

# **OFFICIAL RECORD OF PROCEEDINGS**

**Thursday, 14 March 2002**

**The Council met at half-past Nine 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, G.B.S., J.P.

DR THE HONOURABLE DAVID CHU YU-LIN, J.P.

THE HONOURABLE CYD HO SAU-LAN

THE HONOURABLE ALBERT HO CHUN-YAN

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

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

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

THE HONOURABLE NG LEUNG-SING, J.P.

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, J.P.

THE HONOURABLE CHAN KWOK-KEUNG

THE HONOURABLE CHAN YUEN-HAN, J.P.

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.

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 LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH

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

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

THE HONOURABLE AMBROSE LAU HON-CHUEN, G.B.S., 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.

THE HONOURABLE MA FUNG-KWOK

**MEMBERS ABSENT:**

THE HONOURABLE LEE CHEUK-YAN

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

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

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

THE HONOURABLE BERNARD CHAN

DR THE HONOURABLE PHILIP WONG YU-HONG

THE HONOURABLE YEUNG YIU-CHUNG, B.B.S.

**PUBLIC OFFICERS ATTENDING:**

THE HONOURABLE DONALD TSANG YAM-KUEN, J.P.  
THE CHIEF SECRETARY FOR ADMINISTRATION

MR MICHAEL SUEN MING-YEUNG, G.B.S., J.P.  
SECRETARY FOR CONSTITUTIONAL AFFAIRS

**CLERKS IN ATTENDANCE:**

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

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

## 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: The second Chief Executive election.

## THE SECOND CHIEF EXECUTIVE ELECTION

**MISS EMILY LAU** (in Cantonese): Madam President, the day before yesterday, Chief Executive TUNG Chee-hwa hosted a reception at the Convention and Exhibition Centre to extend gratitude to those who had helped him in his successful re-election. On that day, he said that his successful re-election was not a success for himself, but a success for his supporters. He also expressed the hope that this success could become the success for Hong Kong in the next five years and a driving force behind Hong Kong's progress.

Madam President, this major event, the Chief Executive election, has failed to arouse any discussions among the people of Hong Kong. The re-election of the Chief Executive has not led to any rejoicing. What we have seen is just the applause of some 1 000 people. Why has there been no applause in the rest of the community? Why no rejoicing at all? Why have there been demonstrations, frustrations and so much helplessness instead?

Madam President, it is precisely because of all these questions that I have to move this motion today. I hope that Members can support it. This motion is about the election which has just been held. Some even dismiss the election as a farce, as being completely undemocratic. Why undemocratic? The most significant reason is that the broad masses of Hong Kong people were not allowed to take part at all. If I am to give a definition to a democratic election, I would certainly cite some international standards — a one-person-one-vote election based on universal and equal suffrage. In the context of Hong Kong, for example, people aged 18 or above can become electors after registration, and once they have become electors, they should have the right to take part in

elections. Unfortunately, however, the masses did not even have a chance to cast their votes in the recent election. Madam President, as you know, this is just a small circle election restricted to the Election Committee (EC), and since the Chief Executive managed to obtain nomination from 714 out of the 794 members of the EC, he was declared elected *ipso facto*.

Madam President, by moving this motion, I hope that Honourable colleagues can think calmly about whether the whole process was undemocratic, whether it is true that the great majority of Hong Kong people were barred from taking part, with the result being that the elect thus returned will not be regarded as the representative of Hong Kong people, will not be regarded as having any legitimacy at all. Well, because of all this, the people of Hong Kong can see no cause of celebration. I wish to point out once again — as you, Madam President, can also recall — that two separate motions urging the executive authorities to expeditiously conduct consultations on political reforms were actually passed by this Council before, one in January 2001 and the other in June the same year. I divided the relevant demand into two parts. When the two motions were put to the vote, the latter part was supported by most Members, and regarding the first part, I understand that it is very controversial. But sometimes, there are bound to be matters which we must discuss, despite their controversial nature.

Madam President, why do I think that this election by 800 people is undemocratic upon closer analysis? I am sure that many Honourable Members will argue later on that this election is very democratic, and I know I am going to hear many different views today. If Members look at the composition of the EC, they will see that according to the Basic Law, it is composed of members from four category of sectors: the industrial, commercial and financial sectors; the professions; labour, social services, religious and other sectors; Members of the Legislative Council, representatives of Hong Kong delegates to the Chinese People's Political Consultative Conference and representatives of district-based organizations. There are 200 members for each category of sectors. For the first category of sectors alone, that is, for the industrial, commercial and financial sectors, how many registered electors are there? There are some 13 000 organizations and companies and 10 000 individuals, making up a total of some 20 000. For the professions, there are 150 companies and some 144 000

individuals, and for the rest, each may have several hundred or several thousand electors. But in any case, the total for all categories of sectors will not be more than 180 000, meaning that only 180 000 qualified electors took part in this election. Besides, Madam President, please do not forget that at the very beginning, these electors were never told that this EC would also be responsible for electing the Chief Executive. I argued about this point for a very long time, but was simply told by the Secretary that the only thing the Legislative Council should do was just to elect five representatives. So, how can anyone claim that the person selected by this EC is representative of the people? This applies also to the representatives of companies. On this point, the Special Administrative Region (SAR) Government should be reprimanded. Corporate votes were invented by the colonial administration, but they were later abolished by Governor Chris PATTEN. But then, after its establishment, the SAR Government quickly restored this arrangement to allow companies to vote. I think this is very much a shame for the people of Hong Kong.

Madam President, I am not alone in making such a criticism. Let us read how a local paper commented on this election on the 20th of last month (bearing in mind that the outcome of the election was not known until the 28th of last month): "To the local press, the re-election of TUNG Chee-hwa will be no news at all. It is also no news at all that in such a coterie election, an overwhelming majority of the Election Committee members should have scrambled to make their nominations, because the Central Authorities have already made public their support for him ..... The automatic re-election of TUNG Chee-hwa can only serve to show the whole world that the method for electing the Chief Executive of the Hong Kong Special Administrative Region has become Chinese Communist in style. Five years ago, there were still several candidates, though the whole affair was still very much a farce. But five years later, now, all has become an 'election' with just one single candidate, something almost no different from the elections held by the Chinese Communists — with the number of candidates corresponding to the number of seats. That the Chief Executive election in Hong Kong has become such an election, that the fledgling democratic politics and election culture in Hong Kong has so rapidly degenerated into something like the elections of the Chinese Communists, are really a shame for Hong Kong, a shame for Hong Kong people." Madam President, such comments are not made by me but by the Hong Kong media. I am sure that most Hong Kong people will share the same view.

I therefore think that we should really do something now. Of course, the second Chief Executive has been elected. The people of Hong Kong will not stage a revolution, nor has anyone said that he will buy arms to overthrow the TUNG Chee-hwa administration. But many people are not satisfied with the present arrangement. I am sure that the Secretary will certainly ask us to look ahead. That I will certainly do, which is why I think we should commence discussions on this issue as early as possible to enable the people of Hong Kong to reach a consensus, so that we can elect the next Chief Executive and Legislative Council by elections based on universal and equal suffrage.

Madam President, I mentioned the debate on 14 June 2000 just now. During this debate, the Secretary said, "The progress of our political development in the 10 years after 1997 is already set down in the Basic Law." He also said, "As Members may know, the Basic Law has set down a mechanism determining the directions and steps for the political development of the SAR after 2007." If Members turn to Annex I to the Basic Law, they will see a mechanism there (one under which it is hard to pass anything): "If there is a need to amend the method for selecting the Chief Executives for the terms subsequent to the year 2007, such amendments must be made with the endorsement of a two-thirds majority of all the members of the Legislative Council and the consent of the Chief Executive, and they shall be reported to the Standing Committee of the National People's Congress for approval". I believe the Secretary was referring to this mechanism. That is why he gave us the impression that there is no need to amend the Basic Law, and all that is needed is just to adhere to this mechanism.

Madam President, I am sure that many Members will later on discuss whether "subsequent to the year 2007" should also cover the year 2007 itself. I have looked up some dictionaries and relevant information (the Secretary may also look at all this), and I discover that "subsequent to 2007" should cover 2007 itself and the time afterwards. Members have started to discuss the matter just today, but most in the community (including many mass media) and I would take this provision to mean that things can start in the year 2007. That is why I think that in terms of timing, the matter is already very pressing. If we think that the said mechanism can be invoked to liberalize the method for selecting the third Chief Executive, instead of buying the opinion of some people that the 800-people election should continue, then now is absolutely the time to conduct discussions, because the issue is very controversial.



Madam President, I may perhaps quote the views of some Basic Law drafters here. I must do so in English because the book I have read is in English, entitled *"One Country, Two Systems" — An Account of the Drafting of the Hong Kong Basic Law*, and written by Prof HSIAO Weiyun. On Page 280, Prof HSIAO said: "However, in view of demands from residents that the Chief Executive should be selected by universal suffrage, it is further provided that after the year 2007, amendments can be made to Annex I (that is, of the Basic Law), that is, either, in order to facilitate Hong Kong's stability and prosperity, the election method should remain unchanged for 10 years between 1997 and 2007. After 2007, that is, the 10th anniversary of the founding of the HKSAR, and upon the expiry of the second term of office and the beginning of the third term of office of Chief Executive, amendments can be made to Annex I: Method for the Selection of the Chief Executive of the HKSAR. As to the method for selecting the Chief Executive after the year (including the method for selecting the third Chief Executive in 2007), it is provided in Annex I that it can either be amended or remained unchanged."

Madam President, if we further study Annex II to the Basic law, we will see that it is stated that 10 years afterwards, that is, in 2007, the method for the formation of the Legislative Council may also be reviewed. I think following the logic of the Basic Law, the 10-year period referred to by the Secretary should actually be a 10-year period of restriction and stability. What we wish to discuss now is the need for changes after this 10-year period. The third Chief Executive election shall be held in 2007, and so, I think we must do the best we can to invoke this mechanism in these coming few years. Well, it is anyway not at all easy to pass anything under this mechanism, because a two-third majority of all the Members of the Legislative Council and the consent of the Chief Executive are required, and all amendments must be reported to the Standing Committee of the National People's Congress. But we must still agree that there is no need to amend the Basic Law, as long as we can activate this mechanism.

Madam President, my motion is not intended so much to stir up any disputes with Members. I only hope that they can note the aspirations of Hong Kong people, because most of the opinion polls show that more than 70% or even 80% of the respondents actually agree there should be election of the Chief Executive by universal suffrage as soon as possible. This percentage is even higher than those who wish to have the election of Legislative Council Members

by universal suffrage. This is the opinion of the public. I hope that Members can all understand and support my motion.

**Miss Emily LAU moved the following motion: (Translation)**

"That this Council considers that the method for the selection of the second Chief Executive of the Hong Kong Special Administrative Region is undemocratic, depriving the general public of the right to participate in the election process, and urges the authorities to expeditiously start its consultation work on political reform."

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the motion moved by Miss Emily LAU be passed.

**PRESIDENT** (in Cantonese): Mr Frederick FUNG will move an amendment to this motion, as printed on the Agenda. The motion and the amendment will now be debated together in a joint debate.

I now call upon Mr Frederick FUNG to speak and move his amendment.

**MR FREDERICK FUNG** (in Cantonese): Madam President, I move that the Honourable Emily LAU's motion be amended as set out on the Agenda.

Madam President, concerning the motion and my amendment today, there are actually two points that warrant discussions. First, is the method for electing the second Chief Executive undemocratic? Second, following the election of the second Chief Executive, what is the Government going to do? The original motion urges the authorities to expeditiously start its consultation work on political reform. As far as my understanding goes, consultation work is neutral. Naturally, sometimes, consultation work may involve some directions, but since the original motion does not state the direction clearly, I have sought to amend it. My amendment urges the authorities to expeditiously start the procedure for political reform, so as to allow the public to elect the Chief Executive by universal suffrage as early as possible. This gives the motion a direction and is basically compatible with Article 45 of the Basic Law.

On the first point, the existing method for the selection of the Chief Executive is obviously a far cry from the definitions and interpretation of democracy. In political science, democracy is generally defined in two ways — one is democracy in the broad sense, which involves whether or not democratic principles are adopted by the institutions of society as a whole; the other is democracy in the narrow sense, which involves whether or not the political system of society is democratic. The discussions today should mainly concern the narrow definition of democracy in political science, that is, whether our electoral system is democratic.

Democratic electoral systems in democracies are characterized by two important features. The first feature is that under some specific circumstances, all the citizens of a society, Hong Kong, for example, are allowed to stand in elections as candidates in accordance with the law regardless of their political stance, religious beliefs and racial origins. The second feature is that under some specific circumstances, all the citizens of a society may exercise their own free will and elect their ideal rulers within a specified period of time under a system of one person, one vote, with each ballot carrying equal weight.

Members may examine whether the existing electoral system for the Chief Executive is democratic by applying the above concepts. In Hong Kong, in terms of the law, candidates under this electoral system are basically not subject to any special restrictions such as those related to racial origins, politics and ideologies. That is why I think that in this respect, we have not breached this fundamental principle of democracy. But when it comes to whether or not electors are able to elect the Chief Executive under a system of one person, one vote, with each ballot carrying equal weight, I must say that the current Election Committee (EC) is obviously unable to meet this requirement. In other words, we fail to realize this fundamental concept, principle and value of democracy.

As it is, the EC responsible for returning the Chief Executive is not elected by the people of Hong Kong, which is why it can be said that the narrow definition of democracy mentioned by me a moment ago cannot be met here. The main reason is that the EC is not elected by the 3 million electors of Hong Kong under a system of one person, one vote, with each ballot carrying equal weight. The EC is legal, but undemocratic.

What is more, in the Chief Executive election this time around, there is only one candidate, and he has been doing all he can to invite members of the EC to be his nominators. There is nothing wrong for a candidate to rally the support of electors. But there are just 794 members in the EC, and all nominations are made public; this has led to a situation under which the making of nominations is no different from the casting of votes. An election of this type is supposed to be conducted by secret ballot, and the original intent of secret ballot is to enable electors to exercise their own free will and make their own decisions. But due to the changed circumstances, it has become very much like open ballot. This may not be something desired by the candidate, but despite this, objectively speaking, members of the EC are nonetheless subjected to some kind of pressure because they have to make public whether they will nominate the candidate. This runs counter to the objective of allowing electors to cast their votes of their own free will without any restrictions in a democratic election.

The second point is about how we should handle the next Chief Executive election following the election of the second Chief Executive. In my amendment, I propose that there should be no need to conduct any consultation work on the direction of the relevant reform. This is because there are already very clear and specific provisions for this matter in the Basic Law. Just take a look at the second paragraph of Article 45 of the Basic Law, and we will see that it is stated that "the method for selecting the Chief Executive shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures." Members may wish to note the last sentence: "The ultimate aim is the selection of the Chief Executive by universal suffrage ....." Such is the ultimate method and aim in regard to the selection of the Chief Executive as stipulated in the Basic Law. The Basic Law was drafted following two rounds of consultation between the Central Authorities and Hong Kong spanning from 1985 to 1990, and it was discussed and passed by the Seventh National People's Congress of the People's Republic of China on 4 April 1990. For this reason, I do not think that we should now no longer conduct any discussions and consultation on what methods should be adopted; rather, we should explore how we should execute, promote and launch the method already set down.

Very obviously, the election of the Chief Executive will necessarily involve how to identify the method for electing the Chief Executive by universal suffrage. Naturally, in the process, we may still have to conduct some discussions and consultation on "a broadly representative nominating committee in accordance with democratic principles", and so on. I think all this is a kind of support for the objective of universal suffrage, which is why I wish to introduce some amendments to the definitions of terms in the original motion. As for how an election based on universal suffrage is to be conducted in the future, there are actually two options. One is an election genuinely based on universal suffrage, meaning a direct election in which all people are able to elect the Chief Executive by one person, one vote. The other option is to break up the existing EC into four sectors comprising all the 3 million electors in Hong Kong, thus turning the entire election into some of an indirect election. This latter option is likewise not in breach of the Basic Law.

I think in actual practice, Hong Kong is the right kind of place for a democratic electoral system. Economically, Hong Kong has the means for this; there is here a strong and sizeable middle class whose standards of living and education are ever improving, and this has in turn led to the emergence of a civil society. Added to all this are the widespread dissemination of information and mass media that are active and highly diversified. These elements are in line with the democratization studies conducted by political scientist S. HUNTINGTON and the social conditions found generally in stable democracies.

Madam President, though democracy is not perfect, it is not a "dreadful beast" either. Indian Nobel Laureate in Economics A. SEM says that the democratic values of respect and co-ordination can help reduce war and famine. Lord ACTON of Britain once said, "Power tends to corrupt, and absolute power corrupts absolutely." The checks and balances provided by democratic institutions can reduce the incidence of absolutism and authoritarianism to the minimum.

Madam President, a study conducted on the basis of the World Bank's statistics for 2001 with respect to the methods of selecting the head of the executive reveals that of the 40 high-income countries and places (including Hong Kong), 33 are democracies, representing a rate as high as 80%. But Hong Kong has made no progress in democratization, and its political institutions are markedly different from those usually found in high-income countries and places. The opinion poll conducted by the Hong Kong Association for

Democracy and People's Livelihood (ADPL) in January found that nearly 50% of the respondents did not support the existing method for selecting the Chief Executive, and 75% (actually almost 76%) of them even agreed that the third Chief Executive should be returned by election of one person, one vote. The ADPL and I think that the Government must pay proper attention to the people's aspirations and allow them to elect their ideal Chief Executive by universal suffrage as early as possible.

Madam President, I so submit.

**Mr Frederick FUNG moved the following amendment: (Translation)**

"To delete "its consultation work on" after "and urges the authorities to expeditiously start" and substitute with "the procedure for"; and to add ", so as to allow the public to elect the Chief Executive by universal suffrage as early as possible" after "political reform"."

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Frederick FUNG to Miss Emily LAU's motion, be passed.

**MR IP KWOK-HIM** (in Cantonese): Madam President, motion topics similar to the present one have been discussed in this Council many times before. The Democratic Alliance for Betterment of Hong Kong (DAB) thinks that as the constitution for the SAR, the Basic Law provisions for the election of the Chief Executive are the regulation and the protection which this constitution gives to the progress of democratization in Hong Kong and that should command respect and compliance by the people of Hong Kong.

Article 45 of the Basic Law provides that "The Chief Executive of the Hong Kong Special Administrative Region shall be selected by election or through consultations held locally and be appointed by the Central People's Government." Annex I to the Basic Law provides that the Chief Executive shall be elected by a broadly representative Election Committee (EC) composed of 800 members. From these provisions it can be seen that there are two important features in the selection of the Chief Executive of the SAR, that is, first, it must undergo two statutory procedures: "by election or through

consultations held locally" and "be appointed by the Central People's Government"; and second, the election in Hong Kong shall be conducted through an EC, and that is a kind of indirect election.

Mr TUNG Chee-hwa, as the candidate for the Chief Executive for the second term, was nominated by the EC in accordance with the stipulations under the Chief Executive Election Ordinance, declared formally elected in the absence of other contesting candidates, and was formally appointed by the Central Government. The DAB thinks that all the election activities for the election of the Chief Executive were carried out in strict compliance with the stipulations in the Basic Law and all other related legislation, such as the Chief Executive Election Ordinance, the Electoral Affairs Commission Ordinance, the Prevention of Bribery Ordinance, and so on. Of these pieces of legislation, the Chief Executive Election Ordinance is the first piece of legislation enacted since the foundation of the SAR specifically for Chief Executive elections.

Some people think that elections held under the Chief Executive Election Ordinance are not democratic. The DAB thinks that the Chief Executive Election Ordinance was scrutinized and passed by the Legislative Council and the Bills Committee held 15 meetings with the Government and views were solicited on many occasions from the public and the academic circle on the contents of the Ordinance. Proposals were made to the Government to amend a number of provisions to make the Ordinance more reasonable. From the proposal, deliberations to the debate and passage of the Ordinance, it has been a democratic legislative process and therefore, the arguments advanced to discredit the Chief Executive Election Ordinance are unfounded.

Some critics think that there is only one candidate for the Chief Executive election this time and conclude that the candidate is predetermined and so the election is not democratic. This is only sophistry. Is there any theory which requires an election to be a contest between two or more than two candidates before it can be considered democratic? The DAB thinks that the second Chief Executive has been formally elected under the stipulation for "the only candidate shall be returned" as set out in section 23 of the Chief Executive Election Ordinance. So it is a democratic election which meets the statutory requirements.

The Chief Executive has been selected by way of indirect election of the EC and the process is consistent with the provisions of the Basic Law and the realistic circumstances in Hong Kong. Democratic elections are not confined to

merely one form and the "one person, one vote" kind of direct election is not the only way to materialize democracy. Heads of state in many democratic countries including the United States are returned by indirect elections. The best and most democratic method of election is one that can best look after the interests of the nation or place, that can best make bold and steady strides towards democracy, and that can best put the democratic rights of the majority into practice. With all these in mind, members of the Basic Law Drafting Committee, in the course of formulating the Basic Law, decided on electoral procedures which best fit the territory in accordance with realistic conditions of the time after a long period of democratic discussions and extensive consultations.

The 800 members of the EC who have selected the second Chief Executive have been returned in accordance with statutory procedures as provided in the Chief Executive Election Ordinance. Despite the fact that registered voters in the sub-sector elections in the EC only consist of about 180 000 persons, these voters are not voting purely in their personal capacity but as representatives of various strata in society. These include representatives from the labour sector which has a total of 440 trade unions and 600 000 members. Likewise, there are also representatives of the District Councils who represent more than 3 million voters aged 18 or above in various districts. Therefore, in terms of the composition, method of return and electorate of the EC, the 800 members returned to the EC do cover all strata in society. Hence, the accusation that the election is a "small circle" election is unfounded.

Right from the beginning of her speech, Miss Emily LAU said that she was unable to see any joy in the people of Hong Kong for the successful election of the Chief Executive, nor could she hear any applause from the people of Hong Kong. What Miss LAU can see are perhaps the demonstrations and protests from the Coalition Against Second Term of which she is the convenor. This kind of attitude which takes no notice of the reality is biased. It is most regrettable.

As for the amendment proposed by the Honourable Frederick FUNG, the DAB thinks that the contents of the amendment will only add to the description of the constitutional framework of the election for the third Chief Executive, it also describes the Second Chief Executive Election as undemocratic and is a blatant disregard of the provisions in the Basic Law. Therefore, the DAB opposes the original motion and the amendment. Madam President, I so submit.



**MR LAU PING-CHEUNG** (in Cantonese): Madam President, last week the Chief Executive, Mr TUNG Chee-hwa, was issued an instrument of appointment by Mr ZHU Rongji, the Prime Minister and Mr TUNG became the second Chief Executive with a term of office until 2007. The motion moved by Miss Emily LAU and the amendment moved by Mr Frederick FUNG are both of the view that the method of returning the second Chief Executive is undemocratic. Let me state my position right on the outset. Admittedly, the election of the first and second Chief Executive was somehow not sufficiently democratic, but that does not mean that it was undemocratic. With respect to this, I must emphasize that the methods of returning the first and second Chief Executive are all part of the Basic Law and they have their special historical background. To judge whether the methods of returning the first and second Chief Executive are appropriate, one must look at the matter from the perspective of the Basic Law as a whole and whether it was commonly accepted by the Hong Kong community as a whole at the beginning of the 1990s. One cannot just single out a part of the Basic Law at this time and place and pass a judgement on the issue.

When the Basic Law was promulgated in 1990, the methods of returning the first and second Chief Executive and the first, second and third Legislative Council were all set by and large. There were a lot of arguments on the methods of returning the Chief Executive and the Legislative Council at that time. Now when these issues are brought up again in this Council, it is very likely to lead to an emotional dispute and I do not think it will serve any meaningful purpose.

Having said that, if only we look at Annexes I and II to the Basic Law carefully, we should admit that great flexibility has been built into the methods of returning the third Chief Executive and the fourth Legislative Council and these may be amended. In terms of law, the Annexes to the Basic Law are meant to provide for amendment and as a matter of procedure, they can be amended with the endorsement of a two-third majority of all the Members of the Legislative Council and the consent of the Chief Executive, and the amendments shall be reported to the Standing Committee of the National People's Congress for approval. These amendments can be seen as further steps towards a democratic election system, which are totally different from amending the Basic Law.

As for the original motion moved by Miss Emily LAU and the amendment moved by Mr Frederick FUNG, I have the following two points to make:

First, on starting the process of constitutional review now, as demanded in the amendment moved by Mr FUNG, actually, different people may have different views on that. Under the present economic circumstances, we had better concentrate our efforts on improving the livelihood of the people and solving the unemployment problem. Besides, there will be elections for the Legislative Council in 2004 and perhaps the issue of the election of the third Chief Executive in 2007 can be left to the third Legislative Council to decide.

Second, on the discussions of the electoral arrangements for the third Chief Executive, I think discussions can be held at any time. A worthy point that should be noted is that Article 45 para 2 of the Basic Law provides: "The method for selecting the Chief Executive shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures." The Article provides that even as the Chief Executive will be selected by universal suffrage ultimately, a nomination procedure will need to take place prior to that. This nomination process is conducted by the Election Committee (EC) concurrently. However, Miss LAU's original motion and Mr FUNG's amendment have not directly touched on this arrangement. Actually, members of the EC are returned by different methods, some are ex-officio members, some are returned by elections and some take their office as a result of consultations. Members have different terms of office. So there should be more detailed discussions on the formation of the EC.

Madam President, I so submit.

**MR CHEUNG MAN-KWONG** (in Cantonese): Madam President, in the motion debate today, I would like to raise a few points, and I would like to make some criticisms on the politics of preordained appointment in Hong Kong as practised by the Communists.

First, the re-election of TUNG Chee-hwa is not an election by the people and it is not even a "small circle" election. Rather it is a preordained appointment by the Central Authorities. It is a result of shaking hands with JIANG Zemin. It is absolutely not democratic at all. It is a feudal practice and a shame for Hong Kong. Hong Kong can be rightly called a feudalistic cosmopolitan city because of this.

The greatest harm done by politics of preordained appointment is, as I have said earlier, there is no election. The greatest harm that can be done by the absence of election is the absence of a leader commonly endorsed by the people. In a democratic society, election is the ultimate manifestation of the will of the people. When a leader is elected wrongly, the result is disappointing. But hope is always there and the people can elect a better leader in the next election.

The process of democratic elections is to rekindle hope in the people who are disappointed. But since there is no election and TUNG Chee-hwa is preordained by the Central Authorities, so he can bring no hope to us, for he is only an official appointed by Beijing.

Another more deadly damage done by the politics of preordained appointment is that the Chief Executive so appointed cannot better himself in the election. There was competition in the first election taken part by TUNG Chee-hwa, and so there were political platforms, debates, electioneering and the winner and losers. Now TUNG is politically preordained and blessed by the Central Authorities, so no one wants to contend with him. That is why the second election taken part by TUNG Chee-hwa had no political platform, no debate and no electioneering. But it is amazing that he could have spent \$8 million and the amount is a sheer waste of money. During the election, TUNG Chee-hwa could not make a thorough soul searching on the blunders he had made over the past five years and looked for ways of improvement. The people's hopes are not rekindled in the election process to recharge them to face the days ahead. So when the election is over, Hong Kong remains a pool of stagnant water. There is not the slightest ray of hope to light the dreary days of five years ahead of the people of Hong Kong and they still have to tighten their belts.

Second, as TUNG Chee-hwa is preordained by the Central Authorities, so the rich and powerful just go with the tide and lavish praises on his "magnificent achievements". The scene is an eye-opener and a shock to the people.

I would like to quote the remarks made by these rich and powerful. CHAN Wing-kei said, "TUNG Chee-hwa is a man of great integrity and stern moral fibre, he is dedicated to his work and humbly bears all the daunting tasks. There is no one like him in Hong Kong these days." Maria TAM said, "We need to trust a man like him to bring us out of Egypt and we cannot be

downhearted day in and day out." Reverend Kwok Kwong said, "He puts on a smiling face though he is nagged every day. He is really a great man." Dr Raymond WU Wai-yung said, "We are so lucky to have such a good Chief Executive as Mr TUNG."

These quotations of undisguised and unabashed flattery are a great shock to the people of Hong Kong in dire straits. They think they are hearing fairy tales in the likes of the emperor's new clothes. Overnight, TUNG Chee-hwa has become a GANDHI and a MOSES, the saviour of Hong Kong. We almost have to sing "The East is Red" instead of "Under the Lion Rock".

Third, from the past to the present, what TUNG Chee-hwa stands for is only the preordained appointment from the Central Authorities. He does not even stand for a small circle election, and so he cannot stand for the public at large who do not have the right to vote.

There is a recent poll and the opinion so gathered can be summed up as follows: TUNG Chee-hwa lacks charisma; the Government is too conservative and its performance is bad, it only cares about the rich and is incapable of upholding the autonomy of Hong Kong. Any person with a sense of honesty on reflecting the performance of TUNG Chee-hwa in these five years will agree that all these criticisms are well-founded and justified. All these long-standing and deeply ingrained grievances have not been seriously addressed in the declaration made by TUNG Chee-hwa on his decision to stand for the election. From this the people of Hong Kong can see that TUNG only stands for the rich and powerful, those who are so anxious to court favour from those in power. In Hong Kong, amidst the clamour of conflicting parties defending and attacking TUNG, we can see a society divided and torn apart. A clear message is sent home: TUNG Chee-hwa does not represent the people of Hong Kong, for they have no right to vote. They are only watching other people playing the election game. They are only watching the Central Authorities ordaining the person it favours. They will remain forever as onlookers, spectators watching the game and no more. I would like to stress that the politics of preordained appointment must end, and small circle elections must end too. The politics of democracy must prevail, especially in a modern society like ours.

In 1984, the Central Government and the British Government signed the Sino-British Joint Declaration, pledging democracy to the people of Hong Kong. The Chinese Prime Minister at that time, Zhao Ziyang put forward the idea of

"Hong Kong people ruling Hong Kong" to solicit support of Hong Kong people for the reunification. Now that 18 years have lapsed and 22 years will have gone when TUNG Chee-hwa completes his second term, democracy is still far, far out of sight for Hong Kong. Will this preordained appointment and small circle politics become a blemish for Hong Kong, a mockery that stays on with us forever? That is why I support the amendment moved by Mr Frederick FUNG today to demand a real honest-to-goodness one-person-one-vote election of the Chief Executive in 2007, so that democracy can emerge in Hong Kong, though somewhat belatedly. Having said that, however, I know only too well that the motion today has no hope of getting passed. The force of the legislative assembly is limited. Resolutions passed are nothing but talks on paper. What we can do is to fight for democracy on the streets, as we used to do 18 years ago. Of course, we hope that our fight will not take another 18 long years and that the people of Hong Kong will not have to take the whole 36 years, 50 years or even longer, to wait for the dawning of democracy, or to pass the time opposing miserable and feudalistic politics of preordained appointment. Thank you.

**MR NG LEUNG-SING** (in Cantonese): Madam President, from Europe across America to Asia, in different countries and places, democracy has always been a process of development. In the colonial days prior to the reunification in 1997, the executive head of Hong Kong was a position never assumed by any Hong Kong person and the people of Hong Kong did not have the chance to elect their executive head. It may be that some members of the so-called elites of democracy at that time could have made their views known to Britain, but the most they could do was to hope that the Queen could appoint a governor who was more amenable to them. With the reunification in 1997, an Election Committee (EC) composed of broadly representative members from different sectors and social strata may now select a person from Hong Kong to assume the office of Chief Executive. That is a big step forward in democracy. A great stride in the fulfilment of a high degree of autonomy. I believe that there is much room for continued development in the politics of democracy in Hong Kong and that there can be discussions on the form of democracy we want to shape from the existing base. The evolution of a political system is like the growth of a human being and it should be a process towards greater maturity. To establish the nature of the Chief Executive elections which take place in the SAR which has been founded for just a few years as undemocratic can be likened to saying a person is naïve and immature before he has ever reached the age of majority. Such a view is absurd and irresponsible.

The election for the second Chief Executive ended when the only candidate was declared elected *ipso facto*. As a matter of fact, in any form of democratic election, there may well be a situation where a candidate is elected *ipso facto* in the absence of any contestants. That shows precisely the clear edge of the elect. If people think that an election is undemocratic because the candidate for Chief Executive is declared elected *ipso facto*, then may I ask, which countries or places in the world can fit exactly into their definition of democracy? Some people may think that the election this time is a game of preordained appointment devised by Beijing. If Beijing can really remotely control the 700-plus members out of the close to 800 members of the EC who come from a constituency of 180 000 eligible voters from four sectors, 35 trades and different social strata to complete this process of preordained appointment, then it will need to work a miracle. I think these critics need not justify themselves by describing the Central Government to be such miracle workers. The fact that Mr TUNG Chee-hwa could have got such a great number of nominating votes and elected *ipso facto* shows that his efforts are recognized. It shows that a vast majority of the members of the EC have united and made an unanimous decision for the future of Hong Kong. It also shows that those who make loud protests against the second term of Mr TUNG have failed to find support and how incompetent they are, for they can only put forward the "preordained appointment" theory to cheat themselves and others.

The election for the second Chief Executive was held in accordance with the provisions of the Basic Law and the relevant legislation was passed in this Council. The whole process was constitutional and legal. Any doubts on the Chief Executive election and the elect are tantamount to doubts cast on this Council and the very foundation of the constitutional framework of the SAR. I fail to see any benefit which this move will bring to the social stability and progress of the SAR. We can see that in the letter which Miss Emily LAU addressed to Members of this Council, it is mentioned that the Council has passed two motions on political reform and the review and consultation efforts associated with it. On the motions moved by Miss LAU at that time, I cast my vote to oppose them. I think Honourable Members will remember that this Council has also voted down some resolutions moved by individual Members to amend the Basic Law on the method of selecting the Chief Executive. If certain parts passed in the former motions are said to be a consensus of this Council, then the defeat of the latter resolutions should likewise be deemed as the consensus of this Council. In her letter, Miss LAU talks about the strong demand for direct elections by the people of Hong Kong, but under the present

socio-economic circumstances, the people of Hong Kong do have an even stronger demand and that is, there should be less unnecessary political disputes between the Government and this Council, and that priority should be given to dealing with economic problems, people's livelihood and unemployment. As an institution of public opinion, the Legislative Council must seriously reflect this yet stronger demand. As for meeting this urgent and concrete demand from the public, the Government should strive for more effective governance and solidarity of all sectors. They should face the problems and work together to resolve them. Legally unfounded queries on the constitutionality and legality of the selection of the Chief Executive of the SAR should cease to be made now, for they would only serve to bring negative impact on society and the international community.

Finally, if this motion is negated, I hope Miss LAU can have the "calmness of mind" as she put it, to accept and respect the consensus so reached in this Council today on the issue of whether the Chief Executive elections are democratic. In other words, she has to accept and respect the consensus reached in this Council on the issue of an orderly and gradual progress of the political system as provided for in the Basic Law.

Madam President, I so submit.

**MR HOWARD YOUNG** (in Cantonese): Madam President, there have been lots of arguments in the community about the pace of our political development. This Council has debated this issue many times, and that was also the case even with the former Legislative Council.

The original motion and the amendment today are both reprimanding in tone with respect to the method for selecting the second Chief Executive. The Liberal Party does not agree to this. The reason is very simple. How was the second Chief Executive selected? He was actually re-elected in strict accordance with the procedures provided for in the Basic Law. The Basic Law has provided for the pace of Hong Kong's political development. Some may find the pace too slow, but there are others who think that it is just about right. Some may think that the whole thing is not democratic enough, but others may well argue that this is precisely what is meant by gradual and orderly progress. Whatever the arguments are, it remains a fact that the Basic Law is the basis of the political development of Hong Kong. This basis was debated very

extensively and then written clearly into the Basic Law. The recent Chief Executive election was just conducted in strict accordance with the "book", and this "book" is the Basic Law, something that we must all comply with and respect.

There is still not any finalized scheme for our political reform, and to be more precisely, even the consultation period has not yet commenced. According to the procedure, we should wait until the commencement of consultation before we invite the various sectors to give their views on the pace of democratization in Hong Kong, to suggest how the third Chief Executive is to be selected and what arrangements there should be for the Legislative Council election in 2008. Only then can there be a finalized scheme.

When should the consultations on our political development start? We remember that roughly two years ago, some Members proposed to start the consultations immediately. The Liberal Party did not support this proposal at that time, because we thought that the Basic Law had already prescribed the method for selecting the first and second Chief Executives. So, we thought that even if there were to be any changes, they should only be finalized in 2007 or afterwards at the soonest. If consultations had really commenced at that time, there would be a consultation period as long as four to five years, in the course of which public opinions may undergo many changes.

As once pointed out by the Liberal Party, next year, or 2003, will be a more suitable time for the commencement of consultations, and this is also more in line with the realistic circumstances. This is because it is expected that such a large-scale consultation exercise may take as long as two years, and this will be long enough for the community to hold sufficient discussions. By the time the consultation exercise concludes in 2005, there will still be two years for legislative work and specific electoral arrangements. But if the mainstream opinion of the community is that such a lengthy consultation exercise is not necessary, it can of course be shortened. We think that appropriate arrangements can be made in the light of the actual situation.

The original motion and the amendment today both say directly that the existing system is undemocratic, giving us the impression that the movers wish to achieve their goal instantly. In fact, given the realities now, no matter how quick the pace may be, the election of the next Chief Executive will still be five years away from now. So, the raising of this issue now seems more to be a political manifesto.



The amendment just makes some changes in wording, and it is in fact no different from the original motion in spirit. The Liberal Party has reservations about both of them. That is why it cannot support them.

I so submit.

**DR YEUNG SUM** (in Cantonese): Madam President, the second Chief Executive has been selected by an 800-member EC recently and this is actually only a farce of preordained appointment directed by the Central Authorities. The election is a far cry from the election which the people have in mind. Now that Mr TUNG has been re-elected and we in the Democratic Party demands that he, as the Chief Executive, is obliged to present a timetable for political review during the five years of his term of office. He should consult the public extensively and initiate the related legislative procedures so that the third Chief Executive can be elected by universal suffrage in 2007 and that the Legislative Council can be returned by universal suffrage in 2008.

Madam President, the demands of the Democratic Party are based on the following reasons. First, the Chief Executive returned by the 800-member "small circle" is in fact seriously lacking in credibility. The Chief Executive may think that he is returned from this 800-member small circle and he also has credibility. However, if we look at the opinion polls conducted recently, we can know clearly that he is lacking in credibility, for he is not elected by the one-person-one-vote kind of universal suffrage of all the people. So when he thinks that he has credibility, he is only being self-deceptive and is trying to pass one thing off as another.

Madam President, the fact that the Chief Executive lacks in credibility will be the major reason making his administration very difficult. On 1 July this year, the Chief Executive will launch his so-called system of accountability for senior officials. In my opinion, this will not help very much in his governance of Hong Kong. The so-called ministerial system proposed by him will only enable him to appoint people who share his views more easily and this may not help very much in his administration of Hong Kong. The main reason is that there is a lack of credibility for the Chief Executive. The people will think that since he is preordained by the Central Authorities and is not elected by the public by universal suffrage, his credibility among the people and their support for him is low. So no matter what measures he takes, the people will query. Poll

findings all show that he only listens to the instructions of the Central Authorities and is conspiring with the business sector.

If the Chief Executive is elected by universal suffrage, his credibility will not be open to question. So at a time of economic downturn, it will be easier for the Government to adopt measures to increase revenue and cut expenses. For example, if any measure is taken to increase revenue and cut expenses, it can be carried out easily. For if he is elected by universal suffrage, he will get the support of the people. So if such measures are to be adopted, there will be a greater chance of securing popular support.

Second, the Chief Executive lacks in representativeness. I have pointed out earlier that it is the general view of the people that the Chief Executive attaches greater importance to the interest of the business sector and he favours certain businessmen over others. Some people from the business sector have even told us that they doubt whether fair competition in the market is suffering.

As the Chief Executive lacks representativeness, so the people thinks that it will be hard for him to take care of the interests of different classes and strike a balance between them. Since he lacks representativeness, public acceptance of his administration is also open to question.

Madam President, the third thing I would like to point out is that the existing political system is not effective. Even if the so-called ministerial system is introduced, that will only make the Chief Executive's administration more difficult and will hamper the progress of society as a whole. The political ideology of Prof LEE Ming-kwan of the Hong Kong Polytechnic University is very conservative. But he pointed out in an article written in 1998 that the then political framework fundamentally made the government a weak one, with constantly wavering policies and it was hard to lead the people. The reason he gave was that the then political structure made the Government fail to get even one vote in the Legislative Council, while some of the Members of the Council were returned by geographical direct elections. These Members had the mandate of the people and the representativeness that was associated with it, but they did not have the authority to formulate policies. The Government had the authority but it did not have the support of the Legislative Council. To make our political system effective, Prof LEE suggested amending the laws so that the Chief Executive could have partisan support and background. He also suggested that Chief Executive should be elected by universal suffrage as soon as

possible. Discussions on this have been held in this Chamber a number of times actually, so I do not intend to repeat the arguments already made. I would like to point out one thing and that is, the existing political system is ineffective. Not only does it make the Government encounter a lot of difficulties in administration, it has also seriously undermined the powers of the Legislative Council in checking the executive authorities.

If the third Chief Executive can be elected in 2007 by universal suffrage and the Legislative Council can be returned in 2008 by universal suffrage, the Chief Executive so elected will then be credible and representative. The political party to which he belongs is very likely to be the majority party in the Legislative Council. So the Chief Executive who has been elected by universal suffrage can govern the territory in a smoother and more effective manner because he has the support of the majority party in the Legislative Council. At a time of economic restructuring, recession, rising unemployment, huge deficits and an ageing population, an effective political system is essential to effective administration and the latter is all the more important.

Madam President, when it comes to discussions on the development of the political system in Hong Kong, there are usually two views. First, do we have the necessary conditions? This is the so-called conditions theory. The other is about rights, inborn rights. The conditions theory means whether we have the conditions for democracy to develop. Discussions about the political system began in the 1980s and go on to the present day. I think more and more people are convinced that basically we have the conditions for the election of the Chief Executive by universal suffrage and the returning of all Members of the Legislative Council by universal suffrage. In fact, in terms of the rule of law, economic development and level of education, Hong Kong has the full conditions for democratization of its political system.

Personally, I am inclined to buy the rights theory. I think the people of Hong Kong enjoy the right to vote in elections as provided in the International Covenant on Human Rights and in the other international covenants on economic, social and civil rights. These covenants are recognized in the Basic Law. So the people of Hong Kong are entitled to electing the Chief Executive and all Members of the Legislative Council by universal suffrage. All these rights must not be subject to deprivation. The election of the Chief Executive by one-person-one-vote universal suffrage and the returning of all Members of the

Legislative Council by universal suffrage symbolize the people of Hong Kong enjoy equal political rights and so every person will have one vote. Now there are people who think that only those who pay tax are entitled to the right to vote. That is an insult to the people of Hong Kong. The small circle election by 800 people is undoubtedly depriving the people of Hong Kong of their basic right to election. In recent years, many opinion polls have shown that 70% of the persons interviewed agree that the Chief Executive should be elected by universal suffrage as soon as possible. For the majority of the people in Hong Kong, I do not think they can accept the election of the third Chief Executive in such a way which deprives the majority of the people of their right to vote. I repeat, when the Chief Executive begins his second term of office, he should launch a consultation exercise on the political system of Hong Kong within his term of office and set the legislative process in motion with a view to holding an election of the Chief Executive in 2007 and returning all Members of the Legislative Council in 2008, both by universal suffrage. Recently, more than 300 persons have put up an advertisement in the newspaper to urge for the expeditious election of the Chief Executive by universal suffrage. I hope the democrats can unite and work together towards this goal.

I so submit.

**MR ABRAHAM SHEK:** Madam President, the second Chief Executive Election took place last month in full compliance with the Basic Law and the Chief Executive Election Ordinance which had been enacted by this Council.

It is only natural for a free society like ours that there were dissenting voices to Mr TUNG's bid for a second term. Some were not satisfied with the existing election system which vested the selection of the Chief Executive in the hands of 800 Election Committee (EC) members. The system has been heavily criticized for promoting an undemocratic, "small circle" election which deprives public participation.

It is an undeniable fact that the number of EC members is very small as compared with the total population of 6.5 million. However, it is also a fact that each and every one of the 800 EC members was elected by representatives from various sectors of our society. This is our uniqueness. The public entrusted the EC members to be their voices and to vote on behalf of them in the

Chief Executive Election. This system is enshrined in the Basic Law. Unfortunately, some of our EC members boycotted this Chief Executive Election according to their own beliefs and convictions. For this, we respect their wills and wishes. However, their actions have created a rather ironic situation: On the one hand, they willingly gave up their democratic rights; but on the other hand, they criticized the election as undemocratic.

There were criticisms about the requirements that every Chief Executive Election candidate has to enlist the support of at least 100 EC members and to make the list of supporters open to the public. These requirements were criticized as serious defects in the election system which had effectively discouraged potential candidates from participation. But if these people do not even dare to do what is required, it is obvious that they do not have the calibre as the Chief Executive.

Again, these criticisms were unfair. Every game has its own rules. The Chief Executive Election is no exception. A game can be regarded as fair as long as its rules can guarantee a level playing field for all players.

A democratic election is not merely a "one-person, one-vote" system. Those who do not understand this are too restrictive in their political outlook. In a democratic society, direct election and indirect election can coexist and have their respective representation. In Hong Kong, members of the EC are returned by democratic election. They vote in accordance with democratic procedures. Legislative Council Members who are also EC members cannot deny the functions and importance of the EC. This is the uniqueness of Hong Kong's political system and serves Hong Kong's interests for the betterment of its people.

I can accept criticism about the Chief Executive Election Ordinance not being perfect. Life is never perfect. However, if the critics want to amend it wholly or partially, please do so by legal means, that is, in this Council. Constructive criticisms would always be welcomed. This is what democracy is all about.

As stipulated in the Basic Law, it is the ultimate goal that the Chief Executive and the legislators could be elected through universal suffrage. However, such noble objectives can only be achieved gradually. The socio-economic and political environment must reach a certain level of maturity first.

Madam President, according to the Basic Law, there will be a review of our political system in 2007 when we will be charting our future courses. In my view, political stability should be the most important requirement in the development of a political system. Without such stability, there would be no basis for economic development; and without economic prosperity, there will be no social stability. Taking into consideration Hong Kong's special position, our relationship with China, our Motherland, is paramount to political and economic prosperity and development. In this regard, Mr TUNG, in the last five years, scored full marks for he has laid a strong foundation for our economic and political development. Due to this, I firmly believe that the present system of dual representation of geographical and functional constituencies is the best that we can have for the time being and should be perpetuated well beyond 2007, until the time is right for a change. Only through the attainment of the above tri-stability in the political, economic and social arenas could we then contemplate a full-fledged political system based on universal suffrage.

I am sure that this will ignite major criticisms from some of my Honourable colleagues, and for this, I am not going to be apologetic. My belief is based on political pragmatism and the general well-being of the livelihood of the people in Hong Kong. In the light of the present economic doldrums, our immediate tasks are to boost our economy, to strengthen our competitive edges and to reduce our unemployment rate. Political reforms and development should take the backseat for the time being. Issues that are out of economic focus should be discussed later. The fruit of democracy is not a forbidden apple that we could not enjoy. Even without universal suffrage, we still enjoy every freedom that the citizens of western democratic countries enjoy, if not more. They have the freedom of religion, press, belief, opposition, education, and so do we.

With these remarks, I oppose both the motion and the amendment.

**MR HUI CHEUNG-CHING** (in Cantonese): Madam President, the method of selecting the Chief Executive has been a topic argued to *ad nauseam* in the Legislative Council. The uninformed may think that various sectors in society, the Government of the SAR and the Central Government have not yet reached a consensus on the political system of Hong Kong. In fact, the Basic Law provisions on the election of the Chief Executive are a consensus reached by

various sectors in Hong Kong, and the governments of China and Britain after discussions held over a number of years. The various parties who took part in the making of the Basic Law hope that the related arrangements can remain unchanged for a period of time and operate in stability. After all, the Basic Law is a constitutional instrument and therefore it should remain intact in face of changes and operate in a stable manner before it can be said to have the authority and be a legal standard which the public can look up to.

Those people who criticize the method of selecting the second Chief Executive as being undemocratic have put forward three main arguments. First, that Mr TUNG has tried to solicit nominations from members of the Election Committee (EC) and made the nominations public is in fact urging the members to take part in an open ballot and publicly support him. For if not, they may face retaliation later. Second, that Mr TUNG got an overwhelming 714 nominations has indirectly prevented other people from standing for the election. Third, there are only 800 members in the EC who are tasked with nominating the candidates for the Chief Executive election and selecting the person for the office. The public at large is not entitled to participation in this process.

The Hong Kong Progressive Alliance (HKPA) thinks that these criticisms are in fact fallacies because of the following reasons:

- (1) Nomination in public and secret ballot are two distinctly different things. The former serves to encourage interested parties to stand for election and the latter serves to get candidates elected. Public nomination does not mean the nominator will necessarily vote in support of the candidate. Not making a nomination does not mean the person will necessarily vote against the candidate. Mixing nomination with voting is confusing the entire election process.
- (2) It is a well-established practice in Legislative Council elections to solicit nominations and to publicize the nominations. Honourable Members who make the criticism that the Chief Executive election is not democratic did the same thing, that is, making the nominations public, when they stood for the elections. Why are they opposing the same practice that they used to adopt? If this practice is questionable, then why did they not raise any objections when they deliberated on the Chief Executive Election Ordinance last year?

- (3) Annex I to the Basic Law mentions that candidates for the office of the Chief Executive may be nominated jointly by not less than 100 members of the EC. That is to say, any member of the EC is entitled to nominating the candidates they support and any candidate is entitled to soliciting the support of more than 100 EC members. Given this, the fact that most of the EC members nominated Mr TUNG and that Mr TUNG had secured the support of a great majority of members of the EC for his nomination is entirely sensible, reasonable and legal. Those who criticize the candidate for the second Chief Executive did not try to get themselves nominated, nor did they run for the election and present themselves as other options for the EC, but making criticisms against Mr TUNG for his efforts in getting a large number of nominations instead. Would this not be violating the spirit of democracy?
- (4) The 800 members of the EC are all returned directly by a total of more than 1.6 million voters through a democratic process. Some of the Honourable colleagues sitting here who criticize the Chief Executive election for being not democratic did elect members of the EC of their respective sectors.

The HKPA is of the view that although discussions can be made on how to add more elements of democracy to the existing method for the selection of the Chief Executive, it cannot be denied that the public did have the right to take part in the election and so a judgement should not be passed to say in such an oversimplified manner that the method is not democratic.

Madam President, I so submit.

**MS AUDREY EU** (in Cantonese): Madam President, two days ago Mr TUNG, the Chief Executive, in the party celebrating his successful re-election, described his success as a victory for everyone. However, to many people in Hong Kong, the Chief Executive Election this time is a total failure. It fails not simply as it is a small circle election and that the public is not given a chance to take part, but that Mr TUNG has not made use of this opportunity to make himself any closer to the people. On the other hand, he has created an election culture which places the Chief Executive so detached and aloof from the people. This is detrimental to the development of a democratic political system.



Throughout the entire election campaign, Mr TUNG never had a dialogue with the masses. He only locked himself up in his election office and gave audience to members of the EC behind closed doors. And the four sessions of open consultation were only reserved for members of the EC. Despite the fact that they were telecast live and reported in the papers, they can in no way be said to be dialogues with the masses.

Mr TUNG used the excuse that his work as the Chief Executive was busy and so he did not visit his voters and declined to attend election activities organized by the public and EC members. I think these are only excuses. He said that the work as the Chief Executive was busy, but if he had weighed his work at hand against that in the next five years, it would be easy for him to see which was more important. I also believe the people would never complain if Mr TUNG had to get himself fully engaged in electioneering and put aside his duties as the Chief Executive for a while.

In fact, in the elections of the heads of state in other countries, those candidates who run for re-election can fully engage themselves in the elections and make use of every opportunity to have dialogue with the people. It is only our Chief Executive election which was not open at all and even a formal political platform was lacking. It is even worse than the first Chief Executive Election five years ago. At that time, the candidates all made their platforms public and they were active in soliciting support from voters and thanking them for their support. People felt some excitement of the election as the candidates held debates among themselves.

Another failure of this election is that Mr TUNG demanded in a high profile 714 members out of the 794-member EC to make their nomination of him openly. And so the election activity became an open show of support. When the leaders of the Central Government had expressed their support for the re-election of Mr TUNG, members of the EC were under some sort of political pressure. When this was added to the open nomination, those EC members who did not want to oppose the re-election but did not want to show their active support for it found themselves in a very embarrassing position. As a matter of fact, secret ballot is a very important factor in a fair election. On this occasion, the voting was a kind of open ballot and that contravened the principle of a fair election, thanks to the electoral legislation which adopts a small circle election of 800 people.

When Mr TUNG made his application to stand for the election, he regarded the nomination secured from a majority of members of the EC as the support he got from the public. When he attended the Question and Answer Session of the Legislative Council, he stressed that he was returned by 400 voters when he ran in the First Chief Executive Election. He said that the election had credibility. Madam President, a small circle election is after all, a small circle election. When Mr TUNG fails to admit even such a simple truth, that is a tragedy for the people of Hong Kong!

Mr TUNG and many Honourable colleagues who spoke earlier accorded priority to solving our economic woes. But I just fail to see why there should be any conflict between the promotion of the progress of democracy and economic development. Are economically advanced countries all undemocratic? Certainly, I agree that not all democracies have a sound economy, but one cannot say, conversely, that the economy of democracies is necessarily bad.

People from the business sector often say that when a political system is too democratic, it will lead to the rise of populism. This is a show of distrust in the political wisdom of the people of Hong Kong. I do not believe at all that a Chief Executive elected by universal suffrage will only pay out the dole and neglect the needs of the business sector as well as the overall interest of Hong Kong.

Madam President, Hong Kong began to develop the representative system in the 1980s and the public has rich experience in the selection of capable persons for political offices. The people's political sense is very mature and there is absolutely no need for a group of 800 persons to select a Chief Executive for them. Some Honourable colleagues mentioned earlier that these 800 persons are very representative and they represent the people of Hong Kong. But please just look at how these 800 people are returned. The methods of returning these persons have no representativeness to speak of. We cannot afford to let these people select a Chief Executive on behalf of the millions of people in Hong Kong. Since many polls have shown that a vast majority of the people of Hong Kong support universal suffrage, I hope Mr TUNG can overcome his phobia for democracy and launch a review of the political system immediately with a view

to implementing election of the Chief Executive and the Legislative Council by universal suffrage.

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

**MR LEUNG FU-WAH** (in Cantonese): Madam President, at the beginning of the debate, Miss Emily LAU said that she hoped Members would have the calmness of mind to discuss the topic and refrain from engaging in any squabbling. This I very much agree, but I am worried about how the media will report the debate. However, after listening to the speech delivered by the Honourable CHEUNG Man-kwong in which all sorts of extreme epithets were used, I feel that my worries about media coverage are somewhat unfounded. In any case, I hope that I can complete my speech with a calmness of mind.

Madam President, the theme song of the television series "Under the Lion Rock" has become very popular of late. The television series was very successful those days and the theme song was a hit too. The reason for the success of the series is that the contents could strike a chord with the people. The series was shown on the television for more than 20 years, starting from 1973 to 1994. The period coincided with the economic take-off of Hong Kong and the hard work the people had put to make Hong Kong a cosmopolitan city in Asia. During the time Hong Kong developed from a base of labour-intensive manufacturing industries to high value-added industries like finance and real estate. Though the series had been around for more than 20 years, people still remember the hard days as seen in the series when many people lived in squatter areas and rooftop structures. This is a true picture of the kind of life the masses were leading. They worked hard to create a better life for the next generation.

I think Honourable Members are very familiar with the following lyrics of the theme song of "Under the Lion Rock":

Of one mind in pursuit of our dream  
All discord set aside  
With one heart on the same bright quest  
Fearless and valiant inside.

They especially ring a bell in us when the Financial Secretary recently mentioned the song again. I hope Members will ponder over the lyrics. Our first and foremost task is to improve our economy. There is no question about it. Apart from being deep in the reds, we have to face a record-high unemployment rate which is the highest for the last 20 years. There are also problems that come with globalization, like severe competition and how to stay competitive and develop our edges, and so on. Recent reports in the media of the rapid development of cities on the Mainland have caused a loss of confidence among the people of Hong Kong who think that our heyday is gone forever. However, we hear now that there were even harder times in the past and people managed to survive these rough times. All this came as encouragement for us not to feel disheartened. Truly, what we need most now is cohesion. We should let our collective wisdom come into full play and work to scale new heights for our economy.

The Central People's Government issued an instrument of appointment a few days ago to Mr TUNG Chee-hwa to appoint him as the second Chief Executive of the Hong Kong Special Administrative Region (SAR). This implies the end of the Second Chief Executive Election. As Mr TUNG and the community are prepared to put in efforts to devise new plans for the second term of office, some Honourable Members here want to run an opposite course and propose a motion to stir up dissent and conflict in the community and undermine the prestige of the Chief Executive and the SAR Government. This is most disappointing. Applications for the Second Chief Executive Election commenced on 15 February and any permanent resident of Hong Kong who met the requirements laid down in the Basic Law were eligible to apply. Some people may think that it is a tall challenge to get nominations from 100 members of the EC. But to anyone who intends to stand as a candidate, the most fundamental and vital hurdle is asking himself whether he is committed to Hong Kong. Not only does the prospective candidate have to do some soul searching himself, but that he has to get the recognition of other people as well.

Before the commencement of the nominations for the second Chief Executive, the media reported that there were other people interested in running for the election and some groups even launched efforts to oppose the election. In any election, one would expect the more competition there is, the greater improvement would there be. And so if more people with a sense of commitment to Hong Kong come out to run in the election, it would make the

election all the more exciting. But sad to say, we find that it is not that easy to find another person who is equally committed to Hong Kong. For those people who just sit there and protest and attack other people, but do not have the courage to run for the election, we must ask these questions: What is the use of this kind of opposition for opposition's sake which is not constructive at all? What good will it do to our community when what it needs is greater cohesion, improvement of the economy and solutions to the unemployment problem?

Madam President, the EC which is tasked with the selection of the Chief Executive is composed of 800 members who are broadly representative and returned by elections. They are representatives of different sectors in society and each of their votes carries the will of the sector to which they belong. One cannot deny their representative nature simply by saying that the election system is not "one person, one vote".

As stipulated in the Basic Law, the method for the selection of the Chief Executive is not immune to changes. Amendments can be made, subject to the principle of gradual and orderly progress as well as the related procedures found in the Basic Law.

Madam President, the idea of sensing the urgent needs of the people is a fundamental moral duty required of all public officers. It is also what the public demands of the Chief Executive, civil servants and Members of the Legislative Council. Opinion polls show that public confidence in the Chief Executive and the SAR Government is presently on the rise. However, public confidence in the Legislative Council has been on the low side. That makes me feel that it is a very valuable thing to find someone who is committed to Hong Kong and who can sense the urgent needs of the people.

With these remarks, Madam President, I oppose the original motion and the amendment. Thank you, Madam President.

**MR HENRY WU** (in Cantonese): Madam President, I speak to oppose the motion and the amendment. It is because I do not think that the election of the second Chief Executive is undemocratic. The Chief Executive is elected by the EC members. The entire election process and system is open and legal and it does not contravene the Basic Law in any way at all.

There is nothing undemocratic about the present election of the Chief Executive because the 800-member EC is returned by representatives elected from various sectors and the members themselves do represent the sectors to which they belong. So the election which they hold cannot be described as being undemocratic.

Under Article 45 and Annex I to the Basic Law, there is a timetable for the review of election of the Chief Executive. Given the existence of an established procedure, there is absolutely no need to breach this requirement and expedite the legislative process for universal suffrage.

Besides, the change from governance under the former governors appointed in the colonial days to the selection of the Chief Executive by the EC through elections does show that Hong Kong has come a long way. There must be gradual and orderly progress from a political system under which there was absolutely no opportunity of participation to the election of the Chief Executive by universal suffrage. One cannot just make one move and hope to attain this goal overnight. There is a period of time for democracy to grow into maturity, so any attempt to speed up the process will only ruin the whole thing.

Some Honourable Members mentioned earlier that Mr TUNG did not have any political platform when he ran for the election. Actually, anyone who attended the consultation meetings or read the reports in the newspapers would know that Mr TUNG had made the actual work to be done by him part of his political platform. What he lacked were the slogans and catchy phrases other politicians may shout. I also agree with one point made by quite a few Honourable Members earlier, and that is, the public is most concerned about unemployment and economic problems. Therefore, we should place our priority on improving the economy, reducing unemployment and building a prosperous society. Only when we place our efforts on this that we can attain our ideal.

Therefore, I think that the most appropriate arrangement is to review the election system of the Chief Executive in accordance with the provisions in the Basic Law and the relevant timetable. It is unnecessary to speed up the launch of consultations on reforms of the political system.

Madam President, I so submit.

**MR LAU CHIN-SHEK** (in Cantonese): Madam President, as some colleagues said earlier, debates on political reforms and the direct election of the Chief Executive, like the one we have today, come up from time to time. But to our regret, full direct elections are still unlikely to realize in the foreseeable future. Even the contents of debates on this subject are retrogressing. In the past, we would debate the timing of direct elections. But now, it is about when a review of the political system will be conducted.

I believe if a tourist from overseas visiting Hong Kong learns about this debate of ours, he would certainly be baffled, for he could not imagine that Hong Kong, a place renowned for its economic prosperity, a cosmopolitan in Asia, still has to debate when full democracy will come. Powers with the people, facilitating the people to become masters of their own house, and returning the legislature and the government by direct elections are world recognized human rights yardsticks. Moreover, if we take an overview of the world today, direct elections are already implemented in most places, whether they be places where the economy is thriving or poor, whether they belong to the first or the third world, whether they be Asian or African countries or territories, and whether they be Chinese or Western societies. But today, we still have to discuss when a review of the political system will be conducted. This is indeed tragic!

In seeking re-election, Mr TUNG stated that the first and foremost task is to address the economic problems. Resolving the economic and unemployment problems is the most pressing task of the Government. This, I think no one would oppose. However, I do not see this as a reason to preclude a review of the political system. As Mr TUNG has emphasized, it is necessary to reform the governance structure of the Government at the same time. I believe efforts should be made to facilitate economic recovery in tandem with the review of the democratization of the political system, and these two initiatives should not be mutually exclusive. Irrespective of how much resources and manpower are deployed by the Government to tackle the economic and unemployment problems, I believe the Constitutional Affairs Bureau under the leadership of Mr Michael SUEN will certainly have adequate resources and manpower to conduct a review of the political system. He just cannot sit with folded arms, doing nothing at all.

Faced with economic hardships, the Government has called on the public to be confident of the future, stressing that the people and the Government are in the same boat and should therefore help each other. However, if the Chief

Executive and even the entire Government lack a popular mandate, their work efficiency would certainly be undermined considerably. When trying to unite the people to meet the economic challenges, they would even get half the result with twice the effort. Mr TUNG's work in the next five years, as Mr TUNG put it, allows no room for failure. So, if Mr TUNG is re-elected in this election by universal suffrage, I believe the public support for Mr TUNG's future administration and reforms would definitely outstrip the support that he is able to obtain now. Only in this way can the public and the Government truly help each other to ride out the storm together in the face of adversities. Only in this way can they sing "Under the Lion Rock" wholeheartedly. That is precisely the key to success.

Nowadays, Madam President, political parties talk about democracy; the Government talks about democracy; almost everybody talks about democracy. But if we refuse even to draw up a timetable for political reforms, which is long overdue, to lead us to full democracy, I believe Members here should ask their conscience: Do they genuinely support democracy or are they merely trying to stall the progress of democracy? I think today, what they should do at least is that if they support democracy, then their political parties or the Government must expressly tell the people of Hong Kong when the Chief Executive and the Legislative Council should be returned by direct elections. This is our basic responsibility, and this is also the basic responsibility of political parties and the Government.

To end, Madam President, I would like to say that if the purpose of reviving the economy is to make people have food to eat, then I believe direct election enables people to eat with dignity.

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

**MISS MARGARET NG** (in Cantonese): Madam President, I rise to speak in support of the original motion moved by Miss Emily LAU and the amendment moved by Mr Frederick FUNG. Most people of Hong Kong have long been waiting anxiously for the election of the Chief Executive by universal suffrage of "one person, one vote". The Government should work with this Council to realize this wish of the people. In this connection, Mr TUNG Chee-hwa, who



will soon take office as the Chief Executive for a second term, plays a most crucial role.

As other Members have pointed out, Annex I para 7 to the Basic Law provided that if there is a need to amend the method for selecting the Chief Executive for the third term, such amendments can be made with the endorsement of a two-third majority of all the Members of the Legislative Council and the consent of the Chief Executive, and they shall be reported to the Standing Committee of the National People's Congress for approval.

In other words, as long as Mr TUNG gives his consent, and with the support of 40 Members of this Council, the third Chief Executive can be returned by universal suffrage. I hope that all the people of Hong Kong will each write a letter to Mr TUNG, asking him to undertake to work for the election of the Chief Executive for the next term by universal suffrage. If he could make an undertaking to that effect, he would immediately obtain a much stronger mandate; and I certainly will take the lead to bow to thank Mr TUNG.

Madam President, the second Chief Executive was elected uncontested without going through any election. This has made Hong Kong a laughing stock in the international community. This has also made many people in Hong Kong who support democracy feel disappointed with the democrats and democratic organizations. Certainly, under an unfair electoral system that is blatantly prejudiced, it is indeed very difficult for us to expect people with the determination and capacity to be interested in taking part in this unamusing show in which the results are predetermined before the conduct of an election. But anyway, the disappointment and dissatisfaction of the people are absolutely understandable.

I suggest that we should apologize to all Hong Kong people for making a late start. We should immediately make up our mind and take actions right away by setting up preparatory groups or organizations geared for the Third Chief Executive Election in 2007.

In fact, the procedure for the election of the Chief Executive by universal suffrage is mostly in place. Rules governing the electioneering activities, the upper limit of election expenses, and so on, in respect of the Chief Executive election require only small adaptations, whereas arrangements pertaining to

registration of voters and voting procedures can entirely follow the framework of the geographical constituency election of the Legislative Council. The voting method can even be simpler than the proportional representation system adopted for the Legislative Council election. Mr Justice WOO Kwok-hing, Chairman of the Electoral Affairs Commission, is well versed in these procedures and so, all the problems pertaining to procedural details can certainly be resolved.

Article 45 of the Basic Law appears to stipulate that the selection of the Chief Executive by universal suffrage requires nomination by a "broadly representative" nominating committee. It is not difficult to fulfil this. While I do not agree that the existing Election Committee is in any way "broadly representative", I do not oppose using it as the most conservative starting point. Amendments can be introduced to make it the nominating committee for the Third Chief Executive Election.

I understand that according to surveys, among the people who accept the re-election of Mr TUNG Chee-hwa, most of them accept his re-election because they have no other choice. However, I believe where there is a system, there must be talents. The goal of selecting the third-term Chief Executive by universal suffrage will instantly bring new hopes and dynamics for the Hong Kong Special Administrative Region. Many quality talents with leadership skills in Hong Kong will certainly feel excited at this challenge and work towards this goal. If they can make use of these five years to strive for opportunities and make full preparations, we can expect to see a number of high calibre candidates contesting the election in 2007, hence giving the general public choices.

Madam President, this matter can brook no delay. We must not be indecisive or act hesitantly in implementing decisions and let the people down once again.

**MR LEUNG YIU-CHUNG** (in Cantonese): Madam President, on 4 July last year, I proposed a motion calling for amendment of Annex I to the Basic Law and election of the Chief Executive by "one person, one vote". Nevertheless, only 21 colleagues supported the motion, and it was thus not passed. I was not surprised by this result at all. As for today's motion and amendment, I think their voting results and destiny will be identical to those of my motion then, perhaps with a small discrepancy of one or two votes. What is the main reason?

I think it is because this Council is not a very democratic assembly. Under such circumstances, how can public opinion be reflected? How can a consensus be reached on the pursuit of democracy? So, we can be sure of what the outcome will be.

Anyhow, I remember last time when I proposed the motion on "one person, one vote", many colleagues had said repeatedly that democracy was basically not the concern of the general public; many colleagues said the same today. At that time, many Members even put forth statistics and surveys to point out that unemployment and the economy were of the gravest concern to the people, hence drawing the conclusion that democracy should be put aside.

In fact, is democracy entirely unrelated to such issues as the economy, unemployment, as well as the budget deficit that all of us are concerned about today, and can they really not be discussed together? The answer is definitely in the negative. We can look at it in a simpler way: To solve problems, we must have good policies. But where do those policies come from? We cannot rely on one clever person alone to solve the problems. I think it is most important to draw on collective wisdom and widely take on board public opinions, in an effort to draw a conclusion from the community and then give effect to it. I believe this invariably forms the most important basis for problem solving.

I believe many people will agree on this direction. Otherwise, the Financial Secretary would not have paid visits to districts frequently before the release of the budget. In other words, public opinion is very important, just that we now lack a democratic system that can facilitate full reflection of public opinion. So, I think if we genuinely want to resolve the economic, unemployment and deficit problems facing us now, it would indeed be impossible for us to succeed without a democratic system.

Certainly, some people have said that to solve these problems, we now tend to work out solutions together and apart from this, it is most important for us to be united. The Financial Secretary has also said this: "Of one mind in pursuit of our dream; All discord set aside." I would like to ask: How can the people be united? What is the basis of solidarity? How can the people be drawn closer together to resolve problems for society? How can we establish a basis? In the absence of a democratic system, it is utterly difficult to establish a basis. At present, a "top-down" approach is adopted for policy enforcement, that is, the Central Authorities give the order for implementation by the Chief

Executive. Public opinion is not in the least duly reflected. As such, how can we form a common basis for people to be united? In my view, public opinion can be fully reflected only when a well-established democratic system is in place. Only in this way can the public reach a consensus and be united.

In fact, the existing method for the selection of the Chief Executive does not only prevent the manifestation of public opinion in government policies, but also fails to bring the people together. More saddening is that an undemocratic system will constantly produce many negative effects on Hong Kong.

The selection of the Chief Executive this time around has precisely highlighted this. Consultation targeted at merely 800 people, and no avenue is available for members of the public to ask Mr TUNG questions. The candidate could not even furnish a complete election platform to the people. What election is this? If we tell this to people elsewhere in the world, it would certainly make us a laughing stock; and "laughable" is the only word for it. How outrageous it is that we do not even have a system requiring candidates to produce a platform for discussion with the people. Can such a system be considered an election?

The so-called nomination system in this election courts even greater resentment. Results of nomination finally served as an avenue to declare one's position openly and for a vote to be cast openly, a gross violation of the spirit of "secret ballot" enshrined in Annex I to the Basic Law. We all know that such a selection method is tantamount to the Central Authorities' guarantee for the smooth election of Mr TUNG. To enable someone who has no confidence at all to be smoothly elected under the system without having to brave out challenges is what we now have as election, so to speak. Is this fair, impartial, reasonable and democratic by any standard? I think this will only produce the consequences that I warned of just now, revealing to the world the most deplorable feature of the political system of Hong Kong. What benefits does it bring to Hong Kong?

Madam President, the amendment today will very likely be negated. But I very much wish out of my good intention that even if Members of the Liberal Party do not support the amendment, they should support the original motion which is relatively moderate. I remember that in the debate on my motion about "one person, one vote" last year, Mr TIEN had said that the Liberal Party did not oppose the election of the Chief Executive by full direct

elections, just that this ought to proceed in a gradual and orderly manner. If Mr TIEN still holds this view, it means that he supports the election of the Chief Executive by universal suffrage, just that our views may differ in respect of the timetable. If so, I very much hope that Mr TIEN and colleagues from the Liberal Party can support the original motion, so that consultations can start as early as possible and a timetable be drawn up.

Moreover, Madam President, I remember that Miss Emily LAU once said pessimistically during an interview on television that she did not know if she could witness the birth of a complete democratic system in her life. I do wish Miss Emily LAU longevity, and I hope democracy will come to us soon. I believe this day will come. As long as colleagues in the Legislative Council and members of the public can reach a consensus in pursuit of democracy of one mind, setting aside all discord, we should be able to attain this goal ultimately. So, I think we should not be so pessimistic. We should look at this issue more positively.

Madam President, I so submit.

**MR MICHAEL MAK** (in Cantonese): Madam President, I speak in support of Miss Emily LAU's motion. Apart from her motion, I also support her suggestion that I should speak from the bottom of my heart without looking at the script. In addition to throwing weight behind Miss Emily LAU, I would also like to support myself to speak from the bottom of my heart.

Let us briefly look at the wording of Miss Emily LAU's motion: "..... the method for the selection ..... is undemocratic, depriving the general public of the right to participate in the election process". Looking back on the election which has just been completed, I really cannot see any element of democratic participation. We have a population of close to 7 million. How can they participate in it? In the last election of the Chief Executive, only 790-odd people took part in it. Can they represent the voices of the 7 million people of Hong Kong? I think "democracy", in simple terms, means participation of the people and the people becoming masters of their own house. But insofar as this election is concerned, how can the people be the masters of their own house? Irrespective of whether it is a "big circle" or "small circle" election, how can those people make decisions for the general public? The confidence or performance ratings as revealed by results of opinion polls can indicate how

many people support the Chief Executive. So, I really cannot see how the method used in the last election was democratic and how it allowed participation from the general public.

Moreover, looking back on the process of the election which has just been completed, I do have some feelings. At first, I had said that I would not respond to the "summons" of the candidate. But due to political pressure, and since I wanted to "broaden my horizons" and see for myself the "wonders" of this election and why so many people had openly supported him, I bravely went there. But please do not forget that I have been scolded by many people for making this decision; to go or not to go, I would be scolded anyway. So, it really did not matter to me and I finally went there. That really was an eye-opener for me. I saw seven or eight words written there, expressing support for the re-election of TUNG Chee-hwa, and they even served as the backdrop for people to take photographs. It was somewhat like putting words into our mouths indeed. Of course, I did not take any photograph, for I had made it clear that I did not support him. I did not support him because he absolutely did not support my sector. If he supported my sector, I would have raised my hand and even my foot to show support for him.

Then, we took our seats. At meetings of the Legislative Council, there were invariably heaps of papers on the table for our perusal. Nevertheless, nothing was there — no election platform; not even a blank piece of paper; and drinking water was almost unavailable. I said I was a voter, and why was I not given even an election platform? Then finally, he gave me a document and asked who said he had no election platform. He said his speech was his election platform. He even questioned why I did not buy any newspaper, access the Internet or watch television. I said I was one of the 800 voters, so please gave me a copy of his election platform. I think perhaps many voters, such as the Honourable Audrey EU and other Members, had also asked for an election platform, he finally gave each of us a document. I must compliment him for his efficiency, but I really do not know if this document setting out his commitments to Hong Kong can be considered an election platform.

When I contested the Legislative Council election back then, my election platform which consisted of a thousand words or so was severely criticized by other people. I was not only criticized as an unsophisticated person. Even my writings were criticized as unsophisticated too. At that time, I felt so ashamed that I almost wanted to withdraw from the election! I think an election platform

is a candidate's pledges expressed in writing, so that other people can examine if the candidate has honoured his pledges a few years later. So, I think an election platform is extremely important. I might have made a slip of the tongue at the time and said that it was all rubbish, election rubbish. This remark was not directed at any person specifically. If anyone should interpret this remark as personal, then I must clarify this again. By rubbish, I referred to the electioneering campaign. How could anyone as famous and competent as he is not provide his voters with such an easy thing? Particularly, he does know that I am not his supporter. Should he give me something more to canvass my support?

Regarding the election which has just been completed, whether it is democratic or not is one matter, but the entire process is, to a considerable extent, a farce. Mr TUNG Chee-hwa ultimately obtained the overwhelming support of 706 people in this election. I hope he can review his commitments to society, not his commitments to these 700-odd people. He should at least obtain the support of my sector (consisting of over 30 000 voters). I hope he will be committed to honour his pledges. Besides, on the last occasion he said openly that he would take on board the views of his voters and the community. I wrote him a letter of more than one page, discussing such issues as a lack of balance between the public and private medical sectors, manpower pressure, and so on. Although I have repeatedly asked him to give a reply to my sector, we still have not heard from him. I even asked him openly to give me five minutes for a brief talk. He always says that he works from seven until eleven o'clock. I did try to call him at seven o'clock. He said that he would give me a reply later, but he did not reply eventually.

I hope that Mr TUNG will not only "kow-tow" to certain people, or make commitments to them only. He must instead make commitments to the general public. If he really thinks that he is supported by a lot of people, he absolutely can consider opening up the next election and allowing participation from over 6 million people, to show that he is supported by so many people. This is what he must face. I think as the leader of the people, he is somewhat like a "turtle with its head retracted into the shell". Thank you, Madam President.

**DR DAVID CHU** (in Cantonese): Madam President, the Second Chief Executive Election has been completed successfully, symbolizing a new milestone for Hong Kong. We should duly support the Chief Executive and his

administration. Today, Hong Kong is faced with challenges that are even more critical than those in 1998 — an economic downturn and an record high unemployment rate. At this time, Members of this Council should be more concerned about the people's livelihood and should work to help extricate Hong Kong from this plight. We should not entangle in such political issues which do not help resolve the problems before us, for this is inconsistent with public expectations of Members of the Legislative Council.

With regard to the wording of the original motion, which alleged that the method for the selection of the Chief Executive is undemocratic, the Hong Kong Progressive Alliance begs to differ. Firstly, the second Chief Executive was elected by the broadly representative Election Committee (EC), members of which come from various sectors and strata of the community. The public does have a part to play in the election of members to the EC. So, this is definitely not a "small circle" election, as some people call it. Secondly, the Chief Executive election was conducted in compliance with the Basic Law and the Chief Executive Election Ordinance. It is a fair, open and lawful election, and serves to gradually implement the Basic Law provisions on the pace of development of democracy in Hong Kong. Compared with the colonial era when governors were appointed by the sovereign state, Hong Kong is now able to select its own Chief Executive. If this is not progress and manifestation of democratization, I really do not know how I should describe the success that we have achieved in realizing "Hong Kong people ruling people". Thirdly, while the Chief Executive was elected *ipso facto* and there had been no competition in the process, we cannot consider the election undemocratic on this ground. "Elected *ipso facto*" is by no means extraordinary in electoral systems. This is also adopted in the elections of the Legislative Council and District Councils. To conclude, although the Chief Executive was not elected by universal suffrage of "one person, one vote", we cannot over generalize it as undemocratic. This is a grossly arbitrary comment without regard to the actual circumstances of Hong Kong.

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

Madam Deputy, with regard to the method for the selection of the Chief Executive, Article 45 and Annex I to the Basic Law has already made a decision. The post of the Chief Executive is pivotal to the social stability and long-term



interest of Hong Kong. The arrangements in the Basic Law represent the consensus of various sectors of the community and best suit the needs of Hong Kong. We should work progressively on this basis to push ahead with the democratic development of Hong Kong. Indeed, at this point in time, the general public is most concerned about the economic and unemployment problems. We should concentrate our efforts to address these issues. With these remarks, I oppose the original motion and the amendment.

**DR RAYMOND HO** (in Cantonese): Madam Deputy, the development of democracy changes with the times and progresses in tandem. Public demands for democracy are increasing all the time and that is only natural. Democracy is a right which the people of Hong Kong will want to enjoy, in my opinion, however, there should be gradual and orderly progress for democracy and no haste should be made. For if not, it will only lead to undesirable consequences. Likewise, a method of selecting the Chief Executive which is suitable for Hong Kong should be put to the test of time and be judged only after close observations.

The Basic Law has clearly stipulated the methods for selecting the first two Chief Executives and these methods must be followed. As the saying goes, "more haste, less speed". The progress of democracy should not merely be hinged on the speed but also the quality. Actual conditions in society should be considered as well, otherwise a lot of grave problems will be produced. Most of the people in Hong Kong do not care about political affairs, so if universal suffrage is adopted to elect the Chief Executive, it may not be to Hong Kong's advantage. Hence, the provisions in the Basic Law are proper and far-sighted, while also in keeping with the practical conditions.

During the period from 1985 to 1990, I was nominated by the engineering sector to join the Basic Law Consultative Committee as a member. As early as in 1986, I published an article on the methods of selecting the Chief Executive and on Legislative Council elections. The proposal was presented on the first meeting of the Basic Law Drafting Committee held in Xiamen, or the Xiamen Meeting as some would prefer to call it. In addition, I have also written articles to compare the radical kind of democracy and democracy of gradual progress.

I am fully aware of the importance of the election system to the development of Hong Kong, and I also agree that we should have more

discussions on issues related to our political system. That is why I am glad to have this opportunity today to discuss the topic of the election system for the selection of the Chief Executive.

In addition, I think that the Government should try to enhance the civic-mindedness of the people of Hong Kong and make them more interested in our political developments. This will enable them to put forward more ideas on the future developments of our political system and to prepare themselves better for the changes that may lie ahead. Meanwhile, we should hold more discussions on the issue and conduct extensive consultations on how our political system should progress. All these will make the people have a better understanding of the Chief Executive election.

Madam Deputy, I so submit.

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

**MR ERIC LI** (in Cantonese): Madam Deputy, I have heard Miss Emily LAU suggest to the Honourable Michael MAK many time not to speak from the script. I have no script with me now, but I still wish to speak from the bottom of my heart.

Indeed, I am already tired of this kind of debate concerning political or constitutional reform. Miss LAU and I both know that countless debates have been held on this topic in the Legislative Council. The arguments put forward in each of these debates will impress people as nothing more than old tunes. Some Members inevitably need to criticize others to manifest their political stances. But insofar as this motion is concerned, I think Miss Emily LAU is trying to advocate closer co-operation among Members of the eight major political parties or other Members of the Council to optimize the energy of this Council. This is utterly difficult in the first place, but it enables the public to see the strength of this Council and the practical businesses conducted in this Council.

For the time being, I will not comment on whether or not the election is democratic. I will come to this point later on. To begin with, I wish to say that while an election may not have the general form and shape of democracy, it

may still possess qualities of democracy in substance. I said so because if we look at the practices of some countries, particularly Asian countries, despite elections are held under democratic systems, the results may still allow intervention by those in power or feature bribery and corruption. These elections do not encompass a high degree of transparency either. So, while these elections have the form and shape of democracy, they do not necessarily yield a democratic outcome.

On the contrary, the Second Chief Executive Election in Hong Kong was highly transparent and conducted under the close scrutiny of the media. Just as other colleagues have said, it is a lawful election which suits the actual situation in Hong Kong. Although there was only one candidate, the candidate had shown very substantive performance, and also stated in express terms his work directions in the next five years. So, the so-called qualities of democracy do exist to a very large extent.

Is "one person, one vote" the only benchmark for the election of the Chief Executive? I think insofar as political reform is concerned, Hong Kong has evolved from a colony to an almost independent territory. Electoral reforms must proceed in a gradual and orderly manner. The need to reform the Chief Executive election aside, corresponding measures on various fronts are also necessary. Insofar as the election of the Chief Executive is concerned, if the Chief Executive-elect is subsequently found to be unable to bring his role into proper play in the operation of the government structure and unable to do anything that he wants to do, and if he does not have the strong back-up and overall support of political parties, like those in foreign countries, to help him with each initiative, a split of powers may easily arise after the Chief Executive is elected into this structure.

While Mr TUNG did not tell us how he would run in the election of the Chief Executive, he had explicitly given an undertaking to Hong Kong people that the system of political accountability will be implemented on 1 July, requiring officials and even ministers to be appointed after the reform to come out of the Executive Council. I believe in and agree with this initiative of his. In the entire process of political reform, he has actually made a great stride forward. I think the implementation of these reforms requires matching measures in various aspects. Only in this way can the future elections of the Chief Executive carry practical meaning. I hope that the major political parties of Hong Kong will seize this opportunity and do more to canvass more public support.

If we look at the elections in other countries, we will see that the head of the state is not necessarily elected by voters direct. Instead, they first elect leaders of political parties, and the leader of the country is then selected through "filtering" by the political parties. Have our political parties reached this stage of maturity? Do they already have that level of mandate from the people? I think this warrants some soul-searching on our part. I am of the view that for the community at large to reach the level of maturity required for implementing "one person, one vote", the development of political parties is, to some degree, a very important condition. I hope colleagues from all political parties will work harder in this regard.

I also wish to say a few words about the speeches made by me on past policy addresses, including the first policy address by the Chief Executive after he had taken office, that is, the speech I made at the end of 1997. At that time, I already suggested to the Chief Executive a blueprint for constitutional development should be outlined expeditiously, so as to set out procedures for us to follow in pursuit of constitutional development. During the election of the Chief Executive, we had an opportunity to speak in a meeting and the Chief Executive was again questioned on three issues, all about when the timetable of political reform would be implemented. The Chief Executive gave a very clear answer, and indeed, he knows only too well that the Basic Law has provided for a review before 2007. This is certainly one of the major tasks that he must accomplish within his term of office spanning the next five years. I think the Chief Executive has already undertaken to give comprehensive consideration to the political system during his term of office.

Unlike some Members, I do not wish to draw a conclusion before consulting the public or other stakeholders. I also need to consult my functional constituency before I can come up with a final stance and decision. I think since there is a timetable, and as the timetable is already put before us, we should implement political reform on this basis, and this will be a more mature way of handling the matter.

Here, I wish to briefly discuss some of the remarks made by Miss Margaret NG and Ms Audrey EU during discussions in these two days. I share their views that in foreign countries, after democratic elections are completed, the opposition party or candidates who have lost in the election will often congratulate the successful candidate, for there will still be many opportunities for co-operation and so, we should work in concert and join hands to lead the

Government to move forward. I remember that during yesterday's debate on the Securities and Futures Bill, Miss Margaret NG urged Members not to dwell on past issues and told us to work hard and look ahead. Miss NG did say so. I think this remark applies to today's debate too. As for Ms Audrey EU, she might feel a bit sad about the present political environment. But I think if politicians in Hong Kong do not have the tolerance in a political sense to support our leader, I would feel sad about this lack of tolerance on the part of Hong Kong politicians. Thank you, Madam Deputy.

**MR ALBERT HO** (in Cantonese): Madam Deputy, in fact, those who wish to oppose Miss Emily LAU's motion today will hold two arguments only. The first is that they oppose Miss Emily LAU's description at the outset that "the method for the selection of the second Chief Executive of the Hong Kong Special Administrative Region is undemocratic", arguing that this is simply not true. This is one possible argument. As for the second argument, they may regard the word "undemocratic" as a value judgement, arguing that Hong Kong actually does not need that much of democracy or so much democracy simply does not suit Hong Kong. Their arguments broadly consist of these two points only.

First of all, I wish to say that if they consider that Hong Kong is not undemocratic and that this argument holds, then what is their view of democracy? What definition should be used to test the validity of this argument? In fact, speaking of the definition of democracy, I find it really amazing to hear, particularly in this Chamber today, so many distortions of the meaning of democracy. As we all know, a democratic system, by international standards, consists mainly of three elements. First, open, equal and extensive participation; second, meaningful competition; and third, room for freedom, without excessive and undue deterrence and threats.

Now, let us use this definition comprising these elements to judge the validity of Miss Emily LAU's motion. Fortunately, she did not invoke extreme leftist ideas, such as defining democracy rigidly, saying that democracy is nowhere to be found in Hong Kong, or saying that in this capitalistic society of Hong Kong, what we are talking about is absolute rule by the people. Fortunately, she did not speak in such an extreme leftist tone. Nor did she say that new elitism is suitable for Hong Kong, and that as new elitism involves only a small number of people, extensive or equal participation is out of question. Fortunately, no one is barefaced enough to have said so.

I have listened attentively to the arguments of several colleagues. Some said that the election did contain some of these elements, for there was participation from 800 people who were elected by some 180 000 people. It is precisely because of this small degree of participation that the election smacked of democracy and fulfilled the first condition. The second condition is competition. Some said that we did offer room for competition, just that you people did not apply. However, have they ever considered whether or not this competition is meaningful? Is there any possibility for it to be meaningful? They have not considered this point. All they have said is that we can have the chance to complain, to criticize, to oppose TUNG Chee-hwa, to stage protests, and so on. But is this equivalent to democracy? Apparently, these views are far from convincing.

Moreover, I was most shocked by the remarks made by Mr IP Kwok-him on behalf of the Democratic Alliance for Betterment of Hong Kong. He said that this system was devised by the Legislative Council and so, how could any system devised by the Legislative Council be undemocratic? I really must apologize. As a Member of this Council, I feel so ashamed indeed, because the system devised by this Council is not necessarily democratic. If this Council is truly returned by full democratic elections, I believe the outcome would be very different. However, this Legislative Council is in itself lacking in full democracy and so, its products are often far from democratic.

Moreover, Mr IP Kwok-him also mentioned the need to have two candidates. Is it true that all it takes is two candidates for an election to be democratic? Other people only choose not to take part in the competition. Certainly, choosing not to take part in a competition is a choice in itself. But let us look at societies that genuinely have room for democracy. Could it be that they, in this kind of important election, do not have two or more candidates but only one candidate who is then elected *ipso facto*? The answer is indeed simple. It is because this election lacks meaningful competition.

Obviously, those people arguing against the motion seek only to pass off some concepts. They are willing to add a bit of democracy in this election, saying that there is a small degree of participation, competition and even choices, so to speak. But we all know that none of these really exist in reality. Just that they have been claiming that this is democratic, so to speak. Therefore, I think a conclusion can be clearly drawn. I think it is indisputable that this election is undemocratic.

The second argument has to do with value judgement. Those who hold this argument may say, "Do not make such a comment on us, for it involves moral judgement. Do not only say that we are undemocratic. Do take a look at Hong Kong. Significant progress has been made in Hong Kong throughout its evolution from a colony to the present-day society (but my view is that this is like a pot calling the kettle black)." Then these people may say that we need to take into account our unique environment, and that we have many specific needs and practical interests to take care of; and to quote the Honourable Abraham SHEK, we must act in compliance with "political pragmatism" and look at this issue from a practical viewpoint.

Certainly, apart from the need to take account of the conditions, some other people may argue that there is also the question of powers. They think that we are not given the power and this is already decided in the Basic Law, and that lawful procedures have been followed. They only want to make an explanation — I would not consider that as an apology. This is merely an explanation. But is this explanation sufficient to convince us to accept this reality and to continue to accept this undemocratic system?

Madam Deputy, in this modernized society of Hong Kong, many of us are well educated and understand what is happening around us in this world. If we show our speeches today to people who know politics in advanced countries worldwide, we could really become a laughing stock. I feel so ashamed. I hope Members will not take my comments as an insult to them. I have said this right from the bottom of my heart, and I really feel very ashamed.

Madam Deputy, many people said that at this point in time, we should work to improve the people's livelihood. But at this difficult time, we are faced with many choices, many difficult choices. It is precisely because we are at this point in time that we should return someone with a popular mandate through democratic procedures to make a choice for the people. This choice should be made by the people who the people shall be then responsible for it through a democratic system.

Madam Deputy, I always believe democracy is not to be a gift. I do not believe an undemocratic Legislative Council and a Chief Executive returned by an undemocratic kind of election will be dedicated to taking democracy forward. Nor do I believe an undemocratic Communist Party practising centralization of

power will allow democracy. I believe democracy can be attained only through social movements and the concerted efforts of the people. Certainly, the world changes, and many forces are geared to cater for these changes. So, I am still optimistic. Thank you, Madam Deputy.

**MR TAM YIU-CHUNG** (in Cantonese): Madam Deputy, the system of the Chief Executive election currently operates in a manner prescribed by the Basic Law. Some people hold negative views of this system. Being a member of the Basic Law Drafting Committee (BLDC) back in those years, I cannot agree with this view. The Basic Law is a constitutional instrument which gives full play to "one country, two systems" and "Hong Kong people ruling Hong Kong". Every detailed provision therein was formulated after extensive consultation over a long period of time. The drafting of the Basic Law took a total of four years and eight months from the formal establishment of the BLDC on 1 July 1985 to the formal completion of the drafting work at the ninth plenary session of the BLDC on 17 February 1990; and the two rounds of consultation spanned as long as four and a half years. In formulating the Basic Law, one of the principles was to ensure that the political structure of the Hong Kong Special Administrative Region would give consideration to the interests of the different sectors of society, and that while the part of the then existing political structure proven to be effective would be maintained, a democratic system that suited Hong Kong's actual situation should gradually be introduced. This constitutional instrument has fully reflected the demands of Hong Kong people and truly safeguarded the interests of Hong Kong people.

The system of the Chief Executive election as provided for in the Basic Law represents a consensus of the Hong Kong community and suits the actual situation of Hong Kong; and the role it plays in maintaining social stability simply cannot be replaced. Under the Basic Law, the second Chief Executive shall be returned by an 800-member Election Committee (EC). Members of the EC are broadly representative. I do not think I need to elaborate on this, for Members only have to look at the Basic Law and they will understand this. This 800-member EC is broadly representative of all sectors, strata and industries in Hong Kong. It covers the entire community of Hong Kong and is a miniature of the Hong Kong society. It has a strong social basis and fully reflects public opinions.



As for the specific rules of the Chief Executive election, they are provided for in the Chief Executive Election Ordinance enacted by this Council. The entire system is open, fair and just. However, some people have neglected the impartiality of the system. While they boycotted the Chief Executive election across the board on one hand, they initiated campaigns to oppose Mr TUNG outside the system on the other. Here, I wish to quote from Mr YEP Kin-man of the City University of Hong Kong. In an article, he said, "This strategy is ignorant, if not naïve." I think these people are like Don Quixote by Miguel de CERVANTES, who indulged in unrealistic chivalric dreams.

Turning a blind eye to the Basic Law, neglecting the realities in Hong Kong and public aspirations, and rashly attacking the system of the Chief Executive election will only do harm rather than good to social harmony, economic recovery as well as the progress of democratic development of Hong Kong. Here, I wish to quote from an article of Mr YEP Kin-man again, for his views can deal a sharp blow right on the heads of these people. Mr YEP said, "The democrats consider themselves superior and give up their rights on their own initiative ..... This has reflected that while the democratic doctrines appear to be grand and virtuous on the surface, they are actually impeding the long-term development of democratic movement". Mr YEP further added, and I quote, "For the democratic movement to succeed, we cannot simply cling to some totems of ideal or hard and fast rules. Otherwise, how can the democrats explain their political choices that contain a rather high density of "impurities", such as their participation in the functional constituency elections and getting seats in the Legislative Council through indirect elections?" End of quote. That is all I wish to say. I oppose the original motion and the amendment.

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

**MISS CYD HO** (in Cantonese): Madam Deputy, I am going to discuss the motion topic today from a very pragmatic perspective. What are the harms which undemocratic elections will do to Hong Kong? The first Chief Executive was elected by only 400 persons. After Mr TUNG Chee-hwa had assumed office, he said that he would become a strong leader. However, from the performance over the past five years, we can see that a Chief Executive who has not obtained popular support can never become a strong leader.

In fact, Mr TUNG was able to see in some areas where reforms were required, where certain actions had to be taken. For example, property prices are too high, there should be a structuring in the economy, problems in education and that the Civil Service is cumbersome, and so on. But when reforms are launched, those whose interests will be threatened will certainly come forth to oppose the reforms vehemently. On the other hand, why do those who are going to benefit from the reforms not come out and do something? The following are some possible reasons.

They simply do not know. Since they have not thought about why they should support Mr TUNG to be the Chief Executive, so no matter what Mr TUNG does, they will think that it is none of their business. Unless they are affected, they may not notice what Mr TUNG is doing. It can be seen from this that in the absence of a democratic electoral procedure, no partnership can be forged between the Chief Executive and the people; and when policies are launched, no one will come out and give the Chief Executive their support. Hence, the Chief Executive will encounter a lot of difficulties. It is also because of this reason that after the handover of sovereignty, there has been little progress in the solution of problems like economic restructuring, high land prices, education and quality of the population, and so on. There are opinions that Mr TUNG is a victim of the system. But I must point out that Mr TUNG enjoys being the victim. He refuses to start discussions on reforms of the political system and this delay has in fact reinforced the system itself. That has made him unable to launch the strong leadership as he puts it and it has done damage to the people of Hong Kong.

In the past, Mr TUNG attended Question and Answer Sessions in this Council on many occasions and whenever he was asked questions on the timetable for reforms of the political system, such as when discussions would be held and when a review would be made, and so on, he would only shun from the questions. He would only say that these activities would be done at an appropriate time. But when is the appropriate time? Miss Emily LAU and Miss Margaret NG have quoted from the Basic Law and works by Prof XIAO Weiyun earlier to argue that the selection of the third Chief Executive is no longer bound by the method laid down in the Annex to the Basic Law. Constitutionally speaking, the SAR Government is entirely free to elect the Chief Executive by universal suffrage. Now is also an appropriate time to commence discussions on the issue, for what we are going to discuss are not only the election system for the Chief Executive, but also the changes that should be made

to the entire executive structure as a result of electing the Chief Executive by universal suffrage, plus the relationship between the executive and the legislature. Such discussions on the political system will be held as a whole, based on returning the Chief Executive by popular and equal election. Time is needed for in-depth and extensive discussions. That is why the public must now be allowed to express their views and take part in the formulation of a political system to which the people will lend their support.

Madam Deputy, I would like to turn to some of the concerns expressed by some Honourable colleagues earlier. The first one is stability. A government which does not have a popular mandate may draw reference from the following two approaches in order to maintain stability, one is coercion and the other is lure by promise of gain. Coercion is the adoption of measures like monitoring, the installation of more video cameras, suppression, prohibition of marches and demonstrations and erosion of the freedom of speech. As for lure by promise of gain, insofar as small circles are concerned, that refers to political deals. On a more macro scale, that refers to the handing out of candies or trivial benefits to the people. These two approaches are eating into the very foundation of Hong Kong and setting up hurdles to our progress. Only with the existence of fair rules that people from all social strata can take part in the formulation of policies, legislation and public expenditure through open channels, and that the community may search for solutions to problems by way of rational discussions amid social stability. But if actions are frequently taken as a result of the monopolization of powers and done in opposition to public opinion, that would only cause discontent and dissent and social stability will be affected.

The second point I would like to comment is on the economic front. Economic development is meant to improve the living standard of the people. I believe Honourable Members who uphold the interest of the labour sector and strive for the rights of the grassroots are well aware of that. We are not going after some figures, that is, the growth in Gross Domestic Product. If the fruits of economic growth are to be rationally shared, and to prevent from arising such situations where some people have to work so hard but barely able to make ends meet, or some people who do not work but roll in wealth and frolic in luxury, we should build a political system which everyone can participate on a fair basis. The distribution of power will certainly affect the distribution of interests. If a political system is closed, it would only lead to favouritism and cronyism, unscrupulous dealings in political and economic gains and conspiracies between the authorities and the business sector. I would like to mention that during the

debates on direct elections in 1988, Honourable Members from the Hong Kong Federation of Trade Unions raised the point of "rice bowls not votes". However, I would like to remind Members that if votes are not wanted, the result in the end is only an empty rice bowl. One just needs to look at the loss of most of the retirement benefits for those redundant workers in state enterprises in China.

The third point is on orderly and gradual progress and that things should take their time. I have said many times here that China has a long history of 5 000 years, and also 5 000 years of sufferings under an autocratic system. We have been making progress too slowly. If we cannot learn from the lessons of history, then we are really doing a disservice to our culture and history. Turning back to the modern times, Taiwan is a Chinese society, and two presidential elections have been held there already. With the great advances in information technology, we can learn at any time from the painful experience of other people and avoid following their footsteps. Likewise, we can learn from the success of other people. Do we need to take as slow as 200 years before we can be mature and ready for democracy? This is an outright insult to the intelligence of the people of Hong Kong. Moreover, what we urge here is to commence the consultations on our political system within the constitutional framework as laid down in the Basic Law. We are setting our eyes both on the far and distant future, as well as on the present moment. A review must commence right now.

Many people say that only when there is democracy in China that the people of Hong Kong will be bold enough to fight for democracy. I did not believe in that in the past, but now I am becoming more and more convinced. If the people of Hong Kong are afraid to step beyond the limits set by Beijing, if they impose stricter controls on themselves, and exchange their freedoms and rights for the trust of Beijing, that is really most tragic. Recently, when problems arose in our economy, some of our officials went to Beijing and begged for help. But we do not dare to do anything for the legal system or democracy. What contribution have we made to our country? In the end, I think we will become a running sore in the behinds of our country.

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

(No Member responded)

**DEPUTY PRESIDENT** (in Cantonese): Miss Emily LAU, you may now speak on Mr Frederick FUNG's amendment. The time limit is five minutes.

**MISS EMILY LAU** (in Cantonese): Madam Deputy, I support the amendment moved by Mr Frederick FUNG because of its simplicity. He also supports the spirit of my motion. He is only trying to make the point that the Chief Executive should be elected by universal suffrage as early as possible. What "as early as possible" really means is, unless any accidents occur, the next term, that is, the year 2007.

After listening to the speeches delivered by so many colleagues, I find that no one sees the need to amend Annex I to the Basic Law even if the method for electing the third Chief Executive is to be changed. The Honourable LAU Ping-cheung mentioned this because he stated that there was a need to amend the annex. However, I believe he had confused something. The Secretary has actually stated on two separate occasions in January and June 2001 that (Members may refer to the statement made by the Secretary later) the purpose of the Basic Law to specify 10 years is to maintain stability. Therefore, from what I have been told, I believe even the Liberal Party, including you, Madam Deputy, feel that we should be able to select the third Chief Executive in accordance with the mechanism prescribed in Annex I in 2007. According to the mechanism, amendments can be made with the endorsement of a two-third majority of all the Members of the Legislative Council and the consent of the Chief Executive, and they shall be reported to the Standing Committee of the National People's Congress for approval.

As I mentioned earlier, some people, even the Secretary, might argue how the expression "subsequent to" as appeared in "the terms subsequent to the year 2007" should be interpreted. Let me read out how "subsequent to" is defined in *Xiandai hanyu cidian* (現代漢語辭典) published by Zhongguo shehui kexueyuan yuyan yanjiusuo (中國社會科學院語言研究所). It says, "subsequent to" refers to "the present moment or a period after a certain specified period". Therefore, the expression "subsequent to the year 2007" should cover the year 2007 as well. I greatly support Mr Frederick FUNG's proposal of "electing the Chief Executive by universal suffrage as early as possible". I believe "as early as possible" actually refers to the third term.

When it comes to universal suffrage, some Members, in particular Mr LAU Ping-cheung, reminded us to note Article 45 of the Basic Law. Mr LAU pointed out that both Mr Frederick FUNG and I had failed to mention this point. He was right for I have merely concentrated on the general principles outlined in the Annex. According to Article 45, the Chief Executive shall be selected in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with the democratic procedures. Although Mr FUNG has not elaborated this point, I believe he will agree that universal suffrage will end up a failure if the nominating committee fails to act properly. Problems will arise if the nominating committee functions like the existing 800-strong small circle, and if the nomination requirements remain as stringent.

Last week, I happened to talk to a person who was a professional. This is what I asked him, "Whom will you choose if you are allowed to elect the Chief Executive in future, with Mr LEUNG Chun-ying, Mr Victor FUNG Kwok-king and Mr Antony LEUNG being the candidates?" He immediately gave me this reply, "This will be the same as giving me no choices at all." I believe this point is very important and it should be noted. Madam Deputy, what actually matters is not which three persons stand in the election. What matters most is we have to ascertain whether people from various parties and factions can run for the election. Furthermore, we have to ascertain whether the nominating committee will still be manipulated by 800 people, and whether a candidate will still need to secure nominations from 100 persons before he can file his candidacy, or only 80 or 20 nominations are required. In brief, the control over nomination is very important. Without mentioning this point, the Basic Law has only stated that the democratic procedures will be followed. We should not assume a one-person-one-vote election can guarantee democracy. I believe Mr Frederick FUNG will agree with me too. If a hurdle controlled by the nominating committee prescribed in Article 45 of the Basic Law is imposed before we can proceed to the one-person-one-vote election, many people will still fail to secure enough nominations indeed. What will happen then will be exactly the same as a question raised by a Member just now concerning why we refuse to run for the election. Under the present circumstances, is there any possibility for us to be elected? Even if democrats are willing to give up all their principles and organize themselves into small circles for the purpose of taking part in the election, they will still not be able to secure the necessary 100 nominations. Eventually, they will end up ruining their reputations. On the

one hand, they are supposed to take part in the game; on the other, they will face criticisms that they do not know the rules of playing it, like there is not a single supporter. This is simply a lost game even before it starts.

I therefore support Mr Frederick FUNG's amendment. However, I would like to urge Members to take a closer look at Article 45 of the Basic Law. It is cheating in the sense that the universal suffrage to which it refers is probably not the same universal suffrage as we understand it. Thank you, Madam Deputy.

**SECRETARY FOR CONSTITUTIONAL AFFAIRS** (in Cantonese): Madam Deputy, the motion moved by Miss Emily LAU criticizes the method for selecting the second term Chief Executive for being undemocratic. It is a criticism that we absolutely cannot agree with. As many Members have mentioned just now, Article 45 and Annex I to the Basic Law have stipulated that the Chief Executive shall be elected by a broadly representative Election Committee (EC) and be appointed by the Central People's Government, and that the method for selecting the Chief Executive shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region (SAR) and in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures. Some Members, including Miss Emily LAU, have also mentioned this just now. Annex I to the Basic Law has also provided for a mechanism to amend the method for selecting the Chief Executives for the terms subsequent to the year 2007. These arrangements have already been spelt out in the constitutional blueprint laid down in the Basic Law.

As regards the selection of the second term Chief Executive, it was conducted in accordance with the Chief Executive Election Ordinance which was passed in July last year upon the Third Reading by the Legislative Council after months of careful deliberation by Members. The election was conducted in accordance with this Ordinance. As the legal basis of the Chief Executive election, this piece of local legislation mainly follows the relevant articles of the Basic Law. No matter how we look at it, it is an indisputable fact that the Second Chief Executive Election has a sound constitutional and legal basis.

In short, the criticism that the election was undemocratic is mainly based on two arguments. The first argument is that the election was a so-called

"small-circle" election. The second argument is that the process did not comply with the requirement as stipulated in the Basic Law that the Chief Executive shall be returned by "secret ballot on a one-person-one-vote basis".

Regarding the first argument, it is clearly provided in the Basic Law that ultimately the Chief Executive of the SAR shall be elected by universal suffrage. We are now in a transitional period. In fact, we are going through a process leading to the goal of universal suffrage. This is an indisputable fact. The disagreement only lies in the pace of such a process. Indeed, it has been prescribed in the Basis Law that the method for selecting the Chief Executive shall be specified in the light of the actual situation in the SAR and in accordance with the principle of gradual and orderly progress. Paragraph 7 of Annex I to the Basic Law provides that:

"If there is a need to amend the method for selecting the Chief Executives for the terms subsequent to the year 2007, such amendments must be made with the endorsement of a two-thirds majority of all the members of the Legislative Council and the consent of the Chief Executive, and they shall be reported to the Standing Committee of the National People's Congress for approval."

Therefore, the Basic Law has, in no uncertain terms, spelt out both the way and the shortest possible time required to realize the aim of electing the Chief Executive by universal suffrage.

In discussing democratization, we must find out the suitable pace for achieving the ultimate aim, by considering our own circumstances and looking from various perspectives of sense, reason and law. We have the responsibility to seek a consensus among the community in this respect according to the Basic Law. Looking from this perspective, electoral arrangements adopted in a period of democratic transition are indeed a reflection of the practical needs of the SAR and should not be considered undemocratic.

THE PRESIDENT resumed the Chair.

As regards the second argument, I have to point out that the criticism has deliberately confused the two distinct electoral processes of nomination and voting. In other words, it equates the process of nomination with that of voting.



It must be noted that, as only one candidate was validly nominated at the Second Chief Executive Election, the Returning Officer (RO) therefore declared that candidate elected *ipso facto* in accordance with the law. However, it does not mean that secret ballot on a one-person-one-vote basis would not be required for electing the Chief Executive designate if there were more than one validly nominated candidates. This point must be clearly put on record.

As a matter of fact, the Second Chief Executive Election was not only constitutionally and legally sound, but was also highly transparent. In order to ensure that the election was conducted in an open, honest and fair manner, the entire electoral process was supervised by the Electoral Affairs Commission (EAC). To complement the provisions in the Chief Executive Election Ordinance, the EAC made a number of subsidiary legislation, including the regulation on electoral procedure, to regulate activities relating to the Chief Executive election. These subsidiary legislation were also scrutinized and passed by the Legislative Council. The EAC also promulgated a set of guidelines to explain the electoral arrangements. Furthermore, the EAC appointed, pursuant to the Chief Executive Election Ordinance, Mr Justice PANG Kin-kee as the RO of the Second Chief Executive Election. During the election, the EAC fulfilled its duties in accordance with the law. All electoral arrangements and procedures were in compliance with the Basic Law, the Chief Executive Election Ordinance and other relevant electoral laws.

The Central People's Government formally announced on 4 March the appointment of Mr TUNG Chee-hwa as the second term Chief Executive. The Central People's Government likewise remarked that the arrangements and procedures for selecting the second term Chief Executive designate were in compliance with the Basic Law and relevant electoral provisions. The process, which was open, honest and fair, was generally accepted by the community.

With respect to public participation in the election process, the motion moved by Miss Emily LAU also criticizes that channels were lacking for the general public to participate in the Second Chief Executive Election. Firstly, I must point out that the EC responsible for electing the second term Chief Executive designate is formed in accordance with Annex I to the Basic Law, and is broadly representative of different sectors of the community. Members of the EC come from four sectors, namely, the industrial, commercial and financial sectors, the professions, the labour, social services, religious and other sectors, as well as Members of the Legislative Council, representatives of district-based

organizations, Hong Kong deputies to the National People's Congress (NPC), and representatives of Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference. These four sectors are further sub-divided into 38 subsectors, 35 of which have their members returned by election. The remaining three subsectors are the Legislative Council, the NPC and the religious subsectors. The first two are composed of all incumbent Legislative Council Members and Hong Kong deputies to the NPC, who are ex-officio members of the EC. The religious subsector has its representatives returned by nomination.

As seen from its composition, the EC is composed of representatives from various sectors, representing the interests of different strata of the community.

Now, I would like to respond to Members' comments on the consultation work on political reform. As we all know, the Basic Law has laid down a 10 years' blueprint for the development of the SAR's political system after 1997. It has also provided for a mechanism that allows the SAR to decide its future direction and process of political development after 2007. The development of the future political system of Hong Kong must accord with the principle of gradual and orderly progress as stated in the Basic Law, and must also be acceptable to all sectors of the community. In the long run, we should develop for ourselves a political system that best suits Hong Kong's interests.

As regards the method for the selection of future Chief Executives, as I have mentioned just now, Article 45 of the Basic Law has set out the ultimate aim of selecting the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures. The pace of moving towards this ultimate aim, however, must be determined by the SAR according to the principle of gradual and orderly progress.

The main emphasis of the amendment proposed by Mr Frederick FUNG is that the Chief Executive should be elected by universal suffrage as soon as possible. As I have said just now, the Basic Law has already stipulated that the ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures. It has also provided for a mechanism to amend the method for selecting the Chief Executives for the terms subsequent to the year

2007. In the course of achieving this aim, we must adhere to the principle of gradual and orderly progress as laid down in the Basic Law. This is not only an express requirement of the Basic Law, but is also one of the favourable conditions for the political development of the SAR. For the time being, questions as to when the Chief Executive should be elected by universal suffrage and how such an election should be conducted, remain subjects to be discussed by various sectors of our community. We hope that a consensus can be reached on these issues. To decide at this point of time that we should elect the Chief Executive by universal suffrage as soon as possible is, I think, premature.

Lastly, I would like to point out that, when asked to name problems facing Hong Kong that needed to be solved in the telephone opinion surveys regularly conducted by the Home Affairs Bureau, only very few respondents, under 1% on average, mentioned issues relating to the political system. As some Members have mentioned just now, the respondents were most concerned about problems relating to labour, the economy, education and housing. In addition, a recent telephone opinion survey jointly conducted by the Radio Television Hong Kong and the Lingnan University found that nearly 80% of the respondents thought the Government should give priority to tackling economic problems. Next on the priority list were education and housing issues. Only 1.8% of the respondents considered the political issue worthy of priority treatment by the Government. In view of the foregoing, I believe that a review of the political system is not the most pressing task facing the Government at the moment. According to the schedule set out in the Basic Law, we have ample time for the task. We are confident that we can complete the task properly. We will bear in mind that public consultation is of the utmost importance in the entire process of political review. In this regard, preparations must be made. When we are ready and the time is appropriate, we will allow sufficient time to conduct extensive consultations involving all sectors of the community so that a consensus on the direction of political development can be reached. Thank you, Madam President.

**PRESIDENT** (in Cantonese): I now put the question to you and that is: That the amendment, moved by Mr Frederick FUNG to Miss Emily LAU'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 Frederick FUNG rose to claim a division.

**PRESIDENT** (in Cantonese): Mr Frederick FUNG has claimed a division. The division bell will ring for three minutes.

**PRESIDENT** (in Cantonese): Will Members please proceed to vote.

**PRESIDENT** (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Miss Margaret NG, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Mr LAW Chi-kwong and Mr Michael MAK voted for the amendment.

Mr Kenneth TING, Mr James TIEN, Dr Raymond HO, Mr Eric LI, Mrs Selina CHOW, Mr HUI Cheung-ching, Mr CHAN Kwok-keung, Mrs Sophie LEUNG, Mr WONG Yung-kan, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Mr Henry WU, Mr Tommy CHEUNG, Mr LEUNG Fu-wah, Dr LO Wing-lok, Mr IP Kwok-him and Mr LAU Ping-cheung voted against the amendment.

Geographical Constituencies and Election Committee:

Miss Cyd HO, Mr Albert HO, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Chin-shek, Miss Emily LAU, Mr SEZTO Wah, Mr WONG Sing-chi, Mr Frederick FUNG and Ms Audrey EU voted for the amendment.

Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr Andrew WONG, Mr Jasper TSANG, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Dr David CHU, Mr NG Leung-sing and Mr Ambrose LAU 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, 25 were present, five were in favour of the amendment and 20 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 23 were present, 12 were in favour of the amendment and 10 against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negated.

**PRESIDENT** (in Cantonese): Miss Emily LAU, you may now speak in reply. You still have two minutes 32 seconds out of your original time limit of 15 minutes.

**MISS EMILY LAU** (in Cantonese): Madam President, I am very grateful to the many colleagues for their remarks and to the Secretary for his reply. I believe there is a very clear message, that the Basic Law does not have to be amended for the Third Chief Executive Election and the election has to comply with the mechanism in Annex I, which would indeed be a very difficult hurdle to overcome. I wish that the consultation process would commence as soon as possible.

The Honourable Eric LI has mentioned the eight parties. I believe the eight parties enjoy the support of the public. Since the popularity of Mr James TIEN has also increased, I encourage him and other members of the Liberal Party to come forth to stand in direct elections (I would like to tell the Liberal Party that they might start doing so now that their popularity has increased). The Liberal Party also thinks that the consultations should start expeditiously and they suggest that the consultation exercise should begin in 2003. It is now 2002 and it is evident that our ideas are getting closer and closer to those of the Liberal

Party. Most of the other Members also agree that consultations should commence expeditiously and a small number of Members and the Government may wish to start the consultations in 2004 or 2005; their ideas are at a certain distance from ours. Yet, I wish the Secretary would listen to and respect the views expressed by this Council and launch the consultations as soon as possible.

I am really thankful to the Honourable LEUNG Yiu-chung for wishing me longevity. I may not wish to have such a long life but I have expressed my worries that there might not be democracy during my life. I have listened to the remarks made by Mr Albert HO and I respect him very much. I think I really have to bear certain responsibilities. As the Secretary has said, we will find in a survey that few people are concerned about the political system and we should therefore be more active. I totally agree to the remarks made by Mr Albert HO. If China under the rule by the Communist Party does not have democracy, is it possible for Hong Kong to have democracy? Nevertheless, we should conduct a review on our own and be more active and enterprising and lobby the public to fight for the election of the third Chief Executive by a democratic method and election of the future Chief Executives and government in the same way.

The Honourable Cyd HO was agitated when she talked about the Chinese culture just now. I believe many Chinese and Hong Kong people would be agitated when they talk about the lack of democracy in Chinese history. However, it seems to me that there have not been many sparks in today's debate. Mr CHEUNG Man-kwong has said that "only you have kindled sparks", and I hope that sparks will continue to be kindled inside and outside this Chamber.

Maybe not all Members will support my motion, but we agree that consultations should be conducted so that the public would step forward as soon as possible to express their views on the methods that should be adopted to elect the Chief Executive in 2007 on basis of the mechanism in Annex I. I urge Members to support the motion. Thank you, Madam President.

**PRESIDENT** (in Cantonese): I now put the question to you and that is: That the motion moved by Miss Emily LAU, as printed on the Agenda, 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)

Miss Emily LAU rose to claim a division.

**PRESIDENT** (in Cantonese): Miss Emily LAU has claimed a division. The division bell will ring for three minutes.

**PRESIDENT** (in Cantonese): Will Members please proceed to vote.

**PRESIDENT** (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Miss Margaret NG, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Mr LAW Chi-kwong and Mr Michael MAK voted for the motion.

Mr Kenneth TING, Mr James TIEN, Dr Raymond HO, Mr Eric LI, Mrs Selina CHOW, Mr HUI Cheung-ching, Mr CHAN Kwok-keung, Mrs Sophie LEUNG, Mr WONG Yung-kan, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Mr Henry WU, Mr Tommy CHEUNG, Mr LEUNG Fu-wah, Dr LO Wing-lok, Mr IP Kwok-him and Mr LAU Ping-cheung voted against the motion.

Geographical Constituencies and Election Committee:

Miss Cyd HO, Mr Albert HO, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Mr Andrew WONG, Dr YEUNG Sum, Mr LAU Chin-shek, Miss Emily LAU, Mr SZETO Wah, Mr WONG Sing-chi, Mr Frederick FUNG and Ms Audrey EU voted for the motion.

Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr Jasper TSANG, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Dr David CHU, Mr NG Leung-sing and Mr Ambrose LAU voted against the motion.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 25 were present, five were in favour of the motion and 20 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 23 were present, 13 were in favour of the motion and nine against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the motion was negated.

**PRESIDENT** (in Cantonese): Second motion: Improving administrative procedures to enhance efficiency.

### **IMPROVING ADMINISTRATIVE PROCEDURES TO ENHANCE EFFICIENCY**

**MR CHAN KWOK-KEUNG** (in Cantonese): Madam President, I move that the motion as printed on the Agenda be passed.

Madam President, the Government has been saying that outsourcing services helps enhance efficiency, but that is not the case in reality. I have collected 19 examples of cumbersome procedures and found that administrative procedures are actually the chief culprit responsible for low efficiency. The top hierarchy of the Government is duty-bound to address this problem squarely and should not go for outsourcing blindly, for this would damage the morale of civil servants and could not improve the work efficiency of the Government at all. Worse still, this would hold up works that can create job opportunities. Examples of this abound and I believe Members are already well aware of this.

In times of an economic downturn, implementing works projects can help alleviate financial hardships. For instance, during the great depression of the



global economy in the '30s, the then President of the United States, Franklin D. ROOSEVELT, expended massive government reserves to launch many works projects. But while the same measure has been adopted to promote economic development in Hong Kong, the result is still far from satisfactory. The reason is that the Government's administrative procedures are complicated and time-consuming, thus making it impossible for economic benefits to be achieved in the short run.

Many government projects announced in the past are still at the discussion stage and have been delayed to date. Some of the projects have been delayed for as long as 10 to 30 years. For example, discussions on the East Kowloon MTR Extension and Route No. 7 started in early '70s, but these projects have not been completed yet. Very often, half of the time of a project is spent on preliminary co-ordination and planning. The failure to handle the Environmental Impact Assessment Ordinance and the Town Planning Ordinance requirements with flexibility has made their implementation rigid, thus wasting both time and efforts.

The Government will implement major infrastructure projects at a cost of \$600 billion in future. Should it take such a long time for a works project to realize, it is indeed difficult to create abundant job opportunities in the short term. Moreover, as major works projects in Hong Kong mostly require the import of machinery and materials from foreign countries, they can only bring limited benefits to Hong Kong. I hope that the Government will pay close attention to this problem and streamline the preliminary work of projects as far as possible, or commence a number of procedures concurrently and use local machinery and materials, in an effort to boost local economic activities.

On the other hand, the Government has earmarked \$2.6 billion for the implementation of a host of minor works projects to create about 20 000 jobs. They include projects to improve school facilities, 64 items of recreational and cultural facilities and 105 minor public works projects in such areas as slope safety improvement, greening, urban amenities, beautification of public buildings, and so on. These minor projects should be able to alleviate the unemployment problem in the short term. Unfortunately, the many operational constraints have dragged the progress of job creation. As at this month, only 3 000 jobs have been created and the other 10 000-odd jobs will only be materialized gradually in March next year. Even after March next year, the number of jobs created will still fall short of the target by 6 000. I hope that the

Government can expedite the launch of works projects, so as to provide job opportunities for the construction industry more expeditiously. As pointed out by many academics, we must target at the nature of the projects and the efficiency of policies in order to resolve the problem.

The efficiency of the Government has consistently drawn much public criticism. Those in the senior hierarchy or management, therefore, came up with outsourcing, thinking that it can solve the problem. This is, nonetheless, putting the cart before the horse, for the underlying cause of the problem is the cumbersome administrative procedures. Outsourcing will only undermine the governance of the Government and dampen the morale of civil servants. Reports in the media have already proved this point.

Take municipal services as an example. Many street cleansing work has already been outsourced. But why does the question of efficiency still arouse extensive discussions in the media? The reason is that after the Government has blindly outsourced these services, no steps have been taken to improve the outdated regulations. Moreover, given the fragmentation of responsibilities among government departments and the constant shifting of responsibilities onto others, front-line workers are thus caught in confusion.

Even for greening, such as planting a tree, it will have to go through 12 departments, including the Food and Environmental Hygiene Department, Agriculture, Fisheries and Conservation Department, Lands Department, Planning Department, Territory Development Department, Architectural Services Department, Highways Department, and so on, and it also has to go through the electricity company and the gas company too. If changes are required, even the Drainage Services Department will have to be informed. This culture of having many people involved but few people being made responsible warrants changes indeed.

The responsibilities of various government departments should be reviewed and clarified in due course. A clear division of responsibilities will avoid overlapping and confusion. Hong Kong can follow the practice of the Taiwanese Government of drawing up a detailed breakdown of responsibilities on each level and setting out the powers of each department in detail, with the purpose of putting in place a top-down system of devolution, so as to make the objectives of each department clear and easy to understand. This can ensure that the powers and responsibilities are commensurate with the posts, which will deter heads of departments from shifting responsibilities onto others.

Since the ancient times, civil official systems have invariably featured rigid procedures and codes. But this is entirely attributable to poor management by the top hierarchy and its failure to effect changes to the administrative procedures to cater for the needs of the times. In the book *Discussing Chinese History by Hudson River* (《赫遜河畔談中國歷史》) as recommended by the Financial Secretary, Mr Antony LEUNG, discussions on the Tang Dynasty's population registration policy have pointed to this problem. The Tang Dynasty adopted the household registration policy for levying tax in the forms of grain, military service and textiles. At first, only 3 million households were registered, but the number of households on the register escalated to 9.6 million one year before the An-Shi Rebellion, representing a 300% increase in the population. But since the acquisition of land was common at the time, the register was a shambles. The responsible officials had failed to notice this change and continued to include in the register a large number of households. The fact was that many peasants had fled their fields as a result of acquisition of land. Many households on the register, in fact, did not exist, making the household registration policy virtually null and void. Finally, Emperor Xuanzong of the Tang Dynasty had to introduce a population registration policy, exempting all households who had fled their fields from tax payment, in order to straighten out the register.

From this, we can see that for a policy to be effectively implemented, the procedures involved must be consistently reviewed to ascertain whether they are in keeping with the times. Never should we pander to outworn beliefs and practices and refuse to make changes flexibly.

Last month, the Organization for Economic Co-operation and Development (OECD) held a seminar in Singapore on the simplification of legislation and administrative procedures. Member countries were invited to send experts to the seminar to exchange their experiences. A similar seminar was also held in October last year. Representatives of the participating countries had spoken on the effectiveness of simplified administrative procedures. Many of their experiences serve as good reference for us.

Simplification of legislation and administrative efficiency precisely reflects that the reform should focus on confusions in the government system, including the cumbersome procedures and decision-making process, which will hinder the operation of the Government and the business sector, and eventually undermine the efficiency of both. In order to improve the efficiency of the Government, we cannot simply target at its establishment. Rather, we need to have a

regulatory system governing society and the Government flexibly, so as to avoid unnecessary procedures. From the exchange of experience by OECD countries, the benefits brought by simplified procedures to society as a whole will definitely outweigh those brought by the civil service reform. The British Government has also worked in this direction through a series of measures to pare down business costs. This initiative has achieved savings of £100 million for the business sector.

Many people consider it normal to follow old procedures. This can no longer suit the needs of the times, particularly as globalization has penetrated into all aspects in the world. Hong Kong should act in keeping with the global trend and proactively review its existing regulations and procedures. I propose that a committee on reviewing administrative procedures be set up as soon as possible. This committee should be an advisory body chaired by the Chief Secretary for Administration. Academics, businessmen, users and policy makers in departments should be invited to sit on this committee to review the existing administrative procedures and regulations.

I hope that Members will support this motion. I so submit. Thank you, Madam President.

**Mr CHAN Kwok-keung moved the following motion: (Translation)**

"That this Council urges the Government to improve its administrative procedures, set up a "committee on reviewing administrative procedures", strengthen communication among bureaux and departments, and amend the relevant codes or regulations in the light of the experience in other countries, thereby enhancing efficiency and improving services for the greater convenience of the public."

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

**PRESIDENT** (in Cantonese): Mr Howard YOUNG will move an amendment to this motion, as printed on the Agenda. The motion and the amendment will now be debated together in a joint debate.

I now call upon Mr Howard YOUNG to speak and move his amendment.

**MR HOWARD YOUNG** (in Cantonese): Madam President, on behalf of the Liberal Party, I move the amendment as printed on the Agenda.

The administrative procedures of the Government of the Hong Kong Special Administrative Region (SAR) are complicated and its structure is bloated. This has not only affected the efficiency of the Government, but also wasted lots of resources. Given that the economy is currently in the doldrums and we face a serious budget deficit, the problem has become all the more acute.

Therefore, the Liberal Party supports the motion of "Improving administrative procedures to enhance efficiency" moved by the Honourable CHAN Kwok-keung today in principle and in spirit.

Madam President, it is common that resources are wasted as a result of overly cumbersome administrative procedures. Just take a look at the Audit Commission's report and we will easily find many examples.

For instance, the street cleansing service of the Food and Environmental Hygiene Department is managed by as many as 13 tiers of staff, and the first tier is required to report to the second tier, the second to the third, and so on and so forth. Compared with the private sector in which similar services can already operate with a three-tier structure, it is evident that the Government's structure is bloated and its work procedures overlapping.

Another example is the construction of the second cruise terminal. While the Government already decided last year to develop a cruise terminal in Southeast Kowloon, the project still has not been finalized given that priority is given to the development of the Southeast Kowloon new town, and this plan has been changed time and again because at one time, it was said that a school village would be built there but at another time, a green town was suggested. Coupled with the cumbersome planning procedures, I think even after we have waited for an extremely long time, this new terminal might still remain a castle in the air and on the drawing board. The largest new cruise liner in the world arrived in Hong Kong for the first time early this month, but it had to be anchored at a not very suitable pier. With this, we may stand to lose many businesses that can be brought by cruise liners stopping over in Hong Kong.

Complicated administrative procedures of the Government have not only affected the progress of works, hindered works projects that can create job

opportunities and slowed down the pace of economic recovery, but also resulted in a bloated civil service structure, eventually leading to the problem of a huge budget deficit confronting us today.

At present, the expenditure on the Civil Service accounts for 70% of the overall operating expenditure of the Government. This is again the result of cumbersome administrative procedures of government departments. Like a snowball rolling ever continually, the procedures are getting more and more complicated and the administrative structure swells in size. According to an opinion poll conducted by the Liberal Party earlier on, close to 55% of the respondents considered the civil service structure oversized. They agreed that there is indeed a need for streamlining, so as to cut unnecessary administrative procedures.

In fact, the Financial Secretary has expressly stated in the Budget that to resolve the deficit problem, the Government must endeavour to streamline its structure. This has proved that the Liberal Party's long-standing criticism of the poor administrative efficiency of the Government is correct. As other Members of the Liberal Party will speak in this connection, I will not go into the details here.

However, with regard to the proposal in the original motion of setting up a committee to enhance the Government's administrative procedures, we have great reservations about it. While the original motion proposes on the one hand that the Government should streamline its procedures to enhance efficiency, it proposes on the other setting up a committee on administrative procedures specifically tasked to streamline the government structure. The Liberal Party thinks that this proposal is flawed, and somewhat contradictory. So, we propose an amendment to delete the part on the establishment of this committee. As for the other parts of the motion, we do agree with them. Let us think about this carefully. If a new committee is set up, it will, in some measure, further complicate the government structure and so, this proposal is but contradictory.

In fact, an Efficiency Unit under the leadership of the Chief Secretary for Administration (formerly known as the Chief Secretary) has been set up since 1992 to assist government departments to enhance efficiency and improve services. The programmes implemented by the Efficiency Unit, such as the Enhanced Productivity Programme, have yielded very good results.

Since the Government has already in place a relevant organ to enhance government efficiency, the Liberal Party considers it redundant and unnecessary to set up a committee with similar duties and functions.

The Liberal Party is of the view that the Government can enhance the duties and functions of the Efficiency Unit, such as arranging for the Efficiency Unit to meet regularly with different departments to study ways to make improvements in different policy areas so as to enhance efficiency. Moreover, the Efficiency Unit can also report on its work to the Legislative Council regularly to enhance the transparency of its work. I think this can already serve the purpose.

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

**Mr Howard YOUNG moved the following amendment: (Translation)**

"To delete "set up a "committee on reviewing administrative procedures", after "That this Council urges the Government to improve its administrative procedures,"."

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Howard YOUNG to Mr CHAN Kwok-keung's motion, be passed.

**DR RAYMOND HO:** Madam President, over the past five years, I have been pressing the Government to expedite the implementation of its infrastructure projects and building works. More often than not, red tape is the stumbling block for these projects. This explains why I have been asking the Government to streamline its administrative procedures. As a matter of fact, the problem of too many layers of bureaucratic procedures is not confined to a few government bureaux or departments. It has indeed become a part of the government culture. Many of our citizens who have had previous experience in dealing with the Government must know what I mean.

It is most ironic that the Government encourages the people of Hong Kong to equip and prepare ourselves for the challenges ahead while it cocoons itself in a tangle of administrative codes and procedures which are totally out of place in a modern society like Hong Kong.

The bureaucratic style of the Government is doing a disservice to all of us. Firstly, it drives away potential investors. From time to time, there are stories in the press telling us that interested entrepreneurs have been fed up with the bureaucratic red tape of our Government.

Secondly, it holds up the implementation of projects which are supposed to create employment opportunities and stimulate the economy. This partly explains why the promise of the Government to create more jobs has not yet materialized, although the Government has time and again committed billions of dollars to projects of different scales.

Thirdly, the quality of government services is also adversely affected as many bureaucratic procedures have become meaningless formalities which have nothing to do with the actual administrative requirements.

Fourthly, the morale of our civil servants, who are dedicated to their work, suffers too. The requirement to go through layers of administrative procedures and rounds of "co-ordination" with other departments even for a minor routine task erodes their initiatives and sops up their energies.

Fifthly, a lot of resources are unnecessarily wasted.

I believe that, given the right impetus and guidance, civil servants themselves are willing to make the necessary changes. The establishment of a committee on reviewing administrative procedures is worth contemplating. The committee, preferably headed by a senior official such as the Chief Secretary for Administration, could also review ways to strengthen communication among bureaux and departments. In the meantime, every department should be encouraged to take the initiative to streamline their own administrative procedures and introduce measures to improve the quality of their service.

Madam President, I would like to take this opportunity to appeal to all civil servants to work together to make the necessary changes for their own benefits as well as for the well-being of our society. I so submit. Thank you.

**MISS CHOY SO-YUK** (in Cantonese): Madam President, in the recently published Budget, the Financial Secretary said the Civil Service should make better use of resources and cut expenditure. He further demanded government



departments to take measures to cut work procedures, and streamline organization and staff structures. First of all, I agree that there is a need to reduce the size of the civil service establishment and to brief out certain government services to the private sector in order to maintain a small government. However, I trust that the basic aspirations of the public cannot be met simply by making proposals on reducing the size of the staff structure without thoroughly improving internal procedures and organization structure as well as eliminating all unnecessary red tape.

Madam President, we understand that the role of the Government is very much different from that of private corporations in that it seeks to serve the public and maintain a level playing field while its gains cannot always be given top priority. For the same reason, we should not only look for "productivity, efficiency, effectiveness and savings" in the government administrative system and overlook its openness, fairness and reasonableness. After all, the existing civil service regulations and systems have been practised for many years. Although this does not necessarily mean that such regulations and systems are reasonable, the experiences and wisdom accumulated over the years should not be recklessly abandoned overnight. We only urge that a thorough review be conducted at once to identify problems so as to eliminate the bad elements and retain the good ones.

For instance, whenever the Government plans to introduce any new policies, almost without any exception, some time would be reserved for consultation, so as to give members of the public and various stakeholders sufficient opportunities to express their views and opinions. Though this would inevitably postpone the timetable for implementing such policies, I believe that upon weighing the pros and cons of this practice, Members would still agree that it should be retained. Furthermore, it would seem that members of the public would find it more convenient if services relating to certain applications or government decisions that cover an extensive policy area and require vetting by different departments could be replaced by "one-stop" services. However, from another perspective, it may be necessary for certain applications to be handled by different departments in order to maintain the integrity of the Government. And, since the work of certain departments involves some professional aspects, it is also very hard for them to pass on their responsibilities to other departments simply for the sake of efficiency.

A highly efficient and honest Civil Service has always been regarded as an important factor for the success of Hong Kong. And, for a long time, the relevant civil service regulations and system have also been looked upon as so sacrosanct that they cannot be changed lightly, thus missing many an opportunity for making amendments and improvements that would enable this system to keep abreast of the times. As time goes by, if everyone only follow such established regulations unawares that times have already changed, forgetting also the spirit behind such regulations, the system will naturally lose its necessary flexibility, become outdated or even lag behind the times.

The lack of efficiency in the Government is mainly due to two reasons, firstly, procedures are being followed too rigidly to the point of overdoing; secondly, too many departments are involved and their powers and responsibilities are not clearly defined.

Firstly, on the question of procedures, I would like to quote a simple example. Recently, the Panel on Environmental Affairs held discussions on the construction of an integrated waste treatment facility to reduce the pressure on the expansion or construction of landfills. The present schedule of the project is as follows: in April this year, members of the industry will be invited to express their intent, vetting will begin in July, Members of the Legislative Council, the Advisory Council on the Environment and members of the public will be consulted on the proposed technology/facilities to be employed by the end of this year and the environmental impact assessment will begin next year. Up to this stage, we still think that the schedule is appropriate. However, construction works can only begin in 2008, that is four years after the public consultation exercise to be conducted at the end of 2004, and cannot be completed until 2012, meaning that it can only be commissioned after 10 whole years! As the saying goes "everything has its limit". Only opposite results will be achieved if anything is overdone and good things will turn sour. No one would object that the Government should keep tabs on public sentiments and listen to the views of the people, and we have always insisted that the Government should take the work of public consultation seriously. However, is the lead time of four years between the beginning of consultation to the actual commencement of works really necessary?

The other issue is the organizational structure. Though the Government has planted many trees in the urban and rural areas in recent years, unfortunately, it has not given due regard to the value of existing valuable and old trees. The

reason is this issue falls under the jurisdiction of a great number of bureaux and departments. By just making a rough calculation, I find that three bureaux, namely, the Environment and Food Bureau, Planning and Lands Bureau and Works Bureau, and 10 departments, namely, the Leisure and Cultural Services Department, Agriculture, Fisheries and Conservation Department, Home Affairs Department, Highways Department, Housing Department, Architectural Services Department, Civil Engineering Department, Lands Department, Planning Department and the Territory Development Department are involved. We all understand that everybody's business is nobody's business. So, if more than 10 Policy Bureaux and departments are responsible for an issue at the same time, under the circumstances where there is no designated co-ordinating department and no leadership, it is common for each department to act on its own and shirk responsibilities. To ask the Government to take good care of our trees under such a chaotic situation is just like fishing in the air.

In order to address the problem at root, improve the existing bureaucratic system and enhance the efficiency of the Civil Service, the Government must be determined to conduct a comprehensive review on the work arrangements of all departments and endeavour to minimize the duplication of roles and functions among different departments and the absence of clearly defined powers and responsibilities. Moreover, focus should be placed on improving the flow of administrative procedures, including the time schedule adopted for each procedure, to see whether it has become unreasonably long in the light of technological developments or other objective changes. Moreover, as regards procedures involving vetting by different departments, they can be done in parallel by various departments, instead of the conventional practice where vetting is first completed by one department before handing over to another, thereby enhancing efficiency and saving time. Of course, behind various reviews .....

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

**MR LAW CHI-KWONG** (in Cantonese): Madam President, I am the only Member from the Democratic Party speaking on this motion debate today. When I prepared this speech, I felt that it was more like a dissertation on public administration than a Legislative Council speech. Please bear with me if I dwell a bit too long on concepts.

One of the problems we should consider is the communication between Policy Bureaux and departments. It is inevitable that the Government is divided into many departments. This is not a question of 16 bureaux or several dozens of bureaux, for even if the 16 bureaux are integrated into four or five large bureaux headed by one bureau secretary, the problem still remains unresolved because there would always be divisions. An additional layer of management will also be added to the structure, thus creating yet another hurdle, and another obstacle in the system.

I have always thought that it is necessary to review the division of powers among bureaux and departments. If we analyse this issue in view of the trend of "small government", we would find such a division even more superfluous. The work of upholding policies and monitoring policy implementation should not be divided into two. Many past examples showed that Bureau Secretaries were directly involved in the supervision of policy implementation, for example, the Secretary for the Environment and Food was directly involved in the supervision of "slaughtering chicken"; and there were also many examples showing that Bureau Secretaries relied on information from departments before they can conduct studies or reviews on relevant policies. And, even for matters as simple as answering questions of Legislative Council Members, normally, the Deputy Secretaries of Bureaux only play the role of collecting and sorting information, while departments are responsible for providing the necessary information. So, the answers of Bureau Secretaries have to be based on information provided by departments. As such, we believe that the integration of bureaux and departments could save a lot of work and the directorate posts of many departments could also be deleted. If this were to be done, it would all depend on whether or not the Chief Secretary for Administration has the boldness of vision to carry out such reforms!

As regards the issue of layered structure, I find the span of control concept very interesting. Since it is thought that one person is insufficient to supervise the work of many persons, so every four or five persons need a supervisor. Calculated on the basis of one supervisor for every four persons, three supervisory levels would be required for 16 basic rank staff; four levels for 64 persons; and this further works out to a dozen or so 20 supervisory levels for 180 000 people.

This mindset is in fact outdated. First of all, I do not agree that there should be a fixed ratio between the number of supervisors and subordinate staff.

The work of certain persons must only be supervised because the mechanism on the delineation of powers and responsibilities and accountability is flawed. Under such circumstances, I think the supervisory function should be reduced to the minimum, and it is most important that the ability of the staff be brought into full play. In other words, the number of supervisory levels should be reduced. It is really excessive to have a dozen or so to 20 supervisory levels in government departments!

Another factor contributing to the multi-layered government structure is excessively detailed division of labour. My views are slightly different from that of the Honourable CHOY So-yuk. I think the problem lies not in powers and responsibilities being not clearly defined, but rather in their so clearly defined that certain jobs, which do not fall under the responsibility of anyone, are neglected by everyone. Very often, everyone only sticks to his own "job description" and does not dare to venture outside their ambit. I call this a "job description culture", that is, one does not care about any job that is not in his job description. Let me cite an example. Many years ago, government typists lodged a complaint with the Complaints Division of the Legislative Council, complaining that they were required to perform Chinese typing duties. So, the Government made a concession by offering them a "Chinese typing allowance" in order to settle the matter. Recently, the Director of a certain department also voiced to me his grievances, saying that the clerical officers of his department had refused to replace the cartridges of printers. Since he was not sure who should be doing the job, the job was finally given to more senior staff.

Two concepts have been confused in the civil service system, one of them is "job description" and the other is "job assignment". Very often, both concepts are included in job description, covering all matters big and small, and thus confusing the two. The functions of a post rather than the specific delineation of its duties should be listed in the job description. A specific delineation of duties would be too rigid and inflexible, and as a result, no one would be willing to perform other duties. However, a function description is much more flexible than a job description. It could be said that the misunderstanding has arisen from the erroneous notion of scientific management in industrial management, assuming that the more specific the delineation of duties, the more specialized the work, the faster it would be done. However, for the service industry in general, this concept is wrong; and the system and management concepts of the whole Civil Service, instead of organizational structure alone, must be reformed.

Another issue relating to efficiency, multi-layered structure and supervision is the illusion of "zero risk". Normally, the executive authorities would avoid making mistakes for once any mistakes are made, they would have to face strong criticisms from the Legislative Council and the media. While they should avoid making mistakes and it is also essential that the Legislative Council and the media should monitor their work, mistakes could never be reduced to zero. A price has to be paid if risk is to be reduced to the minimum; and an even greater price has to be paid if risk is to be further reduced from an already very low level. Eventually, the job of one person has to be supervised by several levels of people, and by doing so, risks can naturally be reduced but with a very costly price tag. The objective of risk management is not only to reduce risk but also to contain it within a reasonable limit. There is a saying that "no risk, no gain", which means nothing will be gained if there is no risk. While success only enhances confidence, failure is a good lesson. An organization that only avoids mistakes and does not aim at success cannot be a learning organization. To admit our faults and learn from them is an even more commendable quality. Recently, there have been many occasions that call for the Chief Secretary for Administration's apologies and his courage should really be appreciated.

The motion also referred to the amendment of codes and regulations. While outdated codes and regulations should be amended, it is not the crux of the problem. The problem is there are too many codes, too many regulations and too many guidelines in the Government. They are so numerous that a guideline is needed to guide us through those guidelines. The fundamental problem lies in the absence of a continuous quality improvement management mechanism to deal with matters concerning regulations, rules and guidelines.

To conclude, conducting a review of the structure of bureaux and departments, reducing supervisory structures, integrating work types, introducing a suitable degree of risk management and accountability, and establishing a management mechanism for the formulation of regulations, codes and guidelines are ways to enhance government efficiency.

Thank you, Madam President.

**MISS CHAN YUEN-HAN** (in Cantonese): Madam President, I would like to talk about the spirit behind the motion moved by Mr CHAN Kwok-keung of the Hong Kong Federation of Trade Unions (FTU) today. When the Government talked about the new round of civil service reform, it mentioned measures like the enhancement of productivity with special emphasis on the need for the continuation of outsourcing. When we see these proposals and at the same time learn that different government bureaux and departments are of the view that outsourcing would enhance government efficiency, we certainly beg to differ. I believe no one in Hong Kong would raise any objections if we say that it is necessary to enhance the efficiency of the Civil Service or that of the Government. However, we certainly could not agree if matters were oversimplified by saying that the only way to enhance efficiency is to outsource government jobs at the expense of the interests of basic rank civil servants. Over the past few years, we have discussed a number of specific cases with the Government and pointed out that the real problem lies in the administrative culture and structure of the Government as a whole. However, unfortunately, the Government is not fully convinced of our views. I hope this debate could help everyone to take a clear look at the present situation, both practically and realistically.

In fact, in this connection, we were very careful with the wordings when we drafted the motion because the existing civil service structure of Hong Kong once achieved very good results and some people have said the civil service administrative structure of Hong Kong is quite outstanding in Asia. Furthermore, China had used the civil service structure of Hong Kong as a model at the early stages of its open policy reform. However, this was what happened more than 30 years ago. Though, the civil service structure of Hong Kong might be very revolutionary, progressive and modern initially, it would only result in the phenomena we see today if we still stubbornly preserve this structure of more than 30 years ago. These phenomena make us feel that the whole civil service structure has become one big elephant. Some of these examples may not sound very pleasant to the government officials concerned, but if they care to do some soul-searching behind closed doors, they would most certainly admit that the Government has encountered difficulties in its implementation of policies and the officers-in-charge might even agree that every step is a great trial.

Mr CHAN Kwok-keung made a detailed analysis earlier and he said that though there were many participants, only a few would actually take up the

responsibility. Why has such a phenomenon arisen? I think this may be due to the fact that there are too many participants and eventually no one assumes any responsibility. This is exactly what happens. Why? Let us take a look at the speech of the Honourable LEUNG Fu-wah, which he gave me before he left the Chamber (he cannot deliver the speech at this meeting because of time constraints). He cited some examples in his speech, and one of which was a greening project conducted under the auspices of three bureaux and 13 departments. I trust that we would not really mind if the timing or efficiency of the project is satisfactory. However, we have cited such examples exactly because there are obviously difficulties in the implementation of many policies.

Mr LEUNG also cited another example. It was what the Secretary for Education and Manpower said in reply to my question at the Legislative Council meeting on 27 February. At that time, I asked the Government as of that date, how many jobs were created by the Government in response to the Chief Executive's pledge on creating 32 000 jobs in last year's policy address? The Secretary replied that as of 31 January 2002, a total of 2 114 jobs were created by the Government. This means that from last October, that is, the time the Chief Executive said 32 000 new jobs would be created, to the end of January, only 2 100-odd jobs were created. This is really a problem.

Madam President, from my experience as a Member of the Legislative Council, I could tell you that we have to fight with government officials every step of the way on each occasion when we wanted to take things one step forward in relation to the 64 minor projects, which the municipal services departments submitted to the Legislative Council in response to the government policy on creating more jobs. For instance, when the number of projects was first increased from seven to 15, and eventually added by another four two days ago, the whole process was just like "squeezing toothpaste from a tube". The officers felt that they were wrongly accused and told me after the meeting that: Miss CHAN, we have to go through many departments. I understand they have to go through a lot of departments and that is a significant part in maintaining a clean Hong Kong Government, but the question is how work efficiency could be maintained at the same time. This is exactly the question we want to ask.

Madam President, the existing structure of Hong Kong is like an elephant which finds every step very difficult. So how can we make this structure function? We should really give some thoughts to this question. Recently,



when the Financial Secretary delivered his Budget speech to the Legislative Council, he raised the issue of developing the local community economy and we welcomed this idea. The Financial Secretary then said he would co-ordinate the work of various departments and we also welcomed this. However, I could not help asking the Financial Secretary this question: Could he really enable the local community economy to develop healthily in the short run? I am really not confident of this for the Government has said that more than 30 000 jobs would be created and that the Chief Secretary for Administration and the Financial Secretary would personally monitor the work of the relevant departments, but the present situation on job creation is not satisfactory. Similarly, what will be the outcome of the work of various departments on promoting local community economy under the supervision of the Financial Secretary? I do not have any confidence. Therefore, if the Government is really going to do this, I think first of all, the government structure must be reformed and at the same time, it may have to be initiated by the people. We should listen to the views of the people, especially those on the development of local community economy and solve the existing bureaucracy problems one by one.

Madam President, in face of the existing situation, I hope that instead of carrying out specious reforms like outsourcing jobs and assuming that its target on productivity enhancement could be achieved by doing so, the Government could solve the problems with a pragmatic approach.

Madam President, the Legislative Council is now conducting a hearing on the public housing substandard piling works incident and I am one of the members of the Select Committee. Though I am not in a position to talk about certain issues, I would now like to talk about matters that have already come out in the open and could be made known to the public. There were certain things that I found very ridiculous and I think Mr Abraham SHEK and Ms Audrey EU who are also members of the committee would share my views. In the course of the hearing, we learned that though there are many layers of management in the Government, each layer is not doing its job. We were told that there was a trust system as well as a partner system. We then asked what does each different layer of staff do? If the actual situation is really like what they said while everyone trusts each other and everyone is a good partner, then why should there be so many layers of staff? It should still work if just any supervisor is appointed. The ultimate joke is that, only one supervisor is actually responsible for the supervision of a very complicated construction site.

These are all public information. I have cited this example because I want to point out that the Government is ill and something has gone wrong with it. It would not be acceptable to us if the Government still fails to draw a conclusion from these mistakes and continues to do some window dressing instead of solving these problems.

Thank you, Madam President.

**MR KENNETH TING** (in Cantonese): Madam President, today, I would like to talk about the impact of cumbersome administrative procedures on the business environment of Hong Kong.

In November last year, I moved a debate on "Improving the business environment" on behalf of the Liberal Party. At that meeting, I urged the Government to review unnecessary legislation and administrative measures, in the hope that the Government would improve its cumbersome administrative procedures.

In recent years, the economy of Hong Kong has been wavering at the bottom, and while deflation continues and unemployment rate remains high, our business environment becomes worse. With globalization of the world economy, it is all the more important to increase the competitiveness of Hong Kong. However, the complicated administrative procedures, cumbersome provisions and bloated structure in the Government often creates a lot of constraints, thus hindering the operations of the business sector and obstructing our economic development.

Let me quote some examples to illustrate my point.

At present, the licensing system of Hong Kong is under the co-ordination of different departments and very often an application for a business licence has to go through many departments, complicated procedures and a time-consuming process.

For instance, operators of an ordinary supermarket have to apply for as many as 10 licences before they are allowed to sell seafood, meat, bread, and so on. Since these operators have to apply for so many licences, there would naturally be a great strain on their manpower, resources and finances.

Therefore, the Liberal Party thinks that the Government may consider issuing a single licence according to the business needs of individual trades and shortening the application time, so as to lessen the burden of business operators.

Another example that shows that the development of Hong Kong will eventually be affected by the tedious government procedures is the cable car system construction project on Lantau Island. After the financial crisis, the Chief Executive indicated that in order to save the economy of Hong Kong, tourism in Hong Kong must be promoted and the cable car system construction project on Lantau Island is one of the important projects. However, the construction of this system involves nine ordinances while the environmental impact assessment will take one year, so the whole project will take eight years in total. If a key project has to take eight years, then how long do we have to wait before a non-key project can be completed?

The two examples cited by me earlier were only the tip of the iceberg. Speaking at an interview with the media the day before, the Chief Secretary for Administration clearly indicated that a new pivot has to be introduced into the civil service reform. He also said that a new civil service culture has to be established, so as to achieve the three targets of being "capable, efficient and thrifty". "Capable" means greater competitiveness; "efficient" means higher efficiency; and "thrifty" means thrifty behaviour in response to the existing financial difficulties. These comments serve to reflect that the Government is also aware of the problems of a bloated civil service structure, complicated administrative procedures and low efficiency and that it has begun to introduce significant improvements. The Liberal Party hopes that the Government can really be true to its words.

Madam President, there is a saying that "efficiency is life". If the Government again fails to grasp this opportunity to introduce reform into its administrative culture, Hong Kong will only continue to decline in terms of competitiveness and the Pearl of the Orient will eventually lose its lustre.

I so submit. Thank you, Madam President.

**MR ABRAHAM SHEK:** Madam President, in the past, our Government has been renowned for its efficiency, effectiveness and integrity. Five years after the handover, our Government has only retained its reputation of high integrity. But unfortunately, we are no longer considered Asia's most effective and

dynamic administration. Why and how did we regress in the course of these few years whilst our neighbouring governments have surpassed us in efficiency, effectiveness and decisiveness?

Under the present economic crisis, we must reflect on the causes of our waning position and take positive actions to address them, or else we will continue to lose out to our rivals.

I humbly believe that the major reason is probably due to a cobwebbed, overgrown and outdated multi-layered organizational structure which stifles staff initiatives and nurtures complacency. The procedures of our administrative system have had proven successes in the past but have become irrelevant and outdated for the present, not to mention the future. The Administration is over-staffed and over-bureaucratic. Its corporate culture is deeply rooted in colonialism, thrives in conservatism of strict obedience and conformity and lacks vision. There is a common saying, rightly so or not, among the people of Hong Kong which reflects their views of our Government's servants being "少做少錯，唔做唔錯；不求有功，只求無過".

A good Civil Service must be able to anticipate the socio-economic changes and needs of our society, able to cope with the threats and challenges that confront them in the course of their administration, to lead, to care and to educate the citizens with minimal bureaucracy operating within the rule of law. Our civil servants must work for the community with conviction, humility and not to be the overlord of the ruled. "官威、官腔、官僚" should not have a place in our modern society.

Looking at the audited reports published over the years, one cannot hide one's concern over the efficiency and effectiveness of various government bureaux and departments. To name a few examples, the simple act of street cleaning involves bureaucracy of over 10 managing layers, leading to excessive wastage of government revenue; government procurement of medicine and other items leads to wastage and ultimate disposal. I can go on and on. Year after year, the auditors review cases of such wastages; but year after year, there is a feeling of *deja vu*. Taking into consideration of the present economic crisis that we are now facing and the threats of competition from neighbouring countries, we must insist that our Government should reinvent itself to cope with the changing needs and time. It must re-engineer its processes and procedures to ensure efficient and minimal wastage of public resources, especially in times of deficits.

This year, we have a deficit of over \$60 billion and in the forthcoming year, an estimate of \$40 billion. It is unlikely that we would have major new source of revenue. The only way to reduce deficit is to cut expenses. With just a 4.75% pay cut for our Civil Service is insufficient. The answer must be to reduce the size of the Civil Service and to increase efficiency through devising a simple cost-effective system. Today, over 200 000 people are unemployed, and the number of jobless is increasing by the day. It is only right that our civil servants who are blessed with job security and stability should contribute to the building of a better government — a renaissance is needed, so to speak.

I am convinced that our civil servants are still the best in Asia, if not in the world. But their potentials have yet to be realized, like a good piece of jade which needs cutting and polishing to show its brilliancy by an expert who appreciates its latent value. Our civil servants need direction, leadership and team work. I have great faith that reforms within our Civil Service can be achieved with the minimal fuss provided. Our Government has the will to do it.

I support both the motion and the amendment, in particular the amendment of the Honourable Howard YOUNG. I believe that there is no need to set up any committee to implement such changes for, as I said earlier, our civil servants are of world-class quality and by giving the right direction and leadership, they could do a first-class job. With our Chief Secretary for Administration being at the helm, I am sure that the reform will be carried out for the betterment of Hong Kong. I would like to highlight two departments which have kept up with the changing times and have been providing first-class and well-needed services. They are the Building Department under Mr C M LEUNG, and the Architectural Services Department under its Director, Mr PAU. The reforms which they initiated have catered to the needs of our modern society. I hope that other government departments would also review their work process and philosophy in order to keep up with the times.

Madam President, in conclusion, our Government is now facing a reality that leaves it with no alternative but to change and adapt to the needs of the time and the people; and that we have a good, transparent, first-class and efficient Civil Service. To give our civil servants some food for thought, there is a saying by the late Mr Robert KENNEDY who said, "Some people see things as they are and say why. I dream things that never were, and say why not?" I

am sure that our civil servants could ask themselves this question and see what changes could be brought about to promote an efficient government within the rule of law.

Thank you, Madam President.

**DR DAVID CHU** (in Cantonese): Madam President, to facilitate the recovery of the Hong Kong economy, the most fundamental solution lies in improving the business environment, helping local enterprises to survive and grow, attracting more inward investments and creating more job opportunities. In fact, what investors want most is for their business dealings not to be restrained the control of too many unnecessary procedures. However, in recent years, investors are subject to a number of increasing controls, including the establishment of various licensing mechanisms and report procedures. This has resulted in complex procedures and increased business costs that are unfavourable to the long-term interests of Hong Kong. According to a survey conducted by the British Chamber of Commerce last year, 35% of the United Kingdom businessmen in Hong Kong found the efficiency of the Hong Kong Government unsatisfactory. The British Chamber of Commerce also suggested that the Government should take immediate actions to cut unnecessary procedures. I think that in order to improve the business environment, the first and foremost task of the Government is to simplify measures and procedures relating to business operation as soon as possible and to reduce various licensing fees. Under such circumstances, the Government should establish a one-stop licensing mechanism for various industries (such as the construction industry) to save investors the trouble of wasting their time on steeplechase. Of course, the Government should continue to enhance its work on cutting expenditure and increasing the efficiency of government departments to bring its operation costs down to a reasonable level so that various licence fees can be adjusted downwards, thereby reducing business costs.

Madam President, in addition to enhancing the administrative efficiency of the Government and improving its services, the improvement of administrative procedures is also helpful in ensuring the effective use of public resources and cutting government expenditure. If cumbersome administrative procedures or rules were simplified, the staffing requirements for administrative and vetting

work could naturally be reduced. Moreover, a more important point is that a rigid and bureaucratic administrative system and complicated administrative procedures would greatly slow down the Government's ability to respond to contingencies, thus placing Hong Kong in an unfavourable position in meeting the needs of the development of knowledge-based economy and globalization of the world economy. If the SAR Government fails to eliminate various bureaucratic practices and enhance the efficiency of policy implementation, then all the plans we have made for Hong Kong, no matter how brilliant, would be useless. With these remarks, I support the motion.

**MISS LI FUNG-YING** (in Cantonese): Madam President, when the Financial Secretary discussed the competitive edges of Hong Kong in the recently published Budget, he said that high efficiency is one of our advantages. Now, discussions on the Budget have only just begun and the Financial Secretary is still going around, trying every means to solicit community support for the Budget. Today Mr CHAN Kwok-keung moved a motion on "Improving administrative procedure to enhance efficiency". I believe what the motion reflects today is not that Mr CHAN and the Financial Secretary do not have common views of efficiency. It only goes to show the co-existence of both high and low efficiency in Hong Kong society. The high efficiency mentioned by the Financial Secretary in the Budget refers to the high efficiency of the Hong Kong market and high efficiency in terms of its ability to make money, while the low efficiency as criticized by Members of the Legislative Council is related to matters on improving people's livelihood, ranging from such minor issues as changing light bulbs in parks, installing air conditioning in markets to major projects like construction of highways and cable car systems. All these issues have to undergo very complicated vetting procedures.

Mr CHAN Kwok-keung told the media earlier about 19 actual examples of cumbersome administrative procedures. If we were to cite more examples, I am sure many could still be found. Since I became a Member of the Legislative Council, I have attended from time to time seminars in different District Councils and received a lot of complaints against the Government on cases relating to cumbersome administrative procedures and policy blunders. Let me quote an example. The Area 54 development project of Tuen Mun and complaints involving small house development projects in Tsz Tin Garden and

Unicorn Garden all reflected the confusion and waste of manpower and resources in government planning. The sewage pipe leakage incident of the Sham Shui Po redevelopment area involved the Food and Environmental Hygiene Department, Buildings Department and Water Supplies Department and was referred from one department to another for follow-up actions. Eventually, a consultancy was commissioned to conduct studies on the technology for conducting tests on the source of the leakage; and the problem has dragged on and remains unresolved to date. The Government is now placing great emphasis on promoting tourism. However, it was reported in the media a few days ago that the private developer of a theme park development project in Ma Wan has to re-negotiate with the Government in relation to the land development rights of the project and the theme park development plan may be delayed. Examples like this abound.

Now, I would like to talk about an article I recently read, for I think it is worth sharing with Honourable colleagues. That essay, which was about a special discussion on issues relating to mainland reforms, was published in the January issue of the *Dushu* journal published by the Joint Publishing Company of the Mainland. The name of the book under discussion is 《精簡與反彈》 (Streamlining and Rebounding). It was mentioned in the article that when organizational reforms were conducted on the Mainland, there was a phenomenon where "the Buddha was relocated without demolishing the temple, so after a little while, the Buddha returned to the temple". Later on, the Government said that was not feasible, so "the Buddha was relocated and the temple was demolished". Apart from this, there was another phenomenon where staff was cut without cutting the workload, and what was the outcome? Since there were jobs and jobs meant power, and as long as powers were retained, there would not be any lack of staff. Therefore, even though the Buddha was relocated and the temple demolished, the problem would still remain unresolved and the procedures were still very cumbersome. At present, it is an indisputable fact that the administrative efficiency of the SAR Government is very low and reforms are wanting. However, if the vetting procedures are to be restructured, unlike what the Government said, it cannot simply be achieved by streamlining manpower. More importantly, the powers of different departments should be reintegrated and co-ordinated, and it is most important that a balance be struck between reasonable procedures and efficiency. However, I must admit that this is a difficult art of management, though difficult it is, we still have to work on it.



Madam President, here, I would like to emphasize in particular that all systems are eventually implemented by people. On the issue of civil service reform, the Government has time and again, intentionally or unintentionally, misled public opinion to pitch the whole community against the Civil Service. So doing would only seriously affect the morale of civil servants. This approach of achieving the end regardless of the means would not do any good to enhancing the efficiency of government departments.

With these remarks, I support Mr CHAN Kwok-keung's motion. Thank you.

**DR TANG SIU-TONG** (in Cantonese): Madam President, places all over the world had actually gone through similar experiences. In order to meet the needs of socio-economic developments, the functions of governments have continued to expand and increase, thus resulting in the sequela of an increasing number of civil servants, which then led to a bloated and unwieldy government structure and poor administrative efficiency. When a government structure becomes unwieldy and its labour too finely delineated, its powers and responsibilities will be dispersed among different departments, thus creating difficulties in communication and co-operation to the disadvantage of administrative efficiency. Furthermore, if administrative rules were excessively elaborate, very often, a simple matter would involve a whole army of people and has to go through different levels of scrutiny and vetting, thus wasting a lot of time. Poor administrative efficiency would not only result in wastage of resources, but also impact adversely on the highly competitive business environment of that place. Therefore, these places, having gone through a phase of public organization expansion, have to carry out public sector reforms in the hope of streamlining government structures and enhancing administrative efficiency. Hong Kong is also heading in this direction and the Hong Kong Progressive Alliance (HKPA) hopes that the Government of the Hong Kong Special Administrative Region would soon achieve some results in this area.

Madam President, the slow pace of public works implementation has been a subject of criticism by members of society. Delays in public works would not only obstruct economic development but also cause inconveniences in the everyday life of the people, thus resulting in loss of time and money and undermining the employment opportunities of construction workers. In Hong

Kong, it is common for the construction works of large-scale infrastructure projects to drag on for 10 or more years. A road-building project takes 10 years while small-scale projects will take six to eight years. In fact, the time required for making initial preparations is usually longer than that of the actual construction and there are many reasons leading to such situations.

On the one hand, public works have to go through a number of assessment and consultation processes, thus increasing the time required for vetting and approval. Mr TUNG Chee-hwa said if land use planning modification is required in infrastructural works, the project would be put through seven layers of consultation. The seven hurdles are: i) conduct public consultation and handle objection cases through the Town Planning Board; ii) consult the District Councils; iii) consult those people who are affected by the project; iv) if reclamation, land resumption and road construction works are involved, notices have to be gazetted according to the provisions of relevant legislation and members of the public have to be consulted; v) environmental assessments have to be made; vi) seek funding from the Legislative Council and vii) deal with appeals in relation to objection. The motive of the Government in conducting consultation exercises on public works is originally very good, for it seeks to extensively collect the views of the public and professionals with a view to enhancing the effectiveness of public works. The HKPA is of the view that while consultation work has to be conducted, its efficiency should also be enhanced. The Government should consider conducting some of these procedures in parallel, so as to speed up the process of vetting and approval.

On the other hand, the pace of public works has also been slowed down by problems like cumbersome administrative and land resumption procedures and the lack of co-ordination among government departments. Infrastructural works often involve different policy matters like housing, planning, transportation and environmental protection. As such matters fall under the ambit of different government departments, the process of vetting and approval would naturally be slowed down. Apart from enhancing communication among government departments, the Government must streamline its organization in the long run.

Madam President, the problem of cumbersome administrative procedures is also reflected in the existing licensing mechanisms. In applying for a licence, very often, business starters and businessmen have to seek the approval of many

government departments. Apart from engaging in this steeplechase, they are also kept waiting for half a year to one year before obtaining permission to start business operations. Take the retail industry as an example, some members of the industry have pointed out that a supermarket operator has to apply for a dozen or so licences before he can start operation. Sometimes, a law is enacted by one government department but many departments may be involved in its specific enforcement and there is a lack of co-ordination between different departments and all these would hinder the operation of the retail industry. Apart from the retail industry, the catering industry also encounters similar problems. Furthermore, some licence fees are so exorbitant that they increase the burden of business operators. As such, the Government should really simplify the existing licensing mechanisms and provide a "one-stop" licensing service to all trades and industries as soon as possible. Recently, the Panel on Planning, Lands and Works of the Legislative Council received a proposal from the Government on the control of road digging works. The "one-stop" service concept set out in the proposal is very ambiguous. I think the Government should really consider this carefully for the "one-stop" service proposed by the Highways Department is only restricted to the services of that department, excluding that of other departments are not included. So, such a "one-stop" service for road digging applications is really meaningless.

Madam President, Hong Kong is now facing challenges from globalization of the world economy and peripheral cities, so we must really have a highly efficient government organization that is adept at rising to contingencies, otherwise Hong Kong would lose its advantages in competition. Under such circumstances, issues like reducing unnecessary administrative procedures and enhancing administrative efficiency are really pressing. I so submit.

**MR TAM YIU-CHUNG** (in Cantonese): Madam President, last week, the Financial Secretary pointed out in his Budget that the Government is facing a serious deficit and the Administration plans to achieve a balanced budget within five years. One of the main measures for achieving this target is to adjust civil service remuneration and streamlining its establishment. However, the targets of saving resources and relieving the burden on public finances could actually be achieved more easily through improving administrative procedures, reducing unnecessary formalities and enhancing co-ordination among various departments.

Here, I would like to cite two examples to illustrate the problem. Take the Lok Ma Chau Spur Line of the East Rail as an example. In October 2000, the Environmental Protection Department (EPD) maintained that the ecological habitat at the Long Valley Wetlands would be severely affected by the design of the Spur Line, and hence refused to issue an environmental permit for this project. In this connection, the Kowloon-Canton Railway Corporation initiated the appeals proceedings and eventually revised the construction method and resubmitted it for approval by the EPD, thus delaying the completion date of the Spur Line for three to four years. This incident shows that in commencing a new works project, the Government should first consider how the decision-making process could be adjusted to tie in with environmental protection concepts, so as to avoid wastage of resources.

At present, the EPD is playing the dual roles of environmental protection advisor to government departments and that of a regulator. Departments tasked with the construction of works projects must seek the advice of the EPD and whether environmental permits would be issued would also depend on the decision of the EPD. If the relevant departments could conduct an overall assessment of the environmental impact of the alignment of the project at the preliminary stage of discussions, then they could ensure that the alignment could better meet the requirements of the Environmental Impact Assessment Ordinance, and hence avoid wasting time and money.

The cumbersome and time-consuming administrative procedures of infrastructural works would often adversely affect the living of the people or even endangered their lives. Serious traffic accidents are very common along Tung Chung Road on Lantau Island and every time a traffic accident occurs, the traffic between North and South Lantau will be paralysed, leaving residents who could not get back to their homes in great disgust. Moreover, casualties caused by traffic accidents also created great anxieties among residents. Last year, there were 36 traffic accidents on Tung Chung Road and 26 people were injured, therefore I think that the safety improvement works of Tung Chung Road should not be delayed any further. Now, let us take a look at the administrative procedures of the Government: project study, environmental impact assessment (EIA) and preliminary design takes 12 months, submission and approval of the EIA report takes five months, upgrading of the detail design to category A project item and selection of a consultancy takes five months, detail project design takes 12 months, tendering takes four months and construction works takes 35 months; all this add up to six years and one month in total. Therefore,

though residents have been looking forward to this project with great expectancy, they can expect to see a widened Tung Chung Road not until the end of 2006. From the fact that the Government is so complacent about the completion of the improvement works on a 7 km-long Tung Chung Road in six years, saying that similar works would take eight years, we can see how cumbersome and lengthy are the administrative procedures.

In fact, examples similar to the ones mentioned above abound. Though it is understandable that public development projects have to take into account the requirements of the EPD and the needs of sustainable development in order to ensure the impartiality and fairness of public policies and measures, this does not mean that administrative procedures must be so protracted. In order to enhance government efficiency and conserve resources, unnecessary procedures must be avoided, while the co-ordination and interface between each link must be improved. If the Government could really implement the proposals in Mr CHAN Kwok-keung's motion, not only could the burden on public finances be relieved, the Secretary for the Treasury could also stop considering increasing various licence fees and charges in order to recover costs. Moreover, members of the public could also save time and money and the whole society and members of the public would stand to benefit.

With these remarks, I support Mr CHAN Kwok-keung's motion.

**MRS SELINA CHOW** (in Cantonese): Madam President, I believe everyone may have many different views on the need to improve government efficiency and enhance co-ordination. I think the Government itself should really consider several major subjects carefully and thoroughly before this ultimate goal, a goal that all members of the public would like to see, could be achieved.

Firstly, the government structure is really too bloated and overlapping, and compared to some private organizations, there are too many tiers of management. The Chinese saying for describing this situation is "多隻香爐多隻鬼" and the English saying is "too many cooks spoil the broth". In the Government, not only the broth would be spoiled because there are too many cooks, but sometimes, the cooks would engage in many arguments among themselves even before they started to make the broth. Under this bloated structure, communication between the top and bottom has to pass through many levels and if an officer at a certain level does not wish to take up the

responsibility for a certain job, he would try to shirk the responsibility onto others. I think such an organization should really be made "leaner" — I do not wish to use the term "downsizing" — as some private organizations have advocated, that is, to remove as many overlapping structures as possible.

Secondly, as regards civil service culture, civil servants are most capable of acting in accordance with regulations, so even if a job is not properly done, they are just going by the book or using this book as a pretext for not doing their job. I think a review should really be conducted in this area. However, we should not place all the blame on civil servants for each of them has his own responsibilities. I said some civil servants would tremble when they learn that they have to attend Legislative Council meetings and some may even have rehearsals before the meeting. If we ask the civil servants some questions, the questions would have to go through many levels before we can get an answer. Why? This is because they do not want anything to go wrong, they are afraid of impeachment and even more afraid of criticisms, so they have to find many ways to deal with the Legislative Council. Moreover, civil servants are also in awe of the Independent Commission Against Corruption (ICAC). Though civil servants who come under the prosecution of the ICAC may eventually be found not responsible after investigation, they would actually not be in any mood to continue to perform their duties during this period of time. Although it is said that investigations are confidential, in fact, many people would learn about them. Moreover, civil servants are also worried about investigations instigated by the Office of The Ombudsman and the Audit Commission. Civil servants would try their best to avoid these four structures. The best they hope is not to be subject to any investigations, but even if they were investigated, they would hope that there would be no loss on their part. I think we should really address such situations seriously.

It is undeniable that civil servants are quite reluctant to make the so-called value judgements. And, for this reason, they are used to adopting an across-the-board approach for all matters, regardless of good or bad. When it comes to making choices, instead of just choosing the good ones, civil servants would treat all options alike, and sometimes even if they know very well that a certain option is good, they still cannot support it, because they have to adopt the so-called objective criteria. The acceptance of the "lowest bid" is a very good example, whereby civil servants merely base their decision on figures without considering the quality of the bidder and refrain from making any value judgement. In order words, very often, the decision of civil servants is not

based on quality or the best interest of Hong Kong, but rather on figures that have nothing to do with quality. Furthermore, more often than not, the decision process of civil servants is very bureaucratic for they would only follow the usual practice without considering whether any procedures are overlapped; though this may include certain usual practices provided for under the law and regulations, it does not mean that they have to carry on with those practices. Have the civil servants ever reflected on this? Of course, civil servants have some political considerations and this is also one of the factors for the cumbersome and lengthy procedures. I believe it is necessary for the Government to conduct a review, that is, the so-called process re-engineering. If 10 steps have to be taken under the existing arrangement, it could consider whether the same result could be achieved with only five steps?

I would like to clarify on some of Mr CHAN Kwok-keung's comments. In the document that Mr CHAN sent to us, he pointed out that the functions of the Hong Kong Tourism Board are only very limited because it is not an executive body. However, we could not say that the Hong Kong Tourism Board is not an executive body, for one of its functions is to promote tourism in Hong Kong. However, Mr CHAN pointed out that the Board is not responsible for matters like infrastructural improvements and developing new scenic spots. Now, a Tourism Commission has been established and Mrs Rebecca LAI has taken up the post of the Commissioner of Tourism. The Tourism Commission has actually made some achievements since its establishment. The Financial Secretary has also talked about an internal co-ordinating committee on tourism in this year's Budget, therefore, Mr CHAN was actually seriously wrong in apportioning the blame to the Hong Kong Tourism Board. Government co-ordination in this area has improved recently and this shows that improvements could be initiated within the Government and that it is really redundant to create yet another committee on improving the administrative procedures. Therefore, we do not support the establishment of a administrative procedures review committee.

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

(No Member responded)

**PRESIDENT** (in Cantonese): Mr CHAN Kwok-keung, you may now speak on Mr Howard YOUNG's amendment. You have up to five minutes to speak.

**MR CHAN KWOK-KEUNG** (in Cantonese): Madam President, Mr Howard YOUNG did not make any major changes to my original motion in his amendment. He only deleted the phrase "to set up a committee on reviewing administrative procedures". At first, I thought Mr YOUNG did not wish to see the establishment of a great number of committees for the existing 600-odd committees have already been criticized as too many. I have proposed that such a committee be established for I have drawn reference from the situation of other countries.

Take the United Kingdom as an example. At the time when similar committees were established, members of the public were invited to join the committees of their own volition to perform non-salaried duties, so as to make suggestions to the Government on streamlining structural procedures. Furthermore, Singapore also enacted a PS21 scheme to encourage its civil servants to take active measures to streamline administrative procedures. Since a lot of public funds could be saved, civil servants taking part in the scheme would be given awards. My proposal on the establishment of such a committee was made in light of the different circumstances of other countries.

I cited 19 examples and went on to make a lot of criticisms, but I thought I could not just make criticisms without making some suggestions, so I proposed that such a committee should be established. As the coverage of many government administrative procedures is very wide and it is necessary to review many policies, the Government cannot achieve a very high administrative efficiency without the input of public opinions and the participation of academics or users. This is my rationale.

Some people have asked me whether I have considered the establishment of an efficiency unit. I have really considered this. The efficiency unit I am talking about has nothing to do with the one headed by Mr Mike ROWSE. He impresses me that he is mostly dealing with investment matters and it seems that he has not conducted any study on government efficiency as a whole, but my understanding may not be correct. Anyway, Mr YOUNG also agrees with me, only that our directions are different, but there is no controversy. Some people may say that I am being self-contradictory but I do not think so. Mr Howard YOUNG said this suggestion was made without careful thoughts, but I would like to ask other Members to think otherwise because I have really given some thoughts to this proposal.



I would also like to take this opportunity to respond to the Chief Secretary for Administration. I recall that when Mr Donald TSANG was still the Financial Secretary, he used to ask me for suggestions whenever I made a criticism and I was often tongue-tied. So, whenever I was about to meet with him, I would think carefully of the suggestions I could make. Therefore, I hope that Members could seriously consider the feasibility of this proposal. Thank you.

**CHIEF SECRETARY FOR ADMINISTRATION:** Madam President, I would like to thank the Honourable CHAN Kwok-keung for moving this motion today. It gives me an opportunity to speak on a subject dear to my heart. It allows me to talk about what we have been doing to upgrade the work in the Civil Service, and our plans for further improvement. It also enables me to address some of the concerns that we hear about the Civil Service in this Chamber and elsewhere. Indeed, within the Civil Service itself at many levels, there is lively and ongoing debate on efficiency and accountability. I am grateful for Members' valuable suggestions on ways to enhance public services efficiency. We shall take them all on board.

Madam President, let me assure you the fact that I am addressing an almost empty Chamber will not diminish my zeal to respond fully to the challenge posed in the motion. Perhaps I should draw much comfort from a near empty Chamber, because this strongly suggests that a majority of our Honourable Members regard the problems created by forgoing or delaying their lunch as far more serious than perceiving government efficiency as a problem.

Madam President, public services are very much part of our daily lives. They define the difference between good and bad quality of life. Clean water supply, safe and healthy living environment, quality education and medical services, good recreational facilities and efficient transportation network are just a few tangible examples. We are committed to enhancing the efficiency, productivity and cost effectiveness of public services day in and day out and to better serve our community. We know that there is simply no alternative to this continuous pursuit of excellence. Economically, bad times strengthen our resolve. Our efforts include:

- Addressing the ever-growing needs and aspirations of the community, within the limited resources available, working to established budgetary guidelines; and

- Learning how to exploit, rather than simply cope with the fast-moving technological changes which are transforming the way that we think, we live and we work. In other words, to do more with less.

Streamlining administrative procedures, enhancing communication and cutting red tape are but part of the bigger picture of the continuous reform that we pursue with determination in realizing our vision for the Civil Service. That vision springs from our ambition to be Asia's world city. It remains the driving force of our public sector reform initiatives.

So, what is this vision? It embraces four key elements that define a world-class government: excellent customer service; managing for results by results; securing joined-up government; and achieving world-class productivity. Let me elaborate.

First, we must impart in our daily work a customer focus, and seek to organize around the needs of our customers, rather than expect them to fit around us.

Second, the way that we respond to community concerns must shift from throwing money and people at problems, to ensuring cost effectiveness against the results achieved; from responding to short-term pressures, to realizing long-term development goals. In short, we manage for results, and by results.

Third, we need a joined-up government. What do I mean by that? We have 16 bureaux and 70 departments. Some people may see this as a recipe for confusion and overlap. This is not the case. Hong Kong is a modern and complex community. Public services become highly specialized and are perforce departmentalized. But the departments are joined up through their supervising bureaux. At policy level, we try to look at each issue in the context of the Government's corporate agenda, and work towards coherent policy objectives that reflect our priorities. At service delivery level, implementation of a policy trickles down through a group of executive agencies working together to provide the community with convenient, accessible and one-stop services, rather than each agency working within its own little bunkers.

Finally, we aspire to world-class productivity. Let there be no mistake: we continue to uphold the principle of "small government". That means

containing the size of the Civil Service. We constantly re-engineer the way that the Government is run, for instance, for developing new ideas through making the best use of Internet and e-Business. We are determined to fast-track our public works procedures and town planning processes to improve efficiency. We give managers both the flexibility to manage resources and accountability for service delivery. This includes being clear about the Government's roles, and the areas where the community and the private and voluntary sectors are best left to take the lead.

To realize this vision, a number of reform programmes are in train. These programmes resulted in a considerable increase in public sector efficiency. More important, they have brought about a gradual transformation of the public service culture, culture about management and about service delivery. Let me explain to Members what we have achieved.

To instill a client-based focus in the public service, a series of initiatives were launched a decade ago under the "Serving the Community Programme". These initiatives have sown the seeds for reform.

A key initiative under the programme is the publication of performance pledges on the standard of services that we provide. These performance pledges help departments to better manage relationships with the community that they serve, set performance standards for staff to follow and engender a customer culture in their daily operations.

Another major initiative is the trading fund concept. By giving the general manager of a trading fund a greater degree of financial autonomy, departments can respond more readily to changing market conditions and public demand. The Companies Registry, the Land Registry, the Office of the Telecommunications Authority, the Hongkong Post and the Electrical and Mechanical Services Department are now operating as trading funds. They have all maintained financial viability whilst keeping price increases well below inflation levels.

To secure "joined-up government", advances in information technology provide an effective tool. On a government-wide basis, we are making greater use of our internal e-mail system these days in enhancing communication and operation. Some 27 000 officers will be linked up through a government-wide system by June this year, and many more are connected in intra-departmental

systems. The number of internal e-mails within the Government has shot up from about 170 000 in the first two months in 1999 to over 3.3 million during the same period in this year.

I ask colleagues to pass files and papers to me over the e-mail wherever possible. I take great satisfaction in promptly conveying, through our internal electronic network, both in person and in parallel to all principals concerned, my comments, views or decisions on matters where my personal intervention is called for. I take even greater satisfaction in achieving this while reducing substantially the number of paper documents crossing my desk. We are decisively moving towards a less paper operation. In terms of communicating with the Legislative Council, I am grateful for Members' support for the Government's proposal to submit papers through e-transfer to the Legislative Council Secretariat. We are eager to put the scheme into effect shortly.

We are taking active steps to ensure that the concept of "joined-up government" is manifested on service delivery level. We know that we must provide our customers with convenient access to one-stop shop services, rather than asking them to scurry from department to department. It is on this premise that the Trade and Industry Department has upgraded its Small and Medium Enterprises Information Centre into the Support and Consultation Centre for SMEs in November last year. This not only upgrades its service, but has thrown up the most positive acronym that I have ever encountered — SUCCESS. Through partnership with more than 60 major trade and industry associations, support organizations, professional bodies, private firms and government departments, SUCCESS provides small and medium enterprises with a comprehensive range of free information, business advisory services and facilities under the same roof.

Take the Government's effort to improve our urban greenery as an example. This is an example mentioned by Mr CHAN Kwok-keung and the Honourable CHAN Yuen-han in their speeches. Three Policy Bureaux and 12 departments are indeed involved. The numbers do not imply inefficiency. They simply reflect the specialization of work required in a modern society. To deliver this programme, a Co-ordinating Committee on Greening is set up under the chairmanship of the Secretary for the Environment and Food, with representatives of the relevant departments as members. With this central steer, clear demarcation of duties and responsibilities of the agencies involved and properly co-ordinated efforts, we are making excellent progress in greening up government land.

Adopting the best practices in the private sector, we set up an integrated call centre in July last year to provide a one-stop telephone service to handle all inquiries and complaints on environmental hazards and cleanliness matters, covering the work of seven related departments. The centre is staffed by trained personnel working as a team, using effective IT support to handle customers' inquiries. We plan to extend the service to cover a further nine departments in the near future.

A vivid illustration of our commitment to one-stop and customer-oriented access to public services is the Electronic Service Delivery (ESD) Scheme. This is our flagship e-government project. It now provides over 110 public services from more than 40 departments over the Internet, and through public kiosks located in convenient public locations. Using the ESD, the public can now file tax returns, apply for renewal of driving and vehicle licences, pay government bills, look for job vacancies and register as voters online. You can even book your appointment for marriage dates online. Since its launch in December 2000, there have been over 370 million hits and over 1.34 million transactions via the ESD. Over 70% of public services amenable to the electronic mode of service delivery have been provided with an e-option, that is, the option to obtain services through electronic means. Our aim is to provide an e-option for 90% of such public services.

Madam President, we are committed to maintaining a compact, efficient and productive Civil Service. In this regard, I would mention the various initiatives introduced under the civil service reform to contain the size of Civil Service, referred to as "elephant" by some Honourable Members earlier today. We have successfully implemented a Voluntary Retirement Scheme for 59 designated grades in the Civil Service. In tandem with this, we are pursuing measures to reduce the size of the civil service establishment, from 198 000 anticipated for March 2000 to 184 300 as at 1 January 2002. Total savings so achieved amount to \$1.43 billion. We are making good progress in our drive to reduce the establishment further to 181 000 by March 2003, that is, another 17 000 or 9% since March 2000.

A major productivity driver is the Enhanced Productivity Programme (EPP), designed to achieve both short-term quantified productivity gains and a lasting improvement in public sector productivity. In other words, we strive again to "do more with less". I am pleased to report that savings amounting to

\$2 billion have been achieved this year under the EPP. Together with the savings achieved last year and the year before, cumulative savings under the EPP amount to \$5.4 billion, or 5.2% of expenditure. This exceeds the cumulative savings target of 5%.

We are embarking upon a number of other major re-engineering projects. They include streamlining the approval procedures to expedite the delivery of public works, a matter raised by several Members today. Over the past year, through simplifying and fast-tracking procedures and taking parallel action in tendering and funding applications, we have reduced the pre-construction lead time for an average civil engineering project by a third, from about six years to less than four years. For building projects, the lead time has been shortened to two years. But I agree with Members that we need to do better. The focus for the coming year is on how best to improve on the administrative procedures for resolving public objections, so as to further cut down the lead time and to increase our competitiveness. For this, we may need to amend legislation as well as the help of Honourable Members here.

Similarly, we are determined to achieve a more efficient town planning process. We shall start consultation with stakeholders shortly on specific proposals to speed up procedures and increase efficiency. We need to simplify the statutory procedures for resolving objections to draft plans and expedite approval for development proposals. We will also be exploring the feasibility of further delegation of powers and functions of the Town Planning Board. This again rests with the authority of Honourable Members here.

In keeping with the policy of controlling the growth of public expenditure, we shall encourage greater use by government departments of outsourcing and other modes of private sector involvement in public service delivery. The aim is to harness the flexibility, new ideas, technologies and skills available in the private sector. Outsourcing offers great opportunities for the Civil Service, particularly as we expand into new service areas. It helps departments achieve greater flexibility, upgrade service delivery, and improve cost effectiveness. To date, the results are encouraging. I will mention two examples:

- The Housing Department's outsourcing of its estate management and maintenance services which cover 113 000 units in its initial phase. The programme is expected to achieve savings overall of about 20%; and

- The Social Welfare Department (SWD)'s contracting out of its residential care services for the elders through a competitive bidding process. The first example, at Sai Ying Pun Community Complex, has just opened. The winning bid was 27% less per place than similar services subvented under the lump sum grant mode. Another five such services will be tendered out in the coming few months. The SWD has also contracted out new home care, meal and enhanced home and community care services for the elderly since 2000, with efficiency gains of 15% to 20%.

Our efforts on this front will continue and we will work harder.

Madam President, I have gone into some detail in this debate, because the civil service reform is such an important issue for the whole community. The Administration has taken many concrete steps in this regard, and it has plans to go even further. What I have described reflects a firm commitment of the Administration, and that our enterprise is in progress. We understand that radical changes are being made by governments in the United States, Canada, Australia, the United Kingdom, Singapore and elsewhere. Here in Hong Kong, we are making good progress in the right direction. Notwithstanding that, we are conscious that these efforts and initiatives are simply not good enough. In the dynamic regional and global economy where Hong Kong operates, we must try harder, and we must do more. We need to run in order to stand still, and run faster still in order to stay ahead of the game.

Let me assure Honourable Members that the issue will remain a top priority for us. The Financial Secretary and I will continue to oversee the formulation of the overall strategy of public sector reform and its implementation. Together, we pledge to provide a firm steer to bureaux and departments in their drive for greater efficiency and productivity. Our aim is simple: to do better for the people of Hong Kong whom we have the privilege to serve. During this process, we shall continue to look to this Council, members of the public and the business community for advice, for suggestions, for ideas and for constructive criticisms. In working together to serve our community better, we will also strive to preserve the Hong Kong Civil Service as one of the most clean, efficient, effective and responsive in the world.

Thank you.

**PRESIDENT** (in Cantonese): I now put the question to you and that is: That the amendment, moved by Mr Howard YOUNG to Mr CHAN Kwok-keung'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)

**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 amendment passed.

**PRESIDENT** (in Cantonese): Mr CHAN Kwok-keung, you may now reply and you have up to six minutes 10 seconds.

**MR CHAN KWOK-KEUNG** (in Cantonese): Madam President, I am very grateful to the Chief Secretary for Administration for explaining to us here the operation of the Government and its way forward. I hope the Government can keep on raising its efficiency, thereby shortening the construction time for the benefit of the public and workers. I am also thankful to those Members who have spoken earlier. Thank you.

**PRESIDENT** (in Cantonese): I now put the question to you and that is: That the motion moved by Mr CHAN Kwok-keung, as amended by Mr Howard YOUNG, 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 as amended passed.

### **NEXT MEETING**

**PRESIDENT** (in Cantonese): I now adjourn the Council until 2.30 pm on Wednesday, 10 April 2002.

*Adjourned accordingly at three minutes past Two o'clock.*