

# OFFICIAL RECORD OF PROCEEDINGS

**Monday, 8 July 2002**

**The Council met at Three 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 MRS SELINA CHOW LIANG SHUK-YEE, G.B.S., 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, J.P.

THE HONOURABLE CHAN KAM-LAM, J.P.

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

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

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

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

THE HONOURABLE CHOY SO-YUK

THE HONOURABLE SZETO WAH

THE HONOURABLE LAW CHI-KWONG, J.P.

THE HONOURABLE TAM YIU-CHUNG, G.B.S., J.P.

DR THE HONOURABLE TANG SIU-TONG, J.P.

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

THE HONOURABLE LI FUNG-YING, J.P.

THE HONOURABLE HENRY WU KING-CHEONG, B.B.S., J.P.

THE HONOURABLE TOMMY CHEUNG YU-YAN, J.P.

THE HONOURABLE MICHAEL MAK KWOK-FUNG

THE HONOURABLE LEUNG FU-WAH, M.H., J.P.

DR THE HONOURABLE LO WING-LOK

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, J.P.

**MEMBERS ABSENT:**

THE HONOURABLE MARGARET NG

THE HONOURABLE ANDREW CHENG KAR-FOO

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

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE WONG SING-CHI

**PUBLIC OFFICERS ATTENDING:**

THE HONOURABLE MICHAEL SUEN MING-YEUNG, G.B.S., J.P.  
SECRETARY FOR HOUSING, PLANNING AND LANDS,  
THE CHIEF SECRETARY FOR ADMINISTRATION AND  
SECRETARY FOR HOME AFFAIRS

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

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

THE HONOURABLE HENRY TANG YING-YEN, G.B.S., J.P.  
SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY

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

THE HONOURABLE JOSEPH WONG WING-PING, G.B.S., J.P.  
SECRETARY FOR THE CIVIL SERVICE AND  
SECRETARY FOR EDUCATION AND MANPOWER

THE HONOURABLE MRS REGINA IP LAU SUK-YEE, G.B.S., J.P.  
SECRETARY FOR SECURITY

THE HONOURABLE STEPHEN IP SHU-KWAN, G.B.S., J.P.  
SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR

DR THE HONOURABLE SARAH LIAO SAU-TUNG, J.P.  
SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

THE HONOURABLE FREDERICK MA SI-HANG  
SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

THE HONOURABLE STEPHEN LAM SUI-LUNG, J.P.  
SECRETARY FOR CONSTITUTIONAL AFFAIRS

PROF LAU SIU-KAI, J.P.  
HEAD, CENTRAL POLICY UNIT

**CLERK IN ATTENDANCE:**

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

PURSUANT TO RULE 8 OF THE RULES OF PROCEDURE, THE CHIEF EXECUTIVE, THE HONOURABLE TUNG CHEE-HWA, ATTENDED TO ADDRESS THE COUNCIL AND TO RECEIVE QUESTIONS.

**TABLING OF PAPERS**

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

| Subsidiary Legislation/Instruments  | <i>L.N. No.</i> |
|---|-----------------|
| Shipping and Port Control (Amendment)<br>Regulation 2002 .....  | 117/2002        |
| Waste Disposal (Designated Waste Disposal Facility)<br>(Amendment) Regulation 2002 .....              | 118/2002        |
| Waste Disposal (Refuse Transfer Station) (Amendment)<br>Regulation 2002 .....                         | 119/2002        |
| Places of Public Entertainment Ordinance (Amendment of<br>Schedule 1) Regulation 2002 .....           | 120/2002        |
| Places of Public Entertainment (Exemption) Order .....  | 121/2002        |
| Solicitors (Group Practice) Rules.....  | 122/2002        |
| Shipping and Port Control Regulations (Amendment of<br>Third and Seventh Schedules) Notice 2002 ..... | 123/2002        |

**PRESIDENT** (in Cantonese): Members will please remain standing for the Chief Executive.

**PRESIDENT** (in Cantonese): The Chief Executive will first address the Council.

**CHIEF EXECUTIVE** (in Cantonese): Madam President, Honourable Members, good afternoon! First of all, I would like to take this opportunity to express my deep appreciation to Members of this Council for supporting the Principal Officials Accountability System (accountability system), enabling the

Government of the new term to embark on a new course of governance under the new framework as planned. I also hope that this Council will give greater support to the new team and new governance of the Government of the Special Administrative Region (SAR). The more difficult the times are, the more evident are the complementary efforts of the executive and the legislature in serving the community and bringing about practical and substantial results, as well as in pursuing further economic and social advancement for Hong Kong.

In my inaugural speech on 1 July, I said that the biggest challenge facing the Government of the current term is to lead Hong Kong out of the economic downturn and to restore the confidence of Hong Kong people in the future. The orientations of the Administration of the second term include reformation of the government structure to ensure that our governance will evolve with the times, using every possible means to promote economic restructuring, further improving the business environment, attaining higher growth by tapping the opportunities unleashed as a result of our country's rapid economic development, and creating more employment opportunities. At the same time, we will continue to look after those who are disadvantaged and underprivileged, to advocate self-enhancement and to strengthen our solidarity.

Among the focuses of our work as cited above, we attach particular emphasis on the need for ensuring our governance to evolve with the times. Equally, we accord importance to reaching out to our fellow citizens through various means and establishing open and smooth channels of communication with all sectors of the community, so that we can feel the pulse of the community, take public sentiments fully into account, and enable different sectors of society to participate extensively in the policy-making process. I have every confidence in delivering these undertakings. And I welcome all sectors of the community to monitor our efforts in this regard so that the Government will truly address the concerns and meet the expectations of the people.

Strengthening co-operation between the executive and the legislature is a priority item on our agenda. In fact, we have attached great importance to our co-operation with the Legislative Council. Indeed, one of the key considerations in implementing the accountability system is to facilitate and strengthen communication and liaison between the principal officials and the Legislative Council. Better communication and liaison foster closer co-operation.

Today, I would like to share with you a number of principles which I have set in a bid to strengthen the relationship between the executive and the legislature. Firstly, I will come to the Legislative Council every quarter, that is, four times a year, to meet with all Members. And should circumstances require so, I will give special consideration to it. I will also have more meetings, regular or ad hoc, with Members. Secondly, the SAR Government will strengthen communication with the Legislative Council in formulating and introducing policy initiatives, and, all principal officials will be encouraged to make use of various means to enhance communication with the legislature.

Honourable Members, the reason why we have worked together here over the past five years is to serve the community, and indeed this is the sole reason. For objective, we also have only one, which is to serve them by pursuing the best interests for the community. This should be the same for the future. We still need to explore and put into practice ways to build a better relationship between the executive and the legislature within the framework of the Basic Law. I firmly believe that with our total commitment to serving the community, a new relationship between the executive and the legislature could surely be established.

Thank you.

**PRESIDENT** (in Cantonese): The Chief Executive will now answer questions raised by Members. A Member whose question has been answered may, if necessary and for the purpose of elucidation only, ask a short follow-up question.

**DR PHILIP WONG** (in Cantonese): *Madam President, I support the idea of an accountability system, but giving support does not mean that I do not have worries about it. My worry is that the accountability system seems to give the public the impression that once the principal officials make mistakes, their resignation will end up the matter. In fact, as far as every principal official is concerned — no matter whether he is a social member who has joined the Government recently, or an official who has left the Civil Service — and he will be different from ordinary members of the public who earn a monthly income of just a few thousand dollars and who live from hand to mouth, for he may be able to find a job with higher income than his present one after leaving the Government. Therefore, what matters in the accountability system is not the income of the principal officials but their personal reputation. As to.....*

**PRESIDENT** (in Cantonese): Dr WONG, sorry but I have to interrupt you in asking your question because your foreword is too long. *(Laughter)* Please ask your question directly.

**DR PHILIP WONG** (in Cantonese): *Madam President, this is the background to my question. Please allow me to finish it as quickly as possible.*

**PRESIDENT** (in Cantonese): Dr WONG, please ask your question as quickly as possible.

**DR PHILIP WONG** (in Cantonese): *But to me, their reputation is not really what matters. What matters most is what they do now will affect the future of Hong Kong. I attach the greatest importance to officials who will have direct influence on the economic development of Hong Kong. If they do their job well, of course that is a good thing; however, if they do not do it well, then Hong Kong will be greatly affected. The Chief Executive will table his policy address to the Legislative Council in January next year. If the job in the area of economic development is well done, of course that will be great, otherwise, the Chief Executive would only find replacements for these principal officials two or three years later, and by then how much public money will be left in our treasury? Will the Chief Executive manage to find any replacement after two or three years? With only a short term of two to three years, I would like to know who has the courage to take up the job?*

**CHIEF EXECUTIVE** (in Cantonese): This is a lengthy question and I also want to make some elaboration on this subject. *(Laughter)*

Firstly, I would like to tell you the criteria based on which I chose the accountable officials. Personal ability is of course very important, and so is professional knowledge, but an accountable official must also be someone who shows forth a high degree of team spirit, possesses good communicative skills and very clear thinking (if the official is in charge of the economy, then his thinking on the economy must be very clear and his analytical ability must be very strong). When he is determined to do something well, then no matter how difficult it is, he would not waver in attaining the goal; he has to be confident of

himself and is not concerned about personal gain or loss, and possesses perseverance, courage as well as unquestioned integrity. He must be committed to Hong Kong and is accepted by the great majority of Hong Kong people. In fact, the list goes on and on and I have many other considerations. Therefore, I want to tell all of you that the accountable officials were in fact chosen after very careful consideration.

Secondly, concerning economic problems, many people have also asked me questions on this. They asked me why Hong Kong economy had come to such a bad state. Is it possible not to restructure the economy? Why take all these pains in restructuring the economy? Was not everything so fine in the past? Why is it necessary for me to introduce so many changes? In fact, this issue is not that simple at all.

Why is the issue not that simple? Why do the present problems occur in Hong Kong? Had we not done anything, how would things be like? I think that we can no longer deceive ourselves or others, or act like an ostrich that buries its head in the sand, ignoring what is happening around us. In fact, in recent years, tremendous changes have occurred around us. If we do not take corresponding measures in advance, how are we going to meet these challenges?

The problems that we have to face at present are the challenges brought about by globalization and the advent of a knowledge-based economy. Our competitors are no longer the company next door or across the street, but companies all over the world. They may be located in California, Singapore or on the Mainland. We are facing challenges in prices and quality. After the emergence of a knowledge-based economy, we must go about the road of high value-added service. It is only by taking that road that we can compete with others.

In addition, our operating costs are too high. Why are they so high? One reason is that economic development on the Mainland has been very successful. With the success of the Mainland in carrying out reforms and opening up, we have to face the challenges posed by the Mainland in this aspect. On the other hand, Hong Kong was originally the only link of the Mainland to the outside world, but Hong Kong is also challenged on this front. We are facing a host of such problems, so how are we going to deal with them? The economic bubble before the return of sovereignty has indeed done grievous harm. Up to now, although our operating costs have been substantially adjusted, they still remain on the high side.

On the other hand, insufficient importance has been attached to education in the past, as a result, nearly 50% of the population have only acquired an education level of below Secondary Three. In the face of a knowledge-based economy, how can Hong Kong take the route of high value-added services? Therefore, we are facing a daunting challenge in economic restructuring.

In the past five years, what the Government has been doing is to face the problem squarely, for example, we have been investing in education and promoting innovative technology. All these are targeted at the problems in the hope of bringing Hong Kong out of its predicament as soon as possible. I have pointed out a number of times that the restructuring this time will be more painful and more prolonged.

Dr WONG, we must not lose faith because we possess our own edges. We do have many advantages, for example, advantages in our geographical location, rapid growth in the economy of our Motherland and the convergence of talents in Hong Kong. At present, we still possess the edge of being an international city where 3 200 overseas companies have aggregated. In addition, we also possess the edges of being both an international finance and a tourism centre.

However, economic restructuring takes time and it is impossible to achieve it in one or two years' time. I can promise, and have often said to my colleagues, that I think about economic and employment problems even in my dreams because we have to deal with these problems properly. I hope that all of you will understand it takes time to solve these problems. We will strive to do this well, and hope that Dr WONG and other Members will join hands with us in doing so.

**MR LAU CHIN-SHEK** (in Cantonese): *Madam President, whenever Mr TUNG spoke in the course of running for re-election and at the re-election meeting, he has emphasized that he would give priority to solving the employment problem. He has also said that he had been thinking of how to solve the employment problem even in his dreams. At present, the unemployment rate has rapidly increased to the historical high level of 7.4%, and more than 200 000 wage earners are in an abyss of suffering. If the senior government officials were really anxious about the people's anxiety, can Mr TUNG tell us if there are a package of proposals and specific policies for solving the high unemployment rate? If Mr TUNG cannot so inform us today, when would he give the public an explicit account?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, concerning the unemployment problem, I am as worried as the unemployed, hence I am constantly reviewing the matter and considering what could be done. The persistently high unemployment rate is an essential phenomenon during economic restructuring. The greatest challenge for the second SAR Government is to lead Hong Kong out of its plight, create more job opportunities, promote successful economic restructuring and help people regain confidence. However, as a result of structural economic adjustment, there is a high unemployment rate and the problem cannot be solved by one to two methods within one to two years. We must accept this fact.

What can the Government do? What should it do? In fact, the Government has to do a lot of things and it is already doing so. Let me take this opportunity to share with Members what the Government is doing.

Firstly, one of the things we should do is to improve our business environment to attract and encourage more people to make investment in Hong Kong as well as encourage more local businessmen to make investment in Hong Kong. In respect of the examination and approval procedures, the Government has tried its best to speed up the time taken for a company or shop to start business as well as the time taken to launch works. This would be conducive to the increase in job opportunities. I hope Members would understand that we are paying close attention to this area. In the past year, the Government has simplified the procedures for examining and approving works. It took six years from the conception to the beginning of construction of general civil engineering works but it only takes four years now. Do we find it satisfactory? I do not think it is satisfactory and improvements can be made. The Food and Environmental Hygiene Department is actively reducing complicated licensing formalities to improve the business environment. At present, so long as a food establishment is up to standard, it can obtain a licence on the same day and can start business at once. In the past, it might take very long, for instance, six months or one year, to obtain a licence. We also keep introducing one-stop services in such areas as location shooting for movies and licensing of residential care homes for the elderly. Therefore, we are doing a lot of things, but if Mr LAU asks if I find it very satisfactory, I would certainly say no because we can still do many things. I can tell Members that we would continuously make efforts to create more job opportunities and reduce the business costs in Hong Kong.

We would vigorously promote local community economy and encourage the development of cultural products and artistic products in the future. Mr Timothy FOK is not in the Chamber, but I hope he would know that encouraging sports development in Hong Kong is not only helpful to the physical health of people but also the health of the whole society. Sports are actually commercial products that can cause an increase in job opportunities. We would certainly try our best in the above aspects. Moreover, in regard to urban greening and cleaning work, I do not know if Members have noticed that we have actually done something new to improve the environment and increase job opportunities. In respect of infrastructure, with considerable investment, the development would certainly be paced up. Regarding tourism, the figures in the first half of the year show that there has been a very satisfactory increase in the number of visiting tourists, and this can also increase job opportunities. In the coming three years, 20 new hotels would start business and would create around 8 000 job opportunities. The completion of the Disney Theme Park in the third to fourth quarter of 2005 would also create around 18 000 new jobs.

When I recently attended the opening ceremony of the Science Park, I talked to the person in charge of the Science Park about the future development of the Science Park. He told me that when Phase I of the Science Park started to be in use fully, it should be able to create new jobs. It is because around 30% of the existing companies would move into the Science Park and around 12 000 to 15 000 jobs would be created. As far as I know, after the completion of the Cyberport in 2004, a similar number of jobs would be created. Thus, I wish to tell Mr LAU that we have paid attention to the problem and tried our best to calculate the job opportunities. I welcome Members to express their opinions on the problem.

What else can we do now and in the long term? In respect of training and retraining, I have already said on 1 July that overlapping structures and wastage of resources were unacceptable. We would also conduct a reform for the courses to meet the existing social needs better. Thus, we would make our best efforts in regard to training and retraining. We would certainly cater for the needs of the disadvantaged and establish a rudimentary safety net. In the long run, it is definitely most important to educate people well, which would then be able to solve the problem thoroughly.

I believe Members know that approximately 30 000 workers join our labour force every year, but the overall increase in our labour force is far more

than 30 000 workers. In the face of such a rapid increase in other labour force, what should we do? This is also a pressing issue that we would consider when we study the population policy.

Lastly, I wish to point out that creating employment is not the sole responsibility of Secretary Stephen IP but also the responsibilities of 11 Policy Secretaries, the three Secretaries and the Chief Executive. I wish Members would also think that they have the responsibilities to contribute their efforts together to create more jobs. Although we are facing difficulties, we would be able to overcome such difficulties if we make our efforts together.

**MR LAU CHIN-SHEK** (in Cantonese): *Madam President, I am afraid the burearu secretaries would be terribly scared if Mr TUNG points at them one by one and tells them what their responsibilities were. (Laughter)*

*Madam President, in the past, Mr TUNG talked about improving the economy and solving the employment problem time and again and indicated the things to be done, yet, the unemployment rate has increased rather than decreased. Wage earners only know that they have been laid off and have salaries reduced. Let me put the question the other way round. Would Mr TUNG undertake to give a specific indicator of the level to which he would be able to downward adjust the unemployment rate within his term of office in the next five years?*

**CHIEF EXECUTIVE** (in Cantonese): I have just explained why the unemployment rate has increased. On the one hand, the business costs in Hong Kong require adjustment; on the other hand, there are a lot of external challenges, thus, we cannot solve the unemployment problem so easily and it still depends on the effectiveness of the education reform. Mr LAU has asked me to give a figure but I cannot do so. I can only promise Mr LAU that we have a very clear direction of development and we would try our best in this direction. I wish all Members could take part.

**MR KENNETH TING** (in Cantonese): *Madam President, Mr Chief Executive, all along, the Liberal Party has maintained that Hong Kong should formulate a comprehensive population policy as soon as possible. We moved a motion*

*debate on this issue last month in this Council and we are pleased to hear the Chief Executive announce in the first week of his second term that he would negotiate with the Central Authorities to amend the quota for one-way permits in order to admit more talents to Hong Kong.*

*Will the Chief Executive supply this Council with more information about the stage at which such an idea has matured and about the progress of his negotiations with the Central Authorities? Has the Chief Executive ever considered, as has been suggested by the Liberal Party, extending the quotas for admitting talents to Hong Kong to the original ones for one-way permits, rather than reducing quotas for one-way permits to achieve the purpose of avoiding any impact that may be generated on family reunion?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, in the next few months we would be implementing a population policy. Have we been negotiating with the Central Authorities on the issue of one-way permits? The fact is we have, and we will continue to do so. I think the good news is that many people have utilized the quota of 150 per day in the past few years and so there are fewer people in the queue now. We therefore hope that we may facilitate family reunion in future and that no one would be delayed in the waiting. On the other hand, we may reduce the number of people coming into Hong Kong; that is what we should be able to achieve. I hope, however, Members could give us some more time. We would be working hard on this area in the next few months, with a view to providing data for further discussion with Members as soon as possible.

**MR ERIC LI** (in Cantonese): *Mr TUNG, I wish to raise a simple question on the relationship between the executive authorities and the legislature. Many from the outside circle would think that it was a very important manoeuvre for some "heavyweights" to join the executive authorities in this new term. Will Mr TUNG inform this Council whether the Honourable James TIEN and the Honourable Jasper TSANG have provided the Government with any good ideas in assisting it to strengthen the link between the executive authorities and the legislature?*

**CHIEF EXECUTIVE** (in Cantonese): Good ideas they have not provided. I have only heard about their comments against the Government. Let me put it

this way. I invited Mr TIEN and Mr TSANG to join as a key member in the Executive Council to reflect on the importance I attach to the Legislative Council and my desire for a better relationship between the executive authorities and the legislature. Through their joining the Executive Council and through what I have mentioned, I hope to be able to meet Members sooner and more frequently. I hope there is better communication between both parties. I also mention that principal officials would strengthen their communication with Members and will discuss with Members before the formulation and announcement of important policies. It is my hope these arrangements will improve the relationship between the executive authorities and the legislature. We have held our first Executive Council meeting last week. While I cannot divulge to Members what was discussed, I can tell everyone that both Mr TIEN and Mr TSANG have performed well on all occasions.

**MR WONG YUNG-KAN** (in Cantonese): *Madam President, food safety is an issue of concern to everyone and is closely related to people's livelihood. Is the Chief Executive aware of the fact that many unscrupulous shop-owners in the market are selling chilled pork for fresh pork in the market? They sell chilled meat, which under government regulations should be sold in freezers, under room temperature. The meat will deteriorate easily and be infected and may even cause food poisoning. This is not just a case of deceit for consumers; this is affecting the health of the people. The Customs and Excise Department discovered four cases of such frauds in June and on 6 July this year, and tons of this kind of pork .....*

**PRESIDENT** (in Cantonese): Mr WONG, please raise your question.

**MR WONG YUNG-KAN** (in Cantonese): *Will the Government inform this Council what measures it would take to tackle the problem? In addition, since we have been importing chilled chickens, the industry and I have discussed with the Government and requested that chilled chickens be beheaded and have their feet removed so that the people could tell the difference. (Laughter) However, we have not received any response from the Government yet. Will the Government and the newly appointed principal officials inform this Council what measures it would take to tackle the problem of food safety?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, food safety is a matter of concern to all. The points raised by the Honourable WONG Yung-kan were reasonable and I will request the relevant colleagues in the Government to follow up expeditiously so that a satisfactory answer can be provided to Mr WONG.

**MR WONG YUNG-KAN** (in Cantonese): *Madam President, the Government of the Macao Special Administrative Region has reached an agreement with us to the effect that they would remove the heads and feet of chilled chickens on importing them from Macao. Will the Government inform this Council whether it will request the Central Government to do the same?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I hope Mr WONG would give us some time. I will give him a reply after looking into the matter. I am sorry I am not an expert in chilled chickens. *(Laughter)*

**MR SZETO WAH** (in Cantonese): *Madam President, the Chinese Premier, Mr QIAN Qichen, once remarked that after the implementation of the accountability system, the Chief Executive would not be alone any more. In other words, the Chief Executive had been working alone for the past five years. Will the Chief Executive inform this Council whether he himself agrees with that comment?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, as I implemented the accountability system and during the initial stage when I offered explanations on it, I mentioned many times the reasons leading to the introduction of that system. One of the reasons is that in any regime in the world, leaders in each government have a group of personnel with the same ideology in the government to promote those ideology and government policies. When I started my governance on 1 July 1997, I did not have that privilege. I just joined in all by myself. At that time, there was a need for me to maintain social stability and I saw the Hong Kong Civil Service as a superb team. Hence, I did what I did and I thought I did the right thing. At the start of the second term, I think I should have a team with the same ideology so that we can give that ideology full play.

Indeed, I had the happy experience of working with the Civil Service for the past five years. We worked in harmony. However, I noted that many senior officials had to formulate policies, promote the policies and to gain public support at the same time. They had to attend Legislative Council meetings and face the media. They had colossal work pressure. Many high ranking officials told me they were not sure how much longer they could continue like that. I have many other reasons for launching the accountability system. I thank the Honourable SZETO Wah for this question so that I can have an opportunity to respond.

**MR SZETO WAH** (in Cantonese): *Madam President, the accountability system is in place, but there is no change in the three Secretaries of Departments. Among the 11 Directors of Bureaux, six were originally high ranking officials and all Permanent Secretaries are high ranking officials in the past. Why could they change from people with variant ideology to people with completely the same ideology overnight? Are there any "cues" for this abrupt change-over?*

**CHIEF EXECUTIVE** (in Cantonese): Mr SZETO is too imaginative. Actually there are no "cues". The fact is that we have been communicating well. We face great challenges: challenges from an economy that is undergoing a structural change, from a need to rebuild people's confidence and from a need to bring our policies up to date. I have had detailed discussions with each and every principal official under the accountability system on these matters regarding our work ahead in the next five years. We have considerable consensus. I have confidence that my new squad: three Secretaries of Departments, several principal officials who were previously civil servants and five Directors of Bureaux who newly joined us, will make a fine team. We will work well together. Members will be able to see that after some time.

**MR CHAN KWOK-KEUNG** (in Cantonese): *Madam President, there were suggestions that factory buildings be leased at lower rents to attract small and medium enterprises (SMEs) to set up plants in Hong Kong or even change the use of factory buildings to that of hostels. The suggestions were not followed up and no one invested on them. Recently, over 30 manufacturers commissioned a university to conduct a survey and found that 83% of the enterprises were willing*

*to relocate some high value-added operations back to Hong Kong on condition that the Government would provide some preferential policies. Since SMEs are showing signs of returning, will the Chief Executive inform this Council whether he will consider implementing the suggestions to modify our factory buildings? If so, what will the timetable for the implementation and details be? Will the Government of the Hong Kong Special Administrative Region (SAR) consider setting down a clear strategy for industrial development to attract or encourage manufacturers to invest in Hong Kong?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, many manufacturers have mentioned to me that they intend to return to Hong Kong to set up their plants. They hope the Government could provide assistance in certain ways. After several discussions, however, we could not go any further for a number of reasons. I hope to make a breakthrough in this regard. We will continue to work hard. We now have a Small and Medium Enterprises Committee and I will ask it to look into ways to provide assistance as soon as possible.

I would also mention that the SAR Government is holding talks with the Central Government on ways to establish closer ties on trade between the two parties. Discussions have been in progress for some time. Since such arrangements would involve something similar to a free trade zone, the process would be rather complex. We will continue to work hard in this regard. At the ceremony on 1 July, I indicated that I hope to help traditional Hong Kong industries or new ones to start their businesses here and then under the new arrangements enter the vast mainland market, which has a large potential. We are trying very hard on all fronts. As I told the Honourable LAU Chin-shek, we would do whatever we could within our means.

**MISS LI FUNG-YING** (in Cantonese): *Mr Chief Executive, the Government has decided to impose a pay cut on all civil servants. Yesterday, civil servants took to the streets, which was an obvious sign of dissatisfaction against the Government imposing the pay cut through legislation. Despite announcements made by the Chief Executive, they did not seem to have too much trust on him. Since the Civil Service is a foundation stone in the governance of Hong Kong and a right hand for the Chief Executive, will the Chief Executive inform this Council what effective measures are in place to restore morale, establish the mutual trust between the Government and the Civil Service and stabilize the Civil Service?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I heard the voice of the civil servants who took to the streets and I will understand how they feel. I hope and I believe that civil servants can appreciate that the pay cut is necessary. On the one hand, the Hong Kong Special Administrative Region is facing a large deficit; but on the other hand, the salary cut is a mild one and will be done in accordance with the usual mechanism. It is a fair and reasonable cut. I have said repeatedly that legislating for the cut is an alternative we are forced to take. We would rather not do it but we had to. We will table the Bill before the Legislative Council next Wednesday, as scheduled, and I hope everyone in this Chamber would support the proposal of the Government.

In fact, civil servants in Hong Kong have all along gained support and won applause from the general public. I have given them high ratings as well. I know that the good reputation earned by civil servants will be here to stay. "A friend in need is a friend indeed". I have expressed my heartfelt feelings in my letter to the civil servants. We are now faced with the most difficult moment and we must therefore go through thick and thin together. Only in this way can we come out of the woods. Ms LI, we will continue to maintain a close link and proper communication channels with civil service groups and all civil servants to re-establish a mutual trust. We will work hard in this direction.

**MR LAU PING-CHEUNG** (in Cantonese): *Madam President, pay cuts for the Civil Service have to be done through legislation because the present mechanism to adjust civil service pay is not effective enough, hence the dispute. Will the Government inform this Council whether there is a specific timetable to show when it will propose a proper mechanism to be tabled before the Legislative Council for legislation to minimize future disputes?*

**CHIEF EXECUTIVE** (in Cantonese): I understand there are vast differences within the society regarding the mechanism for civil service pay adjustment. The Government is researching into the matter and will certainly discuss with the Civil Service in detail. We will wait until after the results of the discussions are known before deciding on what to do next.

**MR LAU WONG-FAT** (in Cantonese): *Madam President, the World Cup football matches have now come to a close. When the matches were being*

*conducted, the police stepped up their raids on football gambling activities. Will the Government inform this Council whether it will assess the effect of their raids? A survey conducted by the Liberal Party earlier found that the attitude of the people regarding the regulation of football gambling activities has shown a marked change. Will the Chief Executive inform this Council whether the Government will conform to the changes in the attitude of the people to make a decision soonest possible regarding the regulation of such gambling activities so that the Government will not be just holding discussions without making decisions?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, matches of the World Cup have just been completed and the Government has begun its work on this subject. We said we would reassess the situation after the matches were completed and a decision would then be made. We have begun our work and we hope to report to Members on it as soon as possible.

**MR CHAN KAM-LAM** (in Cantonese): *Madam President, the results of Hong Kong Advanced Level Examination (HKALE) were released in last week, and the Chief Executive has once indicated that the Administration would speed up the university enrolment process for students meeting the entry requirements. Last week, we have seen that almost 20 000 eligible students had been denied a place in the university because universities are short of degree places, and had to look for other ways to obtain opportunities for undergraduate studies. Does the Chief Executive have any plan to boost the intake for higher education, so as to meet the designed target of 60% as he had suggested before? At present, graduation is tantamount to unemployment, and the problem is quite disturbing. Can the Chief Executive suggest any ways to enable students to seek employment or further studies apart from taking up the associate degree course?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, ever since I said that I wish to increase the rate of intake for higher education among the young people to 60% in a decade's time, the rate has been on the increase continuously. This year, it has climb up from 30% to 38%. It is a pleasing sign that the relevant rate has increased so fast. We will keep on exerting efforts in this respect. Of course, we are unable to achieve this objective at once because just as I have mentioned earlier, the objective might take 10 years to achieve, but we will try our best to achieve it.

With regard to students who neither have the chance to take up further studies in university or abroad, nor to attend associate degree courses or Vocational Training Council courses, we will try our best to find a way out for them, such as the continual implementation of the Project Springboard and the like. Last year, the Financial Secretary had also mentioned of encouraging employers to employ these young people. Right now, we are doing a lot of work; we will try our best to look at every possible measure amidst this economic doldrums. If Honourable Members happen to come across any idea, they may put it forward to the Administration and we will be happy to study about that.

**MR CHAN KAM-LAM** (in Cantonese): *Madam President, the measures that the Administration adopts can only be implemented in Hong Kong. May I ask the Administration whether it will consider extending a bought place scheme to mainland or overseas' colleges, with a view to enabling Hong Kong students eligible for university studies to obtain places for further studies?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I will follow up this proposal. A number of China-affiliated corporations have made this arrangement, that is, they will recruit a small number of students, who are studying university courses in Hong Kong or who have just graduated from local universities, to attend practical training programmes in the Mainland during the summer. Many of these programmes are being implemented and conducted gradually. I will look into the bought place proposal that Mr CHAN has just put forward.

**MR SIN CHUNG-KAI** (in Cantonese): *Madam President, the Chief Executive does not have to worry about his job because he has just been offered a second term of office for five years. However, the most difficult problem which he has to deal with at the start of his second term is the issue of unemployment. The unemployed are those who have bad dreams every night. In the past five years, under the leadership of the Chief Executive, the unemployment rate has risen from 2.2% in 1997 to 7.4% this year, an increase of more than 5% over a period of five years. Will the Chief Executive inform this Council whether he feels that the Government of the Hong Kong Special Administrative Region has met with great failures under his leadership? Recently, a principal official under the*

*accountability system indicated that the unemployment rate would not go down to the 2.2% as recorded in 1997 within his lifetime; thus it is evident there is a principal official who has tried to shirk his responsibility even before his term of office begins. He was trying to be pre-emptive to cover his inability to cope with the unemployment issue. Will the Chief Executive inform this Council whether he feels that the kind of behaviour as shown by the principal official concerned is an act of "sensing the urgency of the people and thinking in the way they think"? Will the Chief Executive inform this Council whether he would set a target for universal employment, that is, restricting unemployment rate to around 3%, for the next five years and work hard at it?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, first, I must indicate that I am disappointed. I had hoped to receive some constructive comments from the Honourable SIN Chung-kai. It is useless to just unleash criticisms. Members must come up with solutions, and we are all trying to come up with solutions. In fact, unemployment and economic restructuring are two issues we must come to grips with. I have repeatedly indicated that economic restructuring involves a number of steps and we are taking action to tackle it, though not every action may be immediately effective. On the tourism front, for example, we are building the Hong Kong Disneyland, the construction of which may generate 25 000 to 30 000 job opportunities in the next three years. We need time to deal with problems. Hong Kong has a fast expanding population and so many problems may not have immediate solutions. What is important, however, is that we work jointly and find solutions together. This is the spirit with which I deal with problems, and I hope Members would provide useful suggestions to me.

**MR SIN CHUNG-KAI** (in Cantonese): *Madam President, this is a question time for the Chief Executive, not me. So, I should be asking the Chief Executive questions, not for him to ask me questions. I very much hope I would have the opportunity to explain my views about unemployment. The Chief Executive indicated a while ago that he would be meeting with us at regular intervals. I would be pleased to submit to him a complete proposal to tackle the unemployment issue. However, my question was: "Would the Chief Executive make universal employment his most important policy objective in the coming five years?" and it had gone unanswered. I wanted to know if he would regard that as his most important policy objective.*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, it is a duty of the Government to reduce the unemployment rate and create more wealth for each and every Hong Kong citizen. We will put in great efforts in this aspect and I am convinced that the Government will achieve some results in the next five years on this issue.

**MISS CHOY SO-YUK** (in Cantonese): *Madam President, recently, the issue of Local Community Economy (LCE) has been widely discussed in Hong Kong. However, it is a commonly known fact that economic development of Hong Kong cannot rely solely on LCE. Given that the Chief Executive has advocated innovation and technology earlier, I would like to ask the Chief Executive how would the development in the respect of innovation and technology be. What specific plans does the Government have in order to effectively improve the economic development by means of innovation and technology?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, the promotion of innovation and technology in fact may lead Hong Kong in the direction high value-addedness and enables us to fit in with the globalization of economy as well as the development of a knowledge-based economy. All these have been the directions and focus of the Administration in the past five years. I think we have gained some achievements in the past five years. Perhaps let me say a few words in these respects.

In the past five years, we have created a \$5 billion Innovation and Technology Fund, established the Applied Science and Technology Research Institute (ASTRI), and encouraged industry to collaborate with universities in technology transfer and development. In this respect, we can see that the commercial sector has increased investment in technological research. Furthermore, we have launched the incubation programme, provided financial assistance for technology entrepreneurs, established the Science Park and the Cyberport, and founded the Hong Kong Science and Technology Parks Corporation to manage in a co-ordinated manner the technological infrastructure of Hong Kong. In addition, we have encouraged an increasing number of talents to come to Hong Kong, the development of brand names and the strengthening of education in design.

In fact, we have made a lot of efforts. Madam President, if Miss CHOY So-yuk does not mind, I would like to say a few words in this area. We have to understand that if we have to develop innovation and technology, we should both foster local talents and attract world-class talents to settle down and work in Hong Kong. Our endeavours in this respect have achieved visible effects. Two months ago, six outstanding Hong Kong-based scholars were conferred the honour of fellowship by the Chinese Academy of Sciences (CAS), one of them was a local scholar who was only at her thirties and who was the youngest fellow of the CAS. We have also attracted many world-class scientists and scholars to come to Hong Kong, such as Dr TSUI Lap-chee of the University of Hong Kong, Mr Paul CHU of the Hong Kong University of Science and Technology, Mr Simon WONG (who came from Stanford) of the ASTRI, and Mr C D TAM of the Hong Kong Science and Technology Parks Corporation. All of them are people enjoying international prestige and have confidence in Hong Kong, and for that reason, they have come to Hong Kong and to assist in the development of innovation and technology in Hong Kong. We consider talents are the prerequisites for the development of innovation and technology. Their willingness to come to Hong Kong shows that these people have confidence in our policy concerning technological development as well as innovation and technology. Actually, the presence of talents may serve to attract more talents, we have drawn a general conclusion about this point from the recruitment of talents by the ASTRI, because this time many overseas' scientists have come to Hong Kong.

I would like to mention one more thing, that is, about the application of research. In order to provide more application research to facilitate innovation and technology, the ASTRI has also made its contribution in this respect. Research on specific subjects such as photoelectronics, integrated circuit, on-line learning software development and wireless communication are being carried out by the ASTRI, and such are pleasing phenomena. Furthermore, I would like to mention biomedical research efforts. Since Hong Kong has several renowned medical schools, we are therefore trying to attract talents in biomedical research field to come to Hong Kong, so as to lay the foundation for the future of Hong Kong.

With regards to brand names and design, the commercial sector is attaching greater and greater importance to brand names, for if we wish to move towards innovation and high value-added activities, we should open up the market by having our own brand names. Design is a very important factor in this area. We have realized the necessity, therefore we will have to enhance design courses in tertiary education in future.

Last week I attended the opening ceremony of the Science Park, and witnessed its commissioning. I saw that in the designing work of electronics and integrated circuit, a group of talents has taken over. In future, they will focus on electronics, information technology, telecommunication, and areas in precision engineering and biotechnology. All these are good signs. I have mentioned earlier that in three years' time, there will be an increase of 12 000 to 15 000 job opportunities in the Science Park.

Finally, I have to point out that technology companies and the Science Park are pooling their efforts in studying how to achieve the yearly target of starting up 100 innovation-based entrepreneurial businesses through the incubation programme. It would be a major breakthrough even if the project gains a fractional success. If Honourable Members ask whether we have any success, I can tell them that three companies had been listed last year. In three months' time, another company would possibly be listed. Therefore many things are happening in Hong Kong, we will be aware of them if we try to listen and comprehend carefully. I hope that more of our achievements could be seen in the coming five years.

**MISS CHOY SO-YUK** (in Cantonese): *Madam President, what the Chief Executive has just said obviously showed that he was satisfied with the present development of innovation and technology. However, after listening to so many things that the Administration has done, the economic condition in Hong Kong is still very sluggish and unemployment rate is still on the rise continuously. I would like to ask the Chief Executive that how long will it take, in his opinion, before these investments in innovation and technology would enable the taking-off of the economy and creation of job opportunities? The Chief Executive has just now mentioned about incubation, then, according to his assessment, how much longer shall we have to wait?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I have just stated that economic transformation could not be solved by one or two incidents alone or within one or two years' time. However, I hope Miss CHOY So-yuk would understand that the Government is carrying out many businesses and the effect of each of them is gradually becoming more visible. It takes time for economic transformation; and two years ago, I would not have dared to say these words to Miss CHOY So-yuk, but I hope I could be even more affirmative after two years.

**DR LO WING-LOK** (in Cantonese): *Madam President, President JIANG Zemin mentioned three wishes in the speech he made at the inauguration ceremony of the Chief Executive on 1 July. If I may correctly quote, they are: firstly, Hong Kong people should have a mentality of the State and feel concerned about state security; secondly, civil servants, especially the senior ranking ones, should provide better support for the Chief Executive and thirdly, Hong Kong people should continue to work hard on their own to revive the economy of Hong Kong. Will the Chief Executive inform this Council about his views on these three areas? Is Hong Kong or the people of Hong Kong having problems in these three areas? If there are problems, what will the Chief Executive do in the next five years to enable President JIANG's wishes to come true?*

**CHIEF EXECUTIVE** (in Cantonese): *Madam President, we are now five years into the reunification, President JIANG's words were meant to cheer us up, hoping we can be better masters of our own affairs, that we are to determine our destiny and we should make efforts on our own. Looking back on the past five years, I can see that day after day, people in Hong Kong are identifying themselves further with the State and recognizing their new identity as the consolidated power of our Nation continues to grow and our national status is uplifted in the international arena. Thus, President JIANG's words were meant to cheer us up, hoping that we may do better, which, I am confident that this will become a reality.*

**PRESIDENT** (in Cantonese): *Mr Chief Executive, it is now just past four o'clock in the afternoon but there are still 17 Members waiting for their turn to ask questions. Will the Chief Executive stay for a little longer to allow three more Members to raise questions?*

**CHIEF EXECUTIVE** (in Cantonese): *Good.*

**MR ALBERT HO** (in Cantonese): *Madam President, the Chief Executive has reacted very strongly towards the Honourable SIN Chung-kai's question. He thought that the Democratic Party was making criticisms most of the time, without giving any constructive comments. In fact, the Democratic Party has submitted a proposal as long as 10 pages last November, in which there were at least 50 proposals to improve the economy and unemployment. I do not know whether the Chief Executive has the time to read the proposals but I am going to*

*ask the Chief Executive for his opinions on two of the short proposals contained in our submission.*

*First, we advocate full efforts should be made to promote the recycling industry, meaning that through promoting environmental industries, green collar jobs will be generated and more areas for recycling different categories of materials could be marked out to enhance recycling. Second, we hope that an industrial zone could be set up in the boundary area in which a definite proportion of Hong Kong people should be employed, especially at the management levels. Will the Chief Executive inform this Council what his response is towards these two proposals which we regarded as constructive?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, regarding the first part of the Honourable Albert HO's question, that is, the possibility of setting up environmental industries in Hong Kong, I do have a wish to make. Recently, we have placed a great emphasis on environmental protection, and I very much hope that Hong Kong can bring the message of environmental protection to Asia. Indeed, I spoke to the Secretary for the Environment, Transport and Works on how we could do more in this regard. During our discussion, we talked about environmental industries. I trust we can carry out a review to see what can be done in this regard. The Secretary has her own views about the issue.

As for the second part of the question which is about an industrial zone on the boundary, other political parties have also put forward similar ideas and we are studying its feasibility. Ultimately, the question of costs has to be considered. We must know the cost of the products and where the market lies because investors must make sure there is profit if they are to invest. Therefore, we are studying the issue and at the same time we are looking at the feasibility for a close link with the Mainland on economic and trade arrangements as soon as possible. If an agreement could be reached without delay, we may be able to develop a new course.

**MR ALBERT HO** (in Cantonese): *Madam President, I would like to thank the Chief Executive for giving the proposals serious considerations. I also hope the Chief Executive can spare a little time to read our proposals. And as he reads, I hope the Chief Executive will not have any biases, thinking that the Democratic Party would always criticize and oppose without providing suggestions. It is my hope the Chief Executive would give us a response after reading our submission.*

**PRESIDENT** (in Cantonese): Mr HO, this is not a follow-up question. This is just a comment hoping that the Chief Executive would give a response.

**CHIEF EXECUTIVE** (in Cantonese): Madam President, if you do not mind, I hope to respond. *(Laughter)*

**PRESIDENT** (in Cantonese): Mr Chief Executive, it is not my role to "mind". *(Laughter)*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I have not really read the proposals in detail. I have just skimmed over them. I am aware of the questions pointed out by the Democratic Party. Another point I wish to make is that if we do want to achieve better communications, it would not be helpful to have biases.

**MR LEUNG FU-WAH** (in Cantonese): *Madam President, in his policy address last year, the Chief Executive stressed that the present priority for the Government is to solve the problem of unemployment. In his speech on 1 July, the Chief Executive pointed out that the Government would include in the population policy this year ways to attract talents, investment immigrants and foreign workers. At the question time on 7 February this year held in this Chamber, I asked the Chief Executive a question about foreign domestic helpers. At that time, the Chief Executive has given a very brief answer. Several months have elapsed. I would like to ask the Chief Executive again whether the Government has decided on a direction to review existing policies on foreign domestic helpers, now that the unemployment rate has reached 7.4%, which means there is an employment population of 250 000-odd people, whereas there were only 210 000-odd unemployed when I last asked my question? Will the Government tidy up the existing market for domestic helpers, for example, will it distinguish between helpers who are hired at hourly rates and those who stay in, to provide a fair environment for competition between local domestic helpers and foreign domestic helpers?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I know that foreign domestic helpers occupy an important position when the issue of overall

unemployment rate and our population policy are being considered. I have no new information for Members today, but as I said, we would be actively studying the overall population policy in the next few months. At the end of these few months, I will inform Members about what progress we have made.

**MR LEUNG FU-WAH** (in Cantonese): *Madam President, we have put forward a suggestion last time. For instance, in other countries, manpower is a scope within the responsibilities of a policy bureau or a department. In Hong Kong, the present situation is that the Security Bureau is responsible for domestic helpers and other issues may be the responsibility of other Secretaries. Since we have an accountability system in place now, will the Chief Executive inform this Council whether the relevant policy on manpower would be centralized under a department with a view to devising a solution?*

**CHIEF EXECUTIVE** (in Cantonese): *Madam President, we would make a suitable announcement in due course to inform Members how an appropriate framework could be employed in dealing with issues in this regard. Our preliminary idea is to form a working group to conduct a thorough study on the matter.*

The Honourable LEUNG Fu-wah has just now mentioned the problems with foreign domestic helpers. There are several facets to these problems. Black market labour is also rampant and we must deal with it.

**MR HENRY WU** (in Cantonese): *Madam President, the Chief Executive enjoy football games and he shows great interest in it. Before the accountability system was formally implemented, it was said there would be three Secretaries of Departments and eight Bureau Secretaries, creating a total of 11 principal officials, just good enough to make up a football team. The Chief Executive also stresses team spirit, and encourages co-operation. The accountability system currently in force includes three Secretaries of Departments and 11 Directors of Bureaux, making a total of 14 principal officials. In a football match, only 11 team members are required. How would the Chief Executive pick and choose? Which three Policy Bureaux would be slightly suspended, and who are going to be the 11 playing on the field? What positions will they play, for example, who are the forwards and the goal-keeper?*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I really do not know how to answer this question. *(Laughter)*

**PRESIDENT** (in Cantonese): Mr Chief Executive, as you like it. *(Laughter)*

**CHIEF EXECUTIVE** (in Cantonese): Madam President, I just want to tell the Honourable Henry WU that every principal official under the accountability system has his or her own duties to perform. They will do well in their own policy areas, and I have confidence in them.

**PRESIDENT** (in Cantonese): I would like to thank the Chief Executive for his answers to the questions raised by 17 Members in this meeting today.

#### **NEXT MEETING**

**PRESIDENT** (in Cantonese): I now adjourn the Council until 2.30 pm on Wednesday, 10 July 2002. The Chief Executive will now leave the Chamber. Will Members please stand.

*Adjourned accordingly at ten minutes past Four o'clock.*