

**立法會**  
**Legislative Council**

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**LegCo Panel on Security**

**Minutes of meeting**  
**held on Thursday, 19 October 2000 at 10:15 am**  
**in the Chamber of the Legislative Council Building**

- Members present** : Hon LAU Kong-wah (Chairman)  
Hon James TO Kun-sun (Deputy Chairman)  
Hon Albert HO Chun-yan  
Dr Hon LUI Ming-wah, JP  
Hon CHEUNG Man-kwong  
Hon Andrew WONG Wang-fat, JP  
Hon Howard YOUNG, JP  
Hon Ambrose LAU Hon-chuen, JP  
Hon IP Kwok-him, JP
- Member attending** : Hon Henry WU King-cheong, BBS
- Members absent** : Hon Margaret NG  
Hon Mrs Selina CHOW LIANG Shuk-ye, JP  
Hon WONG Sing-chi
- Public Officers attending** : Item I  
Mrs Regina IP, JP  
Secretary for Security  
  
Mr Raymond WONG, JP  
Deputy Secretary for Security 1

Ms K Y CHANG, JP  
Deputy Secretary for Security 2

Mr Timothy TONG, JP  
Deputy Secretary for Security 3

Mrs Claire LO, JP  
Commissioner for Narcotics

Mr Alan CHU  
Principal Assistant Secretary for Security

Item II

Mr Alan N LAI  
Commissioner, Independent Commission Against Corruption

Mr Tony KWOK  
Head of Operations  
Independent Commission Against Corruption

Mr Thomas CHAN  
Director of Corruption Prevention  
Independent Commission Against Corruption

Mrs Susan MAK  
Director of Community Relations  
Independent Commission Against Corruption

**Clerk in attendance** : Mrs Sharon TONG  
Chief Assistant Secretary (2)1

**Staff in attendance** : Mrs Justina LAM  
Assistant Secretary General 2

Mr Raymond LAM  
Senior Assistant Secretary (2)5

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**I. Briefing by Secretary for Security on the Chief Executive's Policy Address**

**2000**

At the invitation of the Chairman, Secretary for Security (S for S) briefed Members on the progress of policy initiatives relating to security for the previous year and the new initiatives for the year ahead, as detailed in S for S's speaking note (Appendix I) for the meeting.

2. Mr CHEUNG Man-kwong pointed out that a Singapore newspaper had recently reported S for S's comment that the media in Hong Kong adopted double standards in their reports about the university students involved in the "26 June incident". He said that although more than 300 demonstrations were staged without prior application with the Police in the past, arrests were made only in two of the cases where university students were involved. He asked why the Administration was selective in the arrests and whether this reflected that the Administration adopted double standards.

3. S for S responded that besides the media, some people in the community also adopted double standards. She said that the 16 persons arrested in relation to the "26 June incident" comprised persons claiming right of abode in Hong Kong (ROA claimants) under Article 24(2)(3) of the Basic Law, persons supporting ROA claimants and university students. The media and some people in the community had expressed support for the university students only, but not for the other arrested persons. She said that cases of unauthorized public meetings or processions were followed up by the Police having regard to the circumstances of each case, such as -

- (a) the seriousness of each case, including the number of persons involved and the duration of procession;
- (b) whether the procession had resulted in a breach of peace, and whether disturbance had been caused to other persons or traffic; and
- (c) the demonstrators' reaction to Police warnings.

4. S for S stressed that there was no question of the Police making arrests or instituting prosecutions selectively. The Police had taken follow-up actions in respect of all 408 unauthorized public meetings or processions in the past. Verbal warnings had been given in the less serious cases, and written warnings had been issued in the more serious cases. Where a demonstration was related to a sudden incident, such as the bombing of the Chinese Embassy in Yugoslavia or where the organizers concerned were not aware of the requirement to notify the Police in advance, no further actions were taken after warnings had been issued. However, in situations where there was a breach of peace, the Police would collect evidence for the Department of Justice to consider whether there was a prima facie case for prosecution.

Interception of communications

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5. Mr James TO expressed concern that the Interception of Communications Ordinance (Cap. 532) (ICO) had still not come into effect more than three years after its enactment. He said that if the Administration did not support ICO, it should introduce amendments to the legislation instead of leaving it in an unclear position. He asked whether legislative amendments would be introduced to ICO and if so, the timetable for such amendments.

6. S for S said that legislative proposals on interception of communications would be introduced within the current legislative term. A number of meetings had been held by an inter-departmental working group to review the subject. The Administration was studying the legislative amendments recently made by countries such as the United Kingdom (UK) and the Australia to their relevant legislation. She said that besides the need to ensure the protection of human rights and privacy, it was also necessary to examine the technical issues arising from latest technological development. She said that the Administration would issue a consultation paper on interception of communications when ready.

7. Mr James TO said that as the United Nations Human Rights Committee (UNHRC) had found that the existing situation was in contravention of human rights, the introduction of legislative amendments to ICO should be expedited. S for S responded that UNHRC had only expressed concern about the existing situation. It had not made any remark that the existing situation was in contravention of human rights. Nevertheless, there was room for improvement in respect of interception of communications.

Robbery of tourists

8. Mr Howard YOUNG expressed concern about the two recent robberies where the victims were tourists. He suggested that the Police should set up special duty squads to combat the problem, if necessary.

9. S for S said that one of the two robberies mentioned by Mr YOUNG occurred in a hotel and that the Police was very concerned about the case. It would follow up the matter and request the hotel concerned to improve its security system. The other victim was a tourist who was robbed when walking alone along a mountain path. As illegal immigrants were usually found in mountains of Hong Kong, the Police had frequently reminded the public to avoid walking alone in those areas. She undertook to refer Mr YOUNG's suggestion of the setting up of special duty squads to the Police.

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Admission of Talents Scheme

10. Dr LUI Ming-wah said that the Pilot Scheme for the Entry of Mainland Professionals (the Pilot Scheme) and the Admission of Talents Scheme had been unsuccessful. He said that although public consultation was made on the Admission of Talents Scheme, no changes had been made to the original proposal after the consultation process. He commented that the requirements under the two schemes were too stringent. Dr LUI also suggested that the Administration should review its

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manpower policy with a view to meeting the demands of the Hong Kong economy.

11. S for S said that the Pilot Scheme had not been successful for the following reasons -

- (a) only graduates from 36 key Mainland universities were eligible for admission under the Pilot Scheme;
- (b) all recruitment had to be made through three designated Mainland agents; and
- (c) the procedures involved were too complicated that it took a very long time for a person to be admitted under the Pilot Scheme.

12. As regards the Admission of Talents Scheme introduced in late 1999, S for S said that quite a number of Legislative Council (LegCo) Members had expressed concern during the consultation stage about possible abuse that the Scheme might be used for importing low-cost labour. Stringent requirements had therefore been laid down for the talents to be admitted to Hong Kong. She stressed that it had never been a requirement under the Admission of Talents Scheme that the talents to be admitted should possess a doctorate degree. In fact, about half of the talents admitted did not possess a doctorate degree. Even if all the applications received were approved, the total number of talents admitted would only be a small number of 349. This reflected that not many companies in Hong Kong were engaged in high technology industries or high value-added activities. She envisaged that with the completion of the Cyber Port and the Science Park, there might be more applications under the Admission of Talents Scheme. She informed Members that the general requirements for the admission of professionals would be reviewed.

Safeguarding the public against fire hazards

13. Mr IP Kwok-him said that many old composite buildings in the Central and Western District, such as those in the Lyndhurst Terrace, were used solely for residential purpose. After the Fire Safety (Commercial Premises) (Amendment) Ordinance 1998 had come into operation, these buildings were required to improve their fire safety standards, such as the installation of sprinkler systems. As these buildings had always been used for residential purpose, such requirements were unreasonable. He asked whether this problem would be addressed in the Administration's forthcoming legislative proposals to improve fire safety.

14. S for S said that the Administration had considered this practical problem. It would not impose any unrealistic requirement, such as the construction of an additional staircase or substantial structural changes to buildings pending redevelopment. She assured Members that the measures to be proposed would be feasible and affordable.

15. Mr Albert HO said that although 67 800 advisory letters requiring improvement of fire safety had been issued in 1999 to owners or owners' corporations (OCs) of 5 000

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pre-1973 composite buildings, no follow-up actions had been taken in most of these buildings either because of a lack of funds on the part of the owners or OCs, or there were no OCs. He considered that the Administration should develop a comprehensive strategy to address the problem, and that these high-risks buildings should be given priority.

16. S for S said that the Administration was already giving priority to high-risk buildings in the inspection programme. The Administration intended to introduce legislative proposals to improve fire safety for old composite buildings and domestic buildings in phases. She said that in addition to mandatory improvements required by the law, the Administration relied also on public education and publicity. Publicity programmes to educate the public about prevention of fire had proved to be effective, in that fewer hill fires were reported in the Chung Yeung Festival of this year. She added that publicity for prevention of fire would be further stepped up.

17. Mr Albert HO said that there were many residential care homes for the elderly where fire safety standard was poor even though they were licensed. S for S said that a residential care home for the elderly should have already complied with the fire safety requirements if a licence had been granted.

Vietnamese migrants

18. Mr Henry WU asked why there were still Vietnamese migrants remaining in Hong Kong after the closure of the last refugee centre, the Pillar Point Vietnamese Refugee Centre. He also asked about the position of the outstanding debt owed by the United Nations High Commissioner for Refugees (UNHCR).

19. S for S said that the some Vietnamese migrants remaining in Hong Kong were those involved in court cases. They would be repatriated when their court cases were concluded. S for S added that there were some 400 Vietnamese illegal immigrants who came from China who were also involved in court cases. They would also be repatriated when their court cases were concluded. S for S further informed Members that after the closure of the Pillar Point Vietnamese Refugee Centre, Vietnamese illegal immigrants were arriving Hong Kong in much smaller numbers. The Administration would continue to repatriate these Vietnamese illegal immigrants. As regards the UNHCR debt, the Security Bureau had, on behalf of the Hong Kong Special Administrative Region (HKSAR) Government, continuously sought repayment by UNHCR.

Article 23 of the Basic Law

20. Mr James TO asked about the Administration's timetable for the enactment of legislation to implement Article 23 of the Basic Law (BL23). He hoped that the Administration would allow more time for studying the subject carefully before proposing the way forward.

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21. S for S said that the Administration had a responsibility to enact legislation to implement BL23. As the subject was complicated and sensitive, much time was needed for the examination of its policy and legal aspects. She assured Members that the Administration would examine the subject carefully.

22. Mr James TO asked whether the Administration would provide Members with the information it had gathered so far, such as information about relevant overseas legislation or practices, on the subject. S for S replied that the information gathered so far was only piecemeal information. As the Administration had not decided on the way forward, disclosure of such information might mislead the public and cause confusion. She said that the Administration would try its best to provide a response, if there were specific requests. The Chairman suggested that Mr TO might wish to provide his requests for specific information in writing to the Administration.

Abuse of psychotropic substance in Hong Kong

23. The Chairman expressed concern that there was an increased abuse of Ecstasy in rave parties. He asked about the legislative proposals to tackle the problem, and the work undertaken by the Administration to combat drug abuse in rave parties.

24. Commissioner for Narcotics (C for N) responded that there was a general increase of psychotropic substance abuse around the world. The number of psychotropic substance abusers in Hong Kong had substantially increased in the first six months of 2000 by 32% over that for the last six months of 1999, although the total number of drug abusers had only increased by 3% over the same period. A multi-disciplinary task force set up by the Administration would recommend a comprehensive strategy to tackle the problem and issue a code of practice for rave party organizers. She informed Members that the Administration would introduce legislative amendments to tighten control on Ketamine. It would also step up publicity on the harm arising from psychotropic substance abuse. She further said that the Administration would conduct a series of research into the issue, including a research on 120 000 students. It would seek the assistance of the University of Hong Kong to examine the latest trend of psychotropic substance abuse. She added that the Administration would also look into the problem of people crossing the border to the Mainland for drug abuse.

25. C for N informed Members that the Administration had conducted a seminar in August 2000 for rave party organizers, who agreed to distribute posters and leaflets to enhance public awareness about the harm arising from drug abuse. To her knowledge, rave party organizers were generally opposed to drug abuse in rave parties. Most of them had maintained contacts and cooperated with the Police in dealing with the problem.

26. In response to the Chairman's question about whether rave parties were the main channel for distribution of psychotropic substance, C for N said that according to information gathered by the Police, there were other channels through which psychotropic substance could be obtained. She said that the Administration would

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study the research findings carefully and formulate strategies to tackle the problem.

Bullet-resistant vest

27. Mr James TO said that he had received a complaint relating to bullet-resistant vests not genuinely bullet-resistant. He said that as some of the allegations stated in the complaint letter were made against very senior Police officers, the public would have more confidence if the investigation was carried out by the Security Bureau and the Civil Service Bureau instead of the Police.

28. Deputy Secretary for Security 1 said that besides the Police, the Independent Commission Against Corruption (ICAC) was also carrying out investigation into the allegations. He considered it more appropriate for the investigation to be carried out by the Police, as it covered areas such as procedural matters. He expressed confidence in the Police in carrying out an impartial investigation. He also assured Members that the matter would be closely monitored by the Security Bureau.

**II. Briefing by Commissioner, Independent Commission Against Corruption on the Chief Executive's Policy Address 2000**

29. At the invitation of the Chairman, C/ICAC briefed Members on the progress of anti-corruption initiatives for the previous year and new initiatives for the year ahead, as detailed in his speaking note for the meeting (Appendix II).

30. Mr CHEUNG Man-kwong expressed concern about the increased number of corruption reports in the public sector. He asked whether there was an increase in small scale corruption syndicates in the civil service.

31. C/ICAC said that increases in the number of corruption reports were recorded in government departments where there were more contacts with the public, such as the Police, the Food and Environmental Hygiene Department and the Leisure and Cultural Services Department. ICAC would, in conjunction with the Civil Service Bureau, visit individual government departments and develop corruption prevention guidelines. ICAC had been actively assisting the Housing Department's Anti-Corruption Strategy Committee in mapping out a strategy to prevent corruption. ICAC was also assisting major government departments, such as the Police, to form anti-corruption strategy committees. ICAC would also continue to gather intelligence about the corruption situation in government departments.

32. On the question of syndicated corruption, C/ICAC said that while there were increases in corruption cases involving a few public officers, there was no sign of increase in syndicated corruption.

Cross-border corruption

33. Mr Howard YOUNG asked whether there was any channel of cooperation



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between the relevant authorities in the Mainland and ICAC to combat cross-border corruption. He also asked whether there were grey areas in the handling of such corruption.

34. C/ICAC said that a mechanism for cross-border interviewing with witnesses had been established since 1988. ICAC and the relevant Mainland authorities would provide mutual assistance in the interviewing of witnesses. ICAC had also maintained close contact with its counterparts in the Mainland, e.g. the Supreme People's Procuratorate and the Guangdong Provincial People's Procuratorate, in the exchange of information. He said that the responsibility for taking actions against cross-border corruption was mainly dependent on the place where the corruption occurred.

Corruption in the construction of public housing units

35. Mr James TO said that there were many corruption cases relating to construction of public housing units. Although the Corruption Prevention Department of ICAC (CPD) had provided assistance and advice on the systems and procedures for the construction of public housing units, he asked whether such corruption prevention work had been inadequate in the past.

36. Director of Corruption Prevention, ICAC said that ICAC had provided assistance and advice on the systems and procedures for the construction of public housing units. The recent corruption cases were mainly related to the integrity of individual persons and the culture of some departments rather than weaknesses in the systems or procedures. CPD was strengthening its work in promoting ethical practices and fostering an anti-corruption culture. For example, the term "conflict of interest" would be more clearly defined. CPD would also assist individual government departments to draw up clearer requirements of their staff members in respect of anti-corruption.

37. Mr James TO said that he had previously requested access to corruption prevention reports. However, the requests were turned down for the reason that the reports were confidential. He suggested that corruption prevention reports of ICAC be declassified after a certain period of time, so that members would have the opportunity to study the reports and provide input, where appropriate.

38. C/ICAC said that CPD's work was overseen by the Corruption Prevention Advisory Committee of ICAC, in which there were professionals who provided advice in specific fields. CPD also maintained frequent contacts with local professional bodies to seek their advice on particular issues. He said that there were difficulties in declassifying old corruption reports, as the government departments or public bodies concerned were unwilling to disclose such reports.

Malfeasance

39. Referring to page 4 of the speaking note of C/ICAC, the Chairman asked about

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the timetable for the research study on the desirability of making malfeasance a statutory offence. He also asked whether the proposed offence provision would be applicable to persons such as Legislative Council Members, District Council members and members of advisory bodies, in addition to civil servants.

40. C/ICAC said that ICAC had not yet come up with any concrete proposal on the issue. ICAC noted that some civil servants gained access to confidential information for personal purpose or assisted their relatives in bidding for government contracts. At present, such behaviour could only be prosecuted under the common law for "misconduct in public office". ICAC would examine thoroughly the proposal of making malfeasance a statutory offence, having regard to the practices in other jurisdictions. He envisaged that the study would take about one year's time. Although the proposal was intended to cover civil servants, ICAC would consider any suggestion about expanding the coverage of the proposal.

Corruption of staff of foreign embassies

41. Mr Albert HO asked about the number of cases where officials of foreign embassies or Mainland authorities evaded investigation and prosecution in Hong Kong by claiming their diplomatic immunities.

42. Head of Operations, ICAC said that as far as the anti-corruption legislation is concerned, officials of Mainland authorities in Hong Kong did not enjoy consular immunities. As regards officials of foreign consulates, he did not have statistics on hand about the number of cases where they evaded investigation or prosecution by claiming consular immunities. If a person under investigation returned to his own country, ICAC might seek to extradite the person to Hong Kong in appropriate cases. Where a person under investigation exercised consular immunities, the case would be followed up through diplomatic channels. Relevant information on the case might be referred to the country concerned for follow-up. He added that each and every reported case of corruption would be followed up by ICAC.

Corruption in the property management sector

43. Mr James TO asked about the major reason for the increase in corruption reports in the property management sector. C/ICAC replied that investigation revealed that a number of complaints arose from misunderstanding, especially between old and new OCs. ICAC would consider forming a special task force to tackle the problem and work with the Home Affairs Department to develop a code of practice for the property management sector.

Anti-corruption culture among young people

44. Mr James TO asked whether there were indications that an anti-corruption culture had developed among young people in the past few years with the continued effort of ICAC. C/ICAC said that ICAC considered it very important for an anti-corruption culture to be developed starting from a young age. Besides other initiatives, a website

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for the youth had been launched. He undertook to provide Members with statistics showing the tolerance level of young people on corruption.

*(Post-meeting note : The statistics provided by ICAC was issued to members vide LC Paper No. CB(2) 321/00-01 on 22 November 2000.)*

45. The meeting ended at 12:30 pm.

Legislative Council Secretariat

27 November 2000

**2000 Policy Address : Briefing of Security Panel**  
**Opening Statement by S for S**

**Introduction**

At the Security Bureau, our pledge is to keep Hong Kong a secure and safe city. Our primary objectives are to maintain law and order, to ensure effective immigration control and to safeguard public safety. By achieving high security and safety standards, we have managed to maintain Hong Kong as one of the safest cities in the world. You will find the details of our progress and our new initiatives for the coming year in our Policy Objective Booklet entitled 'A Secure and Safe City'. I shall now go over some of the salient points in the Booklet.

**Maintaining Law and Order**

2. The crime rate in 1999 is the third lowest in the past 26 years. Although the overall crime rate (1,126 cases per 100,000 population) and the violent crime rate (230 cases per 100,000 population) have slightly increased by 5.1% and 5% over the 1998 figures, the overall crime rate is lower than that of many major metropolitan cities such as London, Tokyo and Toronto.

3. The law and order situation in Hong Kong is improving gradually in 2000. In the first eight months, the overall crime rate increased by only 1.9% whereas the violent crime rate decreased by 2.6% when compared with the same period last year. A number of categories of serious crimes had also decreased, e.g. goldsmith/watch shop robberies

by 22.2%, bank robberies by 11.8%, robberies with pistol like object and serious narcotics offences by 8.3%, wounding and serious assault by 2.9%, and homicide by 2.8%. There were, however, increases in other crimes such as blackmail, thefts, rape, pickpocketing and missing motor vehicles.

4. We will continue to upgrade the Police's equipment to meet changing operational requirements. We plan to replace the command and control system currently used by beat officers by a digital communication system by 2004. In addition, we will implement by phases the second five-year Information Systems Strategy Plan to ensure that modern information technology is applied in daily Police work. It is anticipated that both the effectiveness and efficiency of the Police work will be greatly enhanced by these improved facilities and equipment.

### **Rehabilitating Drug Abusers and Offenders**

5. The drug abuse trend in Hong Kong has continuously declined since 1995 but in the first half of 2000, the number of reported drug abusers had risen. This increase was mainly fuelled by a rise in psychotropic substance abusers, especially abusers taking drugs such as Ecstasy and Ketamine. To tackle the problem, we have set up a multi-disciplinary task force early this year with a view to recommending to the Government a comprehensive strategy in 2001. The task force has already put in train a number of initiatives, including stepping up publicity on the harm caused by psychotropic substance abuse. It also proposes to amend the Dangerous Drugs Ordinance to tighten control on Ketamine and issue a code of practice for rave party organisers.

6. In line with our all-out approach to counter drug trafficking and organised crimes, we attach great importance to work on the anti-money laundering front. The efforts of Hong Kong in combating money laundering are well recognized by the international community. In 2001–2002, Hong Kong will assume the presidency of the Financial Action Task Force on Money Laundering (FATF), a preeminent international organisation examining and recommending standards and good practices to counter money laundering. Hong Kong's leading role in the FATF will further demonstrate our commitment to international cooperation in stemming transnational crimes, money laundering activities and drug trafficking.

7. Our penal policy ensures the safe and orderly custody of offenders. We are making good progress in implementing projects to increase prison capacity. In the coming year, we will have more than 400 new penal places coming on stream - 151 places under the Stanley Prison area redevelopment project, and 260 places from the redevelopment project of the Tai Lam Correctional Institution. We are planning an expansion project for the Lai Chi Kok Reception Centre with a view to providing 400 additional penal places starting 2003/2004. We will continue to increase prison places to relieve prison overcrowding and formulate a long-term prison development programme to meet penal needs. We will also improve prison management and security by making use of appropriate technology.

8. We are committed to the re-integration of inmates into society as law-abiding citizens. We will continue to improve our rehabilitative and aftercare services for inmates. We have re-introduced the Rehabilitation Centres Bill to provide for a new short-term residential rehabilitative

programme for young offenders. We will continue to upgrade and modernize the education and vocational training programmes for young offenders by seeking external accreditation. We will also improve our welfare and psychological counseling services to inmates and launch a drug abuse awareness programme to help them quit drugs and reduce their risk of re-offending. We will strengthen our publicity strategy to enhance community acceptance of and support for rehabilitated offenders.

## **Facilitating Travel Convenience**

9. Enhancement of travel convenience for Hong Kong residents and visitors to Hong Kong is crucial to maintaining our status as an international financial centre and ensuring the continued prosperity of our economy.

## **Freer Access**

10. We maintain a liberal visa regime and allow travellers from over 170 countries and territories visa free access. At present, only nationals of 41 foreign countries need to apply for visas to visit Hong Kong. With a few exceptions, simplified application procedures<sup>Note</sup> are in place for them to obtain visit visas within 14 days.

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Note

The CDCMs and the HKSAR Beijing Office may issue visas to the nationals of some 30 countries without reference to the Immigration Department, if the intended visit does not exceed 14 days. Other applications will be referred to the Immigration Department. In respect of such referred applications, with a few exceptions, the CDCMs or HKSAR Beijing Office may directly issue the visas 14 days after referral of the applications concerned to the Immigration Department if the latter does not have any unfavourable comments.

11. HKSAR passport holders may now travel visa-free to a total of 72 countries and territories, including the recent additions of Switzerland, Liechtenstein, and the Slovak Republic. We will continue to lobby the EU for visa-free access for HKSAR passport holders.

### **More Efficient Service**

12. In the past year, 98.1% of passengers at the airport were cleared within 15 minutes, against the pledged standard of 92%. Up to 98.5% of passengers at other control points were cleared within 30 minutes, against our pledged standard of 92%. This performance was achieved against a 12% growth in overall passenger traffic last year. At Lo Wu alone, increase has been recorded at an annual rate of 17%. To cope with the surging demand, we have adopted a number of measures including flexible redeployment of staff, improvement of counter design, enlargement of queuing area, addition of counters, and installation of a pair of escalators to allow contra-flow operation. We are also considering how to re-engineer the business processes and make best use of information technology to further increase the handling capacity of the control points.

13. Following a consultancy review, the Immigration Department has mapped out an updated Information Systems Strategy for implementation. The Department will implement a number of projects in phases, including the upgrading of its information technology infrastructure and enhancement of the Immigration Control Automation System.



14. Automated passenger clearance at control points is another key project in the pipeline. This will require not only the installation of a new computer back-up system and ‘auto-gates’ or unmanned counters, but also the use of a new smart ID card.

### **HKSAR ID Card**

15. On the smart ID card project, a LegCo brief has just been released. The ExCo at its meeting on 17 October has decided that :

- (a) a new ID card and new supporting computer system should be introduced in early 2003;
- (b) the new ID card should take the form of a smart card and have the capacity to support multiple applications;
- (c) the incremental implementation of the multi-application smart ID card scheme should be endorsed in principle and announced for public consultation; and
- (d) after the new card system is up and running, a region-wide ID card replacement exercise should be conducted for residents in Hong Kong by phases, in accordance with specified age groups, with a view to completing it within four years.

16. Implementation of the above policy is of course subject to the provision of the necessary funds by the Finance Committee of this

Council and the necessary legislative amendments in due course.

17. Details of our policy proposals are set out in the LegCo Brief. I would like to take this opportunity to highlight several points :

- (a) There is a need to replace existing ID cards as they are no longer forgery-proof. Moreover, the existing supporting computer system will reach the end of its life expectancy by end 2002.
- (b) A smart card is preferable to a non-smart card as the former will enable the Government to better serve the community. Apart from improved card security, a smart ID card with biometric data stored on it will lay the foundation for introducing automated passenger clearance and facilitate efficient and secure authentication of a card holder's identity in field operations.
- (c) Subject to further feasibility studies and public views, a smart ID card may be employed for providing more efficient, better quality and value-added services to the community. The public may use one card for different functions.
- (d) The Administration has recommended and ExCo has agreed that the proposed smart ID card should have multi-application capacity. This means chip memory will be reserved on the smart card to allow for possible non-ImmD applications. However no definitive

decision has been taken on the adoption of any additional application. Possible initial applications may include driving licence, library card and digital certificate. Further feasibility studies and consultations are required before any of these applications may be implemented.

- (e) ImmD will launch a community campaign, to brief District Councils and to stage exhibitions in shopping malls to explain smart ID card technology and the measures to be taken on data protection, and to solicit views on card face design.

18. We fully recognize that data privacy is a key issue that must be handled most cautiously. To address privacy concerns, we maintain a close dialogue with the Privacy Commissioner and ImmD will carry out Privacy Impact Assessments at various stages of the project. Government will employ appropriate technology/techniques on data protection including measures at hardware, software and application levels so that the data cannot be accessed, read or altered by unauthorized parties. As a matter of principle, we agree that only essential data should be stored on the memory chip. All sensitive data must be encrypted. Data should be used only for the purpose they are collected, and should not be shared with other departments which are not authorized to use them.

19. Submissions will be made to Members in the near future for funding approval of the ID card project and extension of the Deputy Director of Immigration (Special Assignment) post. Before then, we will brief Members in greater detail on various aspects of the smart ID

card project at the meeting of the Security Panel scheduled for 24 October 2000.

### **Vietnamese Boat People**

20. Last June we closed the Pillar Point Vietnamese Refuges Centre, the last one of this kind in Hong Kong and in the world. The closure of the Centre was seen both internationally and locally as a humanitarian act, as the some 1,400 former residents were offered new and permanent homes. It also brings an annual saving of some \$14 million for our taxpayers. Since the closure there has been a significant drop in Vietnamese illegal immigrants arrivals, from some 80 per month a year ago to around 40 per month now.

### **Admission of Talents and Mainland Professionals**

21. We launched the Admission of Talents Scheme in December 1999 to enable Hong Kong companies to bring in talents from the Mainland for work. Hitherto, Mainland residents were barred from employment in our private firms, except for manual work under the Supplementary Labour Scheme. This was an anomaly as there were no similar restrictions against foreign nationals. Foreign nationals are allowed entry for employment as professionals, provided that they meet the qualifying criteria including the cardinal rule that they possess talents, skills or qualifications of value to and are not readily available in Hong Kong.

22. The Admission of Talents Scheme is open to all nationals, but

targeted mainly at Mainland residents because others already have a channel to enter Hong Kong for employment.

23. By the end of September 2000, 349 applications were received under the Talents Scheme. Of these, 74 were approved; 166 were rejected; 53 were withdrawn; and the remaining 56 cases were under processing. The majority of the approved cases were in the fields of IT/telecommunications/Multi-media technology (36); engineering and environmental protection (18); and money and finance (9).

24. There are two common misconceptions about the Scheme :

- First, only PhD holders can apply. This is untrue. Whilst about half of the eventual entrants do hold a Doctoral degree, many others with a Master or Bachelor Degree have also gained admission. The overriding principle is that they must possess talents or skills not readily available locally which can enhance Hong Kong's competitiveness.
- Second, talents must be paid a very high salary. This is also untrue. The criterion is principally that the remuneration package should be broadly comparable with market rate. As a matter of fact, most of the successful applicants are in the HK\$20,000 - HK\$50,000 pay zone.

25. Any worries that the Scheme might cause job displacement are now proven to be misplaced. Our survey conducted on the employers concerned has confirmed that, as we always believe, the

Scheme helps to create new jobs. Survey results show that on average one talent creates six additional jobs.

26. However, the Scheme is not being used as much as we wish it to be. Feedback shows that some firms, small or newly-established enterprises in particular, have found it difficult to locate talents in the Mainland and bring them over. The Labour Department will assist by offering their existing interactive Employment Service website as a rendezvous for employers to meet talents. This website will be hyper-linked to Immigration Department's homepage for easy access. Details of implementation are being worked out and will be publicly announced. Meanwhile, we continue to promote the Scheme, e.g. through contacting prospective users in connection with the opening of the Science Park and Cyber Port.

27. There are increasing calls from the business sector, the IT industry in particular, for admission of Mainland professionals to fill positions for which suitable local employees are unavailable. We have heard that business opportunities have been lost because companies cannot find the right people at the workplace. Talents, be they recruited from the Mainland, overseas or locally, need to be supplemented by professionals. They play different but complementary roles. Talents focus more on innovation and research which will bear fruits in the medium or longer term. Professionals attend to firms' immediate needs. Mainland professionals may, for instance, apply new technology to existing production activities; use their own experience to forge trade links with Chinese enterprises; and help Hong Kong firms to explore the immense business potential in the Mainland arising from China's accession to the WTO.

28. We will review existing immigration policies in a prudent but proactive manner, taking full account of the supply and demand for professionals in the marketplace. In developing an appropriate strategy, we remain guided by the objective of facilitating economic development whilst safeguarding job opportunities for the local workforce.

### **Right of Abode**

29. Currently, there continue to be roughly 7,000 right of abode (ROA) claimants remaining in Hong Kong illegally. To us, the legal position is very clear. Except for those covered by the judgment of the Court of Final Appeal of 29 January 1999 and Government's Concession decision, all Mainlanders claiming the right of abode must return to the Mainland to lodge their claims under the Certificate of Entitlement Scheme. The Administration has given a specific undertaking in respect of certain ROA claimants currently engaged in litigation, and we will honour the undertaking. However, a claim for the right of abode per se is no excuse for a Mainland resident to remain in Hong Kong without the permission of the Director of Immigration.

30. Acting within the remits of the law, removal actions have been and will continue to be taken by the Immigration Department against overstayers and illegal immigrants whose continued stay in Hong Kong is not justified. The removal action that has been taking place over the past few days is part of this on-going work.

31. In connection with the implementation of the judgment of the

Court of Final Appeal given on 29 January 1999 on the eligibility for right of abode of persons born out of wedlock, we introduced to this Council yesterday the Immigration (Amendment) Bill 2000 which provides for a genetic test procedure for verification of claimed parentage by persons claiming right of abode under the Immigration Ordinance. Since there will be opportunities for us to explain the Bill to Members in detail, I shall leave this subject for the time being.

### **Notification Mechanism**

32. We have recently reached agreement with the Ministry of Public Security (PSM) on the establishment of a reciprocal notification mechanism covering residents under detention or criminal prosecution, and residents who died of an unnatural death. The agreed arrangements will be effective from 1 January 2001.

33. The mechanism is an administrative arrangement agreed between the two sides after candid discussions based on the principle of One Country Two Systems and mutual respect for the other side's legal system. The successful conclusion of the agreed arrangements fully demonstrates the Mainland authorities' appreciation of the community's concern over Hong Kong residents detained in the Mainland. The notification mechanism will enable the SAR Government to quickly relay relevant information on Hong Kong persons detained or deceased in the Mainland to their families, so that appropriate assistance can be arranged in a timely manner. We will give Members a more detailed briefing on the notification mechanism at the Security Panel meeting to be held on 24 October.



## **Safeguarding Public Safety**

34. The Government and the community share a common goal to improve fire safety in Hong Kong. More and more building owners and occupants actively participated in the fire drills, seminars and exhibitions organized by the Fire Services Department and at the district level. We will continue to increase community awareness of and involvement in fire safety and step up enforcement to ensure that the fire safety measures in buildings are properly maintained.

35. We are pleased to see an overall compliance rate of 96% with fire hazard abatement notices over the past year. The business community also responded positively to the Fire Safety (Commercial Premises) Ordinance which provides for better fire safety protection for prescribed commercial premises and old commercial buildings. We aim to introduce the new legislation into LegCo by end of 2000 to improve fire safety in other types of buildings by phases, starting with old composite (commercial/domestic) buildings, where the fire services condition is most unsatisfactory, followed by domestic buildings. We have also reviewed the Fire Services Ordinance and aim to introduce amendment legislation in the coming year with a view to strengthening the enforcement power, and preserving the deterrent effect of the penalty provisions. We will re-introduce the Karaoke Establishments Bill in the current legislation session and hope to bring the licensing scheme into effect next year.

36. We are committed to protecting the public from the risks

involving dangerous goods and chemicals. We have completed a comprehensive review of the existing legislative framework to improve the control of dangerous goods and ensure that our safety requirements are in line with international standards. We will re-introduce the Dangerous Goods (Amendment) Bill into the LegCo later this year.

37. We have been able to achieve the new performance target of responding to 92.5% of emergency ambulance calls within 12 minutes. To further improve the quality of our emergency ambulance service, we have completed a feasibility study on the provision of paramedic service on all ambulances. We will follow up with a comprehensive study on the implications of such provision and consider an implementation plan. We will also review the Non-Emergency Ambulance Transfer Service to improve the service quality and cope with increasing demand. To enhance the survival rate of out-of-hospital cardiac arrest patients, we will implement a comprehensive community cardiac pulmonary resuscitation training programme for members of the public.

### **Concluding Remarks**

38. We have made good progress in our policy initiatives last year and we intend to carry this good performance into the coming year. We have set new goals for ourselves and we are confident in meeting the challenge. I firmly believe that we are moving in the right direction and we have the backing of a loyal and professional corps of disciplined services who have pledged to give their best to the community. Together with the support from the legislature and the community, we are aiming for a higher standard of performance.

**Legislative Council Session on 2000 Policy Address**  
**Opening Remarks by ICAC Commissioner Alan Lai Nin**  
**19 October 2000**  
**(Synopsis)**

The past year has been a busy and yet challenging year for the ICAC. In the face of persistently high levels of corruption reports, we continued to make use of a proactive strategy to fight graft and yielded positive results.

**Corruption Reports**

The number of corruption reports received by the ICAC had risen from 3,555 in 1998 to 3,561 in 1999. The rising trend showed no sign of abating this year. In the first nine months of this year, we received 3,101 reports, a 21 per cent increase over the same period last year. The number of pursuable reports also grew by 22 per cent to 2,237.

In the government sector, the police saw a 17 per cent rise in the number of corruption reports in the first nine months. The combined number of reports against the two new departments tasked with municipal service duties - the Food and Environmental Hygiene Department and the Leisure and Cultural Services Department - surged 27 per cent when compared with the figure registered for their predecessors (the Urban Services and Regional Services Departments).

Corruption reports concerning the private sector jumped 23 per cent to 1,687 from 1,366. A number of sectors, in particular, building management (up 35 per cent), the construction industry (up 41 per cent) and the finance and insurance industry (up 18 per cent), registered significant increases.

The growing number of corruption reports, coupled with extensive media publicity on some high profile ICAC cases in recent months, might arouse concerns of the public and Members of the Legislative Council. One is prone to ask: has the corruption situation deteriorated? Are there any signs of resurgence of syndicated corruption? Has the community become more tolerant of graft?

## **Corruption Trends**

Such questions are logical and natural. However, mere numbers may not tell the whole picture. We need a more comprehensive assessment of the current corruption scene. To this end, the ICAC will conduct a detailed analysis of all corruption reports received this year, paying special attention, among other data, to the nature of these cases. Pending a fuller analysis, some initial observations are outlined as follows:

- First, a string of corruption cases with public safety implications, especially those short-piling or substandard construction scams, have certainly raised the public's alertness to the evils of corruption. As a result, we received from the public more reports alleging corruption of similar natures.
- Second, the number of reports classified as simple complaints had drastically increased. In the first nine months, more than 800 incoming reports were classified as complaints of this category, taking up over 30 per cent of all pursuable reports received. In 1998 and 1999, about 20 per cent of pursuable reports were considered simple complaints. In fact, there has been a large proportion of simple complaints related to building management. In the first nine months, we received a total of 516 corruption reports against this sector - a 35 per cent rise over the same period last year. Of these reports, 428 were pursuable, with 66 per cent classified as simple complaints.
- Third, although the economy is recovering, the adverse impact of the Asian financial crisis has not been totally cast off. The sharp fall in asset worth following the turmoil had landed many people in heavy debts. In a desperate bid to make ends meet, some were tempted to resort to corrupt means to make 'quick money'. In fact, a number of corruption or fraud cases received this year could be traced back to 1997 and 1998 while the economy was in doldrums. Among those relatively complex complaints, 17% related to offences allegedly took place more than a year ago.

Nonetheless, we will ensure that the ICAC remains a highly effective and efficient agency to combat graft. Despite the increasing workload, we will continue to fight corruption with full force. Above all, the ICAC will never tolerate any revival of syndicated graft in Hong Kong.

In the past year, the community remained solidly behind ICAC's anti-corruption work. While nearly 90% of the corruption reports we received came from the public, the proportion of complainants who identified themselves when reporting graft remained high at 70%. This year's ICAC Annual Survey also showed 83.7% of respondents indicated that they would not tolerate corruption. All these pointed to the fact that an anti-corruption culture is now firmly rooted in our society.

### **Looking forward**

In the coming year, we will continue our three-pronged approach in fighting corruption. Key objectives include:

#### **1. Enhancing efficiency**

To tackle the growing number of reports classified as simple complaints, the Operations Department will formalise the permanent establishment of the Quick Response Team (QRT) tasked to provide quick resolutions to such cases. Investigators deployed to QRT will return to their original postings to take up more complex cases.

Aided by rapid advances in information technology, corrupt activities have grown in complexity and sophistication, presenting great challenges to our investigative work. Apart from strengthening professional training for our officers, the Commission will also enhance liaison with overseas law enforcement agencies and our counterparts on the Mainland in combating cross-border graft cases.

The First ICAC Symposium to be held between November 13 and 15 this year will provide a forum for the Commission and law enforcement agencies worldwide to exchange views on corruption trends and challenges arising from latest developments in information technology.

#### **2. Priority of our work**

In the past year, a number of cases relating to civil servants' integrity and public housing scams unearthed by the ICAC had aroused tremendous public concerns. The Commission is prepared to further step up anti-corruption efforts in these areas, whilst we will also continue our work in promoting ethical practices in the private sector.

## Public Sector

To enhance civil servants' awareness of corruption prevention, the ICAC will join hands with the Civil Service Bureau to set up an electronic information and resources centre to facilitate departmental managers' access to ethics development materials such as rules and regulations on integrity.

Under current law, malfeasance as a criminal offence is not clearly defined. At present the ICAC can only prosecute public servants for "misconduct in public office" offence under the Common Law. Due to a lack of clear guidelines, only a handful of well substantiated cases have resulted in prosecutions so far. To address this issue, we undertake to complete in the coming year a research study on the desirability of making misconduct in public office for gain a statutory offence.

The ICAC has been actively assisting the Housing Department's Anti-Corruption Strategy Committee in mapping out a comprehensive strategy to stem out corruption and prevent construction scams like the Yuen Chau Kok short piling case. We will also assist the Works Bureau in promulgating corruption resistant systems and code of conduct for government consultants and their site staff, and provide them with training services.

## Private Sector

To sharpen our focus on industries more vulnerable to corruption, the ICAC has been adopting a 'task force' approach in its corruption prevention work. Two task forces, respectively for the construction and banking sectors, have been formed. Experienced officers from ICAC's three departments - the Operations, Corruption Prevention and Community Relations Departments - were deployed to these forces to provide comprehensive services to the industries involved.

Apart from stepping up corruption prevention education for practitioners in the construction industry, the ICAC will also encourage all tertiary institutions to incorporate into their programmes corruption prevention sessions for students in construction related professions.

In 2000-2001, we will also launch a comprehensive corruption prevention programme on building management for Owners' Corporations and property management companies. Besides, we will work closely with regulators and practitioners in the banking and insurance industries to enhance ethical practices.

### **3. Reinforcing Anti-Corruption Culture**

The success of anti-corruption work hinges on the support of a community. An anti-corruption culture needs to be continuously reinforced and could hardly sustain without the support of the coming generations. Hence it is of paramount importance that we should do our utmost to inculcate positive values amongst our young citizens.

In the past year, we launched a youth website, "The Teensland", as one of our initiatives for youth education. Through the website, we have established an effective channel to communicate with our young people, and positive messages were put across to them in a way they could identify with. Public response to this initiative has been encouraging. In the coming year, we will launch a youth-oriented and family based programme to further foster an anti-corruption culture in the community.

### **Conclusion**

" To combat corruption without fear or favour " is our stated mission. No matter how sophisticated the criminals may become, the ICAC will continue to vigorously go after the corrupt. To keep abreast of the changing times, we will constantly review our strategy and fine-tune our work priorities.

Our work objectives for the coming year have been set out and we are prepared for the tasks ahead. We are fully confident that in the coming year, the ICAC will continue to discharge its duties effectively by tackling corruption on three fronts – investigation, prevention and community education.

