resolution under the Pharmacy and Poisons Ordinance

The Secretary for Health and Welfare moved the following motion and addressed the Council:

Resolved that the following Regulations, made by the Pharmacy and Poisons Board on 22 May 2001, be approved -

(a) the Pharmacy and Poisons (Amendment) (No. 3) Regulation 2001; and

(b) the Poisons List (Amendment) (No. 2) Regulation 2001.

Question on the motion proposed, put and agreed to.

Members' Bills

First Reading

**Bank of China (Hong Kong) Limited (Merger) Bill
The Bank of East Asia, Limited Bill**

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

The President stated that as the Bank of China (Hong Kong) Limited (Merger) Bill and The Bank of East Asia, Limited Bill presented by Dr Hon David LI and Hon NG Leung-sing respectively related to Government policies, in accordance with Rule 54(1) of the Rules of Procedure, the signification of the written consent of the Chief Executive by the Secretary for Financial Services was required before the Council entered upon consideration of the second reading of the Bills.

The Secretary for Financial Services confirmed that the Chief Executive had given his written consent for the Bank of China (Hong Kong) Limited (Merger) Bill and The Bank of East Asia, Limited Bill to be introduced into this Council.

Second Reading

Bank of China (Hong Kong) Limited (Merger) Bill

Dr Hon David LI moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

The Bank of East Asia, Limited Bill

Hon NG Leung-sing moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Members' Motions

Proposed resolution under the Interpretation and General Clauses Ordinance

Hon James TO moved the following motion and addressed the Council:

Resolved that in relation to the Dangerous Drugs, Independent Commission Against Corruption and Police Force (Amendment) Ordinance 2000 (68 of 2000) (Commencement) Notice 2001, published in the Gazette as Legal Notice No. 100 of 2001 and laid on the table of the Legislative Council on 23 May 2001, the period referred to in section 34(2) of the Interpretation and General Clauses Ordinance (Cap.1) for amending subsidiary legislation be extended under section 34(4) of that Ordinance to the meeting of 27 June 2001.

Question on the motion proposed, put and agreed to.

Reviewing the Mandatory Provident Fund System

Hon CHAN Kwok-keung moved the following motion and addressed the Council:

That, as the Mandatory Provident Fund ("MPF") System has been implemented for half a year, this Council urges the Government to conduct a review of the System, which must include:

- (a) lessening the burden on low-income earners in making contributions;
- (b) improving the industry schemes to ensure that industry members are protected;
- (c) expeditiously setting up separately a statutory universal retirement protection scheme for persons not covered by the MPF System; and
- (d) plugging the other loopholes in the relevant legislation and solving the problems relating to employer-employee relationships caused by the implementation of the MPF System

and, having regard to the outcome of the review, to amend the relevant legislation as soon as possible.

Question on Hon CHAN Kwok-keung's motion proposed.

The President stated that Hon Bernard CHAN would move an amendment to the motion. In accordance with the Rules of Procedure, the motion and the amendment would be debated together in a joint debate.

Hon Bernard CHAN moved the following amendment to Hon CHAN Kwok-keung's motion and addressed the Council:

To delete "lessening the burden on low-income earners in making contributions" after "(a)" and substitute with "setting up a mechanism for reviewing the maximum and minimum levels of income for mandatory contributions; (b) lessening the heavy burden faced by employers in complying with the complicated administrative requirements in the legislation"; to delete "(b)" and substitute with "(c)"; to delete "(c)" and substitute with "(d)"; and to delete "(d)" and substitute with "(e)".

At 5:10 pm, the President's Deputy took the chair during the temporary absence of the President.

Question on Hon Bernard CHAN's amendment to Hon CHAN Kwok-keung's motion proposed.

15 Members spoke on the motion and the amendment.

At 6:37 pm, the President resumed the chair.

Another six Members spoke on the motion and the amendment.

Hon CHAN Kwok-keung spoke on the amendment.

The Secretary for Financial Services spoke on the motion and the amendment.

Question on Hon Bernard CHAN's amendment to Hon CHAN Kwok-keung's motion put.

Hon Bernard CHAN claimed a division. The President then ordered the Council to divide under Rule 47(1) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 26 were present, five were in favour of the amendment, seven against it and 14 abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 23 were present, one was in favour of the amendment, 12 against it and nine abstained. (Voting record in Appendix I.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the amendment was negatived.

Hon CHAN Kwok-keung replied.

Question on Hon CHAN Kwok-keung's motion put.

Hon James TIEN claimed a division. The President then ordered the Council to divide under Rule 47(1) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 27 were present, 11 were in favour of the motion and 16 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 25 were present, 21 were in favour of the motion, two against it and one abstained. (Voting record in Appendix II.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the motion was negatived.

Tenants Purchase Scheme

Hon LAU Kong-wah moved the following motion and addressed the Council:

That, in order to improve the Hong Kong Housing Authority's Tenants Purchase Scheme ("TPS") and satisfy the needs of public housing residents, this Council urges the Housing Authority to:

- (a) expeditiously announce its plan for the sale of public housing flats after 2003;
- (b) extend the TPS to cover other types of public housing blocks apart from Trident blocks;
- (c) ensure that, before the sale of housing estates under the

TPS, all the necessary repair and maintenance works are completed; and

- (d) consult the residents concerned on the contents of the deeds of mutual covenant for TPS estates not later than three months prior to the receipt of their letters of intent to buy the flats.

Question on Hon LAU Kong-wah's motion proposed.

The President stated that Hon Frederick FUNG and Hon Albert HO would move amendments to the motion. In accordance with the Rules of Procedure, the motion and the two amendments would be debated together in a joint debate.

Hon Frederick FUNG and Hon Albert HO spoke respectively on the motion and their amendments.

13 Members spoke on the motion and the amendments.

Hon LAU Kong-wah spoke on the amendments.

The Secretary for Housing spoke on the motion and the amendments.

Hon Frederick FUNG moved the following amendment to Hon LAU Kong-wah's motion:

To add "(c) consider implementing a flexible pricing scheme for the sale of public housing flats whereby residents who opt to buy their flats are allowed to choose the levels of discount equivalent to, for example, 10% to 50% of the assessed market value;" after "(b) extend the TPS to cover other types of public housing blocks apart from Trident blocks;"; to delete "(c)" and substitute with "(d)"; to delete "ensure that, before the sale of housing estates under the TPS," and substitute with "provide unified basic quality assurance for the facilities of TPS estates, complete"; to delete "are completed" after "all the necessary repair and maintenance works" and substitute with "before the sale of the estates concerned, formulate effective measures for monitoring the repair and maintenance of the buildings, and offer an adequate maintenance period to ensure the building quality"; to delete "(d)" and substitute with "(e) publicly"; and to delete "not later than three months prior to the receipt of their letters of intent to buy the flats" and substitute with "before they are finalized".

Question on Hon Frederick FUNG's amendment to Hon LAU Kong-wah's motion proposed and put.

Hon Frederick FUNG claimed a division. The President then ordered the Council to divide under Rule 47(1) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 17 were present, two were in favour of the amendment, 14 against it and one abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 20 were present, one was in favour of the amendment and 18 against it. (Voting record in Appendix III.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the amendment was negatived.

Hon Mrs Selina CHOW rose to move the following motion without notice:

That in the event of further divisions being claimed in respect of the remaining motions to be moved to the motion on Tenants Purchase Scheme at this meeting, Rule 47(1)(c) of the Rules of Procedure be suspended so that the President may order that the Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

Question on the motion proposed, put and agreed to.

Hon Albert HO moved the following amendment to Hon LAU Kong-wah's motion:

To delete "; and" after "(c) ensure that, before the sale of housing estates under the TPS, all the necessary repair and maintenance works are completed" and substitute with ", and continue to undertake responsibility for the repair and maintenance of TPS flats within a reasonable period of time after the sale of such flats;"; and add "; (e) consult the residents concerned on the demarcation of lot boundaries for TPS estates not later than six months prior to the receipt of their letters of intent to buy the flats; and (f) assist in the work of owners' corporations in TPS estates, so as to protect the rights and interests of both owners and tenants in such estates" after "(d) consult the residents concerned on the contents of the deeds of mutual covenant for TPS estates not later than three months prior to the receipt of their letters of intent to buy the flats".

Question on Hon Albert HO's amendment to Hon LAU Kong-wah's motion proposed and put.

Hon Albert HO claimed a division. The President then ordered the Council to divide under Rule 49(5) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 17 were present, five were in favour of the amendment, eight against it and four abstained; while among the Members returned by geographical

constituencies through direct elections and by the Election Committee, 19 were present, 11 were in favour of the amendment, two against it and five abstained. (Voting record in Appendix IV.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the amendment was negatived.

Hon LAU Kong-wah replied.

Question on Hon LAU Kong-wah's motion put.

Hon Eric LI claimed a division. The President then ordered the Council to divide under Rule 49(5) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 16 were present, nine were in favour of the motion, six against it and one abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 18 were present, 15 were in favour of the motion and two against it. (Voting record in Appendix V.) Since the question was agreed by a majority of each of the two groups of Members present, she declared that the motion was carried.

Next Meeting

The President declared that the next meeting of the Council would be held on 14 June 2001 at 3:00 pm.

The Council was adjourned at 10:08 pm.

(Mrs Rita FAN HSU Lai-tai)
President

Council Chamber
Hong Kong