

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 15 May 2002

The Council met at half-past Two o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

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

THE HONOURABLE JAMES TIEN PEI-CHUN, 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 LEE CHEUK-YAN

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

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

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

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

DR THE HONOURABLE LUI MING-WAH, 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 BERNARD CHAN

THE HONOURABLE CHAN KAM-LAM

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

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE SIN CHUNG-KAI

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

DR THE HONOURABLE PHILIP WONG YU-HONG

THE HONOURABLE WONG YUNG-KAN

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

THE HONOURABLE HOWARD YOUNG, J.P.

DR THE HONOURABLE YEUNG SUM

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

THE HONOURABLE LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH

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

THE HONOURABLE SZETO WAH

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

PUBLIC OFFICERS ATTENDING:

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

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

THE HONOURABLE ELSIE LEUNG OI-SIE, J.P.
THE SECRETARY FOR JUSTICE

MR LAM WOON-KWONG, G.B.S., J.P.
SECRETARY FOR HOME AFFAIRS

MRS LILY YAM KWAN PUI-YING, J.P.
SECRETARY FOR THE ENVIRONMENT AND FOOD

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

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

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

MS AU KING-CHI, J.P.
SECRETARY FOR FINANCIAL SERVICES

CLERKS IN ATTENDANCE:

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

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

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

TABLING OF PAPERS

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

Subsidiary Legislation/Instrument	<i>L.N. No.</i>
Banking Ordinance (Amendment of Seventh Schedule) Notice 2002	63/2002

Other Papers

- No. 83 — Securities and Futures Commission
Annual Report 2001-2002
- No. 84 — The Government Minute in response to the Report No. 37
of the Public Accounts Committee dated February 2002

ADDRESS

PRESIDENT (in Cantonese): Address. The Chief Secretary for Administration will address the Council on the Government Minute in response to the Report No. 37 of the Public Accounts Committee dated February 2002.

The Government Minute in response to the Report No. 37 of the Public Accounts Committee dated February 2002

CHIEF SECRETARY FOR ADMINISTRATION: Madam President, laid on the table today is the Government Minute responding to Report No. 37 of the Public Accounts Committee (PAC). The Minute sets out the measures that the Government has taken, or is taking, on the conclusions and recommendations contained in the Report.

I congratulate the PAC for the immense efforts and thoroughness in carrying out its task. The Report of nearly 700 pages is the most voluminous of the PAC reports I have seen. Incidentally, I believe it is about time that the

PAC and the Director of Audit should consider circulating soft copies of future PAC reports, for the sake of the environment. In addition to going through all the cases outstanding, the Report also deals with observations on the Accounts of the Government for the year ended 31 March 2001, three cases in the Director of Audit's Reports Nos. 35 and 36 on which the PAC had completed investigation, as well as seven of the eight subjects in the Director of Audit's Report No. 37 which the PAC had chosen for further examination. Many of these are complex issues. I thank the PAC for the comments and recommendations. Please be assured that we take them very seriously.

The Honourable Eric LI (who is not present in the Chamber today), Chairman of the PAC, spoke on 6 February when tabling the PAC Report, highlighting some of the issues involved. I would like to respond to some of his remarks, and I hope that he is listening.

In connection with the report on the "Construction of two bridges", Mr LI reiterated the PAC's advice that the confidentiality provisions in the General Conditions of Contracts for government capital works projects should be amended to allow the Administration to disclose information on dispute resolution processes and settlement terms. I am pleased to report that we have, as promised, reviewed relevant provisions. We propose to make clear that the Government, as the Employer, may disclose the outline of any dispute and the terms of settlement or the outcome of arbitration upon the request of the PAC. The Contractor may, if it considers necessary to protect the sensitive nature of certain information relating to it, request the disclosure to be made on a confidential basis. If the Employer considers the Contractor's request legitimate, the Employer will convey such a request to the PAC. We believe that the proposals will go a long way to facilitating communication between the PAC and the Administration. We are consulting the industry on the proposals and look forward to receiving positive feedback.

Mr LI acknowledged that the Administration has been making efforts to improve the flow of information to the PAC. I am glad that our constructive approach has not gone unnoticed. It was despite known reservations that the Administration agreed to consider, on a case-by-case and confidential basis, responding positively to the PAC's request for sight of papers for the Executive Council, the Chief Secretary for Administration's Committee or its Policy Groups. We stand by our offer.

It is true that there remain areas where consensus cannot be reached, although I would not wish to exaggerate the degree of divergence. We are in full accord with the PAC on the need to facilitate the PAC in its deliberations on the value-for-money audit reviews conducted by the Director of Audit. Whereas submissions prepared for the Executive Council, the Chief Secretary for Administration's Committee or its Policy Groups already contain a lot of information, disclosure of the records of discussions at such meetings would risk inhibiting frank and free exchanges. I can only appeal to the PAC's continued understanding.

The Administration is mindful of the PAC's concern over progress relating to the control of road excavations, or road openings as we call in Hong Kong. Over the years, we have introduced a lot of improvement measures with noticeable achievements. For example, utilities have shortened the duration of road excavation by 20% since 1997. They have also reduced incidents causing damage to other underground facilities by 47% over the past four years.

Last month (that is, April 2002), we introduced to this Council legislative amendments for implementing an excavation permit fee charging and penalty system on road opening works. The passage of these amendments will go a long way towards minimizing the disruptions and inconvenience caused by prolonged road excavations.

Government officials appointed to sit on boards of statutory bodies are mindful of their roles. The Secretary for Home Affairs and his representatives will remind the Sports Development Board (SDB) of the need to observe the Government's subvention policy and to notify him promptly of any material changes to the terms and conditions of service of its staff.

The Home Affairs Bureau is conducting a review on the remuneration packages of SDB staff. The Bureau aims to complete the review this month (May 2002) and will discuss the findings with the SDB with a view to working out suitable measures for implementation shortly.

Mr LI said that a lot of public funds could have been saved if government officers concerned had treated the public money under their charge with the same care and prudence as if it were their own money. I would even go further. Controlling Officers should treat public money more carefully than their own money. We will continue to strengthen such a culture within the Civil Service.

The accountability system which we intend to introduce will place even greater emphasis on the prudent use of public resources.

We have fully addressed the progress of each of the items in the PAC Report No. 37 in the Government Minute. I do not intend to give an account of each and every one of them here. The Administration will continue to monitor progress and make regular reports to the Legislative Council.

I would like to join Mr LI in remarking on the close co-ordination between the PAC and the Legislative Council's other committees. The various panels concerned will follow up on the issues involved especially from the policy perspective. This will add impetus to the present system to ensure that we will take appropriate actions rigorously and in the intended direction. The Administration will fully co-operate with the PAC, the committees and panels involved.

Madam President, the Administration treasures the PAC's valuable work and sound comments. We will continue to work in partnership with the PAC in a positive and constructive manner with a view to achieving our common objective of efficient use and protection of public funds. Thank you.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Child Sexual Abuse Cases

1. **MR WONG SING-CHI** (in Cantonese): *Madam President, regarding the provision of support services to children who have been sexually abused, will the Government inform this Council:*

- (a) *of the number of child sexual abuse cases received by the Social Welfare Department (SWD) in the past 10 years; whether it has estimated the percentage of this number in the total number of abuse cases which had actually taken place, as well as the number of victims who had been sexually abused but were not provided with the necessary support services; if such figures are not available,*

whether it will consider collecting them and conducting studies on them;

- (b) whether, to enable the victims to receive the necessary support services at an early stage, it will consider adopting measures to ameliorate the present situation, in the light of those cases where some children have been sexually abused without knowing that they have been so abused or without making it known to others, and where those receiving the reports have not consequentially reported them to the relevant authorities; and*
- (c) whether special counselling and support services are provided to those who had been sexually abused in their childhood but were not provided with the necessary support services at that time; if so, whether efforts will be made to promote such services?*

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

- (a) The Child Protection Registry of the SWD was computerized in July 1994 to collect data on child abuse cases handled by different service units of the SWD and non-governmental organizations (NGOs). Since then, the numbers of newly reported child sexual abuse cases were as follows — 53 cases in 1995, 125 in 1996, 146 in 1997, 162 in 1998, 210 in 1999, 150 in 2000 and 152 in 2001 respectively.

The SWD has planned to conduct research to gain more in-depth understanding of the problem of domestic violence including child abuse. A prevalence study on child abuse would be one of the priority areas for research. We shall consult the relevant academics, the Committee on Child Abuse and the Working Group on Combating Violence, which consist of representatives from relevant government bureaux/departments, NGOs and professional bodies, as we move ahead.

- (b) The Administration has all along strongly encouraged parents, professionals and the public to take the initiative to report suspected

child abuse cases (including child sexual abuse) to facilitate early identification and timely intervention to protect the best interests of children through various multi-disciplinary and cross-sectoral measures.

These measures include publicity through the mass media, distribution of leaflets, public education programmes and training for different professionals such as social workers, teachers, medical practitioners and child care workers. For example, the Child Protection Policy Unit of the Police and the SWD deliver talks in seminars and workshops organized for the public and professionals who may have contact with children to explain the proper procedures for handling child abuse (including sexual child abuse). Moreover, the Education Department has widely distributed guidelines, circulars and teaching kits on handling child sexual abuse. The aims are to heighten children's awareness to protect themselves and seek assistance if necessary, as well as to improve the alertness and sensitivity of parents and professionals in identifying vulnerable children.

Besides, multi-disciplinary guidelines on handling suspected sexual abuse cases are clearly stipulated in the "Procedures for Handling Child Abuse Cases". The Procedures provide guidance on how pertinent government departments, NGOs, schools, child care centres and other concerned professionals should work together if they encounter an allegation or suspicion of child abuse of different nature including sexual abuse. The procedural guidelines are formulated to serve the best interests of the child and to provide protection to children at risk of abuse. Principles governing the handling of suspected child abuse cases, checklist for identifying possible child abuse, guidance for people working with children who disclose the experience of sexual abuse, follow-up services for the abused children, and so on, are covered in the Procedures.

The increasing number of child abuse cases (from 53 in 1995 to 152 in 2001) may have reflected the growing awareness and readiness of the public and the professionals to report sexual abuse cases. Continuous effort will be made to encourage the reporting of child sexual abuse.

- (c) A continuum of integrated support services including medical, counselling, psychological treatment and other welfare assistance, such as residential care, financial assistance, are readily available on a voluntary basis for juvenile and adult survivors of child sexual abuse to help them overcome the trauma and meet their needs arising from the child abuse incidents. In particular, the Family and Child Protective Services Units of the SWD are specialized units responsible for serving victims of child abuse under the age of 18. Adult survivors of child sexual abuse are encouraged to approach Family Services Centres/Integrated Family Service Centres (FSCs/IFSCs) operated by the SWD and NGOs throughout the territory for services, if they so require. Publicity programmes on a territory-wide or district basis are conducted from time to time to promote the services of the FCPSUs and FSCs/IFSCs and encourage families or individuals in need to seek professional assistance as early as possible. In the course of handling and investigating suspected child sexual abuse cases disclosed by adult survivors, the police would furnish the victims with the information relating to the services available from the SWD and NGOs and refer them for assistance if agreeable.

MR WONG SING-CHI (in Cantonese): *Madam President, we know from part (a) of the main reply that, every year, there are more than 100 child sexual abuse cases on average. Thousands of victims around 20 years ago are adults now. Psychologists opine that children who have been sexually abused suffer very serious psychic trauma and their problems cannot be solved by simple treatment. In part (c) of his main reply, the Secretary stated that the Government has provided a continuum of integrated support services, however, it has not especially provided these people with suitable professional services. In view of the situation, would the Secretary tell us if the Government would conduct a study on these cases? Would it provide treatment, support group services or counselling services to these adult survivors of child sexual abuse? Would it follow the example of foreign countries to actively promote the relevant work?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): *Madam President, in fact, the main reply has illustrated that we have provided not only general support services but also medical and counselling services, psychological*

treatment and other welfare assistance specifically to victims of child abuse. The work procedures also include follow-up services in future. Therefore, we have especially provided people who were sexually abused during childhood with some services.

MR ANDREW CHENG (in Cantonese): *Madam President, parents have the most intimate relationship with their children, however, do parents know that their children have been sexually abused after the event? Even if they are aware of that, they may not know how to handle the matter. We can see from part (b) of the main reply that the Government has put in quite a lot of resources to provide training for social workers, teachers, medical practitioners and child care workers, but it appears that it has not given parents training and professional guidance. Would the Secretary tell us if there is any specific parent education to enhance parents' understanding of sexual abuse problems?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): *Madam President, through publicity and public education, we have taught professionals how to handle suspected cases of child sexual abuse. Family centres or professionals would also contact the parents concerned. Moreover, through teachers, medical practitioners, social workers or the family services provided by NGOs, we would indirectly give parents the relevant information. Besides, as I have just said, we will carry out comprehensive publicity programmes throughout the territory from time to time.*

MISS CYD HO (in Cantonese): *Madam President, the "Procedures for Handling Child Abuse Cases" mentioned in the main reply have actually made the assumption that parents are abusers, thus, the code is provided to professionals only, but not parents. Parents are even excluded from participation in the process. But sexual abuse may happen in schools now. How would the Government assist parents in following up such cases? The pamphlet distributed by the Government only teaches parents how to identify if children have been sexually abused. However, parents meet a lot of resistance when they report the cases to the police, call on the Education Department or lodge complaints with schools. Does the Administration have measures to teach*

parents how to handle such resistance and change the attitude of the Police Force towards child sexual abuse cases?

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, the pamphlet has actually pinpointed at the questions just raised by the Honourable Cyd HO, and taught professionals how to deal with the relatively complicated issue of child sexual abuse and how to support parents or the families of sexually abused children. We know these cases are sensitive, thus, the Procedures have explained in detail that professionals should know how to deal with problems and match the work of every department. The pamphlet also teaches professionals how to approach parents. Furthermore, we have distributed leaflets to parents. Certainly, we would explore how public education can be enhanced to raise the alertness of parents. Yet, the Procedures aim at teaching professionals how to handle and deal with the problems in a better manner.

PRESIDENT (in Cantonese): Miss Cyd HO, has your supplementary not been answered?

MISS CYD HO (in Cantonese): *Yes, Madam President, the Secretary has not answered my supplementary. Sometimes, the resistance comes from professionals indeed. The professional case conferences held to handle cases in the course of their work create certain resistance. The pamphlet has not taught parents how to make an appeal or how to get along with members of multi-disciplinary case conferences. In the light of these problems, should the Government review the relevant procedures and give parents more assistance?*

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

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I do not quite understand the complaint made by Miss Cyd HO of professionals creating resistance to parents. As I have just said, we have in fact given guidelines to professional bodies, telling them how to handle these cases because we know that children and parents would encounter many problems.

We would first identify if children have been sexually abused before providing them with suitable services. The Procedures have precisely pinpointed at the problems pointed out by Miss Cyd HO.

MR LAW CHI-KWONG (in Cantonese): *Madam President, people who abuse or sexually abuse children may usually be the childminders or their parents. A childminder certificate system of a voluntary nature has been implemented in Hong Kong for a few years. In the light of the sexual abuse and abuse problems, has the Government considered reviewing the voluntary childminder certificate system, turning it into a mandatory system to better safeguard children under care?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, certainly, we can consider if the existing practice is the best and we have to make a lot of educational efforts. Moreover, since the managers of child care centres have to observe some codes, I believe it may not be necessary to establish a mandatory system. When there are sexual abuse cases, we would definitely demand that the service providers or managers should give us a report.

MR LAW CHI-KWONG (in Cantonese): *Madam President, I believe the Secretary has misunderstood my supplementary question. I was referring to childminders rather than the child care workers in child care centres or under the supervision of institutions. Childminders are usually people who take care of children for other residents in housing estates. I am talking about a certificate system for this.*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): I would look up the requirements for childminders and find out the information required to be provided in respect of registration. (Annex I) If employers or other people lodge complaints against childminders, we would collect the complaints from the complaint mechanisms, and the childminders concerned would not be allowed to continue to provide such service. I would follow up the supplementary question of the Honourable LAW Chi-kwong and see whether it could be done.

PRESIDENT (in Cantonese): This Council has spent more than 17 minutes on this question. We shall now proceed to the second question.

Tree-planting in Various Districts

2. **DR RAYMOND HO** (in Cantonese): *Madam President, with regard to tree-planting in various districts, will the Government inform this Council of:*

- (a) *the procedures involved in the tree-planting programmes for various districts from the proposal stage to the implementation stage, the government department responsible for each procedure and the average time taken to complete the process;*
- (b) *the number of trees planted in various districts by government departments in each of the past three years; and*
- (c) *the details of the plans to plant more trees in various districts in the coming three years?*

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

- (a) When government departments undertake tree-planting at sites under their jurisdiction or when carrying out public works projects for which they are responsible, the departments concerned are responsible for all planting procedures, from design, selection of species, to actual planting. If necessary, the Leisure and Cultural Services Department (LCSD) and the Agriculture, Fisheries and Conservation Department (AFCD) can provide professional advice on planting technique and species selection.

If the departments concerned intend to hand over the maintenance responsibilities to other departments, they must consult the departments which will take up the future maintenance work and obtain their prior agreement to ensure that proper maintenance facilities are in place.

The time required for tree planting depends on the planting location, and the scale and nature of associated project. For example, the LCSD requires only two to three weeks to plan and plant trees in the parks under its jurisdiction. For tree planting in association with works project, the planting works has to tie in with the overall progress of the works projects. The time required depends on the schedule of each project. For large-scale projects, it may take several years to complete the procedures.

- (b) In the past three years, the government departments planted a total of about 23.56 million trees in various districts. The numbers of trees planted each year are as follows:

1999-2000	about 6.29 million
2000-01	about 7.63 million
2001-02	about 9.64 million

- (c) In the coming three years, the Government will continue to promote greening actively and plant an average of over 10 million trees per year:
- (i) the LCSD will continue to undertake extensive tree-planting and beautification works in urban areas including vacant government lands;
 - (ii) works departments will carry out active tree-planting in government projects including new town developments, road construction works, and improvement works of current facilities;
 - (iii) the Housing Department will continue to adopt the principle of "plant one tree for every 15 flats" in housing estates;
 - (iv) the AFCD will carry out massive planting of trees and tree seedlings inside and outside country parks; and
 - (v) various District Offices will work together with the District Councils to promote greening.

DR RAYMOND HO (in Cantonese): *Madam President, it is quite difficult to find a tree on both sides of the Harbour and in the New Territories, particularly urban areas. I was told by a professor from the Architecture Faculty of the University of Hong Kong that it had to go through at least 27 procedures for a tree to be planted. Although the Secretary pointed out in part (b) of the main reply that several million trees had been planted in each of the three previous years, only several thousand trees have actually been planted if we calculate on the basis of every 1 sq km, or 1 million sq m. The Secretary mentioned in the meeting held by the Panel on Environment Affairs on 18 October 2001 that the greening programme involved three Policy Bureaux and 12 government departments, without mentioning public utilities, though we could figure out easily that 28 organizations would be involved. The Secretary indicated then that an interdepartmental co-ordinating committee would be responsible for carrying out greening programmes. Will the Secretary inform this Council of its actual work?*

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese): Madam President, I am very curious to know the 27 different procedures involved in tree planting as pointed out by the relevant professor. As mentioned by me in the main reply, it takes only two to three weeks for a decision to be made in relation to planting a tree in a park. As regards the adequacy of the greening work undertaken in Hong Kong, as mentioned by me in the main reply, we will continue with our efforts in actively promoting greening. At the same time, a three-year plan has been formulated. As for the number of government departments involved in greening, I only tried to state the fact during the panel meeting by listing all the relevant Policy Bureaux and government departments, even including those with the smallest relevance to greening. I know that Honourable Members will definitely pursue this question today.

Among the three Policy Bureaux, the Environment and Food Bureau has taken the lead to co-ordinate greening work carried out by relevant departments. As for the 12 government departments, five of them, including the LCSD, AFCD, Highways Department, Housing Department (HD) and Territory Development Department (TDD), play a relatively important role in greening. The other departments which play a relatively smaller role were mentioned in passing.

Subsequent to the commencement of the co-ordinating work undertaken by the Environment and Food Bureau, I have also assumed chairmanship of the

Co-ordinating Committee on Greening, under which two working groups have been set up. The first one is responsible for implementation of work, that is, providing liaison service when co-ordination among government departments is required. The role played by the second working group is also very important for we must adhere to the planning standards and guidelines when carrying out tree-planting and greening work. The first assignment of this working group is to collate relevant standards and guidelines (which have been incorporated in very thick manuals), and collect greening information from different places. Now its first assignment has been completed. Its next assignment is to examine whether it is necessary to strengthen these planning standards and guidelines. In Dr the Honourable Raymond HO's concern over the adequacy of greening work is also a matter of concern to the working group. Thus several principles with respect to division of work among government departments have been formulated as well.

MR ALBERT CHAN (in Cantonese): *Madam President, it was mentioned by the Secretary in the main reply that approximately 10 million trees would be planted by the Government each year. In addition, the relevant work, particularly tree-planting in country parks, would be undertaken by the AFCD. Nevertheless, the Secretary should be aware that a large number of trees are being constantly destroyed by Mikania micrantha in country parks, with possibly tens of thousands of trees being destroyed every year. Coupled with the destruction of trees by fires, the number of trees lost is indeed enormous. Will the Secretary inform this Council whether the Government has carried out any surveys to ascertain whether the trees newly planted each year outnumber the dead ones or vice versa? I wonder whether the relevant authorities can, instead of watching the trees being constantly destroyed, assure us that the growth figure is positive, that is, the number of the several tens of millions of trees planted each year and eventually survive is positive?*

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese): Madam President, I am aware that the Honourable Albert CHAN will raise a written question in a future meeting on how best the spreading of Mikania micrantha can be checked. As I indicated earlier, 10 million trees will be planted in each of the next three years. As for the data requested by Mr CHAN, I am afraid I do not have the relevant information at hand. I believe the number of trees destroyed by hill fires may vary from year to year. Yet I reckon we are still enjoying a positive growth in the number of trees, unless the incidence of hill

fires should be particularly serious in a certain year. If Honourable Members are interested, I am very pleased to provide the relevant data for Members' reference. (Annex II)

DR LUI MING-WAH (in Cantonese): *Madam President, the Government has planted a total of 23.56 million trees. In other words, there are approximately 20 000 trees in every sq km. If 10 million trees are planted by the Government every year, the entire territory will be covered by trees in 10 years. Will the Government inform this Council of the survival rate of the planted trees?*

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese): Madam President, we have paid particular attention to the maintenance and repairs of trees in recent years. I do not have the official figures on the survival rate of trees at hand because active promotion of greening was started only a few years ago. I will enquire with the relevant departments about the availability of such information. I suspect the survival rate of trees is very high. This is particularly so since we have decided to implement a series of strategies following the setting up of the interdepartmental co-ordinating committee. Under normal circumstances, government departments should be responsible for the repairs and maintenance of trees after planting them in the hope that past problems can be resolved. The problems occurred in the past were caused by the fact that if government department A planted certain trees, it would not be responsible for their repairs and maintenance. When problems arose, department A would accuse department B, being responsible for maintenance, of not doing its job well. The latter would again blame the former for selecting the wrong species at the beginning. These problems should be resolved after the formulation of these new principles.

DR LUI MING-WAH (in Cantonese): *Madam President, the Secretary has not answered the part relating to the survival rate of trees. Can the Secretary give us a written reply later?*

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese): Madam President, as I said earlier, I did not have such information at hand. Nevertheless, I will provide a reply in writing. (Annex III)

MR JAMES TIEN (in Cantonese): *Madam President, I am also concerned with the number of trees that manage to survive, though so many trees have been planted. As the Government said it would provide a written reply to this question, let us refer to the relevant data later. Planting and maintenance of trees should be undertaken by experts. However, the Government now allows government departments to decide by themselves the types of trees to be planted and maintain them. Does it mean that each government department must have a tree-planting expert, or else how can the trees be maintained? Is this arrangement going to be feasible?*

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese): Madam President, as far as I know it, newly planted trees can grow by themselves. As in the case of human beings, excessive care, such as excessive fertilization, will be harmful to trees. In addition, all the departments concerned have outsourced their tree maintenance work. As mentioned in my main reply earlier, if they need any assistance in planning or selecting species, the LCSD and AFCD will provide them with expertise advice. Furthermore, the LCSD has set up 17 tree gangs, which comprise 93 workers. General duties, such as watering, trimming of trees, and so on, have been outsourced too. The duties of these 17 specialized tree gangs are: first, to treat injured trees due to such problems as illness and, second, to trim trees exceeding 5 m in height. It can be seen that we have been able to co-ordinate work in different areas perfectly.

MISS CHOY SO-YUK (in Cantonese): *Madam President, in part (c)(iii) of the main reply, the Secretary mentioned that the HD would adopt the principle of "planting one tree for every 15 flats". In this connection, will the Secretary inform this Council whether this principle will be extended to new private housing estates? If so, when will it commence and, if not, will the Government seriously consider requesting all private estates to implement similar principles?*

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese): Madam President, we have not imposed greening standards on private estates for the time being. Nevertheless, the relevant interdepartmental working group has discussed this issue before. We do have certain standards for public housing estates. We have also discussed ways to, after the implementation of greening

initiatives by private estates, introduce incentives by the Buildings Department (BD) in February this year to, for instance, exclude the green belts of public aerial gardens and podium gardens when calculating the gross floor area. The BD is also studying with the relevant departments to see if additional measures can be taken to encourage developers to allocate more space for the planting of trees for greening and environmental improvement purposes. According to the information I have acquired, developers are in general very much concerned about greening and environmental beautification work because such efforts can, to a certain extent, boost the sales of property.

PRESIDENT (in Cantonese): Miss CHOY, is your supplementary question still unanswered?

MISS CHOY SO-YUK (in Cantonese): *Madam President, my supplementary question is: Will the Government impose compulsory requirements, not incentives, with respect to greening in private estates?*

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

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese): Madam President, I have indicated just now that no standards whatsoever have been set for the time being.

PRESIDENT (in Cantonese): We have spent more than 16 minutes on this question. I shall allow one last supplementary.

MR HOWARD YOUNG (in Cantonese): *Madam President, I took part in a greening campaign named "Clean and Green" about 20 years ago. The planting of 1 million trees each year already greatly impressed me at that time. Frankly, the planting of 10 million trees every year is a remarkable achievement. According to the Secretary, those trees will be planted in country parks, housing estates, and so on. I believe what overseas tourists see most are trees in urban areas. Since the Government has already imposed some standards and*

principles on public housing estates to encourage greening, can certain standards be imposed in urban areas, such as the number of trees to be planted on a site of a certain average size and on streets of a certain length, as well?

SECRETARY FOR THE ENVIRONMENT AND FOOD (in Cantonese):

Madam President, the focus of our greening and environmental beautification work is on urban areas. As for rural areas, our focus is mainly on country parks. The planning standards and guidelines mentioned by me earlier are actually related to works projects and new town development. The relevant departments are required to plant trees according to these standards. We are now reviewing these standards to see if it is necessary to strengthen them. According to the rough estimate made according to the information I have at hand, green belts now account for more than 55% of the entire territory. Hopefully we can do even better in future.

PRESIDENT (in Cantonese): Third question.

Development of the Local Community Economy

3. **MISS CHAN YUEN-HAN** (in Cantonese): *Madam President, the Financial Secretary stated in the 2002-03 Budget that the Government would promote the development of "the local community economy". It has been reported that, in order to alleviate unemployment, the Government plans to promote the activities of on-street small traders to implement the concept of "the local community economy" and such activities would be promoted territory-wide shortly. In this connection, will the Government inform this Council:*

- (a) *of the definition of "the local community economy", together with the specific measures for implementation, including the details about the timetable, funding and staffing arrangement;*
- (b) *whether it will initiate a study on the concept, direction and long-term implementation measures of "the local community economy" and conduct comprehensive consultation in this regard, including organizing public forums; and*

- (c) *whether it will consider adopting the concept of "the local community economy" as a strategy for long-term economic and employment development, rather than just a short-term measure to alleviate unemployment, so as to diversify the economy and employment?*

FINANCIAL SECRETARY (in Cantonese): Madam President, first of all, let me explain what is Local Community Economy (LCE). LCE has been in existence all along. It is part of the internal economic activities of the Hong Kong Special Administrative Region and an important element of our economic system. It is closely linked to our daily life and covers a wide range of activities, including cultural, sports, recreational, personal and a variety of small trading activities. The characteristics of LCE are: diversity in forms, display of local culture, creation of employment opportunities and promotion of local consumption.

In the 2002-03 Budget speech, I said that apart from the more externally-oriented economic sectors, LCE activities closely linked to our daily life are also important since it is an integral part of our economy. As Members would agree, in the face of economic downturn and high unemployment rate, it is all the more important that the Government should reinforce its efforts in facilitating the development of LCE, thereby promoting local consumption and creating more employment opportunities.

Secondly, I would like to clarify the Government's role in the promotion of LCE.

In the 2002-03 Budget speech, I said that the economic role of the Government was to be a proactive market enabler. As such, in the promotion of LCE, the Government will rely on market forces. Through the provision of government facilitation, we aim to make the best use of community wisdom, thereby giving impetus to the development of a diversity of LCE activities.

Free markets, private investment and operation underpin a thriving LCE. The Government should not, and will not, be directly involved in business investment, decisions or operation. The Government's role is one of facilitation. This includes suitably relaxing government rules and regulations, reasonably modifying land uses, providing basic infrastructural facilities and providing promotion and publicity. The objective is to create an environment

conducive to the development of LCE and provide enhanced facilitation to members of the public and business operators.

The Government will make use of existing resources and manpower to provide enhanced facilitation in the promotion of LCE. At present, promoting LCE does not entail additional government resources. Of course, the Government will, through existing resources, continue to provide infrastructural support such as road improvement and environment beautification.

It is our plan that promotion of LCE is an ongoing task. To help LCE to flourish, we will collate and facilitate LCE initiatives put forth by the community on a regular basis.

On the operational level, the Home Affairs Department (HAD) and its 18 District Officers will play the role of a co-ordinator, acting as the focal point of contact with the community and co-ordinating government efforts in the provision of facilitation. I have personally chaired an inter-bureau working group to oversee LCE promotion and deal with more difficult issues.

Currently, our emphasis is to reach out widely for LCE initiatives and help facilitate those which are more feasible. Up till now, the HAD has collated more than 60 suggestions and is actively looking into some of the more feasible ones. We will also pay attention to the community's discussion on the scope, direction and long-term implementation of LCE.

The Government relies on community participation and support, especially the District Councils, in the promotion of LCE. LCE working groups are being set up under each of the 18 District Councils to provide focused suggestions. Some of the District Councils are considering the option of holding open forum as a means of public consultation. The HAD will also proactively meet with different quarters and solicit suggestions for promoting LCE.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, just now the Secretary mentioned at the beginning of his main reply that LCE had been in existence all along and that it was an important element of our economic system. But then, the Government appeared not to hold such an attitude towards LCE in the past. The Deputy Director of Home Affairs recently admitted that the existing rigid institutions and obsolete control measures were obstructing the development of LCE in Hong Kong, and hence the Government considered it*

should do something on this front. Now that the Government attaches such great importance to LCE, could the Secretary inform this Council what policy the Government has in place to protect it? Just now the Secretary mentioned holding open forum, may I ask him when the forum will be held, and when will promotion of LCE really be led by non-government agencies?

FINANCIAL SECRETARY (in Cantonese): Madam President, LCE has been in existence in Hong Kong all along. However, as the Honourable CHAN Yuen-han said just now, many existing policies or measures may be obstructing the promotion of LCE by non-government agencies. It is exactly for this reason that the working group chaired by me has to look into ways to co-ordinate the work of different government departments. In many cases, if we could allow the District Officers to co-ordinate the efforts in this connection and encourage government departments to give support to such efforts, many problems would have been resolved at the district level. That way, not only the operation of the market can be improved, the promotion of LCE can also achieve better results. However, as I said before, if there are any policies or activities suitable for the different districts across Hong Kong, please refer them to the working group chaired by me, so that we can look into the ways to promote such policies and activities territory-wide. As regards the forum mentioned by me just now, it may be held by individual District Councils in their respective districts and the dates should be decided by them. It is not a territory-wide forum. Why? It is because the great majority of items under LCE are related to bringing the characteristics of individual districts into play. So a forum initiated in the district will be more effective than a territory-wide version.

PRESIDENT (in Cantonese): Honourable Members, since we have now 13 Members waiting to raise supplementary questions, please be as concise as possible when asking supplementaries so that more Members can have the chance to raise theirs.

MR CHAN KWOK-KEUNG (in Cantonese): *Madam President, the Secretary mentioned that he would personally chair a working group. In this connection, can the Secretary inform this Council how many meetings have been convened so far? Besides, as the Secretary also mentioned that he would deal with more difficult issues, may I ask him how many difficult issues he has already dealt with?*

FINANCIAL SECRETARY (in Cantonese): Madam President, we have basically held two meetings. The first meeting was held to discuss the ways in which different departments should support each other and which department should be responsible for overall co-ordination. Our decision then was that it should be the responsibility of the HAD and the 18 District Officers to play the role of a co-ordinator as the matter was related to the various districts. As regards the second meeting, we determined the definition of LCE and how the concept should be promoted; besides, we also studied a number of proposals which the HAD had considered as feasible and submitted to us for consideration. With regard to the proposals we currently have on hand, some can be implemented within a few months' time and we will devolve powers to the relevant district offices and examine if they can help in the promotion of such proposals. If the district offices are unable to help in this respect, we will look into ways to further assist them in resolving their problems.

MR MA FUNG-KWOK (in Cantonese): *Madam President, according to the Secretary, LCE has been in existence all along. In that case, what is the point of bringing this concept up again these days? In my view, something must have gone wrong in the past and caused the entire society to hinder the development of LCE, and that is why the concept has to be brought up again now. In this connection, may I ask the Secretary what is included in this re-introduced concept? In addition to creating employment opportunities and promoting local consumption, will the promotion of this concept have significance in other aspects as well? For example, should the promotion of LCE be taken forward in conjunction with other efforts like cultural construction, cultivation of social sense of belonging, development of new tourist attractions, enhancing the appeal of the entire society, and so on? Indeed, I believe the meaning of LCE should by no means be confined to the promotion of on-street trading to enable more people to have more choices or to have the opportunity to earn a living.....*

PRESIDENT (in Cantonese): Please be as concise as possible when asking your supplementary question.

MR MA FUNG-KWOK (in Cantonese): *I have not yet completed asking my supplementary question, which is about.....*

PRESIDENT (in Cantonese): I know, but you have already expressed many views.

MR MA FUNG-KWOK (in Cantonese): *I will just raise my supplementary then. If the Government is to achieve the objectives mentioned just now, will it be possible for the HAD to handle the work alone; or should the efforts of other government departments be enlisted to carry out the work together?*

FINANCIAL SECRETARY (in Cantonese): Madam President, the answer to the second part of the Honourable Member's supplementary is in the affirmative; otherwise, it would not be necessary for the Financial Secretary to chair an inter-bureau working group to co-ordinate government efforts. The meaning of LCE has a wide coverage. We are bringing up the concept again at this juncture because the economy of Hong Kong is currently undergoing restructuring and developing towards a high value-added economy. Yet at the same time, a rather large proportion of the population in Hong Kong do not have a high level of education or sophisticated skills. On the other hand, Hong Kong does have some potential for promoting tourism and local consumption. In particular, as the number of visitors from the Mainland is increasing every day, re-introducing the concept of LCE to tie in with the development of the tourism industry should be able to provide very good employment opportunities for the low-skilled workers. Nevertheless, I consider the supplementary raise by the Honourable MA Fung-kwok just now a very good question, as he pointed out that the promotion of LCE should not be confined to the creation of more employment opportunities. Creating more employment opportunities is certainly very important, but even more important is how the distinct features of the local community could be brought into full play. It is for this reason that we used the term LCE. Speaking of giving full play to the distinct features of our local community, we are talking about not only the characteristics of Hong Kong as a whole but also the respective characteristics of the various districts across Hong Kong, and that is why we have conferred the important co-ordination responsibility on the HAD and the 18 District Officers.

PRESIDENT (in Cantonese): Mr MA, which part of your supplementary question has not been answered?

MR MA FUNG-KWOK (in Cantonese): *Could the Government define the concept in clearer and broader terms, rather than concentrating on consumption and employment?*

PRESIDENT (in Cantonese): This is not a supplementary question, but an opinion.

MRS SELINA CHOW (in Cantonese): *Madam President, I have also participated in promoting the so-called local tourism, but local tourism should by no means be regarded as the LCE. The thrust of the issue lies in the fear that the people of Hong Kong will go northwards for entertainment, and so the Government hopes to attract the people to remain in Hong Kong for consumption with the development of LCE. Given that the Government has set up an inter-bureau working group and involved the HAD in this matter, may I ask the Financial Secretary how the Government will achieve the objective of attracting the people of Hong Kong to remain here for consumption purposes? Could the Secretary also inform this Council whether the Government has any professional knowledge to enable it to really achieve the objective?*

FINANCIAL SECRETARY (in Cantonese): Madam President, I think what the Honourable Mrs Selina CHOW talked about just now is local tourism, but LCE comprises not only local tourism. The two are related, but not the same thing. The development of LCE is not to attract the people to remain in Hong Kong for consumption instead of going northwards; I do not think this is our objective. Our objective is to enable the economy of Hong Kong to develop and prosper, as well as to give full play to the distinct local characteristics. Hence, I hope Honourable Members can understand that since there are, after all, so many trades and industries in a large economy like Hong Kong, our task is to enable the different trades and industries to develop more efficiently and more freely. As I mentioned at the very beginning, many existing regulations, measures and requirements of the Government may be obstructing the development of businesses in the private sector market. For this reason, the Government's major objective is to examine how it could play a role of facilitation, promotion and publicity through the co-ordinated efforts of different government departments.

MR LEUNG FU-WAH (in Cantonese): *Madam President, in the last paragraph of the part of the main reply on the role of the Government and in his reply to Mrs Selina CHOW's supplementary just now, the Secretary has mentioned that the role of the Government is one of facilitation, promotion and publicity. I am aware that the procedures of many government departments and the existing legislation will be involved. In view of the broad coverage of the task involved, could the Secretary specifically inform this Council where the major difficulty lies?*

FINANCIAL SECRETARY (in Cantonese): Madam President, because of the broad coverage of LCE, it is very hard to make a general statement. And it is exactly because so many government departments are involved that an inter-bureau working group has to be set up to co-ordinate the efforts. We do not have any so-called general principle for the time being, what we do is to pick up some specific cases, particularly the more difficult ones, and look into ways to ensure that the details can be settled as soon as possible through the co-ordination between government departments or the working group chaired by me. We will then promote the experience learned this way, so that in future, the majority of the issues concerned do not have to be brought to the inter-bureau working group but can be resolved at the level of District Officers.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, even though the Budget has been published for more than two months and the Government should have been doing some work to promote LCE, it appears that the efforts made by the Government so far have not achieved any significant results. May I ask the Secretary whether this situation is attributable to the fact that the executive departments are at a loss of what to do next, and that they consider the concept of LCE a thin layer of sand which will be blown away easily and thus cannot achieve any results? Could the Secretary inform this Council how this kind of psychological obstacle can be overcome?*

FINANCIAL SECRETARY (in Cantonese): Madam President, two months may seem a rather long period of time, but to the overall operation of the Government, two months could be just a short while. Hence, Honourable Members would be expecting too much of the Government if they should hope to

see the entire economy of Hong Kong changed in two months' time. Having said that, however, I must say we are gradually promoting the concept among different government departments with the hope that they will all attach importance to this concept and co-ordinate with the HAD as soon as practicable. That way, some good suggestions from different districts can be put into effect expeditiously, rather than going through the normal procedures involving exchanges of letters.

MR CHAN KAM-LAM (in Cantonese): *Madam President, I think it is very correct of the Secretary to say in the main reply that the role of the Government is that of facilitation, promotion and publicity. In my view, while promotion and publicity are comparatively easier tasks, the role of facilitation would involve the implementation of certain policies and is thus rather difficult. In many cases, the problems encountered by us at the district level just could not be resolved by the relevant District Officers or government officials. Hence, may I ask the Secretary how he is going to help the district officials to relax the limitations of their thinking before relaxing the various government rules and regulations?*

FINANCIAL SECRETARY (in Cantonese): Madam President, I believe the Financial Secretary should have certain powers under the present structure. Certainly, the supplementary raised by the Honourable CHAN Kam-lam is a good question. Any changes, with the exception of institutional changes, are essentially changes in ideology and culture. It is my hope that through the use of some real cases as practical examples — I will participate personally in resolving the issues if they are really very difficult — a message will be sent to government officials of all levels: The Government hopes to expedite its speed as far as possible in providing services for the public, rather than adhering rigidly to conventional procedures.

MR LAU KONG-WAH (in Cantonese): *Madam President, as 60-odd suggestions have been collated, the response should in fact be considered as rather enthusiastic. Nevertheless, does the Secretary have any figures in mind, by that I mean whether he knows the number of proposals that can be proceeded with and otherwise, as well as the number of proposals that can be followed up and otherwise?*

FINANCIAL SECRETARY (in Cantonese): Madam President, I do not think such figures should be kept in mind only. Actually, after collecting the proposals, the first and foremost task districts and government departments should embark on is to examine how many of the proposals can really bring economic benefits and are practicable. In considering the proposals, quite a number of factors have to be taken into account. Firstly, we have to consider the economic benefits and practicability mentioned just now. Secondly, the proposals should not give rise to excessive competition within Hong Kong, because once vicious competition arises, even if a certain proposal could be implemented successfully in one district, the implementation of the same or similar proposal in all the 18 districts in Hong Kong would certainly be doomed. Thirdly, we must look into ways to ensure that the implementation of the proposals concerned will not give rise to vicious competition with the services or products already available in the districts. And fourthly, we also need to take into consideration other matching public facilities like transport, environmental protection, and so on. So, the proposals must first be examined against these requirements before we go on to assess which are worthy of follow-up actions and which not. For those worthy of follow-up actions, I will designate a department as the advocate department and then draw up implementation timetables. Since we have just collated the suggestions and more should be received in future, we do not have any specific figures for the time being. Nevertheless, we may perhaps be able to provide Members with the relevant figures later on.

PRESIDENT (in Cantonese): We have spent more than 19 minutes on this question. One last supplementary question.

MR LEE CHEUK-YAN (in Cantonese): *Madam President, I consider the Secretary's definition of LCE is as broad as can be, as it covers all sorts of activities, including cultural, sports, recreational, personal and a variety of small trading activities. But then, the scope of discussion among the people is rather narrow currently, as they are only talking about organizing some specialty trading activities in some special areas, not very much different from hawking. With regard to the feasible proposals under active examination by the HAD currently, may I ask the Secretary to provide this Council with some examples to illustrate that the feasible proposals include not only some specialty trading activities but also involve genuinely other aspects like culture, recreation, sports,*

and so on? Otherwise, no matter what broad definition the Secretary gives to it, the promotion of LCE will still be meaningless.

FINANCIAL SECRETARY (in Cantonese): Madam President, as I said at the beginning, LCE covers a wide range of activities, some are large-scale ones while others are small-scale ones. For this reason, it is very difficult to formulate a policy encompassing the development of all kinds of economic activities. Nevertheless, as Mr MA Fung-kwok said earlier, in addition to offering opportunities for economic activities, the suggestions concerned should also help to enhance some local cultures. So, it depends very much on the angle from which we look at the suggestions. Let me cite an example. A suggestion frequently reported in the newspaper recently is that a cultural trading zone be set up right in front of the Wong Tai Sin Temple. While this suggestion will help to enhance the local culture concerned, it is also an economic activity in itself. Another example is the suggestion to organize entertainment activities on fish rafts. Should this suggestion be considered as relating to entertainment, economic, cultural or other kinds of activities? So, the definition of LCE actually depends very much on the angle of perception. The valuable or interesting thing with LCE is that while it helps to develop economic activities and create employment opportunities on the one hand, it can also help to promote the culture and characteristics of Hong Kong on the other. It is hoped that by encouraging the people to participate in the relevant activities, their sense of belonging to Hong Kong will be strengthened.

PRESIDENT (in Cantonese): Fourth question.

Confusion at Lok Ma Chau Control Point

4. **MR LAU KONG-WAH** (in Cantonese): *Madam President, on the 1st of this month, that is, the first day of the "Labour Day Holidays Week" in the Mainland, large crowds of mainland tourists thronged the Lok Ma Chau Control Point for immigration clearance, and many of them had to wait for several hours for clearance, causing confusion and serious congestion there. In this connection, will the Government inform this Council:*

- (a) *whether it has assessed beforehand the number of tourists who would enter Hong Kong via the Lok Ma Chau Control Point on that day; if so, how the estimated figure compares with the actual number of arrivals;*
- (b) *whether it has reviewed the causes of the confusion at the Lok Ma Chau Control Point on that day; if so, of the details; and*
- (c) *of the measures to be adopted to ensure that various government departments will liaise and communicate closely with the relevant authorities in the Mainland to avoid the recurrence of similar incidents in the future?*

SECRETARY FOR SECURITY (in Cantonese): Madam President,

- (a) Owing to the abolition of quota for the Hong Kong Group Tour Scheme earlier this year and the fact that the Labour Day holidays is a golden holiday in the Mainland and 1 May is also a public holiday in Hong Kong, the Administration had anticipated well beforehand that large crowds of visitors would travel to and from Hong Kong and the Mainland via land boundary crossings during that period.

Taking into account the statistics and experience over the past few years, the Immigration Department (ImmD) predicted that the peak of cross-boundary traffic during the Labour Day festive period would fall between 30 April and 8 May. During that period, it was estimated that about 300 000 people would travel to and from the Mainland via the Lok Ma Chau Control Point, with a daily average of about 35 000. We also expected that some 40 000 people would cross the Lok Ma Chau Control Point on 1 May, and among them, 8 000 would be inbound tourists. The actual number of people crossing that control point on that day was about 39 600, which is quite close to our estimation, but the number of inbound tourists reached 10 127, which is 26% higher than our estimated figure.

- (b) On 2 May, government departments immediately reviewed the congestion incident that took place at the Lok Ma Chau Control Point on 1 May. It was found that the congestion was caused by a

large number of passengers entering Hong Kong at the same time at the peak hours around midday on the first day of the Mainland's Labour Day Holidays.

The ImmD's figures show that 24 372 people entered Hong Kong via the Lok Ma Chau Control Point on that day. Among them, 42% are non-Hong Kong residents. They include mainland group tourists, mainland and overseas visitors and transitees. The clearance time for such travellers is longer than that for Hong Kong residents. Though the ImmD had strengthened manpower deployment to open all the clearance counters of the Control Point and to assign 20 out of the 26 counters to handle southbound passengers under a tidal-flow arrangement, it could not manage to clear all the southbound passengers within a short period of time because most tourists arrived at the peak hours around midday simultaneously.

The travel agencies had promised beforehand that they would observe the requirement of submitting the name lists of tour groups to the ImmD 24 hours before their arrival, so that the ImmD could conduct pre-arrival passenger processing and expedite immigration clearance to cope with peak-hour traffic during the holidays. However, most of the travel agencies failed to provide accurate information on time as agreed. Their initial feedback indicated that only 12 mainland tour groups would enter Hong Kong via Lok Ma Chau on 1 May. Later, with the assistance of the Travel Industry Council of Hong Kong, the ImmD was informed that there would be 75 groups. Among them, 15 groups had not submitted complete name lists to the ImmD in advance as required. On that day, another 36 groups crossed the Lok Ma Chau Control Point without any prior notification. The actual number of inbound tour groups amounted to 111, comprising some 2 700 mainland tourists. Since ImmD staff was required to manually input the personal information of these passengers, which was not provided beforehand, on the spot, this had slowed down clearance work and caused delay to other cross-boundary passengers as well.

- (c) The ImmD and the Tourism Commission will continue to maintain close liaison and contacts with the travel industry and their

counterparts in the Mainland in order to discuss and review how best the cross-boundary arrangements can be improved constantly.

We will continue to adopt preventive measures to avoid the recurrence of similar incidents in the future. Various departments concerned including the ImmD, the police and the Customs and Excise Department will continue to hold meetings with the relevant authorities of Shenzhen before long holidays. They will estimate the passenger traffic at land boundary control points and discuss ways to ease the flow of passengers, enhance on-site communication and co-operation, and formulate contingency measures.

MR LAU KONG-WAH (in Cantonese): *Madam President, I am sure the Secretary will also understand that no matter how much we have spent on promoting Hong Kong, all may still be useless because just one single occasion of chaos may already lead to a very bad reputation. To do away with the need to make any more "guesses" — because the estimate this time was not very accurate — will the ImmD deploy sufficient manpower and open all counters right at the beginning of such golden holidays, so as to cope with and avoid similar chaos?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, actually, our estimation of the total number of cross-boundary passengers during the holiday period in question was quite accurate. However, we have still learnt a lesson from the "1 May incident", and that is, while government departments (both in Hong Kong and the Mainland) have to step up their contacts and make estimations, the tourism industry must also render its assistance by, for example, providing accurate information about the number of tour groups which will enter Hong Kong. As I mentioned a moment ago, some travel agencies did not follow the requirement of submitting the name lists of tour groups to the ImmD 24 hours in advance for pre-arrival processing. Several dozens of tour groups even entered Hong Kong without any prior notification. Some others, after assembling, did not cross the check point until noon. Travel agencies might have failed to make any correct estimation because business was just too good then. As we know, some passengers simply crossed the boundary on "yellow coaches" instead of special tourist coaches, which was why the authorities were unable to grasp the number of inbound travellers. After 1 May, we

immediately held a meeting with the Travel Industry Council of Hong Kong, in which we expressed the hope that the tourism industry could render more assistance in the future by, for example, providing more accurate information to the authorities about the number of tour groups and passengers, and by submitting the name lists of tour groups beforehand to expedite the progress of immigration clearance.

PRESIDENT (in Cantonese): Mr LAU, has your supplementary question not been answered?

MR LAU KONG-WAH (in Cantonese): *Madam President, the Secretary has not answered my supplementary question. Will the ImmD open all counters during golden holidays without first making any estimation?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, the opening of counters is not so much a problem, because we can always apply flexibility and open as many counters as possible; and, we can also deploy the necessary manpower very quickly. In fact, on 1 May, the ImmD was able to arrange an immediate deployment of 60 additional officers and the police was also able to add more than 10 officers to help stranded passengers to depart from Lo Wu, Man Kam To and even the airport.

MR KENNETH TING (in Cantonese): *Madam President, apart from implementing the measures mentioned in part (c) of the main reply, will the Government consider the implementation of "co-location" clearance of cross-boundary passengers at Lok Ma Chau? Have any studies been conducted? What is the progress now? When can the proposal be implemented?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, as a matter of fact, in Huanggang of the Mainland, a pilot scheme on "co-location" clearance is already in full swing. By "co-location" clearance, it is meant that the customs and immigration authorities of the two sides will carry out passenger or goods clearance at the same site in accordance with their own laws. Before "co-location" clearance can be possible, we will have to resolve one legal problem,

that is, how our enforcement agencies can be enabled to enforce our laws in places outside Hong Kong. That is why amendments to the relevant legislation are required.

The next problem is related to venues. After we have identified a suitable venue in Huanggang, we must carry out the conversion works required. Our plan now is to conduct a pilot scheme on "co-location" clearance for passengers at the Car City of Huanggang. If the scheme is proved to be feasible, all passengers will be able to undergo immigration clearance in Huanggang, and the passages at Lok Ma Chau Control Point can then be freed for the clearance of goods vehicles. This will be of immense benefit to both passengers and goods vehicles. We hope to reach an agreement with the Shenzhen authorities within this year, amend the relevant legislation next year, and then implement the scheme as soon as possible after obtaining the funding required.

MR WONG YUNG-KAN (in Cantonese): *Madam President, it is mentioned in part (b) of the Secretary's main reply that 36 tour groups crossed the Lok Ma Chau Control Point without any prior notification, thus causing the overcrowding on that day. Long holiday periods like the National Day and the Spring Festival are now approaching. Does the Secretary have any plans in mind to follow up the matter with the travel agencies concerned, so as to have further communication with them?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, the Honourable WONG Yung-kan is certain correct. The next "golden holiday period" will be the long National Day holidays. We must have the assistance of the tourism industry — from the Travel Industry Council, the Tourism Board or Mrs Selina CHOW, beforehand. It is hoped that the industry can co-operate with us as far as possible and notify us in advance how many tour groups will be crossing the control points. It is also hoped that they can submit name lists of tour groups to us for pre-arrival processing. That way, much time can be saved.

MS MIRIAM LAU (in Cantonese): *Madam President, the authorities responsible for the Lok Ma Chau Control Point, that is, the Security Bureau and the Transport Bureau, have put in place a "three-tier" contingency and*

management mechanism which will be activated in times of heavy congestion caused by goods vehicles. Will the Government consider the possibility of drawing up a similar contingency and management measure or mechanism for passenger traffic, so as to ensure the smooth flow of passengers at boundary control points?

SECRETARY FOR SECURITY (in Cantonese): Madam President, the answer is "yes". Besides contingency measures for goods vehicles, the relevant disciplined forces will also draw up contingency measures to deal with passenger overcrowding, especially of the kind that occurs during "golden holiday periods". We will explore how we can deploy additional manpower and expedite the flow of passengers at the soonest possible time when passenger throughput reaches unexpectedly high levels.

MRS SELINA CHOW (in Cantonese): *Madam President, the incident in question was actually caused by a combination of many factors. Members may recall that there was no major problem during the Spring Festival holidays; but the throughput of passengers at that time was even larger. This time around, the chaos might have been caused by the fact that most passengers chose to cross the control point on 1 May.*

We expect that the number of mainland tourists will increase continuously, and I am sure that there will be more passengers crossing the Lok Ma Chau Control Point. In this connection, may I ask the Government whether it will improve the relevant facilities? I so ask because at present, many passengers even find it impossible to sit down while they are waiting. Nor are there any other facilities that can facilitate waiting. That is precisely the reason for discontent. May I ask the authorities whether they will improve the facilities?

SECRETARY FOR SECURITY (in Cantonese): Madam President, I very much agree and understand that as a result of geographical constraints, the passenger or goods handling capacity of the Lok Ma Chau Control Point is very much limited. This explains why we have launched an extension project. Phase II extension will soon be completed in July this year, and the number of counters in the passenger hall will gradually be increased from 26 now to 50 in September next year, or even earlier. More counters will then be available for

use. Besides, the loading/unloading areas for southbound and northbound coaches are also expected to be completed in October this year and March next year respectively. With all these new facilities, besides facilitating the loading and unloading of passengers, the authorities will also be able to increase their capacity of passenger clearance.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, I have heard that immigration staff usually need more time to handle mainland tourists because they have to transliterate the names of mainland tourists into English before inputting them into the computer, and also because they often ask mainland tourists about the reasons for their visits and many other questions. May I ask whether this is true? Besides, is it possible to shorten the time taken for these formalities?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, the experience of the ImmD shows that passengers requiring the longest handling time are indeed those travelling on Two-way Permits. But that is not because we have particularly more questions for these passengers. Rather, it is because most of the Two-way Permits of these passengers are not machine-readable. Since January this year, mainland authorities have been issuing machine-readable Two-way Permits, but so far this has been confined to those issued in Jiangsu Province. The new machine-readable Two-way Permits carry the names of the holders in *hanyu pinyin*, for example the Honourable TAM Yiu-chung, and this can enable immigration officers to input the names in *hanyu pinyin* into the computer. In cases where a Two-way Permit is not machine-readable and does not carry the name of the holder in *hanyu pinyin*, the name has to be transliterated into *hanyu pinyin* at the counter (This explains why the submission of information in advance is so useful). And, the clearance procedure can be completed only after inputting the transliterated name into the computer for verification. The time required to process a Two-way Permit traveller is 117 seconds, which is longer than the 12 seconds to 18 seconds for Hong Kong residents and the 75 seconds to 95 seconds for foreign passport holders. We therefore hope the Mainland can gradually issue more machine-readable Two-way Permits with *hanyu pinyin* to facilitate the work of immigration clearance. And, in the meantime, we of course hope that travel agencies can submit the name lists of passengers to us in advance. This will also be very useful.

MR HOWARD YOUNG (in Cantonese): *Madam President, the Secretary has mentioned that many procedures will require the manual input of data. I can see her point. And, besides urging on the early implementation of machine-readable Two-way Permits, the authorities also hope that travel agencies can submit name lists of tourists in advance. Well, if travel agencies can submit name lists electronically or in CD-ROMs, will the relevant procedures be improved? Is this an improvement that merits exploration?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, as far as I understand it, the ImmD will receive name lists 24 hours in advance. Naturally, it would be much better if these name lists contain passport numbers and names in *hanyu pinyin*, because staff of the ImmD will be able to start processing. It is not so much a problem whether name lists are submitted on paper or electronically. But we may still explore the matter further in conjunction with the ImmD to see how the tourism industry can best enable us to do a better job in pre-arrival processing.

PRESIDENT (in Cantonese): The Council has spent more than 16 minutes on this question. I shall take one last supplementary question.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, I cannot quite accept the explanation offered in the last paragraph of part (b) of the Secretary's main reply. According to the Secretary, as estimated on the basis of the feedback received by the ImmD, only 12 mainland tour groups would enter Hong Kong via Lok Ma Chau on 1 May, but it turned out that there were 75 groups, 15 of which had not submitted complete name lists to the ImmD in advance as required. And, another 36 groups crossed the Lok Ma Chau Control Point on that day without any prior notification. I wonder why the estimation should be so different from the actual number, because there must have been a considerable length of time between joining a tour group and eventual departure — people usually will not join a tour group today and depart tomorrow. May I therefore ask the Secretary whether there has been any human error?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, I think there was no error on the part of my colleagues, because the information they

had was all supplied by the tourism industry, and before the long holidays in question, the authorities had already maintained constant contact with the industry. The fact is that in the past, tour groups of this type often entered Hong Kong through Lo Wu, and during the long holidays last year, just one or two groups entered via Lok Ma Chau. And, those which came here by air of course entered through the airport. Before the long holidays in question, the ImmD already tried very actively to ask the industry how many tour groups would be arriving. The answer it got was 75 tour groups, but no name lists were submitted in advance for 15 of these tour groups. On that day, there were really 36 tour groups which crossed the control point without any prior notification. Madam President, as I mentioned earlier, perhaps because business was just too good, perhaps because there were just too many passengers, not enough tourist coaches could be arranged on that day, and some tourists even have to enter Hong Kong on "yellow buses" at a charge of \$7 per single journey. It is of course good to our economy to have so many tourists. But as far as the actual situation on that day is concerned, there were really too many passengers crossing the control point, and most of them did so around noon after assembling. That was why our control point was stretched beyond capacity.

PRESIDENT (in Cantonese): Fifth question.

Cash Management of Hospital Authority

5. **DR LO WING-LOK** (in Cantonese): *Madam President, it was reported that the Hospital Authority (HA) had stated that an estimated deficit of around \$800 million to \$900 million will be recorded for the current financial year, but the HA would be able to cut its expenditure by way of cash management and reallocating existing resources to support some of the new services which are to be launched in this financial year and for which the Government has provided funding support. It is estimated that these measures will reduce the budget deficit to \$580 million. In this connection, will the Government inform this Council whether it knows:*

- (a) *the specific details of the HA's cash management; the scope exercisable by the HA in its implementation; and whether the HA has absolute power over the reallocation of funding for all of its services;*

- (b) *the new services that the HA plans to support with existing resources, and whether the quality and quantity of such new services will be affected; and*
- (c) *the reasons for the HA to have requested the provision of funding for all the new services when it can support some of the new services with existing resources?*

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

- (a) Cash flow management is a generally accepted financial management practice which entails the active management and control of cash inflows and outflows. For instance, the Government's recurrent subvention to the HA is currently disbursed in 12 equal installments on a monthly basis, and non-recurrent subvention on equipment and information systems, on a quarterly basis. The HA will optimize the use of such cash inflows while managing the timing of cash outflows for the delivery of public hospital services to maximize returns from the use of its assets.

Recurrent subvention to the HA takes the form of a one-line vote where the HA is given flexibility in the virement of funds within its recurrent subvention for various purposes. The HA's power in this respect is not unfettered. The Hospital Authority Ordinance stipulates, among others, that the HA must use its resources efficiently to provide hospital services of the highest possible standard within the resources obtainable, and ensure accountability to the public for the management and control of the public hospital system. Under the Hospital Authority Ordinance, the HA is required to appoint an auditor to audit its accounts and submit annually the auditor's report on the statement of accounts to the Secretary for Health and Welfare for tabling in the Legislative Council. The Director of Audit may also conduct an examination into the economy and efficiency of the HA in expending its resources.

(b) and (c)

In 2002-03, the Government will provide a total of \$225.9 million to the HA for implementing the following five new services:

- (i) introduction of Chinese Medicine out-patient services;
- (ii) implementation of an elderly suicide prevention programme;
- (iii) implementation of an Extended-care Patients Intensive Treatment, Early Diversion and Rehabilitation Stepping-stone project;
- (iv) establishing 10 hospital and community-based smoking counselling and cessation centres; and
- (v) employing 1 000 additional care assistants to strengthen the provision of extended care services in public hospitals.

These allocations are issued to the HA on the understanding that the funds, which have been earmarked for specific purposes, must be used in full for the programmes which they are provided for, and the HA is required to achieve specific performance targets/indicators established for these new services. The HA has confirmed that the resources obtained for these programmes would be used to fund the concerned programmes. We have required the HA to submit regular progress reports to the Government to ensure that these services are being implemented as planned.

As a result of the prudent use of the subvention received from the Government, the HA has accumulated some general reserves over the years to cater for contingencies. In this regard, the HA plans to use its general reserves to cover its budget deficit in 2002-03 in order to ensure that the provision of public hospital services will not be affected.

DR LO WING-LOK (in Cantonese): *Madam President, the Secretary mentioned in his main reply that the HA would have an active management and*

control of cash inflows and outflows so that there would not be any liquidity problem and that the expenses could be met. However, the Secretary has not explained how to deal with the difference between the estimated deficit of around \$800 million to \$900 million and the budget deficit of \$580 million, since there is a difference of about \$200 million to \$300 million. May I ask if the deficit will be carried forward to next year and hence the deficit position next year will be even worse?

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, as I have explained, the question involves two aspects, that is, the inflows and outflows of resources. The HA will control the cash inflows and outflows in the light of the Government's subvention to the HA and the timing of the delivery of services required, so that the objectives set by the Government can be met.

About the deficit problem, the HA is considering a number of measures in this respect. As I have mentioned just now, when allocating the resources to the HA, the Government will consider whether these new funds are used for new services and we will also monitor the subsequent delivery of these new services by the HA. I have pointed out in the main reply that the HA will use the allocations from the Government to provide new services. As for the question of deficits, the HA has put a number of measures in place over the years. The deficit is only an estimate and since the HA has its own reserves, I think the problem can be solved. For this reason, I am not worried as the HA is capable of handling this problem and that the delivery of services will not be affected and the new services required by the Government can be delivered.

MR LAU PING-CHEUNG (in Cantonese): *Madam President, may I ask the Secretary whether the HA is required to inform the Health and Welfare Bureau when it is to deploy its resources? Is there any mechanism presently in place to monitor the amount and use of the resources redeployed?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, the annual subvention to the HA is divided into recurrent and non-recurrent expenditures. With respect to recurrent expenditure, subvention to the HA takes the form of a one-line vote. The HA is given flexibility in the virement of funds and no interference of any kind is made in this respect.

However, there are representatives from the Administration sitting on the Board of Directors of the HA, such as the Deputy Secretary for Health and Welfare and the Deputy Director of Health. The use of the subvention by the HA can be monitored through these representatives from the Administration. In addition, we have required the HA to submit quarterly progress reports on the programmes planned and on the delivery of new services and how the targets set are being met.

MR AMBROSE LAU (in Cantonese): *Madam President, in parts (b) and (c) of the main reply, the Secretary mentioned that the HA plans to use its general reserves to cover its budget deficit in 2002-03 in order to ensure that the provision of public hospital services will not be affected. May I ask how much out of its general reserves the HA plans to use and whether the funds to be reallocated will ensure that the provision of public hospital services will not be affected?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): *Madam President, our estimates are that the existing general reserves of the HA amount to at least \$800 million to \$900 million and that can address the deficit problem. As a matter of fact, there are many assumptions made in the budget of the HA. We will note from the quarterly reports of the HA how it has been making progress according to the budget estimates. In other words, we will keep a close watch of the budget deficit to see if it is so huge in reality. We will follow this up and we are confident that the HA will handle this deficit problem effectively.*

MR ERIC LI (in Cantonese): *Madam President, the practice of cash flow management cannot solve the deficit problem in the long run. It is because such a practice can ensure a better use of the cash at hand, and that some expenditures can be postponed to a later date, but still the deficit problem is not resolved. To the best of my knowledge, the Government states that the system of accrual accounting will be adopted with effect from next year. May I ask the Secretary, will the HA follow the footsteps of the Government and adopt the accrual accounting system as well? If this system is adopted, then even if the expenditures are covered up under any form of cash flow management, they will eventually crop up and appear. Has the Secretary considered that this will make the deficit show?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, as a matter of fact, the HA has already adopted the accrual accounting system. As to the deficit problem, I have explained this through the media. In my opinion, I do not think the HA has any great problems with that. The problem is only that the wastage rate of HA staff has been low during these past few years and that the annual increments of the staff have accounted for the increase in remuneration expenses, but a balance can be achieved three years from now. I have examined the relevant figures and I think a balance can be achieved three years later. The subvention to the HA is based on the demographic structure of Hong Kong and under the existing mode of subvention, a fiscal balance in the HA can be achieved within three years. So that is only a short-term problem.

DR TANG SIU-TONG (in Cantonese): *Madam President, the Secretary in the last part of the main reply, the Secretary mentioned that the HA had accumulated some general reserves over the years. May I ask the Secretary if there are any restrictions on the amount of general reserves which the HA can hold, and if not, if there is a possibility that the HA may compile a bogus budget every year and so it can accumulate a lot of reserves, and so how this problem will be addressed?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, surveillance efforts are constantly being made in this respect. The Director of Audit will see to that as well. There are restrictions on the amount of reserves that the HA can use and that is, it can only take up 5% of the recurrent expenditure. When discussions were made between the Government and the HA, it was felt that that the HA should not keep too great an amount of reserves and only under exceptional circumstances can it have some reserves. And so it was agreed that the amount of reserves that could be used was set at 5% of the recurrent expenditure and consent from the Government had to be sought if the amount of reserves planned to be used would exceed this 5% limit. As to how the reserves are to be used, though the HA has its discretion on that, the advice of the Government is that should the use of these affect the recurrent expenditure of the HA later, then consent from the Government will have to be sought.

MISS EMILY LAU (in Cantonese): *Madam President, part (b) of the main question raised by Dr the Honourable LO Wing-lok asked about the new services that the HA plans to support with existing resources, but in his main reply, the Secretary only mentioned \$225.9 million and I think it seems to be some new funding. Could the Secretary clarify whether this is new funding, or if this is what Dr LO Wing-lok has asked, that it is a reallocation of existing resources to support new services? If this comes from existing resources, what existing services will be out?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): *Madam President, this sum of some \$200 million is in fact new funding. The sum is made as a subvention to the HA for the provision of new services as a result of the recommendations from different departments and so the sum is given to the HA as an additional funding. In the application form for resources from the Government, there is a column which asks whether the applicant organization can reallocate its existing resources to provide the new services and only if the organization says that it cannot then the Government will consider allocating new resources. As we all know, the HA has to provide many new services and the expenditure on new medical technology every year is quite substantial. Admittedly, the HA can at times redeploy existing resources to support new services and it does not have to apply for new funding from the Government, but in this case, after examining the new programmes, the Government is of the view that the HA is not capable of making any further allocations from its existing resources and so approval is given for the provision. So this amount of some \$200 million is new resources.*

MR MICHAEL MAK (in Cantonese): *Madam President, the best way to manage finance is to follow the principle stated in Article 107 of the Basic Law, that is, to keep expenditure within the limits of revenues and strive to achieve a fiscal balance. Over the past years, there has been a very serious imbalance between the utilization of public and private medical services and the rate is 94:6. In recent years, the HA has launched an enhanced productivity programme regardless. This has not only caused grievances among the staff but also there is no guarantee of service quality as well. It is surprising to note that the HA has general reserves to such a great amount of \$800 million to \$900 million. May I ask what is in fact the principle of financial management adopted by the*

HA? Will the HA give people an impression of being a miser when it does not use its reserves on the provision of services and recruiting more staff?

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, the Government has issued a consultation paper on the medical and health policy for Hong Kong and it has briefed the Legislative Council on how reforms will be taken forward. As a general rule, when the HA handles cash, the needs of recurrent expenditure should of course be taken into account. Also, we would not encourage the HA to use its reserves to subsidize recurrent expenditure, being expenses of a recurrent nature. Reserves are meant to be used only under special circumstances. Then what are the special circumstances in this case? As I have mentioned earlier, the low wastage rate has caused a greater expenditure with respect to the annual increment of staff. The Government and the HA agreed on a new subvention arrangement two years ago, under which the Government will not give any funding to the HA for the purpose of meeting the expenditure on increments in staff salary. This practice is different from that of other government departments which is a dollar-to-dollar grant. The annual expenditure on meeting the increments in staff salary are more than \$500 million and the sum is not provided to the HA and it has to take care of that itself. It would be fine if a fiscal balance can be achieved. After a certain period of time, the existing staff will reach the maximum point in their salary scale and when later new staff are employed at the maximum point of the previous scale, that entry point can be regarded as the lowest point. And so a fiscal balance can be achieved. But that is a short-term problem instead of a structural one.

In addition, it is exactly because of the great number of patients and the more sophisticated demands from the public that great pressure is exerted on the staff of the HA and so the HA has filled many of the posts which have been affected by staff wastage. The increase in the number of doctors, nurses and other allied health professionals has given rise to this deficit problem. We agree that the HA should recruit more doctors, nurses and other allied health professionals. This is also the cause of the deficit in the HA. These circumstances are therefore related to the question raised by the Honourable Michael MAK earlier.

PRESIDENT (in Cantonese): This Council has spent more than 17 minutes on this question. We will now proceed to the last oral question.

Medical Insurance Schemes

6. **MISS EMILY LAU** (in Cantonese): *Madam President, the medical insurance schemes provided by some insurance companies do not cover all the medical expenses incurred by the insured for treatment of serious or chronic illness in private hospital. As a result, some insured persons need to rely on public medical services during the late stage of their illness, thus increasing the burden on public funds. In this connection, will the executive authorities inform this Council whether:*

- (a) *they are aware of such a situation; and*
- (b) *having regard to such a situation, they have considered reviewing the regulatory mechanism of the insurance industry and adopting effective measures to ensure better health care protection for the public and reduce the burden on public medical services?*

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, in Hong Kong, every citizen has a right to seek medical treatment for illness from the public sector. Nobody will be deprived of such right because he or she has taken out medical insurance. In choosing between public or private medical services, the quality of services and the level of fees payable for such services are the main consideration.

In response to public preference and market demand, insurers offer different types of medical insurance products. Such insurance products are designed to meet the specific needs of policyholders, and provide protection to them according to the terms of the relevant policy. A maximum level of protection is usually included in the insurance policy.

The purpose of medical insurance is to enable policyholders to spread the risks of losses and expenses caused by illness. Medical insurance is not a substitute for public medical services.

The scope of coverage and indemnity limit offered by medical insurance are matters of commercial decisions by the insurers. These decisions are made having regard to market demand. In general, the scope of coverage is related directly to the insurance premium. In considering the scope of coverage and

indemnity limit, insurers will also take into account factors such as their underwriting policy and financial capability.

Our insurance market is free and open. In designing medical insurance products, insurers respond to the needs of individual policyholders and the premium he or she is prepared to pay. Where there is a demand and when it is commercially viable to do so, insurers would be willing to consider offering medical insurance policies to meet the needs of policyholders suffering from serious or chronic illness for treatment in private hospitals, or to offer a higher indemnity limit. In fact, there are medical insurance products in the market that cover longer-term hospitalization needs and policyholders are free to choose to receive treatment in either public or private hospital.

Under the current regulatory regime and pursuant to the provisions in the Insurance Companies Ordinance, the Insurance Authority's responsibility is to monitor the financial condition of insurers and the fit and properness of their management. This is to ensure that insurers operate prudently and are able to meet their obligations towards policyholders.

Section 26(3A) of the Ordinance specifically prohibits the Insurance Authority from intervening into the level of premium or terms of an insurance policy. This ensures that the market operates freely, is conducive to market innovation and enables the market to respond effectively to user demand. Similar provisions are also present in the relevant legislation in other jurisdictions such as the United Kingdom, Australia and Singapore.

We consider that the existing medical insurance market is functioning effectively. The Insurance Authority will continue to monitor closely the development of the market and ensure that the interests of policyholders are protected.

Similar to other business sectors in the free market, the insurance industry operates on commercial principles. Its operation and the choice of policyholders only reflect the current demand for and supply of medical services.

MISS EMILY LAU (in Cantonese): *Madam President, the Secretary mentioned in the main reply that there are medical insurance products in the market that cover longer-term hospitalization needs. Does the Secretary know the*

percentage of people who have taken out medical insurance in the population of Hong Kong, and how many of these insured have actually taken out insurance that cover long-term hospitalization and serious illness?

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, my thanks go to the Honourable Emily LAU for her question. First, concerning statistics on the population, according to the Household Survey Report No. 8 published by the Census and Statistics Department in May this year, that is, from the information released yesterday, about 2.9 million people or 43% of the population in Hong Kong enjoy medical welfare or medical insurance protection.

On the second part of Miss LAU's question concerning whether medical insurance in the market offers medical protection for people suffering from chronic illness, Madam President, perhaps I should add one point first. Medical insurance is, in fact, a risk-assessing and risk-sharing industry. It is, of course, very easy to take out this type of insurance before contracting any illness, and the premium may also be less expensive. This is similar to the case that it is easier for a household to take out insurance against fire if no fire has ever broken out at their residence before. But it may be more difficult to take out insurance only after a fire. By the same token, and as far as I understand it, there are products in the medical insurance market that can cater for longer-term hospitalization needs, and some products on the market cover hospitalization for 180 days. Individuals may discuss with insurance companies so as to design policies that cover a longer period of hospitalization, say, for two years, three years or four years. Certainly, as I said in the main reply earlier on, if the insurance policy covers a wider scope, or if more items are insured, or if there is demand for a higher maximum indemnity limit, the premium will increase accordingly. This purely depends on demand and supply in the market.

PRESIDENT (in Cantonese): Miss LAU, has your supplementary question not been answered?

MISS EMILY LAU (in Cantonese): *Madam President, the Secretary has not answered my supplementary question. My question was: Does the Secretary know how many of those under insurance coverage have taken out insurance that*

covers serious or chronic illness? If the Secretary does not have the answer now, she can provide us with the information later.

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, the Office of the Commissioner of Insurance (OCI) does not have such statistics. I will bring this up with the OCI and see if the industry has the rough estimates in this regard.

DR LO WING-LOK (in Cantonese): *Madam President, the statistics released yesterday show that over 40% of Hong Kong people have taken out insurance, but if we look further into them, we will find that the sum insured is generally inadequate. From last year's annual report of the insurance industry, we can note that the total sum insured in respect of medical insurance and accident insurance was only \$2.9 billion, compared to a provision of \$30 billion for the Hospital Authority (HA) annually. So, the situation is that many people suffering from chronic illness are not provided with adequate protection, just as Miss Emily LAU has said. My supplementary question is this: Does the Government have plans to facilitate and promote the development of the insurance industry in Hong Kong, so that Hong Kong can have more sufficient medical resources in future?*

PRESIDENT (in Cantonese): Will the Secretary for Financial Services or the Secretary for Health and Welfare answer this question?

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, perhaps let me tackle it first, and the Secretary for Health and Welfare's answer will follow.

The insurance market, including the medical insurance market, is free and open. The best way to facilitate market development and market innovation within the limits of the Government is, as the Financial Secretary has said, to do away with restrictions and limitations, so that participants can enter or leave the market freely and provide the best products and services via free competition.

As to how the medical welfare services can be improved by various means, I shall leave it to Dr YEOH, the Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, as mentioned in the consultation paper on medical reforms published by the HA last year, we must work with the insurance industry in concert to study the way forward and to design new products for public reference. The Health and Welfare Bureau has set up a working group to discuss these matters with the insurance industry. Certainly, in relation to government fees and charges, they should be reviewed in future to ascertain the reasonableness of the present levels of fees and to see if there is room for the insurance industry to design new products in the event of changes in the fee structure in future.

Moreover, the consultation paper mentioned the direction of financing in the long term and proposed the Health Protection Account (HPA) Scheme. The Scheme will bring many opportunities for new products to be designed in the market. We are currently discussing with the insurance industry on the possibility of introducing some new products, so that people who have subscribed to these products can be exempted from mandatory contributions under the HPA Scheme. The HPA Scheme only provides the basic protection. The insurance industry can design some other products to offer the public more choices, for instance, allowing policyholders to make more contributions, or for cases where insurance policies have already been taken out with insurance companies, the insurers can consider how best their insurance policies can be tied with the HPA Scheme.

I would like to make a suggestion to Dr LO Wing-lok. In fact, the Hong Kong Medical Association can discuss with the insurance sector to see how they can co-operate in design new products to give more choices to the people. Not only can the Government carry out this area of work, members of the medical profession can also take part in it.

MISS CYD HO (in Cantonese): *Madam President, according to commercial principles, insurers will certainly target at people with good health to promote their policies, and reject applications from people suffering from illness or impose a higher premium before their applications can be accepted. Our objective is to spread the risks of medical financing through private insurance,*

but over the years, we have not seen much progress and the objective of risk-sharing has yet been achieved. Will the two Secretaries tell us the reasons why there has not been much progress and what the obstacles are?

PRESIDENT (in Cantonese): Which Secretary will answer the question? Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I believe the medical insurance sector is now faced with some difficulties. As we can see, the medical insurance market in every place or country depends on public demand and the major means of financing. If its financing relies on public funds and the tax regime, and if the public sector is relatively big, the private sector will be small. In some places, measures are taken to specifically influence the private market. For example, the Australian Government has specifically subsidized some private insurance companies, and this will encourage the development of the private sector. We are unable to do this. But can this really reduce the expenditure of the public sector? I have misgivings about it. So, it really has to depend on the predominant mode of insurance of a place.

In general, there are only two modes of insurance. One is market-driven, that is, private insurance. In the United States, for example, people take out insurance on their own initiative and the insurance may either be taken out by companies or by individuals. So, their insurance market is bigger and there is no public sector insurance. In fact, Hong Kong has been providing another mode of insurance with the use of public funds, but the "contributions" are very small in amount, for our income is limited. As there is a safety net in Hong Kong, many people may not necessarily feel private insurance necessary. Of course, this system may not be able to sustain into the future, and the consultation paper has also proposed some changes in this connection, because it is impossible for public funds to subsidize or continue with the provision of quality medical services under the existing tax regime in future.

MR MICHAEL MAK (in Cantonese): *Madam President, many people have encountered lots of difficulties when taking out insurance. They do not know the contents of their policies, for there are many legal terms in them. When they*

make claims, insurers often impose many restrictions or even deliberately make things difficult for them. Are these attempts to impose restrictions or deliberately make things difficult for claimants in breach of the professional code of practice of the insurance industry? Has the OCI received any complaint before and what penalty has been imposed?

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, I wish to thank Mr MAK for his question. In relation to the quality of medical insurance service, I will focus on two areas in my answer to the Member's question: Regulation and education.

In respect of regulation, the OCI and the industry have, in recent years, vigorously implemented many professional codes of practice and professional guidelines, introduced the Insurance Intermediaries Quality Assurance Scheme and made arrangements for continued training, and so on, in the hope that the service standard of the insurance industry can be upgraded through these initiatives. With regard to the specific examples cited by the Member just now, as far as I understand it, there are provisions in their professional codes of practice which stipulate the need to ensure full disclosure of the terms of an insurance policy to the policyholder. This is part of regulation.

Being a policyholder, who has to take money out of his own pocket to pay for the premium, he ought to know what product he is buying. In this connection, education is very important. The OCI has injected plenty of resources in this regard, and the Consumer Council has also done a lot on the education front. For example, I have this *Choice* magazine with me, and it makes very useful suggestions, explaining what we should pay attention to when taking out medical insurance, and what terms should be included and what should not be included, as well as how follow-up actions can be taken, and so on.

Education aside, the Honourable Member also raised concern earlier over how the insured can lodge a complaint if the insurance company has deliberately created difficulties for the insured in the event of unfortunate incidents. Indeed, there are many channels for complaint. The industry has an independent Insurance Claims Complaints Board; the Government has the OCI; and the Consumer Council also handles complaints in this regard. So, there are many channels available for the insured to lodge complaints. Regarding the number of complaints, according to information on hand, there were a total of 15

complaints concerning medical insurance last year, which is less than the 26 cases in the year before last. The complaints involved interpretation of policy terms, and whether the liabilities to make compensation are met, and so on. The OCI and the insurance industry have followed up on these cases.

MR MICHAEL MAK (in Cantonese): *Madam President, the Secretary did not tell us whether penalty had been imposed.*

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, as I said earlier on, some of those 15 cases have already been settled and the rest are still being processed. I have been given to understand from the OCI that, for serious cases, the OCI is empowered by law to impose penalty on the insurance company concerned, and the most serious penalty is revoking authorization or registration. As for the intermediaries, the industry to which they belong may have their own disciplinary code.

PRESIDENT (in Cantonese): We have spent over 16 minutes on this question. The last supplementary question now.

MR BERNARD CHAN (in Cantonese): *Madam President, I wish to thank Members for their concern for my industry. (Laughter)*

Earlier on, the Secretary said that 2.9 million people have taken out insurance. I wonder if the Secretary has the statistics to show that a majority of these 2.9 million people do not take out insurance on their own initiative, for it is their companies that take out insurance for them as a kind of welfare for staff and so, they do not necessarily take out insurance of their own accord? This may perhaps address Dr LO's question about why the figure is so small. I wonder if the Secretary has this.....

PRESIDENT (in Cantonese): Please state your supplementary question.

MR BERNARD CHAN (in Cantonese): *It seemed that I was answering questions for the Secretary. (Laughter) Does the Secretary have these statistics?*

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, I wish to thank the Honourable Bernard CHAN for his question. Fortunately, I have done my homework.

According to the survey report by the Commissioner for Census and Statistics, apart from inferring that 2.9 million people in Hong Kong enjoy medical welfare and medical protection, the Commissioner also provided a breakdown of this figure. That is, among these 2.9 million people, 45% or about 1.3 million people enjoy medical welfare provided by their employers or organizations to which they belong, and I believe this may be group medical insurance; 30% or about 870 000 people enjoy personal medical insurance, whereas the remaining 700 000 people enjoy both, that is, apart from the group medical insurance that their employers have taken out for them, they have also taken out personal medical insurance policies.

PRESIDENT (in Cantonese): Oral Question Time ends here.

WRITTEN ANSWERS TO QUESTIONS

Implementation of Co-location Clearance at Border Control Points

7. **MS MIRIAM LAU** (in Chinese): *Madam President, improvement works are being undertaken to upgrade the vehicular border links and facilities for passenger and freight traffic at Lok Ma Chau Control Point in order to cope with the increasing flow of passenger and freight traffic. At the 5th Plenary of the Hong Kong/Guangdong Cooperation Joint Conference, both sides agreed in principle to put on trial the arrangement of "co-locating" immigration and customs facilities for cross-boundary passengers at Lok Ma Chau Control Point and Huanggang Border Control, whereby officers from Hong Kong and Shenzhen will conduct separate cross-boundary checks within the same premises. In this connection, will the Government inform this Council whether:*

- (a) *consideration will be given to examining the feasibility of implementing "co-location" of boundary crossing facilities for freight traffic; if not, of the reasons for that;*
- (b) *modifications will be made to the current and proposed improvement works at Lok Ma Chau Control Point in the light of the arrangement for "co-location" clearance of cross-boundary passengers; if so, of the details; and*
- (c) *consideration will be given to planning afresh the overall facilities at Lok Ma Chau Control Point upon the implementation of "co-location" clearance for cross-boundary passengers, and providing additional lanes for cross-boundary freight vehicles so as to expedite the customs clearance of such vehicles; if not, of the reasons for that?*

SECRETARY FOR SECURITY (in Chinese): Madam President, at the 5th Plenary of the Hong Kong/Guangdong Cooperation Joint Conference held on 15 March 2002, both sides agreed to implement "co-location" of immigration and customs facilities at Huanggang and a new control point to be built at Shenzhen Western Corridor. The principle of implementing "co-location" as agreed between the two sides is that the relevant departments of the two sides will use the site of a control point on the Shenzhen side. They will carry out separate immigration and customs clearance in accordance with their own relevant laws and regulations.

- (a) The consensus reached by Guangdong and Hong Kong is to first implement "co-location" of immigration and customs facilities for passenger traffic at Huanggang. The advantages under the new arrangement are that travellers will not have to get on and off the coaches as many times before and can go through clearance procedures of the two sides in a more comfortable environment. The "co-location" arrangement to be put on trial at Huanggang will not include clearance of goods vehicles. The main reason is the lack of space in Huanggang to accommodate our vehicle inspection lanes and other facilities such as the X-ray building. Moreover, the costs of relocating these facilities will be very high.

Nevertheless, at the new control point at Shenzhen Western Corridor, the "co-location" plan will cover clearance of both passenger and freight traffic of the two sides.

- (b) The proposed "co-location" arrangement will not affect Phase II improvement works being carried out at Lok Ma Chau Control Point. As the "co-location" arrangement at Lok Ma Chau/Huanggang will apply to the clearance of passenger traffic only, it will not affect a larger proportion of improvement works under Phase II which are related to clearance of goods vehicles, such as refurbishment of vehicle kiosks and the construction of the X-ray building, and so on. As for passenger traffic, the major expansion works, such as extension of the Terminal Building and improvement works relating to coach boarding and alighting areas are scheduled for completion in July 2002, October 2002 (alighting areas) and March 2003 (boarding areas) respectively. The rest of the works including refurbishing and additions of immigration counters and the remaining ancillary facilities will be completed by September 2003 by phases. As we need time to study and resolve the complex legal and jurisdictional issues involved in the implementation of "co-location", we should not in the absence of a concrete timetable for its implementation modify the schedule of the existing improvement works which are about to be completed soon. In fact, it is worthwhile to continue to pursue these improvement measures, even as transitional or interim measures prior to implementing the "co-location" arrangement, to alleviate the congested passenger and vehicular traffic at Lok Ma Chau Control Point.
- (c) Upon the implementation of the "co-location" arrangement, a majority of the passenger vehicles may be diverted to Huanggang to undergo clearance procedures required by both sides, leaving all vehicle kiosks at the Lok Ma Chau Control Point free for clearance of goods vehicles. In view of the continuing growth in passenger traffic at Lok Ma Chau (a growth of 302% from 1996 to 2001), we need to study in greater detail whether some facilities at Lok Ma Chau for passenger clearance should be retained. Therefore, we do not think it is time to consider planning afresh the facilities for

passenger traffic at the Lok Ma Chau Control Point so as to provide additional lanes for cross-boundary goods vehicles.

Cases of Counterfeiting Currency or Uttering Counterfeit Currency

8. **MR AMBROSE LAU** (in Chinese): *Madam President, police statistics show that 160 000 counterfeit \$10 coins were seized in the first quarter of this year, representing a three-fold increase over the figure of the same period last year. Besides, the number of counterfeit \$100 bank notes seized also rose substantially. In this regard, will the Government inform this Council:*

- (a) of the cases of counterfeiting currency or uttering counterfeit currency detected by the police in the past two years which involved syndicated activities and their modus operandi;*
- (b) whether it has studied the reasons for \$10 coins being counterfeited in large quantities and considered enhancing the existing security design and features; and*
- (c) of the measures against the increasing number of crimes related to counterfeiting currency or uttering counterfeit currency?*

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

- (a) Since 2000, the police have detected 28 cases of counterfeiting banknotes and coins, and seized 9 437 counterfeit notes and 16 151 counterfeit \$10 coins.

Amongst the above cases, only one involved syndicated activities. In August 2000, the police neutralized this syndicate which used computer printers to produce counterfeit notes. A total of 27 persons were arrested and 5 838 counterfeit notes (most of them were \$100 notes) and related computers and printers were seized. The number of counterfeit notes seized in this operation accounts for 60% of the total number of \$100 notes seized in that year.

The number of persons arrested in the other detected cases ranges from one to two. For example, in an operation in April 2002, the police successfully arrested two persons and seized 579 counterfeit \$100 notes produced by inkjet printers. Related computers and printers were also seized in the home of one of the arrested persons.

The rapid development of computer technology in recent years enables perpetrators to produce counterfeit notes by using desktop computer equipment. It is therefore believed that, apart from syndicates, some individual culprits also commit cases of counterfeiting notes in smaller scale.

As to the ways of passing counterfeit currency, the police noted that offenders usually use counterfeit currency during daily retail transactions in exchange of genuine notes.

- (b) One of the reasons why larger quantities of \$10 coins have been counterfeited is probably attributed to the relatively higher face value of the \$10 coin, which is more attractive to individual culprits. The \$10 coin in circulation was issued in November 1994. The bi-metallic design was considered the most advanced technology at that time. As of to-date, the \$10 coin continues to be seen as one of the coins with the most security features. In fact, some other countries also adopt this technology for their coins in circulation. Such coins include the new EUR1 and EUR2 coins which were formally introduced early this year. The security features of the Hong Kong \$10 coin also include alternate plain and milled edge, detailed and clear three-dimensional relief of the bauhinia, as well as clear and sharp Chinese characters and English letters. The Hong Kong Monetary Authority (HKMA) keeps the security design and measures of all coins in Hong Kong under constant review and assessment; and will consider actively improvement options taking into account the needs of the general public.
- (c) Police's strategies in combating cases of counterfeiting notes and coins include:
 - (i) tackling the sources of the counterfeit banknotes and coins;

- (ii) fighting the distribution of counterfeit currency in the local market; and
- (iii) combating the passing of counterfeit notes and coins by any person under known situations.

At present, a majority of the counterfeit notes and coins were received by members of the public without knowledge. They were discovered by banks when banks handled deposits of their clients. The police therefore usually do not have information on the circumstances under which the counterfeit notes and coins were first received. The police have to adopt an intelligence-led approach to detect, combat and eradicate the crimes of counterfeiting currency.

In recent years, the Guangdong Public Security Bureau detected two workshops which manufactured counterfeit Hong Kong \$10 coins. The Hong Kong police also noticed that some Hong Kong residents smuggled counterfeit notes from the Mainland to Hong Kong. In order to combat any cross-border crime in this respect, the Hong Kong police have all along maintained close liaison with the Guangdong security authorities.

On the prevention front, the police often publicize the security features of banknotes and coins with the assistance of the mass media. They also organize joint briefings with the HKMA on open days at police stations in order to educate the public on ways to differentiate genuine and counterfeit notes and coins. In collaboration with the police, the HKMA also publish leaflets which are placed at banks and police stations for distribution to members of the public. In addition, the police will also arrange briefings to individual institutions which have to handle large amount of cash, such as banks.

Acting Arrangements for Secretaries and Bureau Secretaries

9. **MR JAMES TO** (in Chinese): *Madam President, regarding the acting arrangements for the Chief Secretary for Administration, the Financial Secretary, the Secretary for Justice (the Secretaries) and bureau secretaries during the*

periods when they are not in Hong Kong to discharge their duties, will the Government inform this Council:

- (a) of the acting arrangements for the Secretaries and bureau secretaries during the periods when they are not in Hong Kong to discharge their duties; and*
- (b) whether there have been cases in which no acting arrangements had been made in accordance with the prescribed procedures for the Secretaries and bureau secretaries during the periods when they were not in Hong Kong to discharge their duties over the past 24 months; if so, of the reasons for that and the details, including the number of days of their absence from Hong Kong without having made such arrangements and whether there had been occasions on which their decisions or instructions were required on certain matters; if so, of the details?*

SECRETARY FOR THE CIVIL SERVICE (in Chinese): Madam President, acting appointments are administrative arrangements made to assign an officer to undertake the duties and responsibilities of another office during the temporary absence of the substantive holder. There is no statutory requirement that acting appointments must be made to civil service posts whenever the incumbents are away from Hong Kong. The need for making an acting appointment is assessed on the merits of individual cases having regard to the operational needs prevailing at the time, for example, whether the period of the officer's absence from Hong Kong involves normal working days or public holidays, whether appropriate arrangements governing the exercise of statutory or administrative authorities are in place, whether the officer can be easily contacted for instructions or can return to office at short notice as necessary. Where an acting appointment is required, the officer who is most familiar with the work of the acting office should take up the acting appointment.

Against the above background, my replies to the specific questions are as follows:

- (a) There is no mandatory requirement for acting appointments to be made to the posts of the Chief Secretary for Administration, the Financial Secretary, the Secretary for Justice and Bureau Secretaries

when the incumbents are away from Hong Kong. Acting appointments to such posts will be made if the operational needs so require. The acting office will be taken up by a senior officer who is conversant with the work of the office at the time.

- (b) Over the past 24 months, the need for making acting appointments to the posts of the three Secretaries of Departments and Bureau Secretaries had been assessed against the prevailing operational requirements at the time and acting appointments had been made in accordance with the above considerations as appropriate.

Five-year Corporate Plan of Urban Renewal Authority

10. **MR FREDERICK FUNG** (in Chinese): *Madam President, it has been reported that the "Five-year Corporate Plan" of the Urban Renewal Authority (URA) has been approved by the Financial Secretary, and the URA will continue to acquire dilapidated premises for redevelopment projects. In this connection, will the Government inform this Council whether:*

- (a) *it will submit the "Five-year Corporate Plan" to this Council for consideration; if so, when; if not, of the reasons for that;*
- (b) *it knows the detailed procedures that the URA needs to undergo in acquiring dilapidated premises for redevelopment projects; and*
- (c) *the owners concerned can accept the original purchase offers proposed by the URA before the issuance of the order for resumption, that is, when the URA is applying under the Lands Resumption Ordinance (Cap. 124) for the resumption of premises for which no purchase agreements can be reached between the URA and the owners?*

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

- (a) The Financial Secretary is empowered under the Urban Renewal Authority Ordinance (URAO) (Cap. 563) to consider and approve

the draft corporate plans and draft business plans submitted by the URA annually. In accordance with the URAO, the Financial Secretary approved on 28 March 2002 the first corporate plan and business plan of the URA covering the periods 1 April 2002 to 31 March 2007 and 1 April 2002 to 31 March 2003 respectively.

We will not make public the corporate plan which contains commercially sensitive information and the details of individual projects, including their location and implementation timetable. It will not be in the public interest to do so.

To implement the urban renewal programme, the Government will seek approval from the Finance Committee for a capital injection of \$10 billion into the URA.

- (b) The URA is an independent statutory body. Its acquisition policy is determined by the URA Board from time to time. The Government is generally aware of the acquisition process.

After the announcement of a redevelopment project, the URA will:

- (i) carry out an occupancy survey. The data will be used to, among other things, determine the eligibility of owners to the URA's Home Purchase Allowance (HPA). The HPA is the difference in the values between a seven-year-old flat in the same general locality and the open market value of the flat in question;
- (ii) arrange for valuation to be conducted regarding the open market value and the HPA of a flat which will form the basis of the URA's purchase offers;
- (iii) issue offer letters on the open market value of the property, the HPA as well as applicable allowances to eligible owners to purchase their properties by private agreement within a specified time frame;
- (iv) organize briefing sessions for and provide information to affected owners on the acquisition offers;

- (v) negotiate with the owners or their representatives; and
 - (vi) where there is mutual agreement, conclude the transaction.
- (c) The purchase of properties within the project area during the acquisition stage is by private agreement between the URA and the affected owners. It is for the URA and the owners to negotiate the terms with a view to reaching mutual agreement.

After the URA has submitted a request for land resumption under the URAO, the acquisition process may continue prior to the reversion of the land to the Government, which is usually three months after the resumption notice has been published in the Gazette following an approval by the Chief Executive in Council on the resumption. If an owner were to ask the URA to reopen the negotiation regarding the original purchase offer after the offer has lapsed but before the reversion date, it is entirely up to the URA to consider the request on a case-by-case and discretionary basis having regard to circumstances at the time.

Strengthening Co-operation with Airports in Pearl River Delta

11. **MR HUI CHEUNG-CHING** (in Chinese): *Madam President, it has been reported that the Hong Kong Airport Authority (AA) is concerned about the increasing amount of cargo for export switching to the airports in the Pearl River Delta (PRD) and, to avoid vicious competition and to broaden the cargo base, the AA is planning to co-operate with these airports. In this connection, will the Government inform this Council whether:*

- (a) *it knows the amount of domestic cargo or mainland cargo scheduled for export from Hong Kong which has switched to the airports in the PRD since the commissioning of the Hong Kong International Airport (HKIA); and whether it has projected the growth of this amount in the next three years;*
- (b) *it has assessed the economic loss suffered or to be suffered by the AA each year since the commissioning of the HKIA and over the next*

three years as a result of the export of domestic and mainland cargoes switching to the airports in the PRD; and

- (c) *it has considered implementing specific measures to strengthen the co-operation between the HKIA and the airports in the PRD in order to broaden the cargo base and achieve a win-win situation?*

SECRETARY FOR ECONOMIC SERVICES (in Chinese): Madam President, our reply to the three parts of Mr HUI Cheung-ching's question is as follows:

- (a) Statistics on the volume of Hong Kong cargo or mainland cargo re-exported through the HKIA which has been diverted to the other airports in the PRD are not available. To compile such statistics, it is necessary to integrate the relevant statistics of the Mainland with the relevant statistics of Hong Kong, but the two sets of statistics may not match with each other. Without the relevant statistics, it would be difficult to estimate the growth of such diversion of cargo in the next three years.
- (b) The economic impact on the AA arising from diversion of domestic and mainland cargo to other the PRD airports for export would mainly be revenue reduction in relation to the provision of air cargo handling facilities at the airport. According to information from the cargo handling industry concerned, the AA estimates that the quantity of such diversion of cargo should be minimal and the associated economic impact on the AA should be insignificant. In fact, in 2001 the volume of international cargo handled by the HKIA was 2.1 million tonnes whereas the airports in Shenzhen, Guangzhou and Macao handled about 19 500 tonnes, 51 500 tonnes and 76 000 tonnes respectively, representing only 0.9%, 2.5%, 3.7% or a total of about 7% of the cargo throughput of the HKIA, (Zhuhai Airport does not have any international flight and does not handle any international cargo).
- (c) The AA notes that the development of other PRD airports will bring more competition to the HKIA's role as a cargo hub. To respond to the competition, the AA has formulated measures to enhance the

standards and capabilities of the cargo handling services at the HKIA. These measures include:

- (i) enhancing the air cargo handling facilities. Eight new cargo stands were built in December 2001 bringing the total to 21;
- (ii) extending the HKIA's connectivity with the PRD to enlarge its cargo catchment area. The marine cargo terminal on the airport island was opened in March 2001 to link the HKIA with 20 ports in the PRD; and
- (iii) developing logistics services on the airport island.

Concurrently, the AA is exploring co-operation opportunities with the four other PRD airports. These five major PRD airports organized two seminars in July 2001 and March 2002, and agreed to explore further co-operation in the following areas:

- (i) Joint promotion of services;
- (ii) Airport emergency co-ordination and support; and
- (iii) Joint studies in individual topics such as simplification of cargo handling procedures, safety and security, manpower training, and so on.

Separately, the AA is also exploring with individual airport on opportunities for co-operation in their operations (for example, cargo handling). To enable the AA to explore possible co-operation opportunities with other airports, we need to amend the relevant legislative provisions to extend the geographical limit of the AA's activities so that it may undertake certain airport-related activities outside the airport island.

Environmental Hygiene Conditions of Tourist Attractions

12. **MR HOWARD YOUNG** (in Chinese): *Madam President, Ping Shan, situated in Yuen Long of the New Territories, is one of the popular tourist*

attractions promoted by the Hong Kong Tourism Board (HKTB) and the Yuen Long District Office. I recently discovered that refuse had piled up in the drains along the road leading to the Ping Shan Heritage Trail and works in progress on a construction site nearby had caused the emission of fugitive dust, leaving a bad impression on visitors. In this connection, will the Government inform this Council:

- (a) of the total number of complaints received last year concerning the poor environmental hygiene conditions of various tourist attractions promoted by the authorities concerned; and*
- (b) how various government departments (including the Food and Environmental Hygiene Department (FEHD), the Home Affairs Department (HAD) and the Lands Department (LD)) will work together to keep the promoted tourist attractions and their vicinity clean and pleasant?*

SECRETARY FOR ECONOMIC SERVICES (in Chinese): Madam President, the Government works through different channels to ensure we have a clean, healthy and pleasant living environment in Hong Kong. Such efforts are in keeping with Hong Kong's position as an international business centre and a top tourist destination.

Government departments provide a wide range of environmental hygiene services including daily maintenance services such as street-sweeping, rubbish bin cleansing, upkeeping public toilets and hygiene facilities, as well as undertaking major cleansing operations throughout Hong Kong. These efforts are complemented by enforcement of relevant legislation and ongoing public education programmes. In December 2000, the "Clean Hong Kong" programme was relaunched to spearhead efforts to raise environmental hygiene standards and promote public awareness of the importance of a clean environment. The programme consists of major clean-up operations and publicity activities, and will receive a further boost when a new fixed penalty system for minor public cleanliness offences is introduced in May 2002. In the long run, education and community involvement programmes will continue to ensure public support for efforts to maintain a clean environment.

Complaints

The FEHD received 48 complaints relating to environmental hygiene matters at tourist spots between April 2001 and April 2002. The HAD received 15 such complaints during the same period. The Environmental Protection Department (EPD) does not have specific complaints figures relating to the hygiene condition of tourist spots. The Department received 198 complaints about flytipping and 169 complaints relating to construction dust in Yuen Long District in 2001.

Tourist Attractions

Work to ensure good environmental conditions at tourist spots involves a number of departments and organizations. Under the overall programme to keep Hong Kong clean, there have been ongoing joint as well as individual efforts by relevant departments to maintain our tourist spots in a clean and pleasant condition. Recently, such efforts have included a number of co-ordinated clean-up operations by relevant departments in support of the "Recommendation of the Month" 18-district promotion programme jointly organized by the HAD and the HKTB. As the programme continues, the relevant departments will continue their efforts to ensure that tourist spots including those to be showcased as part of the programme are maintained in a clean and pleasant state for promotion to visitors.

The HAD has been working closely with the departments concerned to co-ordinate their efforts to maintain the cleanliness of our tourist spots in a number of ways:

- (i) Referring comments and complaints about environmental hygiene to relevant departments for remedial action, liaising with relevant parties such as non-governmental organizations and local residents as and when necessary, and monitoring the progress of improvement work to ensure that problems are properly addressed.
- (ii) Arranging site visits and inspections by relevant departments and co-ordinating joint improvement and clean-up operations by departments in identified areas.

- (iii) Setting up committees under the District Councils, such as the "District Clean Hong Kong Committees", to promote the message of "Clean Hong Kong" and raise public awareness of environmental and food hygiene.

As the government department responsible for providing hygiene and cleansing services in Hong Kong, the FEHD plays an active role in joint clean-up operations at tourist spots, and will respond immediately when called upon to improve the environmental condition in and around these locations. Recently, the Department has strengthened its communication and contact with the HKTB at both the Headquarters and the district levels to facilitate the exchange of information and enhance collaboration. For instance, the Department has been fully supportive of the HKTB's two-year "City of Life: Hong Kong is it!" tourism promotion programme since its launch in April 2001. At its own initiative, the FEHD has taken steps to improve the cleanliness of the areas around tourist spots and has been working hard to upgrade toilets and other such amenities.

The LD is not responsible for cleansing. As such, it has no direct involvement in the environmental hygiene conditions of tourist areas. Nevertheless, over the past three years, the LD has provided funding of appropriately \$5 million to the FEHD to provide for the cleansing of government land. With effect from 1 April this year, the FEHD has formally taken on cleansing activities in these areas.

As the organization responsible for tourism promotion and marketing Hong Kong internationally, the HKTB has an established mechanism to deal with reports of unhygienic conditions at tourist attractions and/or their surroundings. In respect of complaints involving public tourist sites, the HKTB will liaise with the departments concerned through the relevant district office to take appropriate remedial actions. Where private tourist sites are involved, the HKTB will negotiate with the owners concerned to encourage the latter to improve conditions. The HKTB maintains close liaison with the relevant government departments to monitor the condition of our tourist sites and ensure that appropriate remedial actions are taken whenever required.

Ping Shan Heritage Trail

The Ping Shan Heritage Trail in Yuen Long is inspected regularly by the departments concerned. It was part of the promotion of Yuen Long District in March 2002 under the Recommendation of the Month programme, and a number of measures have been taken to improve its condition.

In January this year, the Yuen Long District Office organized a site visit to the trail with representatives from the FEHD, the Antiquities and Monuments Office and local residents. Following the visit, the FEHD conducted five major cleansing operations along the trail and stepped up regular inspections of the area. According to the FEHD, some villagers living along the trail have stockpiled wood within the boundaries of their private land. As this might create a visual impact and give a negative impression of the area, the FEHD has sought the villagers' co-operation to tidy up their properties.

The EPD's Local Control Office (Territory West) has no record of any complaints about dust emissions or flytipping along the road leading to the Ping Shan Heritage Trail over the last year. During the EPD's most recent periodic inspection of the area on 10 May 2002, they saw no evidence of any flytipping or dust emissions from construction sites. The Department will continue to monitor the condition of the area and take action over any dust emissions or flytipping found.

Co-operation Between Public and Private Hospitals

13. **MR MICHAEL MAK** (in Chinese): *Madam President, it has been reported that the Health and Welfare Bureau has set up a working group to study the co-operation between public and private hospitals; the Department of Health (DH) will co-operate with private hospitals and has planned to launch, within a year, a pilot scheme under which private hospitals will be invited to provide the public with disease prevention services such as women's cervical screening. Patients of public hospitals may be transferred to private hospitals for elective surgery such as cataract extraction. In this connection, will the Government inform this Council:*

- (a) *of the membership of the working group, the organizations which they work for and their post titles;*

- (b) *whether a preliminary decision on the co-operation items of public and private hospitals has been made by the working group; if so, of the details, objectives and implementation schedule of the decision;*
- (c) *of the estimated number of women undergoing cervical screening in private hospitals under the pilot scheme jointly implemented by the DH and private hospitals, of their age groups and the fees to be charged;*
- (d) *of the costs of cervical screening services currently provided by public hospitals, and how they compare with those provided by private hospitals;*
- (e) *of the types of patients to be transferred from public hospitals to private hospitals to receive treatment under the co-operation programme with private hospitals; the interface arrangements and average waiting time; whether a mechanism to protect the privacy of patients will be set up; and whether it will provide patients with detailed information on the services provided by and charges of private hospitals; and*
- (f) *whether it knows if private hospitals will adjust their fees and charges; if they will, of the details?*

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

- (a) Below is the membership of the Working Group on Private/Public Interface on Hospital Service:

<i>Member</i>	<i>Post Title, Organization</i>
Dr E K YEOH (Chairman)	Secretary for Health and Welfare, Health and Welfare Bureau
Mr Thomas YIU	Deputy Secretary for Health and Welfare, Health and Welfare Bureau

<i>Member</i>	<i>Post Title, Organization</i>
Dr Margaret CHAN	Director of Health, Department of Health
Dr FUNG Hong	Director (Professional Services and Planning), Hospital Authority
Dr Pamela LEUNG	Cluster Chief Executive (Hong Kong East) and Hospital Chief Executive of Pamela Youde Nethersole Eastern Hospital
Dr Susan CHAN	Chairman (Board of Director), Hong Kong Baptist Hospital
Dr CHIU Hin-kwong	Vice Chairman (Board of Director), Hong Kong Baptist Hospital
Dr Christina CHOW	Medical Superintendent, St Teresa's Hospital
Dr David FANG	Consultant Orthopaedic Surgeon, St. Paul's Hospital
Dr LEE Kai-yiu	Chief Hospital Manager and Medical Director, Union Hospital
Dr Walton LI	Deputy Medical Superintendent, Hong Kong Sanatorium and Hospital

- (b) A number of different issues aiming at facilitating collaboration between the public and private sectors have been discussed at the working group meetings. These included the development by the Hospital Authority (HA) of a set of patient referral guidelines which would assist not only internal referrals within the HA but also where appropriate, externally to the private sector; the identification and development of shared care programmes; the dissemination of information on private sector services through the assistance of HA; and the possibility of developing a medical insurance scheme for new civil service recruits with the participation of the private sector,

and so on. While discussion on the various issues is still in progress, we are aiming at identifying viable options within this year.

- (c) With a view to strengthening preventive services to provide lifelong holistic care, the DH will launch a cervical screening programme for women in collaboration with other health care providers in 2003-04. In this connection, a cervical screening taskforce with representatives from the private sector was set up in December 2001 to oversee the planning and implementation of the programme. The programme is still at an early stage of discussions and its definitive mode of operation has yet to be worked out. However, the taskforce will recommend ways to enhance public/private collaboration in the program. The Government will conduct a series of educational campaigns to promote women's awareness of the screening programme.

As regards the estimated number of women undergoing cervical screening in the private sector under the programme and the fees that would be charged, these would be subject to individual choices, the market situation and further discussion with the private sector.

- (d) HA hospitals do not provide cervical screening to women in the community as part of their standard services.

The charge for undergoing cervical screening in private hospitals is variable. Apart from fees for the laboratory test, other fees such as doctor consultation fees may also be charged, depending on the circumstances of individual patients. In the absence of comparable costs of providing cervical screening between the public and private hospitals, we therefore cannot compare their relative costs.

- (e) The question of patient referrals between the public and private sectors is at an initial stage of discussions. The HA and the private sector are exploring ways and means to facilitate patient choices and consideration of the alternative of private sector services. Discussions on the possibility of shared care programmes are also in progress.

- (f) The determination of the level of fees and charges is a commercial decision by individual private hospitals, having regard to market forces and other factors as they deem relevant.

Payment of Government Rent for New Territories Small Houses

14. **DR TANG SIU-TONG** (in Chinese): *Madam President, under section 4 of the Government Rent (Assessment and Collection) Ordinance (Cap. 515) (the Ordinance), a person who is a lawful successor in the male line of an indigenous villager, upon inheriting a small house holding from his father as a lessee, is exempted from liability to pay government rent of an amount equal to 3% of the rateable value of the land leased from the date of lease extension. However, if the small house had been given to him by his father while the latter was still alive, he would not be granted such an exemption. The provision has caused grievances among the affected indigenous villagers in the New Territories. In this connection, will the Government inform this Council:*

- (a) *whether, in formulating Item 2 of Annex III to the Joint Declaration on "Land Leases" and Article 122 of the Basic Law, an interpretation was given regarding the legislative intent of the provisions concerned or the definition of "successor";*
- (b) *of the number of cases, since the commencement of the Ordinance, in which indigenous villagers have become ineligible for such exemption from payment of government rent because of their failure to meet the requirements of section 4 of the Ordinance, and its percentage in those cases in which indigenous villagers should have been eligible for rent exemption before the Ordinance came into operation;*
- (c) *of the number of complaints received since the commencement of the Ordinance in respect of non-eligibility for rent exemption in the said circumstances and, among these complaints, the number of those in which the complainants subsequently applied to court for judicial reviews, as well as the outcome of such reviews;*

- (d) *of the indigenous villager bodies which had been consulted at the drafting stage of the Ordinance, and their views on the Ordinance; and*
- (e) *whether, upon the implementation of the Ordinance, publicity efforts had been made to explain the legislation to those affected by section 4 of the Ordinance; if so, of the details?*

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

- (a) Annex III to the Sino-British Joint Declaration on the Question of Hong Kong (the JD) sets out the provisions on how land leases in Hong Kong and other related matters should be dealt with during the transitional period and after the establishment of the Hong Kong Special Administrative Region. Item 2 of Annex III to the JD provides, *inter alia*, that in respect of certain rural holdings, the rent shall remain unchanged so long as the properties are held by persons and their lawful successors descended through the male line from indigenous villagers. Modelling on Item 2 of Annex III to the JD, similar provisions are set out in Article 122 of the Basic Law.

The purpose of the Ordinance is to implement the principles of the JD and the Basic Law in respect of the liability to pay government rent. It provides for the assessment and collection of government rent on certain government leases extending beyond 30 June 1997. To implement the aforesaid principles, a "lawful successor" is defined in the Ordinance to mean "a person, male or female, who on the death of an indigenous villager is or becomes entitled to an interest in the estate of the deceased by lawful succession and which person is a descendant through the male line of the deceased". The Ordinance gives effect to the legislative intent as expressed in the relevant provisions of the Basic Law which implement the corresponding treaty obligations in the JD. The Ordinance is entirely consistent with the Basic Law and the relevant provisions of the JD.

- (b) Rent exemption is given in respect of interests in certain rural holdings. Since the commencement of the Ordinance, a total of 140 438 lots and tenements have been assessed. Among them, some 48 223 have been found not eligible for rent exemption.

Since the entering into force of the JD, there is no difference in the criteria for rent exemption before and after the commencement of the Ordinance. All along, only certain interests in land held by lawful successors of indigenous villagers descended from the male line are eligible for rent exemption. Therefore the question of "indigenous villagers who should have been eligible for rent exemption before the Ordinance came into operation" does not arise.

- (c) Since the coming into operation of the Ordinance, the Lands Department has received 1 627 applications for a review of the Director of Lands' decision of rejecting rent exemption. The Ordinance provides a mechanism for any person, aggrieved by the decision of the Director of Lands, to appeal to the Lands Tribunal. There have been 65 appeals to the Lands Tribunal under the provisions of the Ordinance. Of these 65 cases, 50 have been withdrawn or discontinued, 12 cases have been heard and dismissed by the Lands Tribunal and three cases are pending hearing. No application for judicial review has been made.
- (d) The Administration had consulted Heung Yee Kuk (HYK) and the Rural Committees before the enactment of the Ordinance. In this respect, an information paper on the Bill, with answers to questions raised by HYK on rent exemption, was discussed at a meeting with HYK in March 1997. The issue of lawful successors was also explained in the aforesaid information paper. HYK did not raise any further question at the meeting.
- (e) Since the passing of the Bill by this Council in 1997, the Lands Department had prepared a publicity leaflet explaining the Ordinance (including the provision of section 4 of the Ordinance) and the exemption criteria with examples. These leaflets have been distributed to villagers and members of the public who make enquiries on the issue.

Tenancy Dispute Over Former Site of Kai Tai Airport

15. **MR LEUNG YIU-CHUNG** (in Chinese): *Madam President, I have received a complaint from the Hong Kong General Association of Re-cycling Business (the Association) which alleged that the Government was planning to resume in July this year the lot of land (formerly the site of the Kai Tak Airport Fire Station) that had been leased to the Association since 1999. This would mean a breach of the verbal undertaking made at that time by the Environmental Protection Department (EPD) that the piece of land was renewable for a term of five to seven years. In this connection, will the Government inform this Council:*

- (a) *whether it will adhere to the EPD's verbal undertaking and renew the lease with the Association; if it will, of the details; if it will not, the reasons for that;*
- (b) *if it has decided to resume the piece of land, whether it plans to immediately allot another site to accommodate all the recyclable waste collectors operating there; if it does, of the details; if it does not, the reasons for that; and*
- (c) *given that the Association indicated that the recyclable waste collectors concerned had invested over \$13 million in their business, whether it will offer compensation or allowances to these collectors; if it will, of the details; if it will not, the reasons for that?*

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

- (a) The tenancy agreement signed between the Association and the District Lands Office, Kowloon East (DLO) stipulates that the tenancy of the concerned site has a fixed three-year term. Whether the tenancy could continue upon the expiry of the fixed term would depend on the development programme of the site. The EPD has not given any undertaking regarding the renewal or the term of the tenancy of this site. Since the Civil Engineering Department will commence work at the site in August for the development of a

temporary barging point, the DLO cannot allow the tenancy to continue upon its expiry on 30 June 2002.

- (b) It is the Government's established policy not to re-provision sites to accommodate tenants who have to vacate upon termination of short term tenancies.

However, to facilitate the development of the recycling industry, we will continue to make available a number of short term tenancy sites in the coming months for use by the recycling industry. These sites, which are located in Tai Po, Eastern Kowloon and Tseung Kwan O, will be made available through open tender. The EPD will inform the Association and the industry of the relevant details as soon as possible. Members of the Association and interested recyclers are welcomed to bid for these sites. In addition, we have set aside 20 hectares of long term land in Tuen Mun for establishing a Recovery Park for exclusive use by the recycling industry. The Recovery Park is expected to commence operation in 2004.

- (c) As the tenancy will be terminated in accordance with the term of the tenancy, the Government will not give any compensation or allowance to the tenant.

Arrival of One-way Permit Holders for Family Union

16. **MR YEUNG YIU-CHUNG** (in Chinese): *Madam President, regarding Hong Kong residents' spouses and their children eligible for right of abode in Hong Kong (ROA children) coming from the Mainland to settle in Hong Kong for family reunion, will the Government inform this Council:*

- (a) *of the number of Hong Kong residents' ROA children who came to settle in Hong Kong on one-way permits (OWPs) in each of the past two years, and its proportion to the total number of OWP holders (broken down by those aged 18 years old and above and those aged below);*

- (b) *whether it knows the respective numbers of Hong Kong residents' spouses and ROA children who are waiting to come to settle in Hong Kong and the time required to arrange for all of them to come; and*
- (c) *whether it will work out measures to shorten the waiting time for Hong Kong residents' spouses and ROA children to come to Hong Kong; if so, of the details; if not, the reasons for that?*

SECRETARY FOR SECURITY (in Chinese): Madam President, our reply to Mr YEUNG Yiu-chung's question is as follows:

- (a) The relevant statistics are provided at Annex.
- (b) According to the information provided by the Bureau of Exit-Entry Administration (BEEA) of the Public Security Ministry in the Mainland, as at the end of November last year, a total of approximately 160 000 applications from mainland residents for entry and settlement in Hong Kong were being handled by various mainland provinces and cities. These include various categories of applications under the OWP Scheme, that is, separated spouses, mainland children born to Hong Kong parents who are eligible for right of abode, mainland children coming to look after elderly parents with no one to depend on in Hong Kong, mainland elderly persons or children with no one to depend on in the Mainland coming to join close relatives in Hong Kong, and so on. We understand from the BEEA that this figure does not cover all mainland residents who wish to settle in Hong Kong at present. For instance, the priority for entry into Hong Kong for separated spouses under the "Points System" is determined according to the length of separation of the couple, not the timing of submission of applications. Hence currently many mainland residents falling under the category of "separated spouses" would choose to lodge their applications only when they have acquired the requisite points.

We do not have the detailed breakdown of these 160 000 applications which are under processing.

- (c) The OWP Scheme is administered and implemented by the mainland public security authorities in accordance with the Mainland's laws and regulations. All eligible applicants must wait for their turn to obtain their OWPs in accordance with the "Points System" to ensure fairness. As regards waiting time, we have seen substantial improvement over recent years. We understand that previously mainland spouses of Hong Kong residents often had to wait for more than 10 years to come to Hong Kong. At present, Guangdong residents who have been separated from their Hong Kong spouses for eight to nine years are usually eligible to enter Hong Kong for settlement. For those residing in regions outside Guangdong, those separated for about five years would be able to come. According to a sample survey carried out by the Immigration Department, on average mainland children born to Hong Kong permanent residents and eligible for right of abode under Article 24 para 2(3) of the Basic Law can enter Hong Kong for settlement about two years after submission of application.

Annex

Statistics on
Holders of Certificate of Entitlement (C of E)
Entering Hong Kong for Settlement

	2000		2001	
	No.	%*	No.	%*
C of E holders born in the Mainland to Hong Kong parents	26 275	45.7%	29 296	54.6%
- Below 18	18 188	31.6%	15 155	28.2%
- 18 or above	8 087	14.1%	14 141	26.4%

* This refers to the percentage out of the total number of OWP holders entering Hong Kong for settlement in the relevant year.

Local Power Demand

17. **MR FRED LI** (in Chinese): *Madam President, it has been reported that the total local sales of CLP Power Hong Kong Limited (CLP) increased by 2.4% last year as compared with that of the year before, with a 5.3% increase in profit, and its Development Fund having accumulated to almost \$3.2 billion. Regarding the tariff charged by the CLP, local power demand, the sales forecasts of CLP and the Hong Kong Electric Company Limited (HEC), as well as the development projects to increase power supply, will the Government inform this Council whether:*

- (a) *The CLP's increase in sales last year was in line with the Government forecasts; and, in view of the substantial amount accumulated in the CLP Development Fund, whether it has considered suggesting to the CLP that it should reduce its tariff or provide rebates to its customers again;*
- (b) *it has made projections on the local power demand and the respective sales of the two power companies for the coming three years; and*
- (c) *it has assessed if the long term local power demand would decrease gradually as a result of economic restructuring; if it would, of the rate of decrease, and whether it will request the two power companies to consider deleting or postponing the implementation of some of their development projects?*

SECRETARY FOR ECONOMIC SERVICES (in Chinese): Madam President,

- (a) The increase in local sales of the CLP last year was generally in line with the Government's forecast.

The Scheme of Control Agreement signed between the Government and the CLP stipulates the timetable for an annual tariff review jointly conducted by the Government and the CLP at the end of each year to determine the tariff for the following year. As the tariff review for the current year has been completed, the Government do

not intend to conduct another tariff review with the CLP for this year again.

In the annual tariff review, both parties will consider all relevant factors including the latest position of the Development Fund. Of note is that differences between the forecast and the actual sales (including differences arising from short-term economic situation and unusual weather conditions) may have implications on the future tariff, and the Development Fund can be deployed to stabilize tariff. Hence, during the annual tariff review at the end of 2001, when we considered the position of the Development Fund, the Government and the CLP aimed to strike a balance between customers' immediate interest and longer-term tariff stability.

- (b) The Government makes annual assessment on the trend of local electricity demand over the next 10 years. Such assessment normally includes an electricity sales forecast and a maximum demand forecast. The latest assessment was completed in the latter half of last year. According to that assessment, the average growth rates of electricity demand during 2001 to 2010 (with 2000 as the base year) are as follows:

	<i>In CLP's Supply Areas</i>	<i>In HEC's Supply Areas</i>
	<i>p.a.</i>	<i>p.a.</i>
In terms of sales	about 3%	about 4%
In terms of maximum demand	about 3%	about 3%

- (c) The Government assesses on an annual basis Hong Kong's long-term (that is, over the next 10 years) demands for electricity. Each assessment takes into account the latest trends in local economic development (including economic restructuring) and other factors (such as the number of households) that may impact on electricity demand. The Government estimates that there will be continual growth in the local economy in the next 10 years and that the local electricity demand will increase with economic growth.

To ensure an efficient, secure and reliable electricity supply and based on current data, the Government does not consider it

necessary to delete or postpone development projects of the two power companies currently in progress.

Contamination of Industrial Sites

18. **MR ALBERT CHAN** (in Chinese): *Madam President, it has been reported that while the cost estimate for decommissioning Cheoy Lee Shipyard at Penny's Bay was \$22 million in 1999, the latest estimate stands at \$450 million, representing a discrepancy of more than 20 times. This is attributable mainly to the Government's failure to foresee, when the estimation was first made, the need to deploy huge resources to remove the toxic dioxin which has contaminated the land. In this connection, will the Government inform this Council:*

- (a) of the existing industrial sites, with a breakdown by their sizes and the regions in which they are located;*
- (b) whether it has adopted specific measures to ensure that users of industrial sites will prevent the land from being contaminated; if so, whether it has reviewed the effectiveness of those measures; if not, of the reasons for that; and*
- (c) in granting industrial sites to operators of power plants, sludge treatment facilities, shipyards and iron and steel plants, whether it has specified terms to prohibit users of the sites from contaminating the land; if so, of the details of the terms; if not, the reasons for that?*

SECRETARY FOR PLANNING AND LANDS (in Chinese): Madam President, a considerable amount of the increase in the cost estimate for decommissioning Cheoy Lee Shipyard at Penny's Bay is due to the presence of dioxins which are very expensive to treat. Dioxins are not normally associated with shipyard activities. That explained why the Government had not included treatment cost for dioxins in the original estimate. The Administration's replies to the specific questions raised by the Honourable Albert CHAN are given below.

- (a) There are 105 sites zoned for industrial uses in the current statutory Outline Zoning Plans. A breakdown by their locations and sizes is at Annex.
- (b) There are various measures including a number of existing legislation that can be used to deal with land contamination. One example is the Waste Disposal Ordinance (WDO), which sets out a framework for the management of waste disposal activities with relevant licensing and statutory requirements. The WDO imposes criminal liability for failure to comply with the statutory requirements. Improper waste disposal activities which may contribute or lead to land contamination are liable to prosecution. For example, using or permitting to be used any land or premises for the disposal of waste without a licence may lead to prosecution resulting in fines and/or imprisonment.

Another example is the Environmental Impact Assessment Ordinance (EIAO), which also contains provisions relating to land contamination issues. The designated projects listed in Part II of Schedule 2 to the EIAO are those involving land uses which have the potential to cause land contamination. These project owners are required to follow the statutory environmental impact assessment process before an environmental permit may be issued for decommissioning their facilities.

At present, the Government is considering possible legal avenues in relation to the contamination at the former Cheoy Lee Shipyard site. In order not to prejudice the Government's position, it is inappropriate to comment on the effectiveness of the statutory provisions at this stage.

- (c) Appropriate provisions relating to environmental protection have been included in the land leases of industrial sites. These provisions include requirements that the grantee is to comply with prevailing laws governing the control of any form of pollution and the protection of the environment. These provisions are reviewed from time to time in consultation with the relevant authorities and steps are being taken for the inclusion of a set of more stringent pollution control clauses in new lease conditions. For example,

provision on the grantee's responsibility for decontamination of the lot upon expiry of the lease has now been included in the relevant land leases.

Annex

Number and Size of Sites Zoned for Industrial Uses
under the Current Statutory Outline Zoning Plans

<i>Outline Zoning Plan Area</i>	<i>No. of Sites</i>	<i>Site Area (hectares)</i>
Kennedy Town and Mount Davis	1	0.76
Shau Kei Wan	2	1.01
Aberdeen and Ap Lei Chau	7	10.64
Chai Wan	9	15.69
Quarry Bay	1	0.20
Tsz Wan Shan, Diamond Hill and San Po Kong	2	2.67
Cha Kwo Ling, Yau Tong and Lei Yue Mun	3	1.49
South West Kowloon	1	2.11
Tsuen Wan	5	33.92
Kwai Chung	8	49.08
Tsing Yi	9	164.00
Stonecutters Island	3	10.26
Tseung Kwan O	2	188.24
Sha Tin	10	52.49
Tai Po	1	95.69
Fanling and Sheung Shui	4	58.37
Tuen Mun	12	210.90
Yuen Long	1	86.33
Ping Shan	2	22.08
Tong Yan San Tsuen	2	25.31
Kam Tin North	2	37.41
Nam Sang Wai	1	3.53
Ngau Tam Mei	1	7.89
Pat Heung	1	0.66
Shek Kong	3	39.94
Kwu Tung North	4	26.03
Ping Che and Ta Kwu Ling	6	14.64
North-East Lantau	1	4.55
Lamma Island	1	107.40
Total	105	1 273.29

Disposal of Confiscated Armoured Personnel Carriers

19. **MR LAU KONG-WAH** (in Chinese): *Madam President, two years ago, the Customs and Excise Department (C&ED) confiscated five illegally imported second-hand military armoured personnel carriers which have an estimated value of \$1.1 million. It has been reported that an overseas businessman had approached the C&ED with an offer to take over these carriers for free and to ship them to Ireland at his company's expenses for use in war games organized for staff of its clients. The C&ED rejected the offer and planned to dismantle the carriers at an estimated cost of over \$600,000. Regarding the disposal of such carriers, will the Government inform this Council of:*

- (a) the mechanism for the disposal of confiscated military equipment; and*
- (b) how the above-mentioned carriers will be disposed of; whether they will be put on exhibition; if so, of the details; if not, the reasons for that?*

SECRETARY FOR COMMERCE AND INDUSTRY (in Chinese): Madam President,

- (a) Having regard to arms non-proliferation, as well as security and monitoring considerations, the C&ED will not sell or export confiscated military articles such as armoured personnel carriers, guns or artillery barrels. The C&ED will however consider retaining them for training or other appropriate purposes by the department itself or other disciplinary forces. For instance, the C&ED transferred an armoured carrier confiscated in 1997 to the Hong Kong Police Force for training purpose. If no other appropriate means of disposal was identified, the C&ED will dispose of them by destruction.
- (b) The C&ED has examined various proposals for the disposal of the five armoured carriers, including retaining them for training

purpose by the police, sinking them into the sea as artificial reef, or dismantling them for destruction. As the armoured carriers may contain unusual materials, on "prevention" ground, the Environmental Protection Department does not support the proposal of sinking these carriers as artificial reef. Taken account of views of the relevant departments, the C&ED is now actively discussing with the Leisure and Cultural Services Department (LCSD) to explore the feasibility of displaying some of the armoured carriers at the LCSD's holiday camps and sports centres for the public's viewing.

Material Testing and Works Acceptance Tests for Government Construction Works

20. **DR RAYMOND HO:** *Madam President, under current practice, the main contractors of government construction works are responsible for both construction material testing and works acceptance tests. This may create a conflict of interest situation where the material supplier and the testing agent have a close business relationship and result in unsatisfactory quality control of the construction works. In this connection, will the Government inform this Council whether:*

- (a) it will review the current practice; if so, of the timetable for the review; if not, the reasons for that;*
- (b) this practice will apply to the infrastructure projects which are to be implemented in the next 15 years as mentioned in the Chief Executive's 2001 policy address; and*
- (c) it will consider implementing the Independent Commission Against Corruption (ICAC)'s recommendation of employing independent testing laboratories for material testing and works acceptance tests, as set out in the ICAC report on Construction Quality Control Testing published in December 1999; if so, of the implementation timetable; if not, the reasons for that?*

SECRETARY FOR WORKS: Madam President,

(a) In 2000, the Works Bureau had completed a review on the usage of public works laboratories aiming at better construction quality control testing in terms of service utilization of the public works laboratories; testing independence; and sampling, storage and transportation. Particular reference was made to the independence of the testing laboratories to avoid the potential conflict of interest. We have implemented a series of measures as follows:

(i) In June 2000, the Works Bureau has issued a Technical Circular (WBTC 14/2000) setting out the policy to tighten up the control on construction materials and works acceptance testing for all public works projects to avoid potential conflict of interest. It requires the works departments undertaking public works to use the Public Works Laboratories or their term contract laboratories to carry out such acceptance testing.

Should there be any need for practical reasons to employ other laboratories, a stringent set of requirements on sample selection, transportation, test supervision and audits are imposed to avoid potential conflict of interest. These include the condition that the laboratory so employed must have no affiliation as a legal entity to the contractor and its sub-contractors. Test results must be sent directly to the project engineer/architect in sealed envelope, without routing through the contractor.

(ii) In 2001, the General Specification for Civil Engineering Works was revised to implement the policy promulgated in the above circular. The General Specification for Building has also been reviewed and similar revision will be made in its new 2002 edition. A particular specification for building works to incorporate the necessary requirements has been issued in May 2002.

- (b) Having incorporated the above measures, the new system has made improvement and is working very well. As part of the continuous improvement, the Works Bureau will review the system from time to time to achieve a high standard of quality control testing. The improved system will continue to apply to the upcoming infrastructure projects.

- (c) The use of independent laboratories for material testing and works acceptance tests as set out in the recommendations in the ICAC report on Construction Quality Control Testing published in December 1999 has already been promulgated in the above Technical Circular of the Works Bureau, and implemented in the specifications used in public works.

BILLS

First Reading of Bills

PRESIDENT (in Cantonese): Bills: First Reading.

ADAPTATION OF LAWS (MISCELLANEOUS PROVISIONS) BILL 2002

TELECOMMUNICATIONS (AMENDMENT) BILL 2002

CLERK (in Cantonese): Adaptation of Laws (Miscellaneous Provisions)
Bill 2002
Telecommunications (Amendment) Bill 2002.

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

Second Reading of Bills

PRESIDENT (in Cantonese): Bills: Second Reading.

ADAPTATION OF LAWS (MISCELLANEOUS PROVISIONS) BILL 2002

SECRETARY FOR JUSTICE (in Cantonese): Madam President, I rise to move the Second Reading of the Adaptation of Laws (Miscellaneous Provisions) Bill 2002.

The Bill seeks to make minor and, I hope, non-contentious adaptations to 14 Ordinances and their subsidiary legislation.

The Administration began the adaptation of laws exercise in 1998. Among those Ordinances that have been adapted, the Administration has identified some minor internal inconsistencies in terminology and in the Chinese and English texts of certain provisions. Further, a number of new provisions enacted on or after 1 July 1997 also contain similar inconsistencies. We, therefore, propose to rectify those inconsistencies by means of this Bill.

The proposed amendments are mainly changes in terminology and are technical in nature. For example, the Chinese title of the Commissioner of Customs and Excise has been changed from "香港海關總監" to "香港海關關長". Therefore, the Bill amends references to "總監" to "關長".

The Bill proposes different commencement dates for two categories of references that are being adapted. For those references that existed immediately before the establishment of the Hong Kong Special Administrative Region (SAR), the adaptation is stated to take effect as from the date of the establishment of the SAR. For those references that were enacted on or after 1 July 1997, the relevant adaptation shall take effect on the day when the reference was enacted.

Madam President, I commend the Bill to the Council. Thank you, Madam President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Adaptation of Laws (Miscellaneous Provisions) Bill 2002 be read the Second time.

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

TELECOMMUNICATIONS (AMENDMENT) BILL 2002

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING: Madam President, I move that the Telecommunications (Amendment) Bill 2002 be read the Second time.

Objectives of the Bill

The Telecommunications (Amendment) Bill seeks to provide a clear and comprehensive framework for the regulation of mergers and acquisitions in the telecommunications market. Mergers and acquisitions are part of normal activities and are economically beneficial to our society. Many of them do not raise regulatory concern. The Telecommunications Authority (TA) will step in only if there is potential adverse effect on competition in the market. Our aim is to ensure that he has an effective regulatory tool to intervene if necessary.

In introducing this Bill, we have two major policy objectives:

- First, we aim to protect consumers' interests through fair and effective competition. Consumers and businesses at large will benefit from a wider choice of services at more competitive prices. It is, therefore, vital for us to safeguard the level of competition in the market.
- Second, we aim to assist the industry in making informed decisions concerning those transactions that cause regulatory concern, as well as to speed up the processes for regulatory approval, without compromising our policy objectives. A clear framework will remove unnecessary uncertainties the industry now face when going about merger and acquisition activities, as there are no statutory provisions that govern such activities at present.

By putting in place a comprehensive framework, we will ensure that our regulatory framework for the telecommunications sector is up to date. At present, overseas jurisdictions whose telecommunications markets are liberalized have legislation governing mergers and acquisitions for the purpose of enhancing competition. Australia and the United Kingdom adopt an ex post regulatory regime where regulatory review is done after a merger and acquisition is completed. On the other hand, the United States, the European Union, Singapore and Canada adopt an ex ante regime where prior approval must be sought from the regulatory authority.

Having studied the overseas experience, we consider it appropriate to empower the TA to direct a carrier licensee to take appropriate remedial action, if the TA considers that a merger and acquisition has, or is likely to have, the effect of substantially lessening competition in a telecommunications market. Alternatively, a carrier licensee may also seek the prior consent of the TA on a voluntary basis to the proposed change in ownership or control. This is a light-handed, sector-specific proposal because:

- First, it is an ex post regulatory regime which will ensure minimal compliance burden on the industry.
- Second, the TA will only step in if the merger and acquisition has potential adverse effect on competition.
- Third, it only applies to carrier licensees who operate facilities of substantial investment and provide services to a wide sector of the public. It does not affect other telecommunications licensees like Internet service providers the markets of which do not impose high entry barriers or other hurdles for competition.

Consultation

Before drawing up the Bill, we conducted a public consultation in April to June last year. In general, the telecommunications user groups such as the Consumer Council and the Hong Kong Information Technology Federation support our proposal. They submit that the proposal would strengthen the regulatory procedures currently available so as to enable the TA to assess

mergers and acquisitions which may affect competition in a telecommunications market. For the telecommunications industry, some have voiced concerns that, if there is to be a merger and acquisition regulation, it should be universal and not industry-specific, or that the power should be exercised by a competition authority. Moreover, there are views that any merger and acquisition regulation should be ex post in nature rather than ex ante to avoid placing any undue burden on the industry.

We have carefully considered these views. Our conclusion is that it remains to date the Government's policy not to have an over-arching competition law or competition authority in Hong Kong. Because of the structural features of the telecommunications market, including the scarcity of radio spectrum, a sector-specific merger and acquisition regulatory regime is necessary to prevent over-concentration of market power in a few operators and undesirable cross-ownership. As to the suggestion of adopting an ex post regulatory regime, we have already revised our proposal from an ex ante regime to ex post. We have tried our best to incorporate the industry's views in devising our proposal.

Main Provisions of the Bill

Now let me go on to explain the major provisions of the Bill.

Clause 3 seeks to add a new section 7P to set out the gist of our proposal. Under the new section 7P, the TA may direct a carrier licensee to take such actions as the TA considers necessary to eliminate any anti-competitive effect if the TA considers that a change in the ownership or control over a carrier licensee has, or is likely to have, the effect of substantially lessening competition in a telecommunications market. Alternatively, a carrier licensee may also seek the prior consent of the TA on a voluntary basis to the proposed change in ownership or control. This will give a choice to the carrier licensee whether to seek prior consent having regard to their own circumstances. Any cost or expenses incurred by the TA in processing and reaching a decision on such an application for consent is recoverable as a debt due to the TA.

To provide practical guidance to the licensees and parties concerned, clause 2 requires the TA to issue guidelines on factors that the TA would take into account before deciding whether or not a merger and acquisition activity is

anti-competitive. Before issuing the guidelines, the TA is obliged to consult the industry and interested parties.

Lastly, clauses 5, 6 and 7 aim to amend sections 32L, 32N and 32O of the Telecommunications Ordinance to provide for an appeal channel against the TA's decisions under clause 3 of the Bill. Any aggrieved carrier licensee may lodge the appeal to the Telecommunications (Competition Provisions) Appeal Board, which is already handling appeals on competition matters under the Telecommunications Ordinance.

Conclusion

Madam President, the Bill is an important instrument to facilitate the development of the telecommunications industry in Hong Kong. It would help promote fair and effective competition in the market to protect consumers' interests, as well as to facilitate businesses to make informed decisions on mergers and acquisitions. It is a significant step forward in enhancing competition in the telecommunications market that would be necessary to strengthen Hong Kong's position as an information technology and telecommunications hub in the region.

I commend the Bill to Members.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Telecommunications (Amendment) Bill 2002 be read the Second time.

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

MOTION

PRESIDENT (in Cantonese): Motion. Proposed resolution under the Immigration Ordinance.

PROPOSED RESOLUTION UNDER THE IMMIGRATION ORDINANCE

SECRETARY FOR SECURITY (in Cantonese): Madam President, I move that the resolution to amend Schedule 1 to the Immigration Ordinance, as printed on the Agenda, be passed.

On 20 July 2001, the Court of Final Appeal decided in the CHONG Fung-yuen case that according to Article 24 para 2(1) of the Basic Law, a Chinese citizen born in Hong Kong before or after the establishment of the Hong Kong Special Administrative Region is a permanent resident, regardless of the residential status of his or her parents.

According to paragraph 2(a) of Schedule 1 to the Immigration Ordinance:

A Chinese citizen born in Hong Kong:

- (i) before 1 July 1987; or
- (ii) on or after 1 July 1987 if his father or mother was settled or had the right of abode in Hong Kong at the time of his birth or at any later time

is a permanent resident of the Hong Kong Special Administrative Region.

I submit the proposed resolution to amend paragraph 2(a) of Schedule 1 to the Immigration Ordinance to bring it in line with the Court of Final Appeal's judgement. In actual practice, the Immigration Department has been handling all individual cases in accordance with the Court of Final Appeal's ruling.

Madam President, I beg to move.

The Secretary for Security moved the following motion:

"That Schedule 1 to the Immigration Ordinance (Cap. 115) be amended in paragraph 2(a) by repealing everything after "born in Hong" and substituting "Kong before or after the establishment of the Hong Kong Special Administrative Region."."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by the Secretary for Security be passed.

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

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. As Members are very familiar with the time limits, I will not repeat them here.

First motion: Promoting the employment of people with disabilities.

PROMOTING THE EMPLOYMENT OF PEOPLE WITH DISABILITIES

MR LAW CHI-KWONG (in Cantonese): Madam President, I move that the motion, as printed on the Agenda, be passed. The motion is related to the

employment of people with disabilities, ways to help them find jobs, and facilitation of their employment.

To start with, I would like to make it clear that the original motion does not seek to formulate a quota system for the recruitment of people with disabilities. It rather proposes to establish an indicator for promoting the employment of people with disabilities, so as to help provide the Government and various organizations with a clear objective. From the angle of management, I believe friends from the business sector can easily understand that the indicator is only meant to be a tool for evaluating work efficacy to help us realize the importance of achieving the objective.

The Democratic Party has, on past occasions, proposed to establish a quota system. The Honourable LEUNG Yiu-chung is going to make a related proposal in his further amendment. This position held by the Democratic Party has so far remained unchanged. Nevertheless, there are controversial views in the community with respect to this issue. The international community also has divergent views and interpretations with respect to the effectiveness of the quota system. I do not wish to be stuck in this controversy for it is not going to help the disabled to find jobs. Today, I hope to adopt a positive approach. I hope Honourable Members can put forward suggestions to help the disabled to find jobs, and propose measures that can be achieved, or even lead to consensus, and at the same time practically enhance the job opportunities of the disabled. This explains why I have refrained from proposing a quota system in the original motion. Instead, I have only proposed to establish an indicator for promoting the employment of the disabled.

I did mention the formulation of recruitment policies and procedures in the motion. In an information paper distributed to Honourable Members by me yesterday, I have explained in detail what the so-called recruitment policies and procedures should generally cover in order to help the disabled to find jobs. I do not intend to repeat those details here. Members wishing to find out how these policies and procedures can be taken forward may refer to the information paper.

During a Question and Answer Session held in this Council before 1997, I put a question on employment to the former governor, Mr Chris PATTEN. At that time, about 2% of government staff, including those who were suffering from colour amblyopia or colour blindness, were disabled. Following the

enactment of the Disability Discrimination Ordinance, the Civil Service Bureau made some amendment and improvement to the Government's internal procedures for the recruitment of persons with disabilities. Today, the number of disabled government employees, even excluding those having colour blindness, has exceeded 2% of the entire establishment. I have gone through the relevant guidelines and procedures laid down by the Civil Service Bureau. They are valuable reference indeed. This explains why I have suggested in my motion that public bodies, government departments and voluntary agencies should refer to certain recruitment policies and procedures currently adopted by the Government when they employ disabled persons.

I have carried out some surveys to find out whether public bodies and voluntary agencies have formulated relevant policies and procedures. From the response given by the voluntary agencies, I find that only 4% of them have policies better than those adopted by public bodies, and 46% of them have employment policies for the disabled. In the motion, I have sought to urge the Government to encourage public bodies and voluntary agencies to formulate policies and procedures for recruitment of disabled persons. I believe this can help the disabled to gain equal opportunities to employment.

I have also expressed in the motion my wish for the Government to formulate appropriate measures. In addition to the establishment of a recruitment indicator and the formulation of relevant recruitment policies and procedures as mentioned by me earlier, I believe the most obvious work the Government can do is to promote and publicize the employment of the disabled among employers in Hong Kong. Some employers are reluctant to hire the disabled probably because of discrimination. In most cases, however, their resistance stems from a lack of understanding about the working ability of the disabled. They might not know the support they will receive and what they are expected to do when hiring the disabled, though such support can be readily available, and such work can be easily done.

I have once raised the idea of setting up a publicity team. Though the Social Welfare Department can take up the administrative role, I think it is best for the team to be administered by voluntary agencies with the help of government subsidy. The team will be responsible for carrying out publicity among employers. Its work will include disseminating information to employers in the hope that they will, upon realizing that the disabled have considerable working ability, consider hiring the disabled. At the same time,

employers will be informed of the assistance the Government and voluntary agencies will render to them if it is proved to be necessary to carry out modification works to the working environment for the disabled employees. Such publicity work can help remove the psychological barrier of employers. It can also minimize the resistance of employers if they know that the Government and voluntary agencies are ready to help private organizations which choose to hire the disabled to carry out modification, such as road-widening and toilet modification works, for the sake of their disabled employees.

Madam President, I am longing to hear Honourable Members express their views enthusiastically on ways to help the disabled. Of course, it will be even better if Members can support my motion. I will therefore stop here for the time being. Honourable Members are most welcome to express their views. Thank you, Madam President.

Mr LAW Chi-kwong moved the following motion: (Translation)

"That, as the unemployment rate of people with disabilities in Hong Kong is on the high side, this Council urges the Government to formulate appropriate measures to increase the employment opportunities of people with disabilities who are able to work; to establish an indicator for employing people with disabilities and have government departments, public bodies and subvented organizations to take the lead in its implementation; and to encourage the relevant organizations to formulate policies on and procedures for recruiting people with disabilities."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr LAW Chi-kwong be passed.

PRESIDENT (in Cantonese): Mr Tommy CHEUNG will move an amendment to this motion. Mr LEUNG Yiu-chung will move an amendment to Mr Tommy CHEUNG's amendment. The two amendments have been printed on the Agenda. The motion, the amendment, and the amendment to amendment will be debated together in a joint debate.

I will first call upon Mr Tommy CHEUNG to speak and move his amendment to the motion. Then, I will call upon Mr LEUNG Yiu-chung to

speaking and move his amendment to Mr Tommy CHEUNG's amendment. Members may then debate the motion and the amendments. After Members have spoken, I will first put Mr LEUNG Yiu-chung's amendment to Mr Tommy CHEUNG's amendment to the vote. Then, depending on the result of the vote, I will put Mr Tommy CHEUNG's amendment, either in its original form or in the amended form, to the vote.

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

MR TOMMY CHEUNG (in Cantonese): Madam President, I move that the Honourable LAW Chi-kwong's motion be amended, as printed on the Agenda.

The Liberal Party has always supported the idea of hiring more disabled people, and tried every possible means to encourage all sectors of the community to do so. Actually, a similar discussion was conducted in this Council two years ago. The Liberal Party proposed at that time a similar amendment in the hope that employers benefiting from tax concessions could provide more job opportunities to people with disabilities.

Although the motion moved by Mr LAW Chi-kwong today is more progressive than the one moved two years ago since it has proposed a more flexible indicator instead of the former quota system. Nevertheless, the indicator and the quota systems are essentially the same for they both carry a certain binding effect. This is not going to be conducive to the development and survival of businesses. Therefore, the Liberal Party has reservations about the motion.

Madam President, the Liberal Party does believe in the notion of "disabled but useful". We also believe, through proper training and provision of suitable facilities of convenience, people with disabilities can contribute to society like ordinary people. Mr CHEUNG Wai-leung, a fire-fighting officer, who won the first prize in fencing in the Paralympic Games, can serve as a perfect example.

Nevertheless, the Liberal Party is of the view that both the indicator and quota systems cannot provide a radical solution to enhancing the employment opportunities of the disabled. This is because such a conformity approach is basically not in keeping with the mode of operation of local companies. This is because 90% — I would like to emphasize again that it is 90% — of local

commercial organizations are small and medium enterprises with a small capital. If they are mandatorily required to hire a certain number of disabled persons, their room for survival will definitely be seriously stifled.

In particular, given the current adverse business environment, companies employing the disabled might need to allocate additional resources to carry out modification works or install additional facilities. They might finally be forced to wind up their business because of the failure to cope with the rising operating costs. This will, on the contrary, aggravate the already alarming unemployment rate, in detriment to the disabled, "wage earners" in general, and even to employers.

Moreover, an indicator or quota system will greatly reduce the flexibility of the recruitment policies of enterprises. Flexibility will definitely be reduced significantly if all manpower changes must tie in with the indicator. Enterprises will consequently be unable to hire or retain the most suitable staff to cope with the rapid socio-economic changes.

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

At the actual operational level, the introduction of a mandatory indicator or quota will also bring a lot of impractical problems. Let me cite the catering and hotel sectors, with which I am familiar, as an example. Both sectors are alike in the sense that they have a highly fluctuating and snap demand for manpower. For instance, a restaurant or hotel may have to employ scores of temporary workers to serve scores of banquet tables for an evening. When the banquets are over, the helpers will no longer be needed. Another recruitment exercise will be conducted if another banquet is to be held in the following evening, or at weekends when there is more business in the afternoon, as it is supposedly the "prime time" of restaurants. Therefore, helpers may be needed for several hours only or to perform just "one morning/afternoon shift". We can never be sure when they will be needed. Such a *modus operandi* can hardly meet the requirements of the indicator and quota systems. If the indicator or quota system must be implemented on a mandatory basis, will every restaurant or hotel owner in Hong Kong not be forced to break the law? Is it in compliance with the principle of social justice?

Madam Deputy, as pointed out by the Commissioner for Rehabilitation, the rate of the disabled employed by the Government has reached an average of 2%. The rates of the disabled employed by some government departments are even higher than this, thanks to the Government's active promotion over the past several years. I believe it will not be too difficult for public bodies and voluntary agencies to achieve the same result, if the Government is willing to carry out its publicity work in an active manner.

Good results have been achieved by the Selective Placement Division of the Labour Department over recent years in actively providing employment counselling, including on-the-job training, the "Trial Placement cum Mentor Scheme for People with a Disability", and so on. According to the statistics of the Labour Department, the employment rate of the disabled has risen from 40% in 1998 to 53% in 2000, and even to 58% in the first 10 months of 2001. The statistics reflect that the employment rate of the disabled has risen year-on-year. As for the remarks made by some organizations with respect to the high unemployment rate of the disabled, it is probably because there are less and less job types which are suitable for disabled people because of the worsening economic environment and economic restructuring.

The Honourable LEUNG Yiu-chung suggested the Government to require the contractors of the Government's outsourcing contracts to hire a fixed number of disabled people in a gradual and orderly manner. In the opinion of the Liberal Party, there are many different categories of work that are suitable for outsourcing. Moreover, the requirements of individual job types might be relatively unique. The indicator or quota system will not be flexible enough to tie with the outsourcing contracts, thus making outsourcing even more difficult. The categories of work being outsourced by the Government at the moment are mainly related to such manual work as cleansing, security, maintenance, and so on. I am afraid these work categories are not necessarily suitable for disabled people.

The Liberal Party stands convinced that the most appropriate means is to give incentive and provide impetus to various sectors of the community to employ more disabled people. At the same time, employers should be allowed to act according to their own needs, instead of being forced to achieve a uniform standard.

At the end of 2001, for instance, the Social Welfare Department launched a \$50-million "Enhancing employment of people with disabilities through small enterprise" project to provide funding to charitable organizations to set up and run small businesses on the condition that at least 60% of the staff hired must be disabled persons. As a result, approximately 600 job opportunities for the disabled were created and responses to the new measure had been overwhelming. This reflects that the Government can induce enterprises to employ more disabled people through allocation of resources and provision of sufficient financial incentives.

Lastly, I would like to point out that Japan is one of the Asian countries where a quota system is practised. However, a recent review has found that employers generally prefer paying penalties to hiring more disabled people. The same situation can also be found in Taiwan, Korea and China. To save trouble, a number of employers prefer paying penalties, as if they are required to pay tax. Britain has also replaced its quota system with a disability discrimination law since 1995. This shows that compulsory measures have done a disservice to the needy, instead of helping them.

In my opinion, flexible tax concessions can enable the market to maximize its effect, and allow employers to hire more disabled employees in accordance with their own needs. The indicator or quota system will only deter employers in general who are willing to hire disabled people as a result of the rigidity of the system.

Madam Deputy, I so submit.

Mr Tommy CHEUNG moved the following amendment: (Translation)

"To add ", such as to encourage, through tax concessions, employers to employ people with disabilities, in order" after "this Council urges the Government to formulate appropriate measures"; and to delete "; to establish an indicator for employing people with disabilities and have government departments, public bodies and subvented organizations to take the lead in its implementation; and to encourage the relevant organizations to formulate policies on and procedures for recruiting people with disabilities" after "to increase the employment opportunities of people with disabilities who are able to work"."

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

I now call upon Mr LEUNG Yiu-chung to speak and move his amendment to Mr Tommy CHEUNG's amendment.

MR LEUNG YIU-CHUNG (in Cantonese): Madam Deputy, I move that the Honourable Tommy CHEUNG's amendment be amended, as printed on the Agenda.

Madam Deputy, the unemployment rate in Hong Kong now stands at 7%, which is already alarming. But more inconceivable is that the unemployment rate among people with disabilities is as high as 40%. I think the problem has now come to a stage that the Government can no longer turn a blind eye to its severity.

Much to our regret, just as we are going to do something to improve the employment situation for the disabled, the amendment proposed by Mr Tommy CHEUNG today nevertheless seeks to delete the part in the original motion about establishing an indicator for employing people with disabilities in public bodies, taking away the most important suggestion relating to policy in the original motion. Even if the motion is passed, there would not be much difference from the present situation where the Government only pays lip service to its commitment and makes empty talk. Certainly, this is not going to help the disabled in employment. Nor can this reverse the plights faced by them. So, this is precisely why I want to further amend his amendment. Besides, both the original motion and the amendment have made no mention of the quota system proposed by the private sector and social service organizations, and failed to meet the actual needs of the disabled and keep pace with the global trend. These are the main reasons why I have proposed an amendment.

Madam Deputy, the drama series, "Under the Lion Rock", is now replayed on television. The leading character in one of the episodes, "天生你才" (which literally means "born with talents"), is Mr WONG Kwan-cheung (王均祥), who is commonly called "Cheung Tsai". Despite inherent disabilities and frequent bone fractures, he has demonstrated to us his positive attitude towards life both in the programme and in his real life. This is also the

reflection of many people with disabilities in Hong Kong. Unfortunately, society refuses to give them a chance to give play to their talents and to be self-reliant and live with dignity.

Members of the community invariably have a misconception that the disabled only wish to rely on the Government and live on the dole. But the truth is that many people with disabilities very much hope to find a job to make ends meet with their own skills, just that employers are unwilling to give them this break. According to government statistics, there are close to 270 000 people with disabilities in Hong Kong, of whom about 260 000 are aged 15 or above, but only 22.9%, or some 52 500 of them are engaged in economic activities; whereas the percentage of people engaged in economic activities in the overall population is 61.4%. From this, we can see a huge difference between the disabled and the able-bodied persons. Moreover, the jobless rate among the disabled is also higher than that of able-bodied persons. According to surveys by the Hong Kong Polytechnic University, the unemployment rate among the disabled is estimated to be 16.5% on a conservative basis; and according to estimates by social service organizations and the Equal Opportunities Commission which are familiar with the employment situation of the disabled, among people with disabilities who are capable of taking up work in the open market, as many as 35% to 40% cannot land a job. So, we think that one of the reasons leading to this situation is the misconception that generally exists among employers towards the disabled, making employers cast doubt on the working abilities of the disabled.

On the Government's efforts to correct the misconception on the part of employers towards the disabled, we cannot say that the Government has done nothing at all. But regrettably, it has focused only on publicity, and from past experiences, this general misconception is unlikely to be corrected solely through publicity and encouragement. This is similar to how discrimination against the disabled was dealt with at first. Before legislation was enacted against discrimination, it was considered that encouragement, publicity and education would do. But after the enactment of legislation, there has been significant improvement in the situation. So, to promote the employment of people with disabilities, the Government must inject more resources and take the lead to implement a quota system, employ a certain proportion of people with disabilities, and then extend this system to quasi-government bodies and the private sector.

Some may think that a quota system that requires the Government and the private sector to employ a certain number of people with disabilities appears to be violating the free market principle, and that we should go for tax concessions instead. But I must ask: Is tax concession not a form of intervention? Why is assistance to the disabled being considered intervention, but not concessions? We have no objection to offering concessions to employers who take on people with disabilities. Indeed, other governments have been doing this. In Taiwan, for example, awards are given to companies employing more people with disabilities than required and certainly, companies that fail to meet the quota will be penalized. Only in this way can the effectiveness of the policy be optimized. In the process of recruitment, employers will truly come to understand the abilities of the disabled and their misconception will then be corrected, and this will increase job opportunities for the disabled.

Many friends from the business sector and even Mr Tommy CHEUNG may think that a mandatory requirement on the employment of people with disabilities will reduce the flexibility of companies in their operation. For example, a small company may not have the need to employ people with disabilities, and if it is mandatorily required to do so, it may face very great difficulties. Mr Tommy CHEUNG also mentioned that this policy may even cause some companies to collapse. But will that really happen in reality? I think it may be true that some small firms will face this problem. But Madam Deputy, from the experience of foreign countries, there must be stipulations on the number of employees of a company before it is required to take on disabled staff. That is, companies with one or two employees will not be required to employ people with disabilities; we obviously know that it is impossible for them to do so.

Let us take Korea as another example. In Korea, it is stipulated that companies with 300 employees or more must take on disabled staff accounting for at least 2% of the total strength. In Thailand, only companies with 200 employees or more are required to take on people with disabilities accounting for 2% of their staff.

In fact, people with disabilities tended to work in clerical posts more in the past. But given economic restructuring and computerization, the number of jobs suitable for them has dropped naturally. If the Government still cannot come up with effective measures to help these people with disabilities, I am very worried that the unemployment problem faced by the disabled would aggravate.

So, I very much hope that as the disabled do wish to stand on their own feet, the Government can make commitments and play a leading role. It is not my wish to see that the Government only considers ways to cut expenditure but not ways to solve the problem for the disabled. I also hope that while the Government is committed to increasing the number of posts to provide job opportunities for the disabled, it will also play a part in recognizing the social status of the disabled.

Madam Deputy, I so submit.

Mr LEUNG Yiu-chung moved the following amendment to Mr Tommy CHEUNG's amendment: (Translation)

"To delete ", such as to encourage, through tax concessions, employers" after "this Council urges the Government to formulate appropriate measures" and substitute with "and draw up a timetable for implementing in a gradual and orderly manner a quota system for the employment of people with disabilities in the government, public and subvented organizations, as well as by the contractors of the Government's outsourcing contracts, with the ultimate goal of prompting employers of all organizations in Hong Kong"."

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr LEUNG Yiu-chung to Mr Tommy CHEUNG's amendment, be passed.

MISS CHAN YUEN-HAN (in Cantonese): Madam Deputy, I remember I had watched the episode of "Under the Lion Rock" mentioned by Mr LEUNG Yiu-chung. As far as I can remember, the name of that episode was "天生我才必有用", which means that everyone of us in this world is born to be useful. Therefore, we must give the disabled their due right. I think only if we have this mindset can we take the community forward for better development.

Objectively, we can see that the current environment for employment is very difficult in Hong Kong. On the surface, it only stands to reason or is natural for the unemployment rate among the disabled to be serious. But I think we cannot explain it away simply by saying that it is "natural", because even though our society is faced with difficulties, we still should study from another

objective angle why it is even more difficult for the disabled to find jobs than the able-bodied persons. I think if we consider their problems from this angle, we should be able to come up with positive and progressive measures to respond to the current situation.

From surveys conducted by community groups, we can see that the current unemployment rate of the disabled in Hong Kong is as high as 16.5%, far higher than that of able-bodied persons which now stands at 7%. People with disabilities actually have very strong working abilities, only that they cannot move as freely as the able-bodied do in certain ways. But this does not mean that they are incapable of working. In fact, many friends of mine have said that from the work perspective, people with disabilities may even outsmart able-bodied persons in terms of attentiveness and conscientiousness at work. I think if we can look at this positively, conditions should be created in society to assist them in employment, rather than saying that since all Hong Kong people are facing difficulties in employment, it is only natural that the disabled should face even greater difficulties. I think if we take that attitude, society would be very cold, and the relation among people, including our relation with the disabled would be impeded by the existence of many unbridgeable gaps and misunderstandings. We hope to promote a caring and supportive society, and I stress, a supportive and caring society. When there are people in the community having difficulties in employment, we should go one step further to give them support. Our society does have the conditions to go a bit further, although Mr Tommy CHEUNG said earlier that Japan or other countries where support policies are implemented may be backtracking.

Madam Deputy, recently I have read an article in this connection and I share the views of the writer. Faced with globalization of the world economy, and when many people find it difficult to land a job, many "rightist" ways of thinking will emerge. The situation in Hong Kong is the same. Some say that since it is so difficult to make a living, and if we have to help the disabled in searching jobs, will we not be condemned to greater hardships? I must ask: Is this the way we wish our society to be? Are there so many gaps and misunderstanding, and also so much alienation, preventing us from loving and caring for each other? When people with disabilities have difficulties, we should lend them a hand and help them move on. I think this is a very important message. As our colleagues have said, Mr LAW Chi-kwong's motion obviously hopes to induce more support from Members of this Council, and some colleagues have proposed some moderate amendments. Mr LAW

started with the establishment of an indicator for employing people with disabilities and proceeded to take it forward in the context of the employment policy by asking government departments, public bodies and subvented organizations to take the lead in its implementation; whereas Mr LEUNG Yiu-chung made some additions to, among other things, include contractors of the Government's outsourcing contracts. These, I think, are very mild proposals. If we can look at them from the positive angle that everyone of us is born to be useful, I do not see why it is so difficult for the Government to assist these people who face difficulties in seeking employment. I really cannot see the reason. Certainly, this should be raised by the sponsor of the original motion, but as I have some feelings after listening to some points made by Members, I must say something on this.

Madam Deputy, I think the more difficulties we face, the more mutual care and support we need in society. The Hong Kong Federation of Trade Unions (FTU) and the Democratic Alliance for Betterment of Hong Kong support the original motion of Mr LAW Chi-kwong and also Mr LEUNG Yiu-chung's amendment. But regarding Mr Tommy CHEUNG's amendment, I consider it far from satisfactory. As we face more difficulties, we should show more care and support for each other, and this is very important.

I wish to make one more point. Being the largest employer, the Hong Kong Government should play its leading role in a better way. But it is a pity that while motions have been proposed repeatedly in this Council, the progress made by the Government has actually fallen far short of our demands. If we look at the statistics, we can see that the number of people with disabilities employed in government bodies has slightly increased compared to the past, but in terms of percentage, they only account for about 2% of the staff establishment of the Government. I think while this figure is certainly higher than that in the past, there are still all the more reasons for the Government to play its leading role better. Mr TUNG has stressed time and again that our society is a caring society, that we should care for the community and that we should join hands to pursue development. So, I hope that the Government will take the lead to promote this area of work, so that voluntary agencies and other organizations, including contractors of the Government's outsourcing contracts, can then follow suit.

Madam Deputy, I must emphasize again that, as we have said many times in respect of the contents of this motion, the FTU is of the view that every person

has the right to employment. When there are difficulties in employment, the Government must have policies in place to provide assistance. The business sector has raised the question of whether the policies should provide encouragement, such as tax concessions, in the process. I think we will not oppose this, and this is actually entirely agreeable to us. But in this regard, I think we should not just take one small step forward, but a bigger step.

Madam Deputy, I so submit.

MR LAU PING-CHEUNG (in Cantonese): Madam Deputy, I am grateful to Mr LAW Chi-kwong for proposing this motion on promoting the employment of people with disabilities for debate today. In present-day Hong Kong, discrimination against the disabled is prohibited in law. Yet, there is still a difference between not discriminating against the disabled and accepting the disabled. If employers in Hong Kong do not discriminate against people with disabilities, then the unemployment rate of normal persons and that of the disabled should be broadly the same, or should at least be close. Regrettably, while we can have this subjective wish, the objective reality nonetheless tells us that discrimination against disabilities still exists to some degree.

Although Mr LAW Chi-kwong represents the social worker sector, I am glad to hear that he has no intention to press for a "quota" system to increase job opportunities for people with disabilities, and that he would rather work to increase their job opportunities through "promotional efforts" and "encouragement". Madam Deputy, let me state my position. I oppose discrimination against people with disabilities but at the same time, I also have reservations about "forcing" people to accept the disabled. Mr LEUNG Yiu-chung proposed the implementation of a quota system for the employment of people with disabilities. This, I do not support. On the contrary, Mr Tommy CHEUNG's proposal to increase job opportunities for the disabled by, for instance, offering tax concessions as encouragement, is, in my view, worthy of consideration. As I said earlier on, there is, after all, a difference between the job opportunities of normal people and those of the disabled. To increase the job opportunities for people with disabilities, the best way is to narrow the gap between able-bodied persons and the disabled through civic education, that is, through "promotional efforts" and "encouragement" as suggested by Mr LAW Chi-kwong. However, I have misgivings about Mr LAW's proposal of "establishing an indicator for employing people with disabilities" in the motion.

To provide fair employment opportunities for the disabled, it is most important that people with disabilities are provided with an environment in which they can, for example, travel to their workplace as conveniently as their able-bodied counterparts do. In Hong Kong, there are facilities for the disabled everywhere, such as audible devices at pedestrian crossings, tactile buttons in elevators, tactile routes on railway platforms for the visually-impaired, and so on. But these facilities are still inadequate. For instance, the Government has not provided sufficient transport facilities easily accessible by the disabled, and the Government is a bit too passive in the provision of these facilities. The Government can consider such measures as allowing public means of transport carrying people with disabilities to load and unload at prohibited zones. I think insofar as it is reasonable, the Government can allocate resources to voluntary agencies to arrange transport services for the disabled to take them to work.

Another example is that recently, the MTR Corporation Limited has plans to encourage the blind to use elevators and has, therefore, removed the tactile guide paths on platforms. However, due to insufficient consultation, this has caused inconvenience to some of the blind and aroused discontent from them. In fact, these alterations will not pose any difficulty to the ordinary people, but the blind will easily get lost and even have accidents. So, these matters must be handled with care and the relevant organizations must be repeatedly notified of the changes. Moreover, the provision of these facilities must be reasonable and adequate. From these examples, I think while the blind may not use the MTR as often as able-bodied persons do, they should enjoy the same right as people with other disabilities in being given priority in the use of elevators. Only when other matching requirements are in place can the rights and interests of the disabled be safeguarded.

Madam Deputy, I so submit.

DR YEUNG SUM (in Cantonese): Madam Deputy, insofar as the development of the Hong Kong community is concerned, great importance was still attached to class, social connection and personal ties in the '50s and '60s. It was very difficult to find a job then, for it very much depended on one's social connection, social ties, social status, and so on. But with the popularization of education in the Hong Kong society, more and more people have access to education, particularly, with the implementation of nine-year free education in 1978; and

with the many financial assistance schemes provided for university students, students will not be prevented from receiving education in university due to a lack of means. So, the popularization of education has increased social mobility. Many people who were born after the War can rise to the middle-class, thanks to tertiary education. In my view, as civil awareness increases, the ideas of human rights and democracy also become popular. Under the circumstances, the reliance on class hierarchy and social connection can gradually be transformed into another value that gives weight to fair competition and capabilities, which is what meritocracy refers to. As long as one has the abilities, one can find a job that suits his talents irrespective of his social class and family background.

But much to our regret, Madam Deputy, this value that gives weight to capabilities and fair competition has never been brought into full play for people with disabilities. The main reason is that while we have the Equal Opportunities Commission (EOC), I still feel that the disabled have not been treated equally by members of the community in employment. In fact, what they want is not our sympathy, but our recognition of their working abilities and a social opportunity due to them.

Madam Deputy, let me cite two cases for illustration. While our society is very open, discrimination against people with disabilities in employment still exists to quite a large extent. For example, a Miss YAM, who is visually-impaired, had applied for the post of receptionist in a company, but the typing and computer equipment in the company is not suitable for use by people with visual impairment, and obviously, she was rejected. In the case of a Mr KWAN who is physically handicapped, very often when he attended job interviews, the interviewers would simply tell him to go home once they saw his disabilities, or would interview him in a slapdash manner, and as a result, he is always unable to land a job.

In conducting interviews, employers often do not want to court troubles, and they perhaps are unaware of the subsidy schemes provided by the Government. The government official will tell us later that there are many subsidy schemes. But regrettably, members of the community, including employers, very often are unaware of them. Consequently, most employers are unwilling to employ people with disabilities, and some even reject applications from the disabled once they see their disabilities without testing their working

abilities. Even though the disabled have adequate work skills, they will still lose the chance to be employed due to employers' considerations based on unfair selection criteria rather than their working abilities.

The employment opportunities of the disabled have all along been unsatisfactory. According to the information of the Census and Statistics Department in 2000, the unemployment rate among the disabled was 12%, which was 2.4 times of the unemployment rate of adults in general in the corresponding period. The unemployment rate in the first quarter of 2002 was 7%, and if we calculate on this basis, the current unemployment rate among the disabled should be 16.8%.

Madam Deputy, this shows that the unemployment rate of the disabled is far higher than that of ordinary people. A survey conducted by the EOC in 1997 found that among people with disabilities who are capable of taking up work in the open market, some 16% to 35% were unable to land a job.

So, in the beginning I already mentioned that the division of labour in Hong Kong is sophisticated, professional and rational; and according to sociologist, Max WEBER, we have already been very rational, and we have also attached great importance to capabilities and fair competition. But from the statistics cited earlier on, we can see that those among the disabled with abilities are not given the respect due to them. We cannot see in them Hong Kong's basic value which accords importance to work value, to fair competition and to capabilities. To increase employment opportunities for the disabled, we propose that the Government, public bodies and voluntary agencies should take the lead to implement an indicator for employing people with disabilities. The Democratic Party has conducted an opinion poll on this proposal, and as mentioned by colleagues earlier on, as many as 70% of the 534 people interviewed supported that government departments, public bodies and voluntary agencies should take the lead to meet certain indicators in the employment of people with disabilities. Indeed, there is room for government departments, public bodies and voluntary agencies to do better in the employment of people with disabilities. According to government statistics in 2001, 2% of government employees are people with disabilities. The latest figure may be higher and may reach 2.3%. However, information of the Civil Service Bureau in 2001 showed that 11 bureaux and departments did not employ any person with disabilities. I hope the Secretary for Health and Welfare, Dr Y.K. YEOH, can work hard in this aspect later.

From the results of a survey on the employment of people with disabilities in non-governmental organizations conducted by the Hong Kong Polytechnic University in 2000, people with disabilities employed in the public sector accounted for 1.2%, whereas the percentage in voluntary agencies is 1.4%.

For the public sector, if not factoring in the Hospital Authority where 1.3% of the staff are disabled, the percentage of disabled staff employed in the rest of the public sector will fall to 0.7%. This shows that even in the public sector, the employment rate of the disabled is still very low. Madam Deputy, we think that the disabled should enjoy equal opportunities in employment. By equality, we do not refer to the outcome. Nor do we want the Government to distribute wealth evenly. What we mean by equality is that the disabled should have equal social opportunities, so that they can obtain the care due to them through their own hard work. This, on the one hand, will not consume our labour force, and on the other, this will give due weight to the value and dignity of people with disabilities. In that case, Hong Kong's basic value that attaches importance to capabilities and fair competition can be reassured. I hope colleagues can support Mr LAW Chi-kwong's motion, so as to show the community that the Legislative Council does attach great importance to the basic right to work of people with disabilities. Thank you, Madam Deputy.

MR LAU CHIN-SHEK (in Cantonese): Madam Deputy, the core of today's debate is on the measures we should take to enhance the job opportunities of the disabled. I believe every member of a just society is duty-bound to safeguard the employment rights of the disabled.

I recall the idea of setting up a quota system for the employment of disabled people was proposed by me in a debate held by this Council a decade ago when the Green Paper on Rehabilitation Policies and Services was published. According to my proposal, fixed ratios should be prescribed for public bodies and private organizations employing a certain number of staff with respect to the employment of disabled people, for the purpose of enhancing the job opportunities of the disabled. Though a number of advanced countries and regions have already implemented a quota system for the employment of the disabled through legislation, Hong Kong is conservative and backward in this aspect. Today, the Government has still not formulated clear and specific

legislative and administrative measures with respect to enhancing the job opportunities of the disabled. The underprivileged is greatly disappointed and frustrated by such a seemingly indifferent and negative attitude!

Some argue the implementation of a quota system for the disabled, particularly in private organizations, will impede the operation of the free market. I believe my colleague, Mr LEUNG Yiu-chung, has made it clear to Honourable Members a moment ago that free market is not tantamount to absolute freedom and non-interference. It is not tantamount to ignoring the underprivileged's rights to survival and work. What is more, free market is not tantamount to turning a blind eye to our due social obligations!

It is based on our due social obligations that I feel that government departments, public bodies and contractors of the Government's outsourcing contracts must not object to the implementation of policies on setting up a quota system for the employment of the disabled. Only through the full implementation of such a system can disabled people who are capable and in need of work join us, so that the disabled and able-bodied can co-exist in different posts in different trades and industries.

I believe the prescription of a fixed quota for the employment of disabled persons in public and private organizations will not produce any negative impact on their operation. What practical difficulty will a company employing more than 100 workers encounter in hiring just one or several disabled persons? Why should they shirk such a negligible social responsibility?

It has also been argued that the implementation of a quota system is a disguised form of discrimination against the disabled, and will instead be detrimental to the disabled. I will feel extremely sorry if some people in the community are still harbouring this way of thinking. Actually, this proves that some people are still holding a distorted view of the essence of anti-discrimination laws and measures. In order to genuinely eliminate discrimination, we must create an environment in which "the disabled can get along with the able-bodied" and "joint participation" is involved. The employment quota is exactly a "positive measure" that can break discrimination and promote employment equality. In my opinion, those insisting on opposing the quota system are actually discriminating against the disabled.

Last month, I received a questionnaire and a position paper from a coalition championing for a quota system for the employment of the disabled led by Mr CHONG Chan-yau. Moreover, I was asked to support the coalition's proposed gradual introduction of the quota system. It is evident that the quota system represents a strong aspiration of the disabled groups. I fully support the proposal raised by the underprivileged without reservations. I also support the amendment moved by Mr LEUNG Yiu-chung today. Thank you, Madam Deputy.

MS AUDREY EU (in Cantonese): Madam Deputy, the Hong Kong economy has continued to be sluggish. The latest statistics released by the Census and Statistics Department show that the unemployment rate has risen to 7%, with 239 000 people being jobless.

However, according to a survey just completed by the Department of Applied Social Studies of the Hong Kong Polytechnic University, the unemployment rate among people with disabilities (excluding the mentally-handicapped and the chronically ill) is as high as 16.5%, more than double of the overall unemployment rate.

A survey conducted by the Equal Opportunities Commission in 1997 showed that among people with disabilities who are able to work in the open market, about 16% to 35% (depending on the types of disabilities) could not find a job. It goes to show that it is indeed utterly difficult for the disabled to seek employment.

Madam Deputy, as colleagues have already mentioned the percentage of the disabled employed in voluntary agencies and quasi-government bodies, I do not wish to repeat it here. But I would like to raise one point, and that is, under Articles 1 and 22 of the Hong Kong Bill of Rights Ordinance, all persons shall enjoy equal rights and shall not be subject to discrimination. Earlier on, the Honourable CHAN Yuen-han expressed her wish for a caring society. This I very much agree. She went on to say that we should come forth to help people facing difficulties, and this, I very much agree too. I wish to point out that when the law provides that all persons are equal, it does not only mean absolute equality. It also means that where necessary, we may have to particularly offer assistance to the vulnerable groups to enable them to have equal opportunities. I believe it was also for this reason that the Disability Discrimination Ordinance

was enacted in 1995 in Hong Kong. But still, the disabled often encounter many difficulties in searching jobs, particularly as many people look at them through a biased attitude towards tinted glasses; and even government departments are no exception. I remember a court case on 28 September 2000, in which the plaintiff applied for the post of Inspector in the Customs and Excise Department in May 1996 and was accepted with the condition that he must pass the physical examination before he could be formally offered employment. But the authorities suddenly terminated the employment of the plaintiff in July 1997 on the ground that a member of his family was found to be mentally ill, which gave cause for concern that the plaintiff might not be able to perform aptly the duties as a Customs Inspector. The plaintiff then filed a case in court under the Disability Discrimination Ordinance against the Customs and Excise Department for discrimination against him and eventually won the case. This precedent shows that many people, as well as government departments, have stereotyped assumptions on mental patients. We must eradicate this misconception. We must also rectify the discriminatory practice of making judgements not on the basis of a person's capabilities.

Notwithstanding the enactment of the Disability Discrimination Ordinance, the disabled do face many restrictions when competing with able-bodied persons in reality. For this reason, I strongly support Mr LAW Chi-kwong's proposal that urges the Government to formulate appropriate measures to increase the employment opportunities of people with disabilities who are able to work, to establish an indicator for employing people with disabilities and cause government departments, public bodies and subvented organizations to take the lead in its implementation.

The convenor of the coalition for an employment quota for the disabled, Mr CHEUNG Kin-fai, openly stated earlier that the target could be set at 2% initially for the gradual implementation of a quota system for the employment of people with disabilities, and that after the system had been implemented for some time, a review could be conducted to ascertain whether the quota system should be extended to the private sector.

Despite controversies over its effectiveness, an employment quota for the disabled is nothing new, for it can be found in such European countries as Italy, France and Germany, and even in Asia, such as in Japan, Taiwan and China. Besides, the United States and Canada have also put in place sound mechanisms to ensure equality in employment, requiring large enterprises to make public the

percentage of their disabled staff. The original motion today does not call for such a mandatory quota system. Therefore, on the proposal of establishing an indicator, I fully agree with it.

Mr Tommy CHEUNG's amendment proposes that the Government should encourage, through tax concessions, employers to employ people with disabilities. Madam Deputy, I do not oppose this point. But he has at the same time deleted the essence of the original motion, that is, the part on establishing an indicator. This, I cannot agree. In his speech, Mr CHEUNG expressed support for the use of inducements to achieve the purpose. I believe establishing an indicator is also an effective inducement.

Madam Deputy, I very much support the first part of Mr LEUNG Yiu-chung's further amendment, and I also support his spirit. But I have reservations about the last part of his amendment that urges employers of all organizations in Hong Kong to employ people with disabilities. I think Mr LEUNG is too idealistic, as he always is. In fact, most of the employers in Hong Kong operate small and medium enterprises. If the ultimate goal is to make all employers to employ people with disabilities, I do have reservations about it. So, I am very sorry for not being able to support him.

Madam Deputy, I so submit.

MR WONG SING-CHI (in Cantonese): Madam Deputy, according to the information from the Equal Opportunities Commission, in last year, that is, 2001, there were in total 619 enquiries or complaints lodged with the Commission by people with disabilities in respect of discrimination. Of these cases, more than 400 are related to employment relations. The enquiries and complaints show a rise of 37% compared to 451 in the year 2000. From the figures, it can be seen that there exists in society a serious bias against people with disabilities and a serious doubt about their working abilities.

Moreover, from the latest statistics released by the Government, the employment rate of people with disabilities of the working age is only a little over 20%. The rate is lower than the overall employment rate. People with disabilities are especially vulnerable at a time of economic downturn and many of them are unemployed or find it hard to find a job. Even if they have a job, they are the ones who get dismissed most easily. As a result, people with disabilities

who have the ability to find a job in the open market are forced to go into sheltered workshops or engage in some simple jobs. They are unable to make good use of their abilities and knowledge and that is a sheer waste of resources in society and it will also deal a great blow to the spirit of people with disabilities.

In 1997, with the Disability Discrimination Ordinance having come into effect, employers must extend equal treatment to both the disabled and the able-bodied and no different treatment in employment, transfer of postings or promotion is to be made on grounds of physical disabilities or illnesses.

On the other hand, although the Disability Discrimination Ordinance does not specify that employers cannot require staff to take a medical check-up before he or she assumes the post, the Ordinance prescribes that employers cannot discriminate against applicants on grounds of the results of the medical check-up, unless the employers can prove that the disabled person is not employed on grounds of the need to safeguard the interest of public health. This point is stipulated in the Ordinance. However, it is unfortunate that in our community, such legislation is not put into practice at all and there is no way to prove that the employers concerned have breached the legislation.

For example, my wife is a chronically ill person so I share her feelings. Her capabilities and knowledge are no worse than mine, and her performance at work is even better. She has to go to work apart from taking care of me and my son, but she is able to do every one of her duties perfectly. However, over the years and in the process of finding a job, she was unable to find a job which would suit her. Despite her ability and performance, she could not pass the medical check-up, and the employers would tell her to go home and wait, or even said flatly on the telephone that they could not hire her. There was no way which we could find out the reason, nor were we certain that the employers did not hire my wife simply because of her health condition. However, it is clear from the many experiences that we have, it is due to her health that she is not hired, because she is chronically ill. And that has nothing to do with her lack of capabilities.

To give people with disabilities a job is only being fair to them. I am not asking people to be sympathetic to them or to give them any preferential treatment. We should do them justice and give them an equal opportunity, and that will be good enough to enable them to put their knowledge and skills into practical use.

In the youth centre where I work, there is a colleague of mine who has to move around in a wheelchair because he is suffering from muscular dystrophy. He started by working as an office assistant, handling some simple tasks. Through his performance at work and his part-time studies, he was promoted to the post of a welfare worker and later as a social work assistant. It can be seen that though he is a disabled person, he is as ambitious as an able-bodied person and his performance at work is as good, or even better. His promotion to the present post has been due to his performance and hard work. There is another reason, for I am his superior and I recommended his promotion. If he does not get a recommendation from his superior and his work is not highly regarded and if a judgement is made only because of his appearance and disability, then the chances for a disabled person to get promoted are very slim indeed.

We hope that people with disabilities can be given a chance to bring their knowledge and skills into full play and make contribution to society.

As a matter of fact, the motion moved by Mr LAW Chi-kwong is to formulate some indicators to give a definite goal to the organizations to encourage them to employ more people with disabilities. That will enable the disabled persons to give play to their abilities and perform better under fair conditions.

According to the findings of a report compiled by the Hong Kong Polytechnic University on the employment of persons with disabilities in non-governmental organizations released recently, the percentage of disabled staff in the Government is 2%, that in the public sector is 1.2% and 1.4% in voluntary agencies. The percentages are very low. So I hope that government departments, the public sector and voluntary agencies can take the lead in employing people with disabilities so that the public can realize that the disabled persons are able to do and perform well in many kinds of jobs like us.

I urge Honourable Members to support the motion moved by Mr LAW Chi-kwong. I so submit. Thank you, Madam Deputy.

DR RAYMOND HO (in Cantonese): Madam Deputy, the present unemployment situation in Hong Kong is alarming, with the jobless rate reaching 7%. People with disabilities have always been facing greater difficulties in finding jobs, now they have become especially vulnerable. According to a

survey conducted by a non-governmental organization recently, the unemployment rate of persons with disabilities is 16.5%, which is more than twice the overall unemployment rate of 7% in Hong Kong.

The Hong Kong Government is the biggest employer in Hong Kong and it has only employed about 3 600 people with disabilities, accounting for 2% of the Civil Service of 180 000. It is disappointing to note that out of more than 90 Policy Bureaux and departments, only 10 of them have disabled persons forming more than 2% of their staff. The figures of disabled persons employed in quasi-government organizations and voluntary agencies are even lower, being 1.2% and 1.4% respectively. People with disabilities are part of the community and the difficulties they face in finding jobs should warrant public concern and attention.

To increase the employment opportunities of people with disabilities, we must first change the prejudice against the working abilities of the disabled persons held by the community. Although some improvements have been seen in this regard as a result of publicity efforts by the relevant authorities, many employers are still inclined to employing able-bodied employees, especially at the present time when there is an oversupply in the labour market.

I used to be a member of the school management committee of five schools run by the Red Cross for handicapped children. Many of these students scored quite good results in the Hong Kong Certificate of Education Examinations, but it was very hard for them to find a job. It can be seen that there is an obvious prejudice in society against people with disabilities when it comes to employment.

Taking into account the situation, the Government should engage in more publicity efforts and adopt more concrete measures to increase the employment opportunities of people with disabilities. In fact, some of our neighbours like Taiwan, South Korea, Japan and some provinces on the Mainland have put in place something like a quota system for the employment of people with disabilities. But in contrast, there is no help from government policies on the employment of people with disabilities and so they have to rely on their luck.

As an economically advanced region, Hong Kong is capable of giving more employment assistance to people with disabilities. At least government departments, the public sector and subvented organizations should draw up some

indicators on the employment of people with disabilities and implement them. And such indicators should be set on a higher level than the existing percentage of disabled persons employed in these organizations before they can produce any effect. It will also set an example for private sector organizations.

Apart from that, the Government may offer some subsidies on the employment of people with disabilities to employers so as to encourage them to hire more disabled persons. As employers may have to make some special matching measures in terms of the working environment and training, the provision of a subsidy may help meet expenses in this regard.

Madam Deputy, the offer of employment opportunities to people with disabilities who are able to work will not only help them to be self-reliant and lead a life of dignity and confidence, it will also enable them to become valuable human resources in society and hence making contribution to our economy. I so submit. Thank you, Madam Deputy.

MR ALBERT HO (in Cantonese): Madam Deputy, the Democratic Party firmly believes that every person enjoys equal right and opportunity to employment and the responsibility to commit themselves and contribute to society. However, in reality, the disadvantaged groups in the Hong Kong community are unable to give full play to their potentials and take part in work, nor can they enjoy reasonable and equal rights like other persons. According to information from the Census and Statistics Department in 2000, the labour force participation rate of people with disabilities is only 22.9%. During the same period, the participation rate of young people of the 20 to 29 age group is 83.6%, the participation rate of women of the 50 to 59 age group is 41.1%; while the overall labour force participation rate is 61%. From this we can see that the labour force participation rate of people with disabilities is very low indeed.

The policy objective in occupational rehabilitation as stated in the Hong Kong Rehabilitation Programme Plan is "to meet the goals of full participation and equalization of opportunities in the context of employment and vocational rehabilitation, the objective is to ensure that people with disabilities have an equal chance to participate in productive and gainful employment in the open market." However, as indicated by the above-mentioned figures, the present utilization of the human resources of people with disabilities is at a very

unreasonably low level and their abilities and work skills have not been reasonably recognized in society.

To realize the above-mentioned policy objective and ensure that people with disabilities have the right to equal participation, there is a need to urge for the formulation of effective measures to establish an indicator for employing people with disabilities so that their employment rate will reach a certain acceptable percentage. In an opinion poll conducted by the Democratic Party recently, findings show that of the 584 members of the public interviewed, 54.3% agreed with this suggestion.

The establishment of an indicator for employing people with disabilities can be regarded as a clear working objective in the promotion of the employment of people with disabilities. With the existence of such a working objective, efforts can be systematically carried out to commence, implement, monitor and assess the relevant work.

However, when efforts are made to increase the participation of people with disabilities in the labour market, we must reach the goal of raising the employment opportunities of people with disabilities. We suggest that the following criterion be used: given a set of uniform selection criteria and assessment, priority should be given to people with disabilities when they are found to be equally qualified as the able-bodied persons." It is only when this practice is adopted that people with disabilities can strive for their right to participation and employment on a more reasonable basis of equal opportunities.

In the same survey conducted by the Democratic Party, it is found that about half of the interviewees agreed to this proposal. However, as the concepts involved are rather complicated, as much as 30% of the interviewees said that they had no comments about this. From this it can be seen that more extensive publicity is necessary to make the public aware of these concepts. We must point out that though the laws of Hong Kong outlaw the discrimination of people with disabilities, to ensure that these people will enjoy equal opportunities, we need more than the elimination and prohibition of discrimination. For discrimination in this sense is only a narrow definition, what we need is promoting and safeguarding the enjoyment of equal social and economic opportunities by people with disabilities. Only this concept will eliminate discrimination in the broad sense. Mr LAW Chi-kwong has proposed a policy

today for meeting this objective, in the hope that the Government will take the lead to arouse concern for this issue in the community and to educate the public on this. We know that this policy is not law and it should have a certain degree of flexibility and so I do not wish to implement this as a mandatory policy. However, if this cannot produce the effect desired, then we must consider making an overall review of the situation. The motion should be able to foster greater awareness in the community of the significance of this issue and to promote widespread concern for the enhancement of equal opportunities for people with disabilities. For this to succeed, there must be co-operation from all parties and matching public policies. So I hope Honourable Members can support this measure which in our opinion is only very mild, but I must stress that it is nevertheless a measure of enormous significance.

With these remarks, I support the motion moved by Mr LAW Chi-kwong.

MR MICHAEL MAK (in Cantonese): Madam Deputy, people with disabilities have always been put in a disadvantageous position in society. They are even associated with such negative terms as "the abandoned", "burden", and so on. As society progresses and concepts change, and with the enactment of the Disability Discrimination Ordinance, the community should, apart from accepting people with disabilities, go further to help them integrate into society, so that they can stand on their feet with their own efforts; and this can ease the burden posed by them on society. In times of an economic boom, the disabled may be able to obtain more support. But today when the economy is in the doldrums and the unemployment rate stands high, their employment situation is even less optimistic.

According to the Special Topics Report No. 28 on "Persons with Disabilities and Chronic Diseases" published by the Census and Statistics Department in 2000, there were 344 000 people with disabilities and 882 700 people suffering from chronic illness, accounting for 5% and 13% of the 6.8 million population of Hong Kong respectively. The unemployment rate among these people was far higher than the overall unemployment rate. The Report showed that the unemployment rate among the disabled, excluding the mentally-handicapped and the chronically ill, already reached 12% in 2000. According to the survey conducted by the Equal Opportunities Commission (EOC) in 1997, the unemployment rate among the disabled then was even as high as 26%.

Given that the economy has been going downhill over the past few years, their unemployment rate has certainly deteriorated.

At present, there are in total 243 700 recipients of the Comprehensive Social Security Assistance. Among these recipients, 13 600 people have permanent disabilities and 19 800 are temporarily disabled, accounting for a total of over 13%. If assistance can be provided to help these people become self-reliant, it can foster their confidence and dignity, and also reduce part of the social welfare expenditure, thus killing two birds with one stone. Yet, according to Dr Fernando CHEUNG of the Department of Applied Social Studies of the Hong Kong Polytechnic University, who has long been engaged in research studies in this area, the current employment situation of the disabled is unsatisfactory. The percentage of disabled employees in voluntary agencies is a mere 1.4%, whereas that in quasi-government bodies is even lower at 1.2%, which is disappointing!

To address the employment problem of the disabled, I share the view of Mr LAW Chi-kwong that in order to increase job opportunities for the disabled, the key is not to give special treatment to the disabled, but to treat them equally or, where possible, accord priority to them, when their abilities are found to be as qualified as other applicants under uniform selection criteria. Only when they are treated on an equal footing will they be genuinely respected.

I think the gradual and orderly approach of having the Government of the Hong Kong Special Administrative Region, the largest employer in Hong Kong, to take the lead, and then extending the policy to quasi-government bodies and voluntary agencies and finally to the private sector is rational and appropriate. As for the measures to be implemented, that is, whether an indicator for employing the disabled or a quota system should be established, extensive and detailed discussions are necessary. But still, it is most imperative to ensure that they are treated no differently from the ordinary people throughout the entire employment process, including the criteria for recruitment, promotion, posting, training and dismissal. The Government can also consider providing financial resources to allow companies employing people with disabilities to apply for funds for the purpose of making suitable alterations to the working environment of the disabled and procuring necessary auxiliary aids, with a view to encouraging employers to employ people with disabilities.

Some in the business sector may consider that the imposition of this requirement would affect the operation of the free market and even the business environment. But if the disabled applicants have the capabilities that meets the job requirements, whether or not they are disabled is really a non-issue. If employers still refuse to employ or accept them, the only explanation is the employers are being subjective and discriminatory, and that the employers purely focus on the person instead of the issue.

Madam Deputy, there are many types of disabilities. Take mental patients as an example. According to information of the EOC, in 2000 and 2001, 149 complaints were received from mental patients, and this was indeed not a small number. From my many years' of experience in this field, mental patients are actually not terrifying. As long as they are provided with suitable treatment and care, they can also lead a normal life. Sufficient social and family support absolutely can reduce the risk of relapse of mental patients. In this regard, community psychiatric nurses and other psychiatric teams play a vital role by, for instance, providing psychological, family, marital, parenting and employment guidance and counselling for discharged patients. All this can control the illness and speed up recovery.

Madam Deputy, to resolve the problem of the disabled in employment, we must start by changing the concepts of the general public. People with disabilities are not abhorrent. Some employers who have misconceptions refuse to accept the disabled due to psychological factors and personal values, rather than objective reasons. As the saying goes, "Everyone of us is born to be useful". Despite their disabilities, the disabled also have outstanding performances in one way or another. Mr CHEUNG Wai-leung, the world champion in fencing in the Paralympics, is obviously one of the best examples. If members of the public can dispel their misconceptions about the disabled and foster mutual respect, the entire community will be more harmonious and more colourful. With these remarks, I support Mr LAW Chi-kwong's motion and Mr LEUNG Yiu-chung's amendment.

MR YEUNG YIU-CHUNG (in Cantonese): Madam Deputy, Rehabilitation Alliance Hong Kong looks at the employment situation of people with a disability as follows, and I quote: "The current employment situation of people with a disability is far from being satisfactory. It is estimated that the unemployment rate of people with a disability is four or five times higher than the overall

unemployment rate of Hong Kong. In the past, many organizations for people with a disability made many different attempts, in the hope that the Government could improve the employment situation of people with a disability. But there has been no satisfactory result, as many people with a disability still remain unemployed. The Asian financial turmoil that occurred earlier has plunged many people into unemployment. People with a disability are not excepted, and worse still, they are the hardest-hit, as many of them have become the first targets of dismissal."

We think that it is not at all surprising that with the current economic restructuring and high unemployment rate in Hong Kong, people with a disability are encountering much more employment difficulties than the able-bodied. In European countries like the United Kingdom, where the unemployment rate is generally high, the unemployment rate of people with a disability is higher than that of those who are not disabled.

However, it should be noted that many disabled people are still capable of working, and some of them have even made very unique contribution to society. Disabled people in foreign countries, people like scientist Stephen HAWKING, Ludwig van BEETHOVEN and Helen KELLER, both of whom even small children know, are all renowned for their exceptional talents and wisdom. In Hong Kong, many outstanding figures in various different trades and industries are also people with a disability. Many people with a disability are willing to work; as long as the general public can do away with the discrimination and prejudices against them and give them recognition, disabled people will always be able to benefit from normal employment relationships and salaries, participate in social activities, serve the community and make the contribution they should be capable of making.

For the pursuit and promotion of equal opportunities, the Democratic Alliance for Betterment of Hong Kong (DAB) supports this motion on promoting the employment of people with a disability, and it also agrees that indicators for employing people with a disability should be set down and implemented under the lead of the Government and subvented organizations. As a matter of fact, in 2000, the DAB already suggested that the Government should set up a "quota system for the employment of the disabled". The relevant proposal of the DAB consists three parts. First, legislation should be made to require enterprises of a certain scale to employ a prescribed percentage of disabled employees. Second, "a fund that aims at encouraging employment of the disabled" should be set up to

support the operation of the quota system. An enterprise failing to meet the requirement must pay a sum of money which shall then be deposited in this fund. An enterprise that has taken on more disabled employees than is required by law can be granted a sum of money from this fund to assist the enterprise to install necessary facilities for the disabled workers. Third, there should be well-established training institutions where the disabled can acquire working skills that meet their needs so as to enhance their competitiveness.

Madam Deputy, at present, in many countries and regions, such as France, Poland and Italy in Europe and Japan, South Korea, Malaysia, Thailand, India, mainland China and Taiwan in Asia, similar quota systems are already being implemented. There are of course fine differences. For instance, in some places, the percentage of disabled employees in a company is 1.5%, while in others, the percentage is 3%. However, irrespective of the percentage, a quota system will always help improve the employment situation of people with a disability.

That is why the DAB must reiterate that the Government should give active consideration to the introduction of a quota system. For the sake of smooth implementation, we propose to phase in such a system in three stages. The first stage should start with all the departments of the Special Administrative Region Government, so as to set a good example. As rightly pointed out by the Rehabilitation Alliance Hong Kong, the Hong Kong Government, as the largest employer locally, can offer greater numbers of choices in terms of job nature and fields, and this can make it easier for people with a disability to find a suitable job. The second stage should start with public organizations, quasi-government institutions and social service organizations funded by the Government, including the MTR Corporation Limited, the Kowloon-Canton Railway Corporation, the Mandatory Provident Fund Schemes Authority, and so on. At the third stage, legislation should be enacted to extend the quota system to private enterprises.

The Government must however pay attention to two points in the process of implementation. First, as far as the DAB knows, the implementation of such a quota system is not always successful in foreign countries. For example, in the United Kingdom, years back, because of a drastic decline in the number of enterprises which could meet the prescribed percentage, the quota system virtually had to exist in name for a very long time, and in 1995, they eventually switched to anti-discrimination legislation as a means of protecting people with a

disability. And, in Taiwan, the government there has been forced to introduce some assistance measures, as the failure of employers to recruit enough disabled employees and the consequent differences in tax payments have led to very strong reactions. That is why the Government must take account of the implementation experience in other countries and make corresponding adjustments in the process of policy formulation, so as to ensure that the quota system introduced can really suit the local context.

Second, there is a need to ensure that the implementation of the quota system does not affect small and medium enterprises (SMEs). As a matter of fact, at this time when our economy has not yet shown any signs of improvement, SMEs are already facing an extremely difficult business situation. So, the constraints imposed by a quota system will only add to their pressure. The DAB therefore proposes that any quota system to be introduced should be restricted to large enterprises only, such as those employing more than 100 workers. As indicated by the figures of the Census and Statistics Department, there are roughly 2 000 such enterprises in Hong Kong. This means that all the 300 000 or so SMEs in Hong Kong will not be affected.

To sum up, if we are to promote the employment of people with a disability, society as a whole must change its preconceptions. One example is that if people still think it is no good to see disabled employees walking around in fast-food chain outlets, then it will be difficult to fully implement any quota system. I must also stress that even with a quota system, other services aimed at assisting disabled persons in securing employment must not be stopped, because the capabilities of people do vary.

In regard to the tax concessions proposed by Mr Tommy CHEUNG of the Liberal Party, the DAB is of the view that such concessions will be far less effective than the original motion. For this reason, we do not agree to the relevant amendment. Mr LEUNG Yiu-chung's amendment, on the other hand, can retain the spirit underlining the original motion. But the DAB does have some reservations about one point there: "..... with the ultimate goal of prompting employers of all organizations in Hong Kong (to adopt a quota system)", because we do not wish the quota system to affect the SMEs in Hong Kong which are operating in enormous difficulties. But an ultimate goal is an ultimate goal after all, and it will not thus be realized right away. That is why we will nonetheless support Mr LEUNG's amendment. Thank you, Madam Deputy.

MR FREDERICK FUNG (in Cantonese): Madam Deputy, according to the Special Topics Report No. 28 on "Persons with Disabilities and Chronic Diseases" compiled by the Census and statistics Department in 2000, there are more than 300 000 disabled people in Hong Kong, and the number of those with chronic diseases is also as large as 880 000. In 1997, the Equal Opportunities Commission conducted a baseline survey on the employment situation of persons with disabilities in Hong Kong; as pointed out in the report, 26% of the persons with disabilities interviewed in the survey were at the time unemployed, and it is generally believed that in the wake of the financial turmoil and given the economic sluggishness in recent years, the employment situation of these people will have worsened. It is estimated that the unemployment rate of persons with disabilities should be several times higher than the 7% overall unemployment rate in Hong Kong. We believe that this problem will deteriorate.

The main reason for the high unemployment rate of persons with disabilities may perhaps be that because of a possible misunderstanding or lack of understanding about these persons, employers generally think that they are not as capable as ordinary people. Admittedly, some persons with disabilities may really be less capable, but we must not thus make any sweeping generalization, concluding that all such persons are just as incapable. We should get to know them and give them equal opportunities in employment, so as to enable them to stand on their own feet and make contribution to society.

For the purpose of increasing the employment opportunities of persons with disabilities, the Labour Department has launched an in-service training scheme for persons with disabilities and the Trial Placement cum Mentor Scheme for People with a Disability. Through the provision of wage subsidies to employers for three months and six months respectively, these two schemes aim to induce employers to offer employment opportunities to persons with disabilities. It is also hoped that employers can get to know the capability of persons with disabilities during the training period and continue to employ them afterward. Both the Hong Kong Association for Democracy and People's Livelihood (ADPL) and I welcome these schemes, and, we also think that these schemes can assist some persons with disabilities in solving their unemployment problem. The only inadequacy is that the number of places under such schemes is not large enough.

The idea of a quota system for the employment of people with disabilities as proposed by Mr LEUNG Yiu-chung has in fact already been put into practice in many countries and regions such as Germany, France, Italy, Japan, Korea, China and Taiwan. In some of these countries, the results are very satisfactory, and the success of a quota system often depends on the scale of the company concerned and the proportion of disabled persons it is required to employ. As a matter of fact, the organizations advocating this idea and Mr LEUNG's amendment have just outlined some general criteria and a broad direction for a quota system, rather than spelling out all details. This shows precisely that the amendment is intended to be open in attitude, so as to allow for further discussions by Members in the future. Besides, the amendment does not contain any proposal on following the example of some other countries, where there is a fixed rate, 4% or even 6%, for the employment of disabled persons. Since the amendment of Mr LEUNG does not specify any details in this respect, I think much can in fact be discussed in the future. In addition, the amendment also does not specify what kinds of companies — large or small, SMEs or large corporations — should be required to employ disabled persons. In my opinion, what is implied in the amendment is that when the motion is really put into practice, we will still have a chance to discuss this point. I therefore think that the amendment has just pointed out a general direction.

The ADPL and I believe that as long as there are satisfactory exchanges and co-ordination among all the parties concerned, including the industrial and commercial sector, employees and the Government, we will definitely be able to work out some criteria that can suit both the industrial and commercial sector and disabled persons. That way, a quota system can be implemented in an orderly and gradual manner. I of course agree entirely that the Government should take actions first. It should take the lead in launching a quota system for the employment of disabled persons.

As for Mr Tommy CHEUNG's amendment, I must say I cannot accept it for two reasons. First, as it is worded, the original motion proposes to formulate appropriate measures to increase the employment opportunities of people with disabilities who are able to work. In other words, the people being referred to are those disabled people who are able to work. There is no need for us to provide them with any preferential treatment, nor should we look down on them, because these people can earn the wages they deserve by means of their working ability. This means to say that it is their working ability which makes employers employ them. The wages they get in return are therefore value for

money. That being the case, why should there be a need to offer tax concessions to employers?

Second, if the wages paid by an employer are commensurate with the work contribution of a disabled person he employs, then we can say that the employer is actually paying what he thinks is the worth of the disabled employee. In other words, it is a fair deal. But it is now suggested that the employer should be offered tax concessions. Is this not a proposal enabling employers to use disabled employees as an excuse in pursuit of "extra" benefits and extra income? Such a proposal cannot be accepted.

Madam Deputy, for all the above reasons, I support the original motion and Mr LEUNG Yiu-chung's amendment.

DR LO WING-LOK (in Cantonese): Madam Deputy, we should not consider promoting the employment of people with disabilities as affording them special care. Rather, we should seek to give them opportunities to give play to their strengths and skills, or even compete with the able-bodied. This is meant to be a human resources development measure, not a welfare measure. At the same time, it serves to recognize the contribution made by people with disabilities to society.

I agree with Mr LAW Chi-kwong's view that the Government should spearhead the programme. Although it is essential for the Government to encourage SMEs to employ the disabled, small enterprises usually require their employees to be multi-functional. Thus there may not be much room for them to employ the disabled. The number of staff employed by the Government, public bodies and subvented organizations is huge, however, so the room for certain specific work categories is particularly large too. It is therefore most suitable for these organizations to take the lead.

I also agree that an indicator be established according to the present situation and the feasibility of implementing this proposal, or this will facilitate the more effective implementation of this policy.

Furthermore, the Government can take the lead to create an employment environment conducive to the disabled. On the one hand, the disabled should be given easier access to their places of work; and on the other, we may consider

bringing work to their own homes. Insofar as the former is concerned, we may make better transport arrangements or improve the design of office buildings through such means as providing crossing facilities, in a bid to provide more convenience for the disabled. I believe the community in general shares this view too. As for the latter, many people no longer find it necessary now to work in offices or work outside their homes. A lot of work can indeed be done at home by means of a computer, the Internet, and so on. This will help the disabled to work without leaving their homes. In my opinion, the Government can consider rendering assistance in this aspect.

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

MR BERNARD CHAN: Madam Deputy, currently, the unemployment rate is at a high side, it is understood that the disabled may face a rather tough situation in job searching under an economic downturn. I believe that no one in this Council would stand against the Honourable LAW Chi-kwong's motion and the principle of assisting people with disabilities to seek jobs.

The unemployment rate among the disabled is far worse than the overall jobless rate. According to the "Persons with Disabilities and Chronic Diseases" survey, which was conducted by the Census and Statistics Department in 2000, there were a total of 344 000 persons with disabilities that accounted for 5% of our 6.8 million population. The report cited that the jobless rate among the disabled was 12%. According to another poll that was done by the Equal Opportunities Commission (EOC) in 1997, 26% of the disabled were unemployed. Some concern groups even estimate the jobless rate among the disabled at nearly 30%.

The disabled face more difficulties in getting jobs. Apart from the limitation, which is brought by their disabilities, they also have to come over the environmental barriers, such as inadequate facilities in the buildings, and public misunderstanding. However, the disabled are willing to pay extra efforts in performing a job; and they may not be worse than normal persons.

There are different types of disabilities, such as visually impaired, hearing impaired, intellectually disabled, physical handicapped, autistic and multiple disabled. People with disabilities, just like able-bodied counterparts, have different talents and potentials. Different types of work would be appropriate to

different kinds of disabilities. I believe that the disabled would be valuable manpower to the organizations or companies, with proper trainings and arrangements.

The Government, public bodies and subvented organizations — all these parties should act as a role model of good employers and take the lead to meet a certain benchmark. More job opportunities would be given to the disabled by introducing such a benchmark. This would also encourage the commercial sector to be responsible employers and to follow and employ more persons with disabilities when appropriate.

I do support employers, no matter in the public or private sector, to recruit more persons with disabilities when possible, as this could provide a chance for the disabled to be self-reliant, and could also help the employers to establish a fair image.

The idea of tax concession put forward by the Honourable Tommy CHEUNG is a good suggestion and a great motivation for the private sector to employ more disabled persons. However, Mr CHEUNG's amendment has crossed out the section which urged the Government and other public bodies to take the lead to employ more persons with disabilities. The amendment has lost the purpose in the original motion; it would be better if that section has not been deleted.

I understand that the Labour Department has introduced several programmes to assist the disabled in job searching, and training would also be provided to them. However, more should be done to assist the disabled in employment. According to the EOC survey in 1997, it was found that vocational training for persons with disabilities is inadequate. Tailor-made vocational programmes should be provided to them so as to help them to equip themselves and to improve their employment opportunities.

Apart from the efforts to help the disabled to seek jobs, community education toward the issue could not be ignored. Some employers and parties in the community may have a concept that the disabled are only capable to work in elementary occupations, such as clerks and office assistants. But the fact is that some persons with disabilities are capable to work in managerial and professional level posts. Their education background and vocational training, instead of their disabilities, are the vital elements of which post to be performed.

In addition to this, I wish to urge other parts of the community, such as providers of public transportation, road and building facilities to provide facilities more accessible for the disabled. I appreciate that some buses are now equipped with special platforms for wheelchairs, and the Kowloon-Canton Railway also offers special help to the disabled on travelling in their daily lives.

It would not cost much to build ramps for those using wheelchairs; and it would not cause much trouble to companies and buildings to change their elevators' buttons into braille keyboards, but it surely helps a lot to the visually impaired persons. More important is the attitude of the general public. We do not ask the public to do everything for the disabled. We just hope that the public can treat them in an equal and friendly way. All these would help to build a fair and friendly living and working environment for people with disabilities. Thank you.

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

MR CHAN KWOK-KEUNG (in Cantonese): Madam Deputy, I have just read a news story in the papers, one about how a blind Executive Officer of the Leisure and Cultural Services Department has finally managed to get the Best Employee Award after working dedicatedly for more than 10 years. His story is certainly most enlightening.

In this Executive Officer's early years of service, computer was not yet common, and he could only handle clerical work by an ordinary typewriter. And, when he came across hand-written documents, he had to ask a colleague to read them aloud to him. Since his memory was so good that he needed one reading only, so he did not cause too much trouble to his colleagues. With the full-scale computerization of government offices in recent years, he is now able to handle all documents independently with the aid of the necessary equipment.

This can show us that people with a disability are not "severely constrained" and "heavily dependent" as generally perceived. Instead, they are no different from ordinary people, the only problem being whether we are prepared to offer the assistance they need. And, let us not forget that even ordinary people sometimes do need others' help and understanding before they can give full play to their abilities. In the case of this Executive Officer, for

example, initially, he had to ask his colleagues to read documents aloud to him, but eventually, with all the perseverance and determination he has, he is now able to work independently. Therefore, I hope that employers can refrain from discriminating against people with a disability, from thinking that they are all worthless.

The Labour Department has recently launched the Trial Placement cum Mentor Scheme for People with a Disability, which aims to encourage employers to take on people with a disability. Under the scheme, other employees with more experience are assigned to assist people with a disability in overcoming their difficulties at work and in adapting to job requirements, so that they can stand on their own feet.

I strongly support all similar schemes, because once people with a disability can receive care from others, they will be able to demonstrate their worth as a worker. The assistance required by people with a disability will not become a burden of their employers; quite the contrary, as long as employers are willing to making that kind of investment, they will reap returns, because people with a disability are extremely loyal. Once a disabled person can find a niche in a company, he will be able to make money for the company like all others. And, instead of discriminating against him, his colleagues should give him support and encouragement.

What I dislike most is that when some people see a wheelchair-bound person handing out leaflets in the streets, they will caustically criticize him for "causing obstruction". Such a remark is completely malicious, entirely unfair to people with a disability.

According to the Labour Department, the Trial Placement cum Mentor Scheme for People with a Disability launched last year received very favourable responses. Therefore, the Department now plans to extend the scheme for three years and the Government has made \$1.9 million provision for its continued implementation. For September last year alone, the success rate of the scheme was as high as 77%, and the retention rate was also as high as 72%. The relevant statistics show that people with a disability are perfectly able to join the labour market, are not confined to clerical jobs, and are capable of working as store workers and cleansing workers and for the services industry. This shows that the working ability of people with a disability merits recognition.

Another point is that employees with a disability have also been affected in the recent spate of layoffs and "downsizing". One example is the recent layoff of Pacific Century Cyber Works (PCCW) staff, in which employees with chronic diseases and physical disabilities became the first targets of layoff. The PCCW Employees General Union has already referred the case of an employee with a chronic disease to the Equal Opportunities Commission. It is reported that they are considering the referral of three to four similar cases to the Commission for assistance.

Therefore, I must call upon employers not to discriminate against people with a disability, but to consider the possibility of employing more of them instead. Provided that we can give them opportunities, they will be able to demonstrate their ability and free themselves from unequal treatment.

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

MR HENRY WU (in Cantonese): Madam Deputy, I speak in support of Mr LAW Chi-kwong's motion on "Promoting the employment of people with disabilities" and the amendment moved by Mr Tommy CHEUNG. Although they are aiming at the same target group, that is, people with disabilities, they have different ideas in mind and I think they can both promote the employment of people with disabilities. On the contrary, as for the quota system for the employment of people with disabilities as proposed by Mr LEUNG Yiu-chung, I am afraid I cannot lend it my support in view of the present economic circumstances. As a director of the Hong Kong PHAB Association, I am very much concerned about the employment of people with disabilities and so I hope to make use of the debate today to say something on the direction of rehabilitation policy in Hong Kong.

The Hong Kong PHAB Association shares the stand of most other rehabilitation organizations in urging the Government to enact legislation speedily to protect the employment opportunities of people with disabilities. But in my opinion, it is more important to help the disabled participate actively in society and boost their confidence, rather than promoting their employment. So apart from formulating policies to encourage the employment of people with disabilities, it is more important that proper assistance should be given to help them become active members of society.

For many years I have had the opportunity to come into contact with people with different disabilities. Some of them work in sheltered workshops. I have come to realize that many people with disabilities have great potentials in their ability to work. Owing to the circumstances and practical needs, they need to receive longer periods of training and help from various quarters before they can secure employment. Therefore, while employers should be encouraged to give opportunities to people with disabilities to develop their potentials, matching efforts in other areas are also very important and they are indispensable.

Madam Deputy, at a time of economic restructuring, each and every member of the community should strive to add value and upgrade their skills to face the changing social environment. The people with disabilities should be given training in vocational skills as appropriate. Their potential working abilities should be explored and enhanced so that they can have greater confidence for work. For those people with disabilities who are seeking a job, any reckless job-matching will serve to undermine their self-confidence in becoming active members of society. That will only defeat the purpose of helping these people. On the other hand, when their skills can really be used in some related work, the sense of satisfaction at work will really serve to boost their confidence and hence make them more committed to their work.

Generally speaking, cases of discrimination against people with disabilities emerge only as isolated incidents in Hong Kong nowadays and this is not a serious problem. Measures like stepping up publicity and promotion, increasing the understanding of the public about the needs of people with disabilities and their potentials for work will further reduce the incidence of discrimination.

Madam Deputy, do we really understand the aspirations of people with disabilities? Every time when I meet with disabled persons, I would have a rather strange, and yet wonderful feeling. I do not feel that promoting their employment is genuinely their wish, nor do I feel that it is the hope of their family members and relatives. Their hope and that of their family members and relatives is that they should live a meaningful life, that they can participate in society and live happily. So I think we should try to know what they want from another perspective. We should replace compassion with care, apathy and nonchalance with integration of the disabled and the able-bodied, a blind quest for equality with sensible adjustments, legislation with encouragement, and

empty talks on ideal with concrete actions. I think that will be more helpful to fostering the integration of people with disabilities into society.

Madam Deputy, although the Selective Placement Division of the Labour Department offers assistance to people with disabilities in finding jobs, the results are not very satisfactory. I think the cause for that does not lie in the working ability of the disabled persons, but rather in the lack of opportunities for them to bring their abilities and skills into play. Therefore, I also agree with the suggestion made in the original motion to have government departments, public bodies and subvented organizations to take the lead in implementing appropriate measures and promote the employment of people with disabilities in a gradual and orderly manner.

For the industrial and commercial organizations, I agree with the suggestion raised in Mr Tommy CHEUNG's amendment that the Government should provide tax concessions and such like measures to encourage employers to employ people with disabilities to take up suitable jobs. This will lead to a greater acceptance of people with disabilities and facilitate their integration into society.

Madam Deputy, at this time of an economic downturn, some systems may not be completely accepted by the public, but the direction of encouraging employers to hire more people with disabilities should be further explored. In the long run, the Government can formulate appropriate measures to provide extensive assistance to disabled persons with different needs and help them adapt to the working environment. This will serve to broaden the scope of work which people with disabilities can handle. We all know that disabilities which are caused before and after birth would require different training. Suitable training will help them regain confidence and enable them to cope well with jobs which are within their abilities to handle. Then they can win public acceptance and praise.

At the end of last year I attended the fifth award-giving ceremony of the Ten Outstanding Warriors of Regeneration and I was moved to see how the award winners had fought their battle for survival. I also saw some other previous winners of the same event. Some of them are working, some have become voluntary workers, some are still receiving training, while some are pursuing their studies. I feel that they have one thing in common, and that is, their stamina and perseverance have helped them overcome the pains and

sufferings of their disabilities and chronic illnesses, and so they are able to make their dreams come true. Moreover, they all have some relatives and friends who care and support them, and also give them the encouragement they need. The most important thing is that they share a simple and clear goal of integrating into society and leading a meaningful life.

Madam Deputy, I so submit.

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

MR HOWARD YOUNG (in Cantonese): Madam Deputy, the Liberal Party agrees with the view that every possible effort should be made by the Government and people from different social strata to enable people with disabilities to take up the roles they are capable of playing and should play in society. In fact, there are many examples of people with disabilities in Hong Kong having made outstanding achievements in different fields, such as in various occupations, cultural activities and sports. Although they are beset by various problems as a result of their disabilities, given the chance, they can give play to their abilities just like other able-bodied persons and become genuine equal competitors.

With reference to many facilities such as in transport, culture, leisure and sports, the Government has done quite a lot of work over the past few years to facilitate their use by people with disabilities. Likewise, a lot of work has been done by the Government and many business organizations in the labour market and in the provision of employment opportunities for the disabled. Under the present circumstances of an economic downturn, the problem of employment is especially noticeable. I do not think that this is related to the abilities of the disabled, but that is due to the economic restructuring. Some of the workshops which used to hire some disabled persons like those which assemble some small industrial products have now relocated and so such job opportunities are getting fewer. On the other hand, restructuring has caused a greater demand in many trades for computer operators and such like clerical work. So if we are to solve this problem, we have to adopt some incentives so that employers will provide more job opportunities to the disabled. Besides, the Government should provide more resources to offer more training to the disabled so that they can adapt to the economic restructuring and hence be able to make good use of their abilities and skills.

Mr LEUNG Yiu-chung proposes in his amendment the idea of a quota system for the employment of people with disabilities. As Mr Tommy CHEUNG has said in his speech earlier, this idea makes the Liberal Party feel cautious. In the past when this Council debated such an issue, the Liberal Party raised the point that a mandatory enforcement of a quota system could not help solve the problem. Nor is it a positive measure to take.

The Honourable Audrey EU mentioned the indicators set up in countries like Britain and the United States which showed the number of people with what types of disabilities were employed. We notice that the word "indicator" is mentioned in the motion and before we hear the speech made by Mr LAW Chi-kwong and other Honourable Members, we have some caution for that word. For we suspect that "indicator" and "quota" are one and the same thing. That is why I listened very carefully to the speech made by Mr LAW earlier. I was glad he did not mean a quota system.

On the question of indicators, I would like to point out that if once the Government brings up the idea of indicators, officials in various government departments will easily make an indicator a number in order to put the idea into practice. So the idea of indicators will mean quotas in practice.

However, if the proposal is to draw up an objective to give some idea as to what the businesses should do, and if this is meant to set an example and as a kind of encouragement so that others can follow, such as many government departments can really take the lead in employing people with different disabilities, then as an objective instead of a quota, we would agree to the idea. Countries in Europe and in America often release figures on the employment of people with disabilities, and that can serve as a kind of encouragement, for the public will know how much we have advanced towards that goal.

The spirit of our amendment is to propose that more measures be devised to encourage employers to provide jobs to the disabled and enable them to give play their abilities and skills, instead of imposing some mandatory indicators to achieve this end. We would certainly support such positive measures.

Some Honourable Members have mentioned that in some large organizations, there can be a greater division of labour for the number of staff employed is large. And so jobs which do not require so much skill can be

offered to people with disabilities, and these large organizations can work towards this end.

Having heard the speech made by Mr LAW Chi-kwong, though we have proposed an amendment to introduce tax concessions, we have not said that if our amendment is not passed, then we will definitely oppose the original motion. I wish to make it clear that the Liberal Party fully supports any positive steps to promote the employment of people with disabilities, and to make them more competitive, and any positive measures to encourage business organizations and give them more reasons to hire more disabled persons.

I so submit.

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

(No Member responded)

DEPUTY PRESIDENT (in Cantonese): Mr LAW Chi-kwong, you may now speak on the two amendments. Your time limit is five minutes.

MR LAW CHI-KWONG (in Cantonese): Madam Deputy, the Democratic Party supports the amendment moved by Mr LEUNG Yiu-chung, so I would like to do some lobbying for this amendment.

First of all, I would like to persuade Ms Audrey EU to support Mr LEUNG's amendment. Although the wording of Mr LEUNG's amendment says "with the ultimate goal of prompting employers of all organizations in Hong Kong to employ people with disabilities", Mr LEUNG has made it clear in his speech that from the overseas experience, the quota system is only applicable to large organizations, not small organizations. In his amendment, Mr LEUNG uses the word "prompting" instead of "requiring" and so his idea is not to require the employers of all organizations in Hong Kong to do so. Therefore, the amendment moved by Mr LEUNG does not have the problem mentioned by Ms EU.

I would also like to persuade the Honourable Henry WU, for he opposes Mr LEUNG's amendment on the grounds that the quota system should not be implemented when the Hong Kong economy is in the doldrums. However, Mr LEUNG's amendment does not say that legislation be made for the immediate implementation of the quota system, he only urges for the implementation of the system in a gradual and orderly manner. Moreover, the word "legislation" is not found in Mr LEUNG's amendment.

The Democratic Party does not have no reservations about the proposal to give tax concessions, nor would we oppose it. To put it simply, we have reservations about it. The Honourable Frederick FUNG has cited one reason for this earlier. For example, if the employers are given a 150% tax concession, that means when an employer thinks that the productivity of an employee is only worth \$6,000, then he will give that employee \$6,000, and he will get a tax concession of \$9,000. Since the productivity of an employee is only \$6,000, then why can the employer get a tax concession of \$9,000? That is unreasonable. However, we are not opposed to the giving of tax concessions. It is because the employment rate of people with disabilities is on the low side and tax concessions are an incentive to the employers. I think the measure will improve the situation of the low employment rate for disabled persons. But if we adopt a quota system and give tax concessions to those employers who hire more disabled persons than is required, then it will be more worthwhile and effective.

The amendment moved by Mr Tommy CHEUNG deletes all the important parts of the original motion and leaves us with an unfavourable impression. It seems to suggest that if they are asked to employ people with disabilities, things like indicators or promoting the setting up of recruitment policies and procedures in the organizations should be left aside, instead the issue of incentives should be raised. For the most important thing about incentives is that they should have a practical value and tax concessions have the greatest practical value of all. I hope that the Liberal Party can lend its support to a business culture of assuming social responsibility. It should not give people the impression that only the giving away of free lunches or anything which will give people some benefits is worth doing. In our hope to persuade the Liberal Party to become a party with

business background but is willing to bear social responsibilities, the Democratic Party will vote against the amendment moved by Mr Tommy CHEUNG.

Thank you, Madam Deputy.

THE PRESIDENT resumed the Chair.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, first of all, let me express our gratitude to Honourable Members for their concern and care about the well being of people with disabilities in Hong Kong.

I note the comments and suggestions raised by Honourable Members in the earlier part of this debate about the employment situation of people with disabilities in Hong Kong. We fully appreciate that under the prevailing economic slowdown, like their able-bodied counterparts, people with disabilities are facing difficulties in finding suitable jobs in open markets. They have to work equally hard if not harder than their able-bodied counterparts to secure jobs.

As far as our rehabilitation policy is concerned, the key objectives are to provide and promote such comprehensive and effective measures for the development of the capabilities of people with disabilities and to facilitate their full participation in social life and development and integration into community on an equal opportunity basis. With these objectives in mind, we believe that people with disabilities should be encouraged to be self-reliant and their employment should be promoted on the basis of their ability. They should be given the necessary support and assistance to equip themselves to work in the open market. In addition, appropriate measures such as promoting barrier free facilities should also be taken to ensure that the environment is conducive to their full participation in economic activities of the community. Our goal is to enable them to find jobs on their own merits and ability, and on an equal opportunity basis, rather than relying on a system which is built on pity of the employers and/or statutory measures.

In 2002-03, we will spend more than \$252 million to provide vocational training, services and support to assist the disabled to seek employment in the open market. In addition, our expenditure on running 7 500 places in sheltered workshops will amount to \$332 million.

Since early 2001, we have launched a series of initiatives to further promote self-reliance of the disabled and their employment opportunity on top of the existing services under our rehabilitation programmes. These initiatives include:

- (a) "On-the-Job Training Programme for People with Disabilities" — Through proactive training, market driven and placement-tied approach, 14 non-governmental organizations have been entrusted to operate the programme for three years for more than 1 000 disabled persons to enhance their employability commencing 2001.
- (b) "Enhancing Employment of People with Disabilities Through Small Enterprise" — \$50 million will be provided in the form of a seed money grant to non-governmental organizations to set up small enterprises which at least 60% of the employees will be disabled.
- (c) "Trail Placement cum Mentor Scheme for People with Disabilities" — Starting January this year, Labour Department has implemented the Scheme which aims to assist 200 disabled persons each year.

Regarding Mr LEUNG Yiu-chung's suggestion to introduce an employment quota system, we are not convinced that such special arrangement, which is designed to compel employers to engage the disabled persons, is a feasible solution. Indeed, in the course of drafting the 1995 White Paper on Rehabilitation, the Government conducted extensive discussions and consultations on setting up a quota system for the employment of the disabled. The conclusion reached then was that if such a quota system was put in place, some employers would be compelled to hire some disabled persons. As their prime concern would be to comply with the quota they would have little regard to the disabled's ability and their suitability to the job. The disabled employees might be regarded as a burden to the company and hence not accepted by other staff members. They may have doubt in their contribution to the organization to which they belong. Worse still, they may even be perceived as liability

rather than asset by their employers or colleagues. It will definitely have negative impact on people with disabilities.

Although admittedly a number of foreign countries have been implementing a quota system for employment of people with disabilities, through our research, we understand that in many cases the system has limitations and is not effective in promoting the employment opportunities of the disabled. Cases in point include:

- (a) the United Kingdom abolished its quota system as a result of criticism on its ineffectiveness from the Audit Commission 1995; and
- (b) a sizable proportion of employees opt to pay the levy in place of hiring the disabled persons. In Germany, the ratio is 80%; whereas in France, it is 54%.

Madam President, Mr Tommy CHEUNG, in his speech, suggested the Government to encourage employers, through tax concessions, to employ people with disabilities in order to enhance their employment opportunities. I should reiterate our belief that employment of people with disabilities should be promoted on the basis of their abilities. The primary goal of community acceptance could be easily defeated if they were to be given employment merely because of the tax benefits accruing to the employer.

Under the current profits tax system, all costs which contribute to making of profits are tax-free. Hence, when employers calculate their taxable profits, they may deduct the salaries of their employees. Mr Tommy CHEUNG suggests that the reduction rate be increased so that the deduction for employers who hire disabled persons would be more than the actual salary which they give to these employees. We cannot accept this suggestion because this is not permissible under the existing taxation principles. The existing practice is that any tax exemptions and deductions cannot exceed the actual expenses.

Moreover, we do not rule out the possibility that some employers might for the purpose of maximize the benefit accruing from the suggested scheme sack able-bodied employees and replace them with disabled persons. If this happens, I am sure Honourable Members will agree with me that this is not the right way of creating job opportunities for people with disabilities.

As regards the suggestion put forward by some Honourable Members on introducing an indicator on employment of disabled persons for the Government, subvented organizations and public bodies, our view is that, it would be useful to apply the indicator for the purposes of research and periodic tracking of the overall trend in employment of the disabled persons. However, we do not consider it practical to introduce such indicator for a particular sector or individual organizations as a tool for monitoring ongoing compliance because:

- (a) given the complexity in the definition of different disabled group, it would not be possible to monitor compliance unless a sophisticated and costly control mechanism is put in place;
- (b) the diversity in nature of business and size of the non-governmental organizations and public bodies renders it extremely difficult for some of the organizations to follow the indicator; and
- (c) if there is no obligation for the organizations concerned to comply, the indicator will serve no meaningful purpose.

As Honourable Members may be aware, at present, there are about 3 600 civil servants with disabilities, representing about 2% of the overall strength of the Civil Service. This, to a certain extent, indicates that the civil service recruitment policy has been effective in encouraging government departments to employ people with disabilities. Our policy is to place people with disabilities in appropriate civil service jobs wherever possible. Having considered Honourable Members' earlier comments and suggestions, we feel that it would be useful if we can promote this "friendly" recruitment policy to employers and human resource managers in other sectors. We will look into how we can extend the spirit and principle of this recruitment policy in the form of a code of good practices to organizations subvented by the Government.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment, moved by Mr LEUNG Yiu-chung to Mr Tommy CHEUNG's amendment, 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 LEUNG Yiu-chung rose to claim a division.

PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung 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:

Mr CHEUNG Man-kwong, Mr CHAN Kwok-keung, Mr SIN Chung-kai, Mr LAW Chi-kwong, Miss LI Fung-ying, Mr Michael MAK and Mr IP Kwok-him voted for the amendment.

Mr Kenneth TING, Dr Raymond HO, Mr Eric LI, Dr LUI Ming-wah, Miss Margaret NG, Mrs Selina CHOW, Mr HUI Cheung-ching, Mr Bernard CHAN, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Ms Miriam LAU, Mr Timothy FOK, Mr Henry WU, Mr Tommy CHEUNG, Dr LO Wing-lok and Mr LAU Ping-cheung voted against the amendment.

Geographical Constituencies and Election Committee:

Miss Cyd HO, Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mr James TO, Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Mr Jasper TSANG, Dr YEUNG Sum, Mr LAU Chin-shek, Mr LAU Kong-wah, Miss Emily LAU, Mr Andrew CHENG, Mr TAM Yiu-chung, Mr

Albert CHAN, Mr WONG Sing-chi, Mr Frederick FUNG and Mr YEUNG Yiu-chung voted for the amendment.

Mr Andrew WONG, Dr David CHU, Mr Ambrose LAU and Mr MA Fung-
kwok voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, seven were in favour of the amendment and 17 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 25 were present, 20 were in favour of the amendment and four 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 negatived.

MRS SELINA CHOW (in Cantonese): In accordance with Rule 49(4) of the Rules of Procedure, I move that in the event of further divisions being claimed in respect of the motion on "Promoting the employment of people with disabilities" or any amendments thereto, the Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mrs Selina CHOW be passed. Does any Member wish to speak?

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority respectively of each of the two groups of Members, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee, who are present. I declare the motion passed.

I order that in the event of further divisions being claimed in respect of the motion on "Promoting the employment of people with disabilities" or any amendments thereto, the Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment moved by Mr Tommy CHEUNG to Mr LAW Chi-kwong'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)

Mrs Selina CHOW rose to claim a division.

PRESIDENT (in Cantonese): Mr Selina CHOW has claimed a division. The division bell will ring for one minute.

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:

Mr Kenneth TING, Mr James TIEN, Mrs Selina CHOW, Mr HUI Cheung-ching, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Ms Miriam LAU, Mr Timothy FOK, Miss LI Fung-ying, Mr Henry WU, Mr Tommy CHEUNG and Mr LAU Ping-cheung voted for the amendment.

Dr Raymond HO, Mr Eric LI, Dr LUI Ming-wah, Miss Margaret NG, Mr CHEUNG Man-kwong, Mr CHAN Kwok-keung, Mr Bernard CHAN, Mr SIN Chung-kai, Mr LAW Chi-kwong, Mr Michael MAK, Dr LO Wing-lok and Mr IP Kwok-him voted against the amendment.

Geographical Constituencies and Election Committee:

Dr David CHU and Mr Ambrose LAU voted for the amendment.

Miss Cyd HO, Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mr James TO, Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Mr Andrew WONG, Mr Jasper TSANG, Dr YEUNG Sum, Mr LAU Chin-shek, Mr LAU Kong-wah, Miss Emily LAU, Mr Andrew CHENG, Mr TAM Yiu-chung, Mr Albert CHAN, Mr WONG Sing-chi, Mr Frederick FUNG, Ms Audrey EU, Mr YEUNG Yiu-chung and Mr MA Fung-kwok 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, 13 were in favour of the amendment and 12 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 26 were present, two

were in favour of the amendment and 23 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 negatived.

PRESIDENT (in Cantonese): Mr LAW Chi-kwong, you may now speak in reply. You have up to nine minutes 23 seconds.

MR LAW CHI-KWONG (in Cantonese): Madam President, I am sorry and I hope that Members would be patient. (*Laughter*)

Since the amendment proposed by Mr LEUNG Yiu-chung has not been passed, we should not discuss the quota system today and I am going to focus on the contents of the motion proposed by me. I have not conspired to do anything and I have only proposed establishing indicators rather than quotas. Indicators should not be divided into hard or soft indicators and I think it is only a matter of implementation. An inflexible person would naturally handle indicators flexibly and a stubborn person would naturally regard all indicators as rigid. But I believe Members are flexible and they should not regard the indicators proposed by me as hard.

Quite a few colleagues have said that we should be more caring to the disabled and I feel quite uncomfortable with their remarks. Members of the community should be caring to one another and everybody has to be caring, yet, we should not be more caring to a person because he is disabled. The disabled need respect and equal employment opportunities.

I also feel a bit uncomfortable with some other remarks. Some colleagues have said that we should not talk about indicators or quotas when the economy is in the doldrums. The Honourable Howard YOUNG has also said that the disabled should receive training and that we should provide the unemployed with training or retraining and provide people who lack employable skills with training. However, we should not think that the disabled should not fight for employment opportunities when the economy is in the doldrums. We should not think that it would be better for them to receive training than look for a job. I hope Members would be careful when they speak in order to avoid giving people such an impression.

Mr Tommy CHEUNG has used indicators or quotas in his speech. He has not only mentioned indicators but indicators or quotas, which gives people an impression that indicators seem to be the same as quotas. Therefore, he must propose an amendment. I believe he said this only to explain why he had to propose an amendment. However, I wish to point out that statutory quotas are different from indicators of work. I believe Mr Tommy CHEUNG has set indicators for his work. I believe he would not stop setting indicators for his work just because he objects to the quota system. I also believe that he is a flexible person and he would not set all the indicators as hard indicators.

The Honourable LAU Ping-cheung has expressed doubts about the indicators proposed by me, but he has not specified what his doubts are. I hope what I said at the beginning and just now would serve to clarify that the indicators mentioned by me only refer to indicators of work, which are tools of assessment, for finding more effective ways to promote the employment of the disabled. Indicators of work serve management purposes and help us concentrate on some obstacles.

A quota system should not be implemented in small and medium enterprises. As Members have discussed the matter in the debate, I am not going to repeat their remarks. But evidently, indicators would only have practical effects on large organizations. For instance, a household only employs one Filipino domestic helper and it is impossible for each household to employ 2% of disabled Filipino domestic helpers. Thus, even though we have to set indicators, the indicators would only be applicable to larger organizations. We should not require small subvented organizations with four to five employees to comply with the indicators.

If we can successfully raise the employment rate of the disabled to a fair and reasonable level through promotion and encouragement, it would be unnecessary to implement a quota system. Colleagues who support establishing a quota system should support the motion that has the same objectives. I believe Members will agree that indicators of employment are milder than quotas of employment, and we should try our best to implement the measure if we would be able to help the employment of the disabled.

Colleagues who oppose a quota system should all the more support this motion. If we could successfully raise the employment rate of the disabled to a

fair and reasonable level through promotion and encouraging employers, we would not have to discuss a quota system any more. Putting it simply, the motion suggests how to increase the employment opportunities of the disabled such that we would not have to implement a quota system.

I hope Members will support the original motion. Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr LAW Chi-kwong, as set out 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)

PRESIDENT (in Cantonese): I think the question is agreed by a majority respectively of each of the two groups of Members, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee, who are present. I declare the motion passed.

PRESIDENT (in Cantonese): Second motion: Family problems.

FAMILY PROBLEMS

DR DAVID CHU (in Cantonese): Madam President, I have proposed a motion on "family problems" for three major reasons.

Firstly, as a Chinese community, Hong Kong preserves the excellent traditional Chinese culture of valuing family life. But this tradition has been

subject to impact in recent years. In the past five years, divorce cases have increased by almost 30%, from 10 492 cases in 1997 to 13 488 cases in 2001. In the past four years, battered spouse cases have increased by almost 1.5 times, from 1 009 cases in 1998 to 2 433 cases in 2001. Child abuse cases have also increased by 40% in the past five years, from 381 cases in 1997 to 535 cases in 2001. Similarly, suicide cases have substantially increased. In 1997, there were nine suicides out of every 100 000 people but the number rapidly increased to almost 15 out of every 100 000 people in 2001. In my view, the frequent emergence of family problems in recent years is due more or less to the lack of warmth in families and the weakening of the cohesion of families.

Secondly, family problems have gradually deteriorated in recent years despite the Government has launched many family support initiatives. But some of these initiatives were dispersed or weak. Let me cite an obvious example. Although there is a variety of family support network teams, Integrated Family Service Centres, family support and resources centres, family crisis support centres, Family and Child Protective Services Units, single parent centres and refuges for women, is the focus of their work not confusing? Is there a serious waste of resources? Would the multifarious services have shallow counselling effects? Similar questions warrant consideration by the Government.

Thirdly, the effectiveness of government support measures are doubtful and I think it is mainly due to a lack of co-ordination. Although the existing Women's Commission, Commission on Youth, Elderly Commission and Equal Opportunities Commission also deal with family problems, the targets of service are mainly individual social groups. Since the family-oriented approach is less adopted, family problems have been dealt with in a fragmented way, thus diluting their uniqueness and gravity. In my view, the Administration must set up a higher level commission to reorganize and integrate multifarious family services so as to deal with family problems in a more effective and specialized manner.

As the saying goes, "Everything goes well in harmonious families while problematic families have endless quarrels". It can thus be seen that emphasis on the family concept is the foundation upon which family harmony builds. At present, the economy is in the doldrums and families are definitely under heavier pressure of life. In my view, besides implementing the existing family support

services, the Government should also consider a new direction of development, that is, family-oriented social services. It would enhance prevention and handling of family problems and give play to the proper functions of a family more effectively.

First, the Government has claimed that it has a proven mechanism for promoting multi-disciplinary and cross-sectoral co-operation, but the so-called co-operation only involves the exchange of views and the joint organization of meetings and training courses. The mechanism for the direct referral of help seeking cases is inefficient. For example, many policemen and health care workers are not willing to refer family problem cases to government or non-governmental counselling organizations. They will usually only remind the parties to seek help from the relevant organizations on their own. Since the parties lack understanding of counselling services, fear troubles or are reluctant to seek help, many family crises have not been suitably handled. I think that the Government should improve the cross-sectoral co-operation between government departments, professionals and non-governmental organizations and the case referral mechanism as well as build up a team spirit in order to handle help seeking cases in a faster and more appropriate manner.

Second, perhaps due to the constraints of the Personal Data (Privacy) Ordinance or the mentality to avoid trouble, in handling family dispute cases, some front-line will invariably send the parties away after making some conciliatory efforts. As a result, it is more likely for family disputes to deteriorate into family tragedies. I hope that the Administration would enhance the training for front-line staff, especially in respect of the prevention and assessment of family crisis.

Third, the Government should make good use of the Community Investment and Inclusion Fund to mobilize non-government forces to be more creative, organize more community campaigns and team activities, and promote the spirit of mutual assistance, family harmony and valuing life. This would almost be tantamount to training more social workers in the neighbourhood and expanding the support network of the Government.

Fourth, the Government should expeditiously conduct a comprehensive review of legislation and policies on family violence, child rearing and rehousing in public housing estates to give the victims more effective assistance. Concerning family violence, the Government should consider extending the

scope of protection of the Family Violence Ordinance, from physical abuse in marital relation to sexual violence and mental abuse. The scope should also be extended from only protecting husband and wife or men and women with long-term stable relationship and their children to members of the household. As regards the custody of children, the Government can make reference to the experience of foreign countries and set up an intermediary organization as well as transfer the creditors' rights in the relevant maintenance cases to the organization. The organization would be responsible for assessing, collecting and claiming maintenance on behalf of parties, and monitoring the relevant work. For rehousing in public housing estates, the Government should actively make arrangements for and assist the victims of family problems in the separation of households. It should also try its best to protect the privacy of the victims so as to free them from nuisance.

Lastly, to rectify the excessive dispersal of the family support services of the Government, I hope that the Government will actively consider setting up a Family Affairs Commission to assist the Government in more effectively improving and co-ordinating policies and services. The Family Affairs Commission should meet the following requirements:

First, the Commission should assist the Government in promoting family solidarity and harmony through the introduction of preferential policies and measures in various areas such as taxation, housing and social welfare;

second, the Commission should be a high level organization within the government structure, similar to the existing Elderly Commission, so that it would have sufficient influence and resources to co-ordinate inter-departmental efforts in respect of family affairs;

third, the Commission should be led by an unofficial member, so that new ideas that are different from the official views can be brought in and bureaucracy in the Commission be avoided as far as possible; and

fourth, in view of the fact that family affairs are fairly complicated and involve people of all walks of life, the members of the Commission must be extensively representative, including the representatives of women from different classes, academics and professionals, to facilitate the formulation of support policies targeted at different types of families in different situations.

I hope that, after its establishment, the Commission would try its best to change the present way in which the Government handles family problems, from laying particular stress on passive first-aid to active prevention, so that we would get twice the result from the resources utilized.

Madam President, today is the International Family Day and I wish Honourable colleagues happy family life on behalf of the Hong Kong Progressive Alliance. With these remarks, I urge Members to support my motion. Thank you, Madam President.

Dr David CHU moved the following motion: (Translation)

"That, in view of the impact of rapid changes over the years in the traditional cultural values and social environment on the family as the most basic unit of the Hong Kong society and having regard to the proliferation of family problems and a growing trend in family tragedies arising from the economic downturn in recent years, this Council urges the Government to set up a "Family Affairs Commission" to assist the Government, through the introduction of policy initiatives in various areas such as taxation, housing and social welfare, in promoting mutual love and support among family members, and to consider developing family-oriented social services, so as to enable families to perform their proper functions more effectively."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Dr David CHU 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, I move that Dr the Honourable David CHU's motion be amended as set out on the Agenda.

There is this famous quote from *Anna Karenina*, a novel written by Leo TOLSTOY: "Happy families are all alike; every unhappy family is unhappy in its own way." Unfortunately, it seems that the people of Hong Kong have witnessed how true this quote is. When you flip through the papers every day, you will read so many news stories about different sorts of family tragedies; some parents even commit suicide together with their children, which is most saddening and sorry. As a matter of fact, incidents of suicide, divorce and spouse and child abuse have all shown signs of increase in recent years.

The show of care and support, both spiritual and concrete, among family members in times of difficulties can be described as one of the significant functions of the family. Naturally, with the rapid changes of society, the composition of the family may have become more complex, and as a result, the relationship among members may not necessarily be as harmonious as before. These are all the factors that the Government must take into account in the course of policy formulation.

The original motion urges the Government to put in place various policies to foster love and mutual assistance among family members, and to explore family-oriented social services. The Liberal Party very much supports these proposals.

By encouraging family members to help out and care for one another, we may well be able to prevent disasters and solve some of the social problems before they erupt. The overall social welfare expenditure of Hong Kong has been subjected to immense upward pressure, as evidenced by its increase from \$17.9 billion in 1996-97 to \$30.7 in 2001-02, an average increase of 11% per annum. And, the number of social security applicants will soon exceed 1 million.

Social policies that can take full account of the family factor and encourage its members to help one another out are not only the key to solving many social problems, but also a form of social investment serving a preventive purpose.

The deterioration of family problems may also be due to the alienation found in neighbourhoods and local communities. I am sure Members can still remember that during the times of "Under the Lion Rock", whenever a family ran into any difficulties, its neighbours would render assistance and seek to

resolve the disputes. Sadly, all this is now history. The establishment of the Community Investment and Inclusion Fund to promote the spirit of neighbourhood assistance is certainly the correct first step.

The Liberal Party has moved an amendment today mainly because of its reservations about the proposal on setting up a "Family Affairs Commission" in the original motion. There are now already many commissions in Hong Kong, with separate responsibilities for matters related to the family, some examples being the Commission on Youth, the Women's Commission and the Elderly Commission. As for other issues, such as housing, labour, social welfare and taxation, they are also handled respectively by specific departments. To implement all the proposals in the original motion, we will just need to lay more emphasis on the family under the existing framework. There may not necessarily be any need to set up a special commission, because this may make the government framework more bloated.

Besides, it must be pointed out it is not at all easy to define the scope of "family affairs". In Hong Kong, there are grass-roots families, middle-class families, families with negative equity assets, single-parent families, families of new arrivals, families with disabled members, families with youngsters at risk and even families with homosexual members. It is no easy task to define in detail all sorts of "family affairs".

But, anyway, except that it does have some reservations about the establishment of a "Family Affairs Commission", the Liberal Party supports all the proposals in the original motion. We call upon Members to support the two motions, and even if the amendment is not passed, the Liberal Party will still support the original motion.

Madam President, I so submit.

Mr Howard YOUNG moved the following motion: (Translation)

"To delete "set up a 'Family Affairs Commission' to assist the Government," after "this Council urges the Government to"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Howard YOUNG to Dr David CHU's motion, be passed.

MR ALBERT CHAN (in Cantonese): Madam President, when it comes to discussions or proposals involving family problems (regardless of whether the problems concerned are general or traditional), many Honourable Members will probably rise to expound on their views. Later on, Mr LAW Chi-kwong will speak on behalf of the Democratic Party to analyse and discuss the issue in great detail.

I should like to highlight certain unusual family problems, in particular those grave family problems arising from objective circumstances. One such major factor is financial hardships, especially the problem of negative assets. Here, I can show Members two cases in which the problem of negative assets has given rise to family problems or even caused some family members to consider committing suicide.

Over the past four years, I have received many cases of families in dire straits, particularly as a result of negative assets, approaching me for help. I remember very well that a couple came crying into my office four years ago to tell me the negative asset problem they were suffering from. They admitted that in the face of the financial hardships and the pressure from debt collectors, they had considered turning on the gas valve at home to kill themselves and their two children, who were both under the age of 10 then. It would be tragedy for this family of four to commit suicide. So, that was the story four years ago.

Recently, I have also received many cases in which members of the public seek assistance. Some of them, because of the credit card repayments or other debts they owe to banks, are being harassed by the debt collection agencies hired by the banks concerned. The debt collection agencies might call the debtor family members at their mobile phone or office phone numbers more than a dozen times daily, thereby causing much nuisance to them. In one particular case, a mother could not stand the pressure any more and eventually brought home a large bag of char coal. It was fortunate enough that one of the woman's three daughters, seeing that her mother had brought home a large bag of char coal, quickly called her father who was then working on the Mainland. The father immediately hurried home from the Mainland and thus prevented a suicide or even a case of suicide involving four members of his family from happening.

We have written to the relevant bank in relation to this case and requested it to not hiring any debt collection agencies to harass the family. Actually, the debt owed by the family to the bank is not huge. This family may be owing

debts to a number of banks and the credit card repayments its members have to make may amount to \$100,000-odd or even \$200,000 in total, but the debt they owe to the bank concerned is just between \$10,000-odd and \$20,000. While I had written to the bank on 26 April, I still received afterwards complaints from members of the family that even though the bank did not hire debt collection agencies to harass them any more, it had hired people to visit their home to collect the debt in person. I wish to emphasize that all they owe to the bank is but some \$10,000-odd to \$20,000, yet the means employed by the bank to collect the debt has indeed frightened the family very much, leaving the family members in stark fears. This is because the general public just cannot tell whether the people on their doorstep trying to make them repay their debts are from debt collection agencies, "loan sharks", triad societies or other bodies; panic will be caused so long as they see people on the doorstep trying to collect debts.

Subsequently, I wrote again to the Executive Director of the bank, asking him not to harass the family any more. In my view, the bank may collect the debts by way of civil proceedings rather than employing the means mentioned. I have also written to The Hong Kong Association of Banks (HKAB) to urge it to instruct its members to not employing such intimidating means to collect their debts. Nevertheless, I am afraid it is quite unlikely that the HKAB will accept this view, as I have been receiving recently complaints from the public that banks are still hiring debt collection agencies to harass their debtors. What is more, some debt collection agencies even make a dozen to 20 phone calls daily to the relevant debtors' workplace, thus exposing them to the risk of losing their jobs. For this reason, I wish to openly make an appeal here to urge the relevant bank to stop harassing its debtors. Rather than doing any good to the bank, harassing the debtors will only drive the debtors into unemployment, thereby weakening substantially their ability to pay off the debts.

Another case is related to the problem of negative assets. It took place in 1998, and at that time many people who had purchased uncompleted flats were unable to take possession of their flats upon completion due to financial reasons. I believe Members will still remember that in 1998, many owners of negative assets were unable to take possession of their flats because they could not apply for any mortgage loans. In the relevant case, after receiving a letter dated 9 May 2002 from the bank, the person concerned also received a letter from a certain company requiring him to respond within seven days or the company would institute legal proceedings against him without further notice. That person first contacted me upon receipt of the letters, and then two days ago, he

wrote me a letter. I should like to read out the contents of the letter to let Members understand his feelings and thoughts. He wrote in the letter: "This matter (being unable to take mortgage loan on the flat) has been troubling my wife and me over the past four years, we are indeed worn out both mentally and physically. If that company (I will not read out the name of the company because I believe Members should know which company is involved here) should resort to court proceedings, we would be doomed eternally." He then asked me to do a series of things for him, hoping that through the efforts of certain persons, the company concerned would stop suing him but give him a way out. He also described his present situation as follows: "I still owe the bank \$3.1 million for the flat I am now occupying; but then, the market price of the flat is only \$1.7 million at present, which means that I have a \$1.4 million negative asset. Added to this is the \$1.5 million interest and margin that the company is trying to collect, which push the total differential up to \$3 million. How can I pay off such a huge debt? While my daughter still has more than a year to go before graduating from university, my job is at stake currently and I may be laid off at any time. So, I am really in straitened circumstances and can hardly make ends meet. I have never expected that after working so hard throughout my life, I would go bankrupt in the end just because I tried to improve the family's living environment by acquiring a flat".

So, Madam President, problems of such kind must be resolved. Recently, we have seen an organization initiated an "angel" campaign. It is certainly important for angels to lift people out of perils; but then, it is most important for the influential people to not being the devil, which will add to the pressure on those people in financial difficulties and thereby pose a threat to their lives. I just hope this debate today can urge those influential and powerful bodies concerned, particularly those consortia making tens of billions in profits every year, to cease acting as the devil. Thank you, Madam President.

DR RAYMOND HO (in Cantonese): Madam President, the worsening economy and the consequent livelihood difficulties encountered by the people have to a very large extent led to many family problems. The fact is that in recent years, news about family problems can be found in the papers almost every day — spouse and child abuse, suicide caused by marital problems and incest between fathers and daughters have all increased in number. What is most saddening and regrettable is that most of the victims in these cases are innocent children. This is most worrying, and we must pay proper attention to the problem. I

believe the Government should take prompt actions to work out a solution to the problem, so as to prevent it from further deteriorating. Encouraging family members to care for and love one another is the long-term solution.

The mental pressure suffered by the people of Hong Kong is well-known. Parents have to worry about the problem of fending for the family, and not only this, they are additionally burdened by the desire to give their children a good upbringing. This, together with the spates of layoffs in recent years, has added to their already heavy mental pressure. To relieve their pressure, some parents have turned to their children for outlet, thus leading in the end to cases of child abuse. Some others have chosen to put an end to their lives, thinking that death can get rid of their problems. Unfortunately, their death will only create more problems for their families.

Generally speaking, those people in Hong Kong who encounter family problems can approach the Social Welfare Department for assistance; if they are in financial difficulty, they may apply for Comprehensive Social Security Assistance; if a woman is abused by her husband, she may seek help from women refuges. Actually, the resources injected by the Hong Kong Government into family services every year are already very substantial, but many family problems have still occurred. Why? This is a question that warrants examination.

Family problems are, in my view, caused by a myriad of factors. But the basic ones should be marital disputes, children, unemployment and finance. To solve the family problems, the Government must start at these factors. Apart from improving the economy, the Government should also do something with education. Moral and ethical education in Hong Kong is far from being satisfactory. The Government should try to lay more stress on the family among primary and secondary students through the curriculums, so as to make them realize the importance of the family at an early age. As for husbands and wives, their harmonious relationship depends on mutual, compassionate understanding. In this respect, the Government may organize more activities to bring home to them the importance of marital harmony to the family and children.

Family problems are in fact one kind of social problems. These problems have become very prevalent in recent years, so the Government is obligated to squarely address these worsening problems. To tackle these prevalent

problems effectively, the Government must formulate policies and implement the relevant measures in a systematic manner. I look forward to the day when an integrated policy can solve all the family problems one by one, thus bringing an early solution to family problems in Hong Kong.

Madam President, I so submit.

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, many family tragedies occurred one after another in the past few weeks, and the situation was at one stage so serious that within a span of just 10 hours or so, two mothers committed suicide together with their children. The community as a whole has been alarmed by these problems, and many voluntary agencies have started to organize various activities, to recruit voluntary workers, so as to offer care and counselling to those families in need. Unfortunately, the Government of the Special Administrative Region (SAR) has so far failed to work out any integrated measures to reduce the incidence of family tragedies. All it did was just to condemn the cruel parents after the tragedies, or to express its regrets, in the hope that the tragedies would fade out, and that once the spate was over, the number of tragedies would go down and the problem would disappear by itself. This approach of the SAR Government can show that in fact, it does not have any scheme to tackle the problem of family tragedies. In other words, it has not worked out any particular solutions.

However, the situation is such that society can no longer allow government officials to sit on the problem and hope for the eventual disappearance. As far as family tragedies are concerned, prevention is always more desirable than remedial measures, and even one single tragedy is too many. For this reason, the Government must take active steps to identify solutions. Unfortunately, the SAR Government has not only failed to work out any proper preventive measures, but put in place instead some policies that create many family problems. Instead of doing the best it can to reduce the number of these policies or mitigate their effects, the Government still allows them to exist even now.

I have noticed recently that regarding the "Family Affairs Commission" mentioned in original motion, Against Child Abuse has proposed that one of the tasks of the Commission should be to explore the impact of the related social policies on the family, and to make corresponding recommendations. This

highlights exactly crux of the problem. As I pointed out just now, many family tragedies are largely related to the existing social policies. But as far as its attitude is concerned, it seems that the Government is content with the continued existence of those policies which have produced negative impact on the family. In the case of the housing policy, for example, tenants are forced to pay high rents under the well-off tenant policy. Families with grown-up, working children will of course earn a certain level of income, but the income in most cases is rather meagre, and part of it will have to be given to other family members anyway. Very unfortunately, even such a meagre income has to be counted as part of the total household income, thus forcing these families to pay high rents or move out altogether. One solution worked out by these families, the most common solution indeed, is to delete their children from the household registration. This practically makes it impossible for children to take care of their parents in their daily life. Obviously, this has split up many families, but the Government still allows the continued existence of the policy.

Besides well-off tenants, there is also the problem of overcrowded households. As we all know, after children have grown up, there must be more room for them; if not, conflicts among family members will emerge, thus affecting family life. Unfortunately, the Government still permits the continued existence of overcrowded households instead of trying to tackle the problem. What is most unfortunate is that the Government has even reduced the volume of public housing construction in recent years. If this continues, when can the problem of overcrowded households be solved?

Apart from housing, I would also wish to discuss another policy, the welfare policy. We have repeatedly emphasized one point in this connection. Following the Government's revision of the application requirements for Comprehensive Social Security Assistance (CSSA) in 1999, if an elderly person lives with his children, he, when applying for CSSA, must include his children in the application. But in practice, as a result of this requirement, many elderly people have found it necessary to separate themselves from their children, for if they do not do so, they will not be able to get CSSA. And, if they cannot get CSSA, they will have to depend on their children for living expenses. In that case, the same problem mentioned by me earlier will emerge — their children may just earn a very meagre income and just be able to support themselves. Not that these children do not want to support their parents, but rather they do not have the means to do so. Under such a situation, how are parents and their

children going to make the choice? As pointed out earlier, families will most usually try to tackle this problem by having the parents to move out and live alone.

The Government on the one hand urges the younger generation to look after the elderly members of their families, but on the other, its policies are forcing children to abandon their elderly parents. I therefore think that family tragedies may probably be the results of all these policies.

The welfare policy aside, I still notice another problem, one connected with the labour policy. We can see that in recent years, wage earners have been facing the problem of "long hours but low wages". That is why we have been urging the Government to formulate a policy on minimum wages and regulation of working hours. We have discussed this over and over in the Legislative Council, but government officials and Members from the industrial and commercial sector here today have opposed this proposal very strongly. But have Members ever seriously considered the point that if we do not legislate on minimum wages and regulation of working hours, the consequences or the burden on society as a whole will be much greater than the burden to be borne by employers? For instance, when a worker has to work 12 hours a day, how can he find time to spend with their family members or children? We know that inadequate communication will most definitely lead to conflicts and disputes among family members, or at least lead to reduced harmony. That way, family problems will easily emerge.

Apart from long working hours, income is also a very serious problem that has emerged recently. Family members in poor financial circumstances may choose to commit suicide as a solution to their problems. These few policies alone can show us that family tragedies are closely related to government policies. We can ill-afford to ignore these problems. Madam President, I hope that the Government can pay attention to these problems. I so submit.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, there are currently 2 million-odd families (the specific figure is 2 092 000) in Hong Kong. Under such circumstances, we can see that the number of nuclear families has been on the increase. I believe that while these nuclear families may still have problems in a stable social environment or stable economy, in appalling

economic conditions including the poor employment situation facing us currently, then these nuclear families will have even more problems. In addition, for those families with elderly members, other problems like generation gap will also develop. In other words, while all kinds of problems may still arise under normal circumstances, the problems will become even more noticeable when the situation turns bad. Given that we have 2 million-odd families in Hong Kong, how are we going to deal with such problems?

At the meetings of the relevant committee of this Council — Panel on Welfare Services — we have pointed out many times that family is the basic unit of society, and that while this basic unit already has enough problems in halcyon days, even more problems would arise when conditions deteriorate. All along, we have been urging the Government to formulate family policies to resolve the existing problems. However, the response from the Government is that it has already been providing a lot of services in this respect. We consider this response unable to answer our requests; besides, all such services are provided by the Government only after problems have arisen. This is exactly where the wide divergence between our views and that of the Government's lies. We can see that in reality, many social problems have arisen in society and such problems are becoming increasingly complicated with time. Cases of elderly abuse, child abuse, spouse abuse, divorce, extra-marital affairs, elderly persons committing suicide, young persons committing suicide, and so on, can be found in the newspaper every day. It is indeed distressing.

There are also other figures telling us that the number of family problems has been on the increase. From the 24-hour hotline services of the Harmony House, we can see that the agency received a total of 8 400 phone-reported cases in 2001-02 and 80% of them were domestic violence cases. We can also see that in many of these domestic violence cases, the persons lashing out violence at their family members did so because they had been stressed out by unemployment and other financial problems. From the figures provided by the Social Welfare Department, we can see that among the 1 249 cases received by the Department in 2001, 535 were cases reported for the first time, and that the Department has also taken on 100-odd cases of elderly abuse. However, according to the statistics of non-government organizations, some 20 000 elderly persons are currently at high risk of being abused, and the situation of these elderly persons may perhaps explain why the rate of elderly persons committing suicide in Hong Kong has remained high all along.

According to some scholars, family disputes have far-reaching and profound impact on child growth. We can see that children growing up in broken families or problematic families tend to have problems in their adulthood more easily, thus family problems will continue to develop in a vicious cycle and spread to other families in society gradually.

Madam President, having quoted figures and described certain situations to demonstrate how the present economic downturn has aggravated the various family problems, I also wish to point out that many problems are in fact created by the Government. As pointed out by Mr LEUNG Yiu-chung just now, the SAR Government has all along been promoting the idea of "sense of belonging for the elderly" and encouraging young persons to live with their parents. But then, many public housing policies like application for splitting of households, the Housing Subsidy Policy, as well as other relevant arrangements, are in fact forcing the young persons to move out of public housing estates and live away from their parents. With regard to the public housing redevelopment programme, under the new policy introduced in March last year, a household comprising many family members has to split into two nuclear families. Originally, under the past policy, the two newly formed nuclear families would be allocated public rental flats in the same district. However, under the present policy, local rehousing will be arranged for the principal tenant while the new nuclear family will have to move to remote areas. Naturally, this policy can by no means help to draw closer the relationship between residents in the community or to encourage the residents to give play to their spirit of mutual assistance. Policies of such kind are in fact splitting up, dividing and separating families, which are the basic units of society.

In some other cases, although many families have applied for splitting of households, their applications will not be approved if no cases of fight between family members have been reported to the police. So, when problems arise and members of the family concerned want to apply for splitting of households, more often than not they will approach us (Members receiving the relevant complaint cases) and ask us to be their intermediaries. These people would generally say, "Our family has some problems and we would like to apply for splitting of households, but the Government just will not listen to us. We have to report to the police cases of children being battered by their father or *vice versa* before our application for splitting of households will be approved."

What kind of policy is this? As front-line workers handling such cases, many a time we will indeed feel very sorry for the families concerned. Why must the policies concerned do not allow the various family problems to be resolved until casualties have resulted? There have been many cases in which I feel so indignant at these policies. On the one hand, the SAR Government has repeatedly stressed the idea of "sense of belonging for the elderly"; yet on the other, the household separation policies are contradicting this idea and thus making it impossible for the SAR Government to achieve its original objectives.

Moreover, Madam President, I should also like to speak on the situation of elderly persons applying for CSSA. But since Mr LEUNG Yiu-chung has already spoken on this subject just now, I will not go into great detail in this respect. At present, elderly persons who wish to apply for CSSA are required to declare the income of their children as well, and this requirement has caused many new family problem. Many a time we were also very angry when the cases were finally referred to us and had to query the Social Welfare Department in person why must things be allowed to deteriorate to such extend.

Family problems are also attributable to a number of other factors like long working hours. In this connection, working parents have much difficulty taking care of their young children, but there are just not enough matching facilities like child care services, and so on. As regards taxation policies, young persons living with unemployed parents under the age of 60 are not entitled to any tax allowances.

In mentioning all these situations, I wish to point out that because of the present economic recession and the fragmentary policies of the Government (in view of the time constraint, I cannot name all the factors), many new problems have arisen among families which are already faced with different kinds of problems. But then, so far the Government has failed to formulate any family policies to address this situation. For this reason, we support the proposal to urge the Government to set up a Family Affairs Commission put forward by Dr David CHU today. Yet at the same time, I still feel that the level of the proposed commission is a bit on the low side. If we are to genuinely resolve family problems, the commission must be given specific powers to formulate policies with clear scope and contents. Otherwise, the existing practice of curing the symptoms but not the disease will just remain unchanged. All along, we have been adopting the practice of only taking remedial measures after problems have arisen, but I am afraid this practice can no longer keep pace with

the development of events, nor can it help to resolve the various problems arising in many families. Thank you, Madam President.

MR LEE CHEUK-YAN (in Cantonese): Madam President, in view of the rising number of divorce cases, rapid increase in spouse abuse and child abuse cases, as well as the many reports of family tragedies on the front pages of newspapers, many people consider the red light is flashing for the family system in Hong Kong. However, before we start discussing how best the family system can be enhanced to enable families to play their expected roles, we should first admit one fact: Families do not exist alone, and in many cases the so-called family problems are in fact complications developed from the overall socio-economic environment.

Certainly, one must consult a doctor if he or she falls ill; but then, I believe Members will all agree that prevention is a lot more effective than treatment. In addition to encouraging the public to watch what they eat and drink, do more exercises and enhance their immunity, a healthy natural environment and a harmonious social environment are also important factors to helping people to avoid contracting diseases; otherwise, we just do not have to make any environmental efforts at all. By the same token, while we would certainly have to take emergency measures promptly if a family should develop any problems, as pointed out by Dr David CHU just now, it is more important that we change from relying on passive first-aid measures to taking preventive measures proactively. Nevertheless, if we only put emphasis on the ways to make families "watch what they eat and drink, do more exercises and enhance their immunity" but overlook the impacts of the socio-economic environment on the family system, our efforts will be biased and fail resolve the problem. Hence, the proposal put forward by Dr David CHU is, to a certain extent, not thoroughgoing enough. In addition to providing families with support, we should also strive to alleviate the impact of the general socio-economic environment on them.

Madam President, I do believe that the family system in Hong Kong is now at stake, and one of the important underlying reasons is that the present social and economic conditions have made us invest less into our families but ask increasingly more of it. The so-called investment in families is in fact the mutual communication and care between family members. As I have

mentioned on different occasions, you need not money but mainly love to communicate with and care for others; but then, for families on the ragged edge of abject poverty, the concern for their livelihood will to a certain extent impact on the spiritual life of their members, and this is what people refer to as poverty acquaint people with misery. Besides, it also takes time to communicate with and show care for others, but if working hours become increasingly long and wage earners are worrying constantly about layoffs, unemployment and wage cuts, their family lives will certainly be adversely affected. Today is not the right occasion for a debate on such issues as minimum wages, limit on maximum working hours, paternity leave, casual leave for family matters, and so on. However, I should like to cast a bone between the relevant bureaux once again. In my view, many a time Secretary YEOH is made a scapegoat for the family and social problems arising from the policies of the Education and Manpower Bureau — perhaps those policies are no longer the responsibilities of the Bureau, but the situation may be even worse if such policies should become the responsibilities of the proposed Trade, Industry and Manpower Bureau in future — and he will hopefully be handling such matters in future as well. I will worry even more for the Secretary concerned upon the implementation of the accountability system for principal officials. This is because in future, all major family problems arising from the impact of adverse economic conditions will become the responsibilities of this proposed super Policy Bureau. As a matter of fact, today many wage earners have sacrificed their family life and friendships just to strive for their livelihood and financial needs. Is it worthwhile for them to pay such a huge price? The Government is so far adopting an onlooker's attitude. It keeps talking about providing support for families, but in reality it just give economic conditions a free hand to disintegrate families. I hold that the Government is being irresponsible in adopting an onlooker's attitude. We therefore very much hope that the Government will intervene and formulate more active employment policies and policies on the rights and interests of workers, with a view to minimizing the impact of social and economic conditions on families as far as possible.

As I said just now, I do not wish to discuss issues like minimum wages, limit on maximum working hours, paternity leave, casual leave for family matters, and so on today. But then, these issues should still be considered by the Government comprehensively, so that families do not have to pay a huge price endlessly and will not be disintegrated under the continuous impact from the economic environment.

Just now I also said the family is being asked more of it. In recent years, with the economy remaining in the doldrums and the unemployment rate standing high, many people are all the more in need of the support and encouragement from their families to help them endure the heavy pressure of life. Besides, there is yet another more profound social trend. As individuals become increasingly isolated in a highly commercialized society, family has become almost the only spiritual support and source of emotional comfort for people; hence, we are asking increasingly more of our families, for many a time we just do not have any community or friends to turn to.

Last month, four cases of family tragedy in which people committed suicide by burning charcoal took place on two consecutive days and cost the lives of seven. After these incidents, the Chief Clinical Psychologist of the Social Welfare Department, Mr LAU Kar-cho, pointed out that the impulse to commit suicide would only last some 20 to 30 minutes normally, and that if one should look for a venues to alleviate the impulse during such crucial moments, say, talking with friends and relatives on the phone or chatting with the caretaker downstairs, the impulse to commit suicide would probably be suppressed successfully. I certainly am not in a position to query the professional judgement made by a clinical psychologist, but I do know one fact and that is: As more and more public housing estates have contracted out the security work to companies in the private sector, the caretaker downstairs will be replaced every one or two years or even in only several months' time. Caretakers are no longer the friends living in our neighbourhood for a long time, which means that we do not have a community and our source of support has thus diminished further. Actually, there is no more caretaker of life in society.

Madam President, I wish to point out that no doubt many policies can enhance market efficiency, yet before we know, such policies have also eaten up our social networks. In the past, we could go to the neighbourhood cafe to chat with the proprietor and his employees. But now, because of the design of the shopping arcades in public housing estates, no more neighbourhood cafe but only syndicated fast food chain-stores can be found. The communication between people is thus reduced to such mechanical announcement of "disc number 25, please collect your food at the counter". In other words, we have lost that interpersonal relationship we used to maintain. Actually, Lionel JOSPIN, the French Prime Minister who lost the election recently, has once said that we are

not opposed to market economy, we only oppose the community of the free economy. In striving to resolve the crisis facing our family system, we should also make an effort to enhance at the same time our social ties with parties outside our family. In the event that the logic of the market conflicts with our social ties, we should strive to strike a balance and know what to keep and to let go.

Lastly, I should like to comment on the remarks made by Chief Secretary for Administration, Mr Donald TSANG, in condemning those people who forced their children to commit suicide with them. We really do not wish to see the Chief Secretary for Administration or other senior government officials condemning those people like others do or even more fiercely than other members of the public. In many cases, there are many profound social problems and complicated background behind tragedies of this kind. If senior government officials should only know how to condemn others but not reflecting on or reviewing the existing government institutions to see whether they have created too many tragedies, I would consider this Government, which does nothing more than condemning people from a populist angle, not the government we want.

MR HUI CHEUNG-CHING (in Cantonese): Madam President, the Hong Kong Progressive Alliance, though being an organization representing the industrial and commercial sector, has all along been urging the Government to improve its family support services. Employers do think that employees with harmonious families will be free from any distractions and will also work hard to secure the livelihood of their families. The family as a basic unit of society can well be described as the very foundation of our stability and prosperity. Lots of anxieties and evils in society actually stem from problem families. Quarrels, problem homes, broken families and tragic deaths of family members may invariably be attributed to the fact that many couples are so busy making a living that they have neither the time to maintain a close relationship with their spouses nor the mental and physical strength to look after their elderly parents and small children at home. In many single-parent families with women as the breadwinners, life is so difficult that it is already a rare fortune to have enough food for the children, not to mention giving them a good upbringing. Those children who are homeless, or who do not want to go home, may easily become "night drifters" or gangster youths.

The diminishing importance of family ethics in the minds of people is certainly one of the important factors leading to the myriad of family problems in recent years. Harmony between parents and their children will definitely help prevent or solve many of the problems related to family relations and education. The largest problem with the existing family services of the Government is that they are of a remedial nature and rendered only after family disputes have escalated into tragedies that hit the headlines of newspapers. This has not only confined family services to the very passive role of crisis intervention and provision of remedies and relief, but also made the relevant work even more formidable, thus necessitating the injection of more resources.

Madam President, although the Government should not and simply cannot interfere with people's family affairs, it should still formulate an integrated family policy, so as to promote a family-oriented outlook in society and enhance the role of the family in interpersonal relationship. In regard to welfare services, the Government should increase its child care services as much as possible to relieve the pressure of parents and single-parent families. As for taxation, the Government should consider appropriately increasing the deductions for dependent parents, grandparents or maternal grandparents and those for elderly residential care expenses, with a view to encouraging children to take care of the elderly at home. In schools, the Government should endeavour to reduce the teacher-to-student ratio and promote outreaching youth services in the streets, so that teachers and social workers can have more time and resources to share parents' burden of guiding their children.

Madam President, in order to make family services more effective, the Government may give active consideration to the establishment of a Family Affairs Commission. As pointed out by Dr David CHU, the related government services now come under many different names and titles, and are thus too fragmented and may lead to wastage of resources. In addition, as the services of the Women's Commission and Commission on Youth are basically targeted at specific groups in the community, they are not generally family-oriented, and the unique and serious nature of family problems is somewhat blurred. The establishment of a Family Affairs Commission can highlight the importance of attachment to family and reorganize and integrate the various family services. That way, the increasingly complicated family problems can be tackled more effectively and with a sharper focus.

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

DR TANG SIU-TONG (in Cantonese): Madam President, in recent years, various family problems in Hong Kong have become increasingly serious and family tragedies have occurred time and again. Whenever there is an unfortunate family tragedy in which parents force children to commit suicide together, all of us would feel very sad and shocked. We would sigh with emotion why the parties took things so hard and did not value life, in cruelly taking by force the lives of innocent children, which was socially impermissible. These family tragedies are usually related to the financial difficulties faced by families or the breaking up of marital relations. The underlying structural problem so reflected is that the functions of the family as the basic unit of society have been continuously weakened in tandem with rapid economic and social changes in Hong Kong. However, the crises faced by families have increased continually. In the face of the weakening functions of the family and the changes in demand, the SAR Government should review the existing policies and services related to family to enable families to perform their proper functions more effectively. A study conducted by the United Nations points out that family policy is not a single concept and the specific measures include legislation, public plans and welfare. I am going to express my views on how public policies can be made to tie in with family development.

First of all, about 35% of Hong Kong people live in rental public housing, so, the public housing policy is an extremely important public policy. Undeniably, as compared with the past, the design of public housing estates has come a long way in the past decade or so, and the quality of life of public housing tenants has really improved enormously. However, in terms of promoting family life and helping difficult families, the public housing policy still has much room for improvement. There are more than 80 000 households on the Waiting List and some of them are living in poor conditions. They also have to put up with high rents and small living space. As a result, family members, especially the youth, are unwilling to stay at home and family members would easily have a brush with one another. Therefore, the prime task of the Government is to utilize resources more effectively to shorten the waiting time for public housing allocation. As regards more than 10 000 overcrowded households in public housing estates, I hope that the Housing Department will expeditiously improve their living environment. Moreover, the Government should also consider how, by way of its housing allocation policy, it could more effectively encourage family members to care for one another. For instance, in splitting overcrowded households in public housing estates, the Government should endeavour to

allocate adjacent flats to maintain and enhance family cohesion. The public housing allocation policy should also be family-oriented as far as possible.

In fact, given that many families live in public housing in new towns, the Hong Kong Progressive Alliance thinks that the Government must improve the matching facilities in new towns. As new towns lack sufficient employment opportunities, most residents have to make long and arduous journeys to the urban area or other regions for work. As a result, their family life has been adversely affected because they have to spend time that should otherwise be used to care for and meet family members and establish parent-child relation on travelling, other than meeting the travelling expenses. Youth problems in new towns are relatively more serious, which certainly has something to do with the fact that parents lack time to look after their children. If the Government wishes to improve family life in new towns, it should continuously improve the transport network in the New Territories in order to reduce the time and money spent by the residents on travelling. Moreover, the Government should make efforts to stimulate economic activities in new towns to increase employment opportunities there. Furthermore, it should improve the community service facilities in new towns to comprehensively give families stronger support.

Madam President, apart from housing and planning, the Government should also promote family-oriented medical policies and measures. As the saying goes, "prevention is better than cure", it is imperative that the Government strengthens educational, publicity and primary care measures and promote the family doctor system, so as to give people more protection in terms of physical and mental health. The support of family members also plays an extremely important role in the treatment and rehabilitation of patients. Families looking after the chronically ill bear heavy pressure and mental burdens, therefore, hospitals or welfare service organizations have to give better support to the families of the chronically ill, so that they can provide better care for the patients. Lastly, the accident and emergency departments or general out-patient clinics are usually the first departments that the victims of family violence contact when they seek help from health care providers. The Administration should provide front-line health care personnel with enhanced training to enable them to identify, support and refer families that need assistance early.

Madam President, the source of many social problems is the family. Therefore, a Family Affairs Commission should be set up in Hong Kong to assist

the Government in formulating, implementing and developing more comprehensive and effective family policies. The Government must bear in mind that a family-oriented society is a stable society.

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

MR LAW CHI-KWONG (in Cantonese): Madam President, in 1994, the former Legislative Council passed a motion proposed by Mr HUI Yin-fat related to the formulation of family policies. On 16 May last year, precisely a year ago, I proposed a motion debate on family policies. However, as some specific contents of the motion were not supported by a majority of the two groups of Members, the motion was not passed.

A year later, Dr David CHU has proposed a similar motion today. The only difference is that he has not put the words "family" and "policies" together but they are found in different parts of the motion. The motion urges the Government to consider developing family-oriented social services. I wish to say that the study commissioned by the Social Welfare Department and conducted by the consultants from the University of Hong Kong has concluded, and the Government generally accepts the recommendations of the report. The development of comprehensive family service centres is a development model for family-oriented social services. At present, the services of community centres are generally family-oriented, and I would leave the elaboration of the details to Secretary YEOH.

In the past, the implementation of many social policies had adverse effects on families, and many colleagues have cited some examples earlier. Some policies on public housing rents, transfer, overcrowded households and building design have indirectly encouraged children to move away from their elderly parents earlier than is necessary. For instance, we still do not have a taxation policy that relieves the burden of children supporting their unemployed parents. Since the allowance for children living with dependent parents is only \$30,000, so calculated on the basis of the standard rate, children only have an allowance of \$375 a month. It is even less than the Old Age Allowance and it does not have much encouraging effect.

Let us look at urban renewal in old districts and the development of new towns again. The Government has overlooked the relationship between young families and their parents living in old districts. Since some families in remote new districts lack support, many family problems have emerged. As I mentioned in the past, the Government ought to work out a mechanism for assessing the impact of policies on families, with the objective of assisting the legislators or policy makers in assessing the impact of policies, legislation and measures on families. It would develop and build up the strength of families and reduce the adverse effects of social policies on families. Furthermore, the adjusted policies may even have positive effects on families. The scope of the possible effects of policies on families includes the financial conditions of families and the function of family as a source for mutual care, the cohesion among family members, and the effects of policies on different types of families, especially the disadvantaged families.

I also suggested that the Government should formulate family-friendly social policies. For instance, it should formulate labour legislation and policies that are conducive to employees in looking after their family members. It should give allowances to encourage family members to more effectively perform the functions of caring for one another. It should strengthen the co-operation between schools and parents so that both parties would be partners in bringing up the younger generation. It should also provide people who have to look after disadvantaged family members with the support of adequate social services.

If we make efforts for the well-being of families in this generation and the next, we would be able to reduce the social costs brought by the long-standing failure to solve social problems such as the youth problem, the protection of the elderly and family violence. We believe the family policies would be able to substantially reduce the social burden of this generation and the next and achieve the objective of attaining sustainable social development. The positive externality of family policies can hardly be estimated. We can stress that the implementation of family policies does not only involve social welfare and political affairs. From the economic perspective, family policies or the formulation of family-friendly policies are social investments that can reduce social costs, increase social capital and promote prosperity.

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

MR AMBROSE LAU (in Cantonese): Madam President, family problems are basic problems in the Chinese traditional culture. Three of the five human relations in traditional culture, namely monarch and officials, father and son, husband and wife, brothers and friends, are family relations.

Under the profound influence of the excellent Chinese cultural traditions, human relations in tens of thousands of families in Hong Kong embody excellent Chinese cultural traditions. However, as a result of the changes in culture, traditions and social environment in Hong Kong, especially after the Asian financial turmoil, we are facing difficulties and threats like dwindled business for various trades and industries, an economic downturn, negative equity, unemployment and bankruptcy, and job insecurity. With changes in the social environment, some men in Hong Kong keep second wives in the north, giving rise to family conflicts, rifts and crises. An increase in the number of single-parent families also leads to a series of youth problems. In particular, with intensified family conflicts and crises, family tragedies have increased.

Information shows that a total of 988 people died after committing suicide, that is, an average of 2.7 persons will kill themselves every day. The high unemployment rate aggravates the problem. As a result, there is a tendency of an increase in cases in which middle-aged men aged between 40 and 50 committed suicide. Unemployment and the financial problems thus caused also deal a blow at our self-esteem. If there were concurrently family problems, family members would easily commit suicide en masse, and there would easily be family tragedies in which parents deprive children of their rights to survival.

The Social Welfare Department (SWD) estimates that the number of suicides may exceed 1 000 this year. Evidently, suicide has become a serious social problem in Hong Kong and it is very similar to the rapid increase in the suicide rate after the bursting of the economic bubble in Japan 10 years ago. Since human lives are extremely important, the Government should not take the problem lightly. As the saying goes, "saving a life is better than building a seven-storey pagoda"; the Government is duty-bound to address the problem seriously.

In the face of increasing family problems and tragedies, the Government must set up a Family Affairs Commission to assist it in reducing and defusing family conflicts and crises through various policies and measures in order to prevent the incidence of family tragedies as far as possible. At present, though

the Government spends \$1.8 billion annually on family services and it has established the Community Investment and Inclusion Fund, there are still many family problems and tragedies. It is because there is no central governmental organization to assist in the implementation of various policies and measures. If there is such an organization, family services would achieve positive integrated effects and they would effectively make family members love and care for one another, promote the spirit of mutual help among people and strengthen the cohesion of community networks.

A study entitled "the social connectedness, trust and reciprocity of social capital" finds out that Hong Kong people are still very closely connected to their families but other support networks are inadequate. The social connectedness is the weakest and unemployed and retired people are seriously isolated from support networks. In my view, since the unemployed and retired are disadvantaged groups that can easily run into problems, the Government should consider setting up more community organizations similar to the Mutual Aid Committees, with co-ordination being effected by a Family Affairs Commission, to attract people to participate in community activities.

An inter-departmental team set up specifically for the prevention of family tragedies held the first meeting at the end of March. The Health and Welfare Bureau, Security Bureau, Education and Manpower Bureau, the SWD and the police should follow up and study the matter respectively and they should expeditiously put forward concrete measures. To avoid having policies made by different departments and the situation where there is deliberation but no resolution or resolution but no action, it is essential for the Government to set up a Family Affairs Commission. Moreover, the Government should also consider the development of family-oriented social services. Lastly, in terms of taxation, housing and social welfare, it should encourage young family members to live with their elderly family members so that families would better perform the cohesive, harmonizing and stabilizing functions.

Madam President, I so submit.

MR HENRY WU (in Cantonese): Madam President, it is particularly meaningful for us to discuss this subject on the International Family Day. I speak in support of the amendment but, at this stage, I have reservations about

the proposal in the original motion that the Government should set up a Family Affairs Commission.

Subject to the catalytic effects of the cultural exchange between China and the West for many years, our society is affected by Western thinking and the traditional culture of the Chinese has been eroded unconsciously. In particular, the Confucian virtues and concepts, including the attitude towards the family, have been affected. Hong Kong people's idea of forming a family has changed. In the past, three generations lived together but there are now core families comprising a couple and their children. There are more and more single-parent families and cohabitation — a changed pattern of family — has also emerged. The family concept in the Chinese cultural tradition has been severely tested and the family relationship is facing disintegration.

From big families to small families and the disintegration of families, the warmth derived from caring for and looking after one another in the family has been replaced by indifferent and alienated relationships. For instance, many parents are busy working outside and they would have domestic helpers rather than the grandparents of their children to take care of their children. The traditional custom that used to maintain family relationship in the past has broken down. In the past, it was valuable to have an old person in the family but many old people are now living away from their children. Some of them are admitted to homes for the aged and they cannot perform the reconciliatory function in the family.

Under the present economic downturn, working parents often have to swallow the bitterness when events at work do not turn out as they wish while children do not have anyone to talk to when they encounter difficulties at school. Thus, both parents and children are under enormous pressure of life. When mutual help, love, understanding, accommodation, trust and care among family members no longer exist, there would easily be social problems. For example, juvenile delinquency, ganging up with unruly elements, husband and wife battering, and child and old people abuse. Some parents who take things too hard may harm their children and do something wrong such as committing suicide. The increases in family tragedy figures have already raised the alarm for society.

The social service sector has shown intense concern for family tragedies and has actively taken preventive measures such as promoting life education

strongly. Let me take the Boys' and Girls' Clubs Association of which I am Chairman of the Executive Committee as an example. The Association advocates the child-oriented concept and teaches parents, through talks and different types of activities, to respect the rights and views of children. More importantly, it assists in enabling parents and the family as a whole to solve problems. That way, they know there are always alternatives when they encounter problems, and that it is much better to face up to the problems than to evade the problems or even hurt themselves.

Madam President, I believe setting up a Family Affairs Commission is not the only method to oblige the Government to always consider the role of the family when formulating policies. I do not wish to see such a Family Affairs Commission degenerating into an occasion purely for discussing papers or another super commission that overrides other commissions.

The Government should practically face up to the existing family and social problems. It should allocate additional resources and redeploy resources on the basis of the existing services and combine experienced non-profit-making organizations and bodies with policy departments. They would then co-operate to provide sound family services. I suggest that the Health and Welfare Bureau should play a co-ordinating role and be responsible for a comprehensive review of the existing family problems and services. It should also supervise the development of future services and push other Policy Bureaux to premise their formulation of the relevant policies on building a stronger relationship among family members. They should also consider the impact of the policies on the family structure as a whole and urge the Government to face up to family problems in different policy areas.

Almost five years have passed after the reunification and the Government of the Hong Kong Special Administrative Region should more actively promote the traditional virtues and concepts of the Chinese to give fuller play to the spirit of moral, social, intellectual, physical and aesthetic development. Given the excellent traditions of a Chinese culture of 5 000 years, it should promote a healthy attitude towards family life. It should thoroughly solve family problems, starting with ideological education.

Madam President, the direction is correct in urging the Government to solve family problems through the introduction of policy initiatives in various

areas such as taxation, housing and social welfare, promote mutual love and support among family members and consider developing family-oriented social services. Yet, as I said at the beginning, I have reservations about setting up a Family Affairs Commission at this stage, so, I would only support the amendment.

Madam President, I so submit.

MR IP KWOK-HIM (in Cantonese): Madam President, last Sunday was Mother's Day but a mother committed suicide together with her children on that day. She was in debt and she wanted to commit suicide. Fortunately, her son strongly refused to take the medicine at the critical moment and called the police in time, thus averting a family tragedy. Besides saving his life, the boy also saved his mother and prevented his mother from becoming a killer of her son.

The unhealthy trend of parents committing suicide together with children by burning charcoal seems to be running out of hand. Taking other family violence incidents into account, in the first four months of this year alone, eight innocent children lost their lives as a result of family tragedies, which is a great pity. Parents who commit suicide after killing their natural children would be reproved by the community as cold-blooded. However, I believe parents only commit brutal and foolish acts when they are emotionally unstable and when they have got into a dead end. If somebody stops them at the most critical moment, many a tragedy could be avoided.

Recently, almost 10 000 people have signed up to be Angels of Life in response to the enlistment of a voluntary agency, and they would persuade people not to make light of their lives. Quite a few people who had had the experience also shared their unpleasant experience with others and persuaded them not to do anything silly. They managed to finally stand up and turn over a new leaf entirely because somebody had helped them before they did anything silly, or they were suddenly waken up by something, otherwise, their ending would be no different from that of other suicides.

Family suicide is just one of the many family tragedies. Data show that there were more than 2 400 cases involving domestic violence last year, 90% of them being physical abuse, followed by sexual abuse, mental abuse and multiple abuse cases.

Whether domestic violence cases or suicide incidents can be stopped depends upon whether they are discovered early and whether the parties are given suitable counselling. Earlier on, the Harmony House Limited, a voluntary agency, co-operated with the Tuen Mun Hospital in providing out-reaching services in hospitals. They provide the victims of domestic violence with immediate counselling and referral services that are essential. Though there are a lot of family support services such as prevention of suicide helplines, family life education and a family crisis handling centre, they may not necessarily be accessible to all the needy families. I hope that the Administration will seriously think of ways to make these services widely known and accessible by the public.

Let me take a family crisis-handling centre as an example. At present, there is only one support centre run by Caritas in the whole territory. The centre provides families in crisis with short-term immediate services to help family members handle crisis and conflicts. It also provides such support services as a 24-hour hotline, crisis intervention, overnight accommodation and temporary refuge. In my view, such crisis support centres should be established in regions where there are more family problems such as Tin Shui Wai, Shum Shui Po and Tuen Mun so that more needy people can use the services.

Although quite a few voluntary agencies provide women with counselling and support services, it seems that counselling services for men are grossly inadequate. When men encounter marital crises or are emotionally disturbed, they would very often vent their discontent and anger on their wives or family members. Besides, many of them are unwilling to seek external assistance. Even if they wish to seek help, they do not know how. Therefore, the Democratic Alliance for Betterment of Hong Kong (DAB) thinks that the Administration should allocate resources for the development of services that support men and encourage them to face up to marital crises positively and bravely, to prevent the crisis from getting out of hand.

Besides, giving full play to the spirit of mutual help and support among neighbours can reduce the incidence of family tragedies. Earlier on, this Council unanimously passed the motion proposed by the Honourable TAM Yiu-chung on promoting the community spirit. It proves that Members agree that it is necessary to establish the community spirit of care and mutual love in society. The DAB thinks that the Government should endeavour to promote community

development services, support the establishment of various forms of organizations to promote mutual aid among residents and encourage people to show their efforts and mutual aid spirit. If we could boost people's spirit of helping the weak and the poor, respecting the old and loving the young as well as mutual aid, it would help prevent family tragedies and better enable individuals and families to cope with life in straitened circumstances.

Madam President, I so submit.

MR FREDERICK FUNG (in Cantonese): Madam President, family tragedy has recently become topical issue in the Hong Kong community, but family tragedy is just one of the consequences of family problems. Everybody knows that family problems are very complicated and a single policy or social service cannot effectively solve it. With detached family relationship and the weakened social functions of families, the Government needs to formulate comprehensive inter-departmental policies to enhance the functions of the family.

There have been many changes in the characteristics of families in Hong Kong and the constant rise in the number of core families is one of them. The outcome of the Population Census 2001 indicates that the average household size has reduced from 3.4 persons in 1991 to 3.1 persons in 2001. In the face of physical, psychological or financial problems of family members, the support and social functions used to be played by traditional big families in the past have now become very weak, and it seems that government intervention and assistance are warranted. Therefore, the Hong Kong Association for Democracy and People's Livelihood and I think that, if the resources injected by the Government into welfare projects fail to satisfy the demands and solve the problems, family problems would worsen. When the Government deals with the problems ultimately, there may be more losses than gains.

I think that prevention is better than cure. Apart from core families, the ageing population has also brought significant impact on families. Today, I would like to concentrate my discussion on family problems related to the elderly. Calculating on the basis of our population, between 2002 and 2031, elderly persons over 65 years of age would account for almost one-fourth (24.4%) of our population. As families have become smaller, the younger generation will bear a heavier burden in supporting their parents. Since the Mandatory Provident Fund schemes system gives the unemployed and low-income workers inadequate

protection after retirement, their children will bear heavy financial burdens. Concerning care for the elderly, with an increase in the rate of dependent old people, there would more likely be problems with the relationship between children and their parents. However, the existing social policies of the Government fail to suit the remedy to the case. As a result of certain policies, families are unable to take good care of the elderly members. Yet, some other policies compel two generations of people who cannot live together to be bound.

I would try to cite two cases as examples and I hope the Government will discover the contradiction and irony of its policies.

As regards breaking up families, it would be nice for the elderly to live with their children and be cared for by them. A Multi-Disciplinary Study on the Causes of Elderly Suicide in Hong Kong points out that living with children has a beneficial effect on the elderly. However, on the basis of the review conducted on the Comprehensive Social Security Assistance (CSSA) Scheme in 1998, the elderly living with children are not eligible for filing applications for CSSA in their personal capacity in order to prevent abuse. As a result, financially worse off families not eligible for CSSA can no longer file separate CSSA applications for the elderly in their families. As they have to bear the expenses of the elderly, given the same total family income, the financial conditions of the families would be worse than before. Sometimes, in order that the elderly would have more income, these families are compelled to ask the elderly to move away since singleton elderly persons can get CSSA from the Government. Actually, the CSSA policy has directly or indirectly made it necessary for there to be households of singleton elderly persons, and families are not able to care for their elderly members.

The irony is that other policies tightly bind old people in such a way that they must live with the younger generation. That is our housing policy. Very often, the housing policies of the Housing Department encourage living with the elderly and households comprising the elderly on the Waiting List would be allocated public housing more easily, or they can choose flats in the urban area more quickly. I do not deny that some households would include the elderly in their applications for public housing for this reason. In some of the many help seeking cases lodged by some residents of old housing estates, old people are driven outdoors when their children go to work, and they cannot go home because their children have locked the doors. As a result, these old people can

only drift around on the streets during the day and they can only go home when their children return from work.

Moreover, some old people quarrel a lot with the younger generation. They quarrel every day and some old people are even abused by the younger generation. The day before yesterday, at a meeting of the Panel on Housing of this Council, three old people told Members how their family members had abused them. They have applied for the splitting of households with the Housing Department but as what we heard the day before yesterday, the Department has so far failed to and it is not able to arrange for the splitting of these households.

I believe Members would remember a case reported in the newspapers about which we have a deep impression. Four years ago, a son fought with his father until his father's nose was bleeding. The man was subsequently arrested but the splitting of households was granted afterwards. Does it mean that the elderly have to fight with the younger generation until their noses are bleeding before the splitting of households is granted? Are these housing and welfare policies mocking the Government or society? Or, are they mocking the problems of the older and younger generations?

Madam President, if the family function can be brought into play, I believe family problems would be alleviated and the unnecessary burden of society reduced. Yet, families are very often the source of problems. If we lack a good policy or a good inter-departmental team to handle these different and complicated problems, these problems would continue to exist. Therefore, I support the original motion. Thank you, Madam President.

MR LAU PING-CHEUNG (in Cantonese): Madam President, I speak in support of the motion moved by Dr David CHU. There is a Chinese proverb which reads, "Not even good officials can settle family troubles". This proverb fully illustrates the complexity of family disputes and conflicts, and the fact that outsiders can hardly judge who is right and who is wrong. Nevertheless, the recent spate of family tragedies has made it impossible for us to turn a blind eye to these tragedies.

The economic downturn experienced by Hong Kong in the past three years was unprecedented. It has exerted tremendous pressure on every family. In

particular, low-income families and those with family members who are unemployed are faced with exceptional difficulties. This in turn leads to such problems as suicide, domestic violence, and so on. I am glad that the community has responded swiftly by organizing such activities as "Life Angel" and "Rebuilding Hong Kong" and, thanks to the publicity and supportive services, we have been enabled to pull ourselves together and regain confidence.

As I pointed out earlier, however, family problems are extremely complicated for they cover problems in different areas. These problems range from suicide, wife abuse, child abuse, as mentioned by me earlier, to negligence of care, and even sexual abuse of children. The corresponding services required to tackle these problems include suicide prevention and family support networks, foster families, refuges for women, and so on. Such professions as social workers, health care personnel and police officers are also involved in the provision of services for different targets. Nevertheless, various government departments and voluntary agencies are now working with their own resources and goals, with independent administration. As a result, they cannot achieve the best result in performing their family support functions.

Owing to efficient communication in Hong Kong, a certain family problem will rapidly lead to another problem after extensive media coverage. For instance, the prevalence of wrist cutting made self-destruction among young people a relatively prominent problem a few months ago. Problems recently facing us are burning charcoal to kill the whole family, family suicide, and so on. We pool our resources to handle a certain problem when it develop into alarming proportions. When the rave of this problem subsides, another problem will soon emerge. Consequently, we are constantly on the run.

I therefore support the proposal of setting up a "Family Affairs Commission", which comprises people from different sectors and social workers from different spheres. Regular meetings will be held for the purpose of exchanging information, soliciting ideas and suggestions, and providing guidelines. The information and guidelines thus issued will then be conveyed to the sectors represented by individual members so that relevant actions can be taken. Let me cite domestic violence as an example. We have most frequently heard of complaints about spouses or children being abused by their family members. However, even though the police are notified of such incidents, legal action will not be taken immediately unless the situation has become critical. As a result, the police are criticized by some people for negligence. On the

other hand, we were told by police officers that, owing to various considerations, most victims of minor domestic violence cases would be reluctant to take further action after receiving medical treatment. As a result, prosecution could hardly be initiated.

Madam President, although I am not a professional social worker, I disagree that prosecution is the only action that police officers can take. They can at least notify social workers so that the latter can take follow-up action. As regards whether victims are willing to receive counselling, it is another issue that needs to be addressed. At least a spouse abuse case will not thus end. If the problem is not addressed and resolved, violence may erupt again.

There is another reason for me to support the motion. It is because a central commission can provide a good opportunity for people from different spheres to pool their wisdom to resolve problems. As I mentioned earlier, social problems plaguing families will shift from one focus to another very swiftly. A central commission can not only gather people from different spheres, but also provide a mechanism to co-ordinate different social services and take follow-up action such as providing suicide counselling, employment assistance and even child care, for the purpose of fully achieving the effectiveness of social service resources committed.

Madam President, I so submit.

DR YEUNG SUM (in Cantonese): Madam President, many people in the community blame our increasingly westernized society for the increasingly fragile family notion and the gradual disappearance of the traditional concept of filial piety. Some believe elderly people are not being taken care of because many of their married children prefer not living with them. Madam President, many academic studies in Hong Kong are divided on these two issues. On filial piety, many studies point out that filial piety remains strong in Hong Kong. Many interviewees indicate that they attach great importance to taking care of their family members and they greatly respect their parents. When it comes to taking care of elderly family members, 80% of elderly people in Hong Kong are actually living with their family members. For elderly people who are not living with their family members, their children might just be living next door or in the neighbourhood after getting married, so that they can continue to take care of their parents. Moreover, they usually celebrate their birthdays and the New

Year, or spend the weekends with their parents. Even though Hong Kong has become highly urbanized and westernized, the concepts of family care and filial piety are still being preserved. The Government has also stressed repeatedly that family care is a well-preserved tradition in Chinese culture. Taking care of the elderly and the young is considered a basic family responsibility. This policy has indeed been in existence for a long time.

However, I have said all this not out of an intention to paint too rosy a picture of families. I only wish to draw the attention of the Secretary to the fact that families have been actually subject to enormous pressure in recent years. The Government has recently commissioned the Social Work Faculty of the University of Hong Kong to conduct a survey related to family. I believe the Secretary does, to a certain extent, know about it. Changing family structure is the first factor leading to pressure on the family. As Members should be aware, most families nowadays are nuclear families. The problem facing these families is that there are fewer family members who can look after their parents. In the past, brothers and sisters in big families could take turn to look after their parents. Alternatively, elderly parents could make a short stay in each of their homes. In the case of nuclear families, however, all family members will be involved in taking care of elderly parents, and even in-laws, because of longer life expectancy. Actually, a lot of women are subject to great pressure since taking care of small and elderly family members is considered their fundamental duty. As a result, women in Hong Kong are subject to tremendous pressure in the family.

Second, the growing popularization of employment has pushed the employment rate of women to a high level. Women are now enjoying good development prospects in society. At the same time, however, they have less and less time to stay at home to take care of the young, the weak, and the elderly. Actually, I have no intention to mention this frequently since men should shoulder the same responsibility as women to look after their family members. Nevertheless, looking after the young and the elderly is traditionally considered the duty of women, regardless of their academic qualification, when they are back home. Therefore, women have to go out to work on the one hand, and take care of their families on the other. As I mentioned earlier, women in Hong Kong are subject to tremendous pressure.

Third, the rising unemployment rate. The unemployment rate is expected to rise further even though it is now already standing at a high 7%. As

the saying goes, poverty is bound to bring more troubles to the family. Unemployment will give rise to rising domestic violence, child abuse and elderly abuse. We can see a continual rise in the number of child abuse and elderly abuse cases, as well as rising domestic violence, in places experiencing the most serious poverty problems and highest unemployment rates. Madam President, I would like to point out in particular that, in times of economic prosperity, an economic cycle will appear and, as a result, unemployment tends to last only temporarily. I believe unemployment will, however, become a long-standing social problem in the wake of economic restructuring. I very much hope the Government can formulate some long-term social policies to tackle the unemployment problem since it is going to last a long time in Hong Kong. At present, there is a lack of employment policies and support for the jobless. Of course, the Government may argue that people without means may apply for Comprehensive Social Security Assistance (CSSA). We should understand that CSSA is specially designed for people of, or close to, abject poverty. It is meant to be a non-contributory welfare service. It is not meant to be a form of assistance for the unemployed. People having lost their jobs must be in extreme poverty before they can apply for CSSA. Moreover, CSSA carries a strong stigma. I feel really sorry that many unemployed people prefer suicide to CSSA. This is indeed regrettable. Perhaps the Government should do more positive work in this area.

Fourth, many elderly people are basically not entitled to pension. Before the setting up of the Mandatory Provident Fund (MPF) schemes, only 30% of the labour force in Hong Kong enjoyed retirement protection, with most of them being professionals and mainly, civil servants. The remaining 70% were non-pension holders. Moreover, there is nothing the MPF can do to help retirees and low-income earners. A lot of studies have indicated that one major factor leading to elderly abuse is elderly people cannot remain financially independent after retirement. I believe it can greatly help ameliorate the elderly abuse problem if all elderly people are entitled to pension in future.

Madam President, there are two points I would like to raise. First, I hope the Government can examine the feasibility of setting up a contributory old age pension system. What I am referring to is a long-term plan, not immediate implementation of a pension scheme. Under this contributory system, elderly people may immediately obtain a certain sum of money, say, 30% of the median wage. As a result, all elderly people, particularly those with low income or retirees, will be entitled to pension after retirement. This will also alleviate the

pressure on the CSSA Scheme. Second, many Honourable Members have mentioned such housing policies as the well-off tenant and overcrowded household policies. I think the Government can actually do better to encourage children to live with their parents, though I do not wish to elaborate on this issue further here. Of course, I also hope the Government can reconsider allowing elderly people living with their family members to apply for CSSA, without counting the income of the whole family. I hope the Government can adopt its previous practice which I think merits consideration. Thank you, Madam President.

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

MRS SOPHIE LEUNG (in Cantonese): Madam President, I have heard a lot of colleagues making many suggestions ideas today; I very much share their views.

Nevertheless, what I have heard so far was all about the past impact on families. It seems that no one has mentioned the big waves that are coming towards us. In my opinion, two big waves are approaching us. The first one is related to family stability. Can we continue preserving family stability in the 21st century? This is indeed a major issue that warrants study. The second wave is related to employment stability. Many colleagues have also asked the question concerning the necessity of formulating more labour policies to maintain employment stability in Hong Kong. However, will such a tiny place as Hong Kong be able to do so?

Madam President, I would like to seek your permission to read out a newly published article containing questions raised by experts in this area. I hope I can express some of my ideas for the Secretary's consideration. Below is an excerpt from this piece of article in English:

".....employment instability has become a cornerstone of doing business A just-in-time economy has spawned a just-in-time workforce where at-will hiring and firing is becoming the norm, says Mr CHALLENGER, CEO of Challenger, Gray and Christmas, the Chicago-based personnel firmCHALLENGER says, 'The costs are significant in losing an employee, including their corporate memory and know-how, but companies are willing to bear those costs to get just-in-time employees,' Today, employers are more

likely to hire contingent (temporary or freelance) workers in uncertain times but without the benefits of permanent employees, says Richard TOIKKA, chief economist for the Employment Policies Institute, a Washington, D.C. think tank.

'Contingent work does allow employers to respond faster but it also allows them to employ more people than would otherwise be possible. The employee would probably work his current workforce longer hours than he would otherwise,' TOIKKA says, adding the other side of the coin is more job insecurity. People in low-wage, or low-skilled jobs are more vulnerable than ever before to layoffs.

'Companies are able to employ a lot more people, but these people have to live with more uncertainty about their jobs,' he says. 'The lesson for workers in to keep your skills current and do not expect your job to last for even five years. It means every employee has to think of himself as a careerist. They really have to think two steps ahead.'

The just-in-time workforce is spreading beyond the United States borders, primarily through the United States foreign affiliates and the expectations of those companies that operate in a just-in-time environment

CHALLENGER sees the same pattern: 'The rest of the world is not there yet to the degree we are, but it is getting there,' he says poor countries with few or no labour protection laws are moving in this direction faster than wealthier nations. The countries that are having the toughest transition are those that have labour protection but lack job flexibility, he says. The transition can put societies at odds with its own values. Japan is a society that reveres age, yet older workers who lose their jobs often find themselves frozen out the workforce.

'Japan is facing extraordinarily difficult times. If you are over 40 and lose your job, it is almost impossible to find your way back into the workforce,' CHALLENGER says. 'You would be lucky to get 30% of your former pay. This is a society that values age more than the United States, but older people are treated worse than they are here.'"

(in Cantonese): Madam President, I only wish to point out that we have to face this big wave in future. Economic support is a major element affecting family stability. We will be missing the point if we do not take this into account and

purely strive for the setting up of a "Family Affairs Commission" in this motion debate today, in the hope that the overall family problem can thus be resolved. I hope what I said earlier can help the Secretary's deliberation. If the future minister is required to take care of manpower development, this is something that warrants study. Can our families stabilize? Not necessarily. Nevertheless, I totally agree with other colleagues that we hope to build up a harmonious community. Thank you, Madam President.

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

(No Member responded)

PRESIDENT (in Cantonese): Dr David CHU, you may now speak on Mr Howard YOUNG's amendment. You have up to five minutes to speak.

DR DAVID CHU (in Cantonese): Madam President, I would like to thank the many Honourable colleagues who have spoken on my motion today.

My motion mainly seeks to urge the Government to set up a "Family Affairs Commission". This proposal is supported by the social work sector and a number of Honourable colleagues.

I understand that a Social Welfare Advisory Committee has been set up by the Government and its scope of work covers family problems. Nevertheless, the interest of this committee is merely confined to general social welfare matters, and its function is also confined to giving advice. It is not specifically tasked to tackle family problems. Neither does it have the power and resources to promote co-ordination among different departments and sectors.

A number of colleagues expressed their concern for family problems in their speeches earlier. Such being the case, they should take concrete action by supporting the establishment of a special commission. I understand that there are 500 to 600 advisory bodies in Hong Kong. Nevertheless, none of these bodies are specially responsible for studying and addressing family problems. Does it mean that the Liberal Party and Mr Henry WU consider family problems less urgent than the ones being dealt with by these several hundred advisory bodies?

This Family Affairs Commission will have shown its worth if it can prevent one more family tragedy from happening.

Madam President, I sincerely hope Honourable Members can take concrete action by supporting the establishment of a Family Affairs Commission, and vote against Mr Howard YOUNG's amendment. I so submit.

SECRETARY FOR HEALTH AND WELFARE: Madam President, I am grateful to Dr the Honourable David CHU for moving this motion and to Honourable Members for their perspectives on this very important subject. The Government fully shares the concerns expressed by Members over the recent tragic family incidents. Nevertheless, I cannot accept the view expressed by some Members that the Government is not addressing the problem.

I would like to briefly talk about the terms "family" and "family policy", as well as some of the underlying and precipitating factors of family problems. I will then update Members on what the Government is doing to prevent and address these problems through a family-oriented approach, and what can be done in furtherance of a family-friendly Hong Kong in promoting mutual love and support among family members, and enabling families to perform their proper functions more effectively. And finally, I would say a few words about the "Family Affairs Commission" proposal.

As I said in this Council in May last year, there is no consensus on the definition of a family. One rather comprehensive definition comes from the American Home Economics Association, which defines family as "two or more persons who share resources, share responsibility for decisions, share values and goals, and have commitments to one another over a period of time. The family is that climate that one comes home to; and it is that network of sharing and commitments that most accurately describes the family unit, regardless of blood, legalities, or adoption or marriage".

No one would dispute that family is the oldest form of bondage between individual human beings. It is a source of strength, providing an intimate environment for physical care, mutual support and emotional security of its members, individually and collectively. It is within the family that we learn basic and moral values, develop relationships, share what we have with others, cope with conflicts, crises and tragedies, and love, nurture and care for one

another. This underlines the importance of family and the importance that the Government places on family.

In recognition of the importance of the family, our policy objectives are to preserve and strengthen the family as a unit, to assist in the development of caring interpersonal relationships, to enable individuals and family members to prevent and deal with personal and family problems when they arise; and to provide for needs which cannot be met from within the family. So we have very clear policy objectives regarding the role of the family.

As Honourable Members have pointed out, a family policy is not merely a family welfare policy. Family policy may be defined as a field in which certain objectives regarding the family are established and various programmes and measures are developed to achieve these goals. Societies may also identify goals which require some sort of behaviour on the part of the family for goal attainment. I think the reference made by certain Members to the household requirements for assessing the Comprehensive Social Security Assistance Scheme is in fact a reflection of our family policy, not a lack of family policy. Because we expect that the family should be supporting members of the family including their elders, and it is exactly because of this that our social security policy requires assessment on a household basis. If not, what message will our society get — are we not responsible for our family members? Family policy may also be defined as a criterion for social policy choice in various policy areas, with the use of family well-being as one of the criteria for decision making as well as an outcome for assessing the consequences of policies generally.

Given that a family policy necessarily encompasses either diversity or multiplicity of policies that recognizes the variety of families and different policy domains (as the Government places importance on the role of family as a social unit), the Government has always adopted a family-sensitive approach in different policy portfolios to ensure that the impact of every major policy and initiative on the family is considered and balanced. Policy involves decisions which need to be made in the context of conflicting interests of different sectors of the community and frequently involves trade-offs that need to be made between different priorities and policy perspectives. I surmise the comments made by some Members to the apparent failure of policy decisions, which I do not accept, are related to the nature of policy decision. The policy making process in the Government is elaborate and made in the best interests of the

community. However, I accept that policies always need to be evaluated and reviewed.

I now turn to family problems and some of the theories relating to how family problems arise. This will give Members a better understanding of how we organize our services. Family problems are obviously not unique to Hong Kong. They are universally accepted as multi-factorial. They are not as simplistic as they are caused by economy or breakdown of marriages. They are multi-factorial because many problems in society are not simplistic. They cannot be caused by one single factor. They involve a complexity of dynamics. It takes different forms as manifested in varying degrees, such as marital breakdown, single parenthood and rising number of pathological incidents, such as suicide and family violence.

Research has identified a number of risk factors that increase the likelihood of family problems, particularly for suicide and family violence. Some common risk factors include individual factors (such as individual attitudes and perceptions and inappropriate expectations of family members) about which the Government can do nothing; psychological factors (such as depression, low self-esteem, negative self-image, hostility and sense of incompetence); familial and social factors (such as previous exposure to family breakdown or violence and social isolation); socio-cultural factors (such as social exclusion and gender stereotyping); as well as circumstantial factors or adversities (such as stressful life events and unemployment). These may be complicated by behavioural problems involving drug or alcohol abuse.

Such risk factors, however, do not necessarily result in family problems. Protective factors enhance personal and familial resilience and serve to counterbalance or serve as buffers against the negative impact of adversity. Protective factors function at three levels. At the personal level, such factors include income and education, coping skills, the ability to manage stress, psychological and physical health and strength. At the family level, supportive interaction and connections with the family, high levels of family cohesion and adaptability. And at the community level, a caring and supportive social network, the opportunity to help others, encouraging role models, as well as easy access to medical and social services can provide support and strength from outside the family network. Conversely, the weakening and malfunctioning of protective factors can aggravate the problem of family violence and suicide.

Precipitating factors that may trigger off an upfront family problem such as violence are child misbehaving, arguments or conflicts between spouses, and relationship termination. However, some of these factors may not have such a negative impact on a more resilient family.

The likelihood of these factors resulting in family violence depends on the interactive relationships which exist within the family. A secure relationship between family members buffers any effects of stress and facilitates coping strategies on behalf of the family. Such resilience is enhanced by personal, familial and community protective factors. Successful coping of stressors and constructive resolution of conflicts will strengthen the family relationship, adding to the repertoire of resources that enhance the protective factors. This is the cycle of coping.

In contrast, insecure or anxious relationships will not buffer the family under stress and episodic overload, such as arguments or child misbehaving, may result in a physical or emotional attack. Overall, this will have a negative effect on the existing interpersonal relationships, thus reducing any buffering effects still further, making it easier for stressors to overload the system once again. This pattern results in a vicious cycle. The socio-economic environment also affects the socializing experience of family members. For example, enduring violence with the media may sensitize people to violence which decreases the likelihood of taking action on behalf of the victims when violence occurs. The Honourable LEE Cheuk-yan also mentioned about the Chief Secretary for Administration's condemnation of family homicide. I believe that this is really one of the things that we as a society should condemn, we could not tolerate the taking of innocent lives irrespective of the circumstances. In fact, this is also what the socializing experience of individual members can influence acceptable manners to the community. It is well recognized that our social norm and social belief, in terms of what society accepts, influence what we could do. So the condemnation of a person who takes other's life is something that we should all take part in. I think we should not condole the taking of life irrespective of the circumstances, however tragic the circumstances are. No one should be able to take the life of another, least that of a child.

In summary, the factors of any family problems should be considered within the context of the family's interpersonal network and a multi-factorial framework. Risk, protective and precipitating factors are mediated through

interpersonal relationships within the family. It is these relationships that should be the focus of work on prevention, treatment and management of family problems. And this is exactly what the Government is doing. I cannot accept Members' criticism that the Government is not addressing these problems.

The Government attaches much importance to preserving and strengthening the family, in particular, in preventing and combating the problem of family violence. There is a continuum of welfare and other services available to those in need and those at risk. And I disagree with Dr David CHU that many of these services are duplicated, because we really need to have multi-access points to different people and we have to design different programmes for different needs. We have in place a three-pronged, multi-disciplinary and inter-sectoral strategy in tackling the problem in collaboration with non-governmental organizations (NGOs) and professionals.

The directions of promoting a family oriented approach and promoting a culture of mutual love and support as promulgated by Dr CHU in his motion meet with our existing strategy and initiatives in promoting a family-friendly Hong Kong.

We take account of the implications of our policies on the family and its individual members. Against this background, I wish to highlight what the Government has been doing to achieve our family policy objectives in terms of taxation, housing and social welfare policies as highlighted in the motion. But our discussion would not be complete without drawing reference to our education policy.

On the education front, we are mindful of the significance of the interactive relationships between school and family education. It is our objective to raise parents' awareness of their role in the education process and to encourage co-operation between parents and schools in educating their children.

The Committee on Home-School Co-operation set up in 1993 has played an active role in promoting better home-school co-operation. It has achieved this through organizing seminars and experience-sharing sessions, launching large-scale promotion activities, promoting training packages and multi-media resources as well as subsidizing home-school co-operation projects.

Parent education is, of course, high on the Government's agenda. In his policy address in 2000, the Chief Executive set aside \$50 million to develop parent education.

To relieve the financial burden of taxpayers in taking care of their family members, the Government has introduced various tax concessions since 1947. Taxpayers are provided with a number of allowances and deductions which have been subjected to adjustment from time to time.

These include Basic Allowances, there are a number of tax allowances and deductions under the existing salaries tax system for taxpayers taking care of their family members. Apart from the Married Person's Allowance, these include Child, Single Parent, Dependent Parent, Dependent Grandparent Allowances, and so on.

To encourage people to live with their parents and grandparents, a person is entitled to an additional Dependent Parent or Dependent Grandparent Allowance in respect of each qualified parent or grandparent who resides with him/her or his/her spouse. To help those providing for their elders who need residential care, a person may also claim a deduction of elderly residential care expenses paid by the person or his/her spouse to a residential care home in respect of the person's or his/her spouse's parent or grandparent.

The current package of tax concessions offers an appropriate balance between fiscal stability on the one hand and achievement of our social policy objectives on the other.

Now attending to housing. It is the Government's objective to achieve better housing for all families and individuals through an adequate supply of affordable housing for ownership or rent. To help families in need of housing assistance, the Government has progressively been reducing the waiting time for public rental housing. By 2003, families will on average wait for three years for allocation of a public rental unit. With the steady supply of public rental housing in recent years, families who are more open in their preferences can be allocated flats within one to two months after registration on the Waiting List.

Families in distress can gain immediate access to flats meeting their specific needs through compassionate rehousing. For existing public housing

tenants, families whose living conditions become overcrowded as a result of marriage and family union are invited to transfer to bigger flats. All in all, the family as an important social unit has always been taken into account in the formulation of our housing policy and public housing programmes.

From the social welfare perspective, it is clear that many family problems do not occur in isolation. Hence, it is critical to address all forms of family problems including family violence in a holistic manner in order to prevent violent tendencies from passing from one generation to the next. To put in place an effective prevention and intervention framework, it is essential that the larger context which gives rise to the risk factors in our society is better understood. In this regard, we are spending \$1.7 billion on family and child welfare services. We have adopted a three-pronged approach to strengthen support for families. At the primary level, we have strengthened our preventive work through large-scale public education and more targeted family education and early identification of families at risk through outreach efforts. This was, in fact, suggested by the Honourable IP Kwok-him. At the secondary level, the conventional Family Services Centres have been transformed into Integrated Family Services Centres (IFSCs) providing a full range of resource, support and counselling services. And at the tertiary level, specialized service units have been set up to provide prompt and responsive crisis intervention.

In addition to the mainstream welfare services provided by the Social Welfare Department (SWD) and NGOs such as the 65 family service centres, 76 medical social service units, 84 youth integrated teams, 462 school social workers, 24 outreach social work teams, five single parent centres, 37 support teams for vulnerable elders and so on, I would like to highlight some major new initiatives which have been launched recently.

As Members said, prevention is always better than cure. Our primary prevention strategy aims to reduce the incidence of family problems and attempts to prevent the problem before it starts. This is operated at the societal level and the key message is that family violence is a community issue and a community responsibility.

A series of publicity programmes to promote positive values towards life, strengthen family functioning and enhance people's resilience in coping with stress are in place through various mechanisms and at different levels. The

latest publicity event, "Empowering Families to Face Challenges" campaign, was launched in December last year. The Operation Silver Lining Project operated by a team of experienced clinical psychologists has been launched to address public concerns relating to psychological problems. This year, we will conduct another major publicity campaign on "Strengthening Families and Protecting Children against Abuse and Violence".

Moreover, parents attending maternal and child health centres of the Department of Health also receive parenting guidance through health education, workshops and counselling. The Student Health Service of the Department of Health has also set up a new Adolescent Health Programme with the key objective to enable adolescents, parents and teachers to understand adolescents' physical, psychosocial, emotional, and intellectual changes and needs, so that adolescents can develop a proper self-image and self-esteem. Furthermore, the Understanding the Adolescent Project and various family life education programmes are in place. All these initiatives help reinforce the protective factors which in turn help develop individuals' psychological resilience.

At the secondary level, this is the "risk factor approach" aimed at the early identification of factors associated with family problems and violence. The objective is to shorten the duration and frequency of harmful and negative family interactions and diminish the impact of risk factors through early detection and immediate and effective intervention.

As was mentioned by some Honourable Members, a comprehensive review on our family services completed in 2001 recommended the setting up of 15 IFSCs in selected districts on a pilot basis. The IFSCs, consisting of a Family Resource Unit, Family Support Unit and Family Counselling Unit, provide a continuum of preventive, supportive and remedial services to meet the changing needs of families.

In addition, 14 Family Support Network Teams have been set up in the 13 districts of the SWD. These provide outreach and networking services to vulnerable families for early identification of problems and timely intervention.

The tertiary level aims at reducing the risk of repeated physical injury and psychological damage, in order to lower the chances of impairment, disability or death of the victim. It concerns the treatment of violent families and the

management and control of aggressive behaviour shown by family members. So we cannot just ignore that there are problems in society. Because we have preventive services does not mean that we do not address these crises properly. These crises and problems are with us.

We have mapped out a series of specialized services to help families at risk regain resilience. To name but a few, five Family and Child Protective Service Units, the first of its kind 24-hour Family Crisis Support Centre, more refuge centres for women and the recent opening of a Suicidal Crisis Centre.

The motion advocates a family-oriented approach for the development of social services. To this I could not agree more, as it is precisely the developmental direction that we practise.

At the strategic level, the Government adopts a child-centred, family-focused and community-based approach, with emphasis on establishing effective partnerships and interface with other family-related services.

In addition, the Family Status Discrimination Ordinance addresses the needs of workers with family commitments and manifests our recognition of the responsibility shouldered by individuals in caring for their immediate family members. Under the Ordinance, it is unlawful for an employer to lay off an employee because the employee is the only caretaker of his/her young children at home. Apart from offering protection in the employment field, the Ordinance also makes it unlawful for a service provider to refuse to provide goods, services or facilities on the basis of family status or for an educational establishment to deny admission to a student on the same basis. This also contributes to the nurturing of a family-friendly environment in Hong Kong.

Members also talked about the Community Investment and Inclusion Fund. In his 2001 policy address, the Chief Executive stressed the need for the community to come together, and to pool the wisdom and strength of individuals and families, non-profit-making organizations and businesses to support people to develop their spirit of self-help and mutual aid. To support and promote the development of this concept of social capital, the Chief Executive announced the setting up of a Community Investment and Inclusion Fund with an initial grant of \$300 million. The objective of the Fund is to encourage mutual concern and aid among people, and to promote community participation in district and cross-sector programmes. The Fund will be shortly opened for application.

Finally, I would like to respond to the proposal to set up a Family Affairs Commission.

Within the Administration, the existing arrangements for co-ordinating family-related efforts and initiatives across the Government already provide the necessary and appropriate degree of co-ordination and community input. Many of the issues which the Government deals with nowadays are cross-sectoral in nature, with family being but one example. It is handled, like other complex issues, through discussion in various internal fora and co-ordinated at different levels within the Government. As it is evident, government bureaux and departments take a sensitive attitude in assessing the impact of their policies and initiatives on the family. The established practice is for the family perspective to be duly factored into the decision-making process and policy implementation.

As family issues inherently impinge on a wide variety of policy areas, the existing policy groups chaired by the Chief Secretary for Administration also provide the necessary co-ordination and direction to support family-related policies and initiatives.

Some Members also made reference that there is no dearth of advisory boards and committees comprising representatives from community leaders and NGOs, to advise the Government on strategies and measures which are likely to have an impact on the well-being of the family. In fact, the Social Welfare Advisory Committee, in particular, is a key consultative body which deals with many family-related initiatives and policies.

It also links up the needs of families with those of their constituent members and the social network which is needed to support families. If we take out family policy from the Social Welfare Advisory Committee, I can ensure Members that the problem will be even greater and more insurmountable. At the moment, we already have too many committees and commissions which fragment the work of these committees. In fact, it is counter-productive to set up another commission to take care of family policy because the Social Welfare Advisory Committee is already responsible for such work.

In conclusion, the existing system has served us well, but obviously needs to be reviewed from time to time to meet the changing needs. It has played an important role in ensuring that the family perspectives are properly and adequately factored at the outset and during the formulation and implementation

of policies and initiatives. Too many similar committees or commissions, as I said, would only result in unnecessary duplication and fragmentation of efforts.

In closing, I wish to thank Honourable Members once again for their comments and concerns. While the Government will continue to intensify its efforts in strengthening and empowering the family as a social unit, these efforts cannot be effective without the full engagement of the community at large. I call on all of you to play a part.

Thank you.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment moved by Mr Howard YOUNG to Dr David CHU'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 not 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 negatived.

PRESIDENT (in Cantonese): Dr David CHU, you may now speak in reply. You still have three minutes 11 seconds.

DR DAVID CHU (in Cantonese): Madam President, I believe Mr TUNG Chee-hwa will immediately appoint Secretary YEOH to be one of his future ministers if he has listened to the Secretary's reply today, for the Secretary has spent more than 24 minutes on his reply.

The Secretary spent 25 seconds on his reply to my proposal of setting up the "Family Affairs Commission" (*laughter*). He then spent another two to three minutes commenting on the speeches delivered by several Members, making it clear that he was wide awake listening to the speeches delivered by the Members. The remaining 20 minutes were used entirely on publicizing his work. We were told *seriatim* the scores of tasks launched. I would now like to ask the Secretary a question. Given that so much work has been done, why is the community still facing the ironclad evidence that family problems are worsening? As scores of tasks have been completed, why do we still feel that the family problems confronting us at the moment are worse than ever (Excuse me, I do not know how to say it in Chinese)?

MR ANDREW WONG (in Cantonese): "Worse than the days when we were young".

DR DAVID CHU (in Cantonese): Thank you, Mr WONG.

PRESIDENT (in Cantonese): Mr WONG, please do not interrupt, unless you are directed to rise to speak.

DR DAVID CHU (in Cantonese): The debate conducted today on family problems was decided by ballot, not by me. This is the first coincidence. Another coincidence is that today happens to be the International Family Day. Therefore, I do not rule out the possibility that today's coincidence is, to a certain extent, made by God's will. For this reason, I hope those Members who are considering voting against the motion to reconsider seriously because there is no lightning conductor on the roof of this Legislative Council Building (*laughter*).

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Dr David CHU, as set out 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)

PRESIDENT (in Cantonese): I think the question is agreed by a majority respectively of each of the two groups of Members, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee, who are present. I declare the motion passed.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 2.30 pm on Wednesday, 22 May 2002.

Adjourned accordingly at fourteen minutes past Nine o'clock.

WRITTEN ANSWER**Written answer by the Secretary for Health and Welfare to Mr LAW Chi-kwong's supplementary question to Question 1**

The Child Care Services Ordinance, amended in May 1997, regulates child-minding activities in Hong Kong. A person is prohibited from acting as a childminder if he/she has been convicted of any specified serious offence which would pose a risk of exposing a child to abuse; or his/her failure to exercise proper care in acting as a childminder has contributed to the death of a child, on the basis of a coroner's inquiry. A childminder may request the Director of Social Welfare to issue a certificate verifying that he/she is not prohibited from childminding. Parents can ask a potential childminder to show them the certificate to assist them in assessing the suitability of that person to look after their child. Parents can check with the Social Welfare Department (SWD), which keeps a register of suitable childminders with certificates and provides such information to parents on request.

In drafting the Bill, we were mindful of the need to avoid introducing a system which would be cumbersome or intrusive, since this would discourage persons from providing such services and children might suffer through being left unattended at home. Mandatory registration was considered but deemed unsuitable for this reason. In addition, it would be extremely difficult to administer and enforce, and require substantial resources to be effective. We concluded, therefore, that it would be more appropriate to prohibit unsuitable persons from acting as childminders. The system was intended to help parents make informed choices, and highlighted that the ultimate responsibility had to rest with parents to check the suitability of the childminders they employed.

The current mode of control, which prohibits unsuitable persons from serving as childminders, strikes the right balance between affording protection for the child and addressing the child care needs of parents without over-regulating. These consideration still remain valid today.

Nevertheless, we will continue to monitor the situation and profile of child abuse cases closely, and consider how to further strengthen our administrative system. We will take steps to encourage childminders to apply for certificates and be included in the SWD's register. We will also make ongoing promotional efforts to educate parents and assist them in choosing suitable childminders.

Annex II

WRITTEN ANSWER

Written answer by the Secretary for the Environment and Food to Mr Albert CHAN's supplementary question to Question 2

The statistics on trees destroyed by hill fires within country parks are provided below:

		<i>Year</i>		
		<i>1999-2000</i>	<i>2000-01</i>	<i>2001-02</i>
(A)	Annual number of tree seedlings planted in country parks	660 000	648 000	950 000
(B)	Annual number of trees destroyed by hill fires within country parks	43 100	43 800	36 000
(C)	Net increase of trees (C) = (A) - (B)	616 900	604 200	914 000

WRITTEN ANSWER**Written answer by the Secretary for the Environment and Food to Dr LUI Ming-wah's supplementary question to Question 2**

The lifespan and survival rate of trees vary with species and growing environment. It is difficult to make generalizations. In general, trees are relatively more vulnerable within the first year after planting but afterwards, most of them would grow normally. At present, for trees located in urban areas and sites of public works projects that were planted by private contractors, there is usually a one-year "defects liability period" during which contractors are obliged to replace trees which die. As the contractors are not required to report the death rates of trees to the departments concerned, we are unable to provide statistics on the survival rate of these trees. As for trees growing in country parks, the Agriculture, Fisheries and Conservation Department has planted 2 258 000 tree seedlings in the past three years and over 94% of these seedlings survived the first year after planting.