

# LEGISLATIVE COUNCIL

## MINUTES

No. 4

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Minutes of the meeting held on Wednesday 31 October 2001 at 2:30 pm

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### Members present:

President

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

The Hon Kenneth TING Woo-shou, JP

The Hon James TIEN Pei-chun, GBS, JP

Dr the Hon David CHU Yu-lin, JP

The Hon Cyd HO Sau-lan

The Hon Albert HO Chun-yan

Ir Dr the Hon Raymond HO Chung-tai, JP

The Hon LEE Cheuk-yan

The Hon Martin LEE Chu-ming, SC, JP

The Hon Eric LI Ka-cheung, JP

Dr the Hon David LI Kwok-po, GBS, JP

The Hon Fred LI Wah-ming, JP

Dr the Hon LUI Ming-wah, JP

The Hon NG Leung-sing, JP

The Hon Margaret NG

The Hon Mrs Selina CHOW LIANG Shuk-yee, JP

The Hon James TO Kun-sun

The Hon CHEUNG Man-kwong

The Hon HUI Cheung-ching, JP

The Hon CHAN Kwok-keung

The Hon CHAN Yuen-han, JP

The Hon Bernard CHAN

The Hon CHAN Kam-lam

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

The Hon LEUNG Yiu-chung

The Hon SIN Chung-kai

The Hon Andrew WONG Wang-fat, JP

Dr the Hon Philip WONG Yu-hong

The Hon WONG Yung-kan

The Hon Jasper TSANG Yok-sing, JP

The Hon Howard YOUNG, JP

Dr the Hon YEUNG Sum

The Hon YEUNG Yiu-chung, BBS

The Hon LAU Chin-shek, JP

The Hon LAU Kong-wah

The Hon LAU Wong-fat, GBS, JP

The Hon Miriam LAU Kin-yee, JP

The Hon Ambrose LAU Hon-chuen, GBS, JP

The Hon Emily LAU Wai-hing, JP

The Hon CHOY So-yuk

The Hon Andrew CHENG Kar-foo

The Hon SZETO Wah

The Hon Timothy FOK Tsun-ting, SBS, JP

The Hon LAW Chi-kwong, JP

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

**Public officers attending:**

The Honourable Donald TSANG Yam-kuen, JP  
The Chief Secretary for Administration  
  
The Honourable Antony LEUNG Kam-chung, GBS, JP  
The Financial Secretary  
  
Mr Michael SUEN Ming-yeung, GBS, JP  
Secretary for Constitutional Affairs  
  
Mr CHAU Tak-hay, JP  
Secretary for Commerce and Industry  
  
Mr Nicholas NG Wing-fui, JP  
Secretary for Transport  
  
Mr Dominic WONG Shing-wah, GBS, JP  
Secretary for Housing  
  
Miss Denise YUE Chung-yee, GBS, JP

Secretary for the Treasury

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

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

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

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

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

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

**Clerks in attendance:**

Mr Ricky FUNG Choi-cheung, JP, Secretary General

Mr LAW Kam-sang, JP, Deputy Secretary General

Ms Pauline NG Man-wah, Assistant Secretary General (1)

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

**Tabling of Papers**

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

<b><u>Subsidiary Legislation / Instruments</u></b>	<b><u>L.N. No.</u></b>
1. Hotel and Guesthouse Accommodation (Fees) (Amendment) Regulation 2001 (gazetted on 19.10.2001)	212/2001
2. Coinage (Commemorative Coins) Order 2001 (gazetted on 19.10.2001)	213/2001
3. Employees Retraining Ordinance (Amendment of Schedule 2) (No. 2) Notice 2001 (gazetted on 19.10.2001)	214/2001
4. Public Health (Animals and Birds) (Amendment) Regulation 2001 (gazetted on 26.10.2001)	218/2001
5. Public Health (Animals and Birds) (Animal Traders) (Amendment) Regulation 2001 (gazetted on 26.10.2001)	219/2001
6. Food Business (Amendment) Regulation 2001 (gazetted on 26.10.2001)	220/2001
7. Rules of the District Court (Amendment) Rules 2001 (gazetted on 26.10.2001)	221/2001
8. Merchant Shipping (Safety) (Cargo Ship Construction and Survey) (Ships Built Before 1 September 1984) (Amendment) (No. 2) Regulation 2001 (L.N. 153 of 2001) (Commencement) Notice 2001 (gazetted on 26.10.2001)	222/2001
9. Merchant Shipping (Safety) (Cargo Ship Construction and Survey) (Ships Built On or After 1 September 1984) (Amendment) (No. 2) Regulation 2001 (L.N. 154 of 2001) (Commencement) Notice 2001 (gazetted on 26.10.2001)	223/2001
10. Merchant Shipping (Safety) (Cargo Ship Safety Equipment Survey) (Amendment) Regulation 2001 (L.N. 155 of 2001) (Commencement) Notice 2001 (gazetted on 26.10.2001)	224/2001
11. Merchant Shipping (Safety) (GMDSS Radio Installations) (Amendment) Regulation 2001 (L.N. 156 of 2001) (Commencement) Notice 2001 (gazetted on 26.10.2001)	225/2001
12. Merchant Shipping (Safety) (Life-Saving Appliances) Regulation (L.N. 157 of 2001)	226/2001

(Commencement) Notice 2001 (gazetted on 26.10.2001)

13. Merchant Shipping (Seafarers) (Certificates of Proficiency in Survival Craft, Rescue Boats and Fast Rescue Boats) (Amendment) Rules 2001 (L.N. 160 of 2001) (Commencement) Notice 2001 (gazetted on 26.10.2001) 227/2001

**Other Papers**

- No.8 - Report on the Administration of the Immigration Service Welfare Fund prepared by the Director of Immigration Incorporated in accordance with Regulation 12(b) of the Immigration Service (Welfare Fund) Regulation (published on 16.10.2001)
- No.9 - Report of changes to the approved Estimates of Expenditure approved during the first quarter of 2001-02 (Public Finance Ordinance : Section 8) (published on 16.10.2001)
- No.10 - Statement of Accounts and Auditor's Report for the Fish Marketing Organization for the year ended 31 March 2001 (published on 22.10.2001)
- No.11 - Statement of Accounts and Auditor's Report for the Vegetable Marketing Organization for the year ended 31 March 2001 (published on 22.10.2001)
- No.12 - Marine Fish Scholarship Fund Report for the period from 1 April 2000 to 31 March 2001 (published on 22.10.2001)
- No.13 - Agricultural Products Scholarship Fund Report for the period from 1 April 2000 to 31 March 2001 (published on 22.10.2001)
- No.14 - Sir Edward Youde Memorial Fund  
Report of the Board of Trustees for the period 1 April 2000 to 31 March 2001 (published on 24.10.2001)
- No.15 - Secretary for Home Affairs Incorporated  
Audited Statement of Accounts for the year ended 31 March 2001 (published on 24.10.2001)
- No.16 - Office of the Telecommunications Authority  
Trading Fund Report 2000-2001 (published on 24.10.2001)
- No.17 - Ocean Park Corporation  
Annual Report 2000-2001 (published on 31.10.2001)
- No.18 - Hongkong Post

- Annual Report 2000/01 (published on 29.10.2001)
- No.19 - Report by the Controller, Government Flying Service on the Administration of the Government Flying Service Welfare Fund for the year ended 31 March 2001 (published on 30.10.2001)
- No.20 - The Government Minute in response to the Report No.36 of the Public Accounts Committee dated July 2001 (published on 31.10.2001)

### **Addresses**

Hon Henry WU addressed the Council on the Ocean Park Corporation Annual Report 2000-2001.

The Chief Secretary for Administration addressed the Council on the Government Minute in response to the Report No. 36 of the Public Accounts Committee dated July 2001.

Hon Margaret NG addressed the Council on the Solicitors (Professional Indemnity) (Amendment) Rules 2001, which are subsidiary legislation laid on the Table of the Council on 11 July 2001.

### **Questions**

1. Dr Hon LUI Ming-wah asked Question 1.

The Secretary for Commerce and Industry replied.

Three Members asked supplementaries and the Secretary for Commerce and Industry replied.

2. Hon Audrey EU asked Question 2.

The Secretary for Education and Manpower replied.

Five Members asked supplementaries and the Secretary for Education and Manpower replied.

3. Hon LAU Kong-wah asked Question 3.

The Secretary for Security replied.

Six Members asked supplementaries and the Secretary for Security replied.

4. Hon CHOY So-yuk asked Question 4.

The Secretary for the Environment and Food replied.

Four Members asked supplementaries and the Secretary for the Environment and Food replied.

5. Hon Cyd HO asked Question 5.

The Secretary for Constitutional Affairs replied.

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

6. Ir Dr Hon HO Chung-tai asked Question 6.

The Chief Secretary for Administration replied.

Six Members asked supplementaries and the Chief Secretary for Administration replied.

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

## **Bills**

### **First Reading**

**Kowloon-Canton Railway Corporation (Amendment) Bill 2001**  
**Inland Revenue (Amendment) Bill 2001**

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

### **Second Reading**

**Kowloon-Canton Railway Corporation (Amendment) Bill 2001**

The Secretary for Transport moved the Second Reading and addressed the Council.

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



**Inland Revenue (Amendment) Bill 2001**

The Secretary for the Treasury moved the Second Reading and addressed the Council.

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

**Companies (Amendment) Bill 2001**

**Resumption of Second Reading debate**

The debate on the Second Reading which had been moved on 6 June 2001 resumed.

Question on the Second Reading put and agreed to.

Bill read the second time and committed to a Committee of the whole Council.

**Committee Stage**

The Council went into Committee and considered the **Companies (Amendment) Bill 2001**.

Question that clauses 1, 2, 3, 5 and 8 stand part of the Bill proposed, put and agreed to.

Question that clauses 4, 6 and 7 stand part of the Bill proposed.

The Secretary for Financial Services moved amendments to clauses 4, 6 and 7 and addressed the Committee.

Question on the amendments put and agreed to.

Question that clauses 4, 6 and 7, as amended, stand part of the Bill proposed, put and agreed to.

The Council then resumed.

**Third Reading**

The Secretary for Financial Services reported that

the **Companies (Amendment) Bill 2001**

had passed through the Committee with amendments. He moved that the Bill be read the third time and do pass.

Question on the Third Reading proposed, put and agreed to.

Bill read the third time and passed.

### Motions

#### Proposed resolution under the Interpretation and General Clauses Ordinance

The Secretary for the Environment and Food moved the following motion and addressed the Council:

Resolved that the Public Health (Animals and Birds) (Chemical Residues) Regulation, published in the Gazette as Legal Notice No. 146 of 2001 and laid on the table of the Legislative Council on 27 June 2001, be amended -

- (a) by repealing section 21;
- (b) in Schedule 4, in the entry in column (2) opposite to the entry of "Pig" in column (1), in paragraph (a), by repealing "5" and substituting "at least 5".

Question on the motion proposed.

Dr Hon LO Wing-lok, Chairman of the Subcommittee on Public Health (Animals and Birds) (Chemical Residues) Regulation and Harmful Substances in Food (Amendment) Regulation 2001, spoke on the motion as a Chairman and as a Member. While he was speaking, the President left the chair at 4:52 pm temporarily and the President's Deputy took the chair.

Another Member and Hon WONG Yung-kan spoke on the motion.

At 5:17 pm, while Hon WONG Yung-kan was speaking, the President resumed the chair.

One further Member spoke on the motion.

The Secretary for the Environment and Food replied.

Question on the motion put and agreed to.

#### Proposed resolution under the Interpretation and General Clauses Ordinance

The Secretary for the Environment and Food moved the following motion and addressed the Council:

Resolved that the Harmful Substances in Food (Amendment) Regulation 2001, published in the Gazette as Legal Notice No. 148 of 2001 and laid on the table of the Legislative Council on 27 June 2001, be amended by repealing section 4 and substituting -

**“4. Regulation substituted**

Regulation 3A is repealed and the following substituted -

**“3A. Prohibition of import and sale of fish, meat or milk containing prohibited substances**

No person shall import, sell or consign or deliver for sale for human consumption, any fish, meat or milk which contains any substance specified in the Second Schedule.”.”.

Question on the motion proposed, put and agreed to.

**Members' Motions**

**Proposed resolution under the Interpretation and General Clauses Ordinance**

Hon Mrs Selina CHOW moved the motion in Appendix I and addressed the Council.

Question on the motion proposed.

Hon CHAN Kam-lam, Chairman of the Subcommittee on Estate Agents (Licensing) (Amendment) Regulation 2001, spoke on the motion as a Chairman and as a Member.

Five Members and the Secretary for Housing spoke on the motion.

Hon Mrs Selina CHOW replied.

Question on the motion put and agreed to.

**Proposed resolution under the Legislative Council (Powers and Privileges) Ordinance**

Hon IP Kwok-him moved the following motion and addressed the Council:

That the Panel on Home Affairs be authorized under section 9(2) of the Legislative Council (Powers and Privileges) Ordinance (Cap.382) to exercise the powers conferred by section 9(1) of the Ordinance for the purpose of ascertaining

whether the nomination of Mr YEUNG Kwong was vetted by the 2001 Honours Committee.

Question on the motion proposed.

14 Members and the Chief Secretary for Administration spoke on the motion.

Hon IP Kwok-him replied. While he was speaking, Hon Margaret NG raised a point of order on whether or not Hon IP Kwok-him, as the mover of the motion, should be speaking against the motion in his reply.

The President said that Hon IP Kwok-him, as chairman of a Panel, was given the responsibility to move the motion on behalf of the Panel. Hon IP Kwok-him, in moving the motion, had already explained the arrangement before he expressed his own opinion which was not in support of the motion. As such, he could not be forced to say something in support of it in his reply. The President ruled that Hon IP Kwok-him could continue with his speech.

Question on the motion put.

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

The President announced that among the Members returned by functional constituencies, 27 were present, five were in favour of the motion and 22 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 26 were present, 13 were in favour of the motion and 12 against it. (Voting record in Appendix II.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the motion was negatived.

#### **Report of the Working Group on District Councils Review**

Hon IP Kwok-him moved the following motion and addressed the Council:

That, regarding the Report of the Working Group on District Councils Review, this Council urges the Government to accept extensively the views gathered during the public consultation and appropriately revise the recommendations contained in the Report and, in order to elevate the functions of the District Councils, this Council also requests the Government to gradually transfer to them some of the Government's functions for the provision of cultural, leisure and environmental hygiene facilities.

While Hon IP Kwok-him was addressing the Council, the President left the chair at 8:21 pm temporarily and the President's Deputy took the chair.

Question on Hon IP Kwok-him's motion proposed.

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

Hon Andrew CHENG moved the following amendment to Hon IP Kwok-him's motion and addressed the Council:

To delete "and" from "appropriately revise the recommendations contained in the Report and," and to add "including: (a) revising the recommendation for the establishment of consultative committees outside the District Council framework and, instead, allowing more District Council members to attend meetings of District Management Committees, with a view to enhancing more active participation and commitment of District Council members in district management; (b) substantially increasing the funding for the District Councils to implement minor works projects and expanding their functions so as to improve more effectively the cityscape and leisure facilities; (c) putting in place a mechanism for the District Councils to hold annual motion debates and for senior officials to respond in such debates, so as to strengthen the interaction between District Council members and the Government and to enable District Council members to discharge their function of giving advice on their own initiative; (d) consulting the District Councils on fees for district cultural and leisure facilities and services, market rentals and renewal of municipal services contracts; and (e) considering setting up independent District Council secretariats to provide full and independent support to the work of the District Councils;" afterwards; and to add "including organizing district festivals and district cultural and leisure activities, upgrading district market facilities and improving district environmental hygiene" after "leisure and environmental hygiene facilities".

Question on Hon Andrew CHENG's amendment to Hon IP Kwok-him's motion proposed.

Eight Members and Ir Dr Hon HO Chung-tai spoke on the motion and the amendment.

At 9:28 pm, while Ir Dr Hon HO Chung-tai was speaking, the President resumed the chair.

Another six Members spoke on the motion and the amendment.

Hon IP Kwok-him spoke on the amendment.

The Secretary for Home Affairs spoke on the motion and the amendment.

Question on Hon Andrew CHENG's amendment to Hon IP Kwok-him's motion put.

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

The President announced that among the Members returned by functional constituencies, 20 were present, six were in favour of the amendment, nine against it and five abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 25 were present, 12 were in favour of the amendment and 12 against it. (Voting record in Appendix III.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the amendment was negatived.

Hon IP Kwok-him replied.

Question on Hon IP Kwok-him's motion put.

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

The President announced that among the Members returned by functional constituencies, 20 were present, 16 were in favour of the motion and four abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 25 were present, 14 were in favour of the motion and 10 abstained. (Voting record in Appendix IV.) Since the question was agreed by a majority of each of the two groups of Members present, she declared that the motion was carried.

### **Developing nanotechnology**

Dr Hon LUI Ming-wah moved the following motion and addressed the Council:

That, as the rapid development of nanotechnology, an emerging domain of science, will bring about revolutionary changes to all industrial sectors in the 21st century, and all developed countries are now actively researching this domain, this Council urges the Government to develop nanotechnology, with a view to fostering the development of the local economy.

Question on the motion proposed.

Seven Members and the Secretary for Commerce and Industry spoke on the motion.

Dr Hon LUI Ming-wah replied.

Question on the motion put and agreed to.

**Next Meeting**

The President declared that the next meeting of the Council would be held on 7 November 2001 at 2:30 pm.

The Council was adjourned at 11:21 pm.

(Mrs Rita FAN HSU Lai-tai)  
President

Council Chamber  
Hong Kong

INTERPRETATION AND GENERAL CLAUSES ORDINANCE

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**RESOLUTION**

(Under section 34 of the Interpretation and  
General Clauses Ordinance (Cap. 1))

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ESTATE AGENTS (LICENSING) (AMENDMENT) REGULATION 2001

RESOLVED that the Estate Agents (Licensing) (Amendment) Regulation 2001, published in the Gazette as Legal Notice No.147 of 2001 and laid on the table of the Legislative Council on 27 June 2001, be amended by repealing section 7 and substituting —

**"7. Schedule 2 amended**

Schedule 2 is amended by repealing item 1 and substituting —

"1.	Grant or renewal of a licence	(Per 12 months)	(Per 24 months)
	(a) Salesperson's licence	1,280	2,510
	(b) Estate agent's licence (individual)		
	— for individual estate agent	2,010	3,930
	<u>plus</u>		
	— for operation of a sole proprietorship/partnership under each business name at one place of business	2,120	4,140
	<u>plus</u>		
	— for operation of each additional place of business under each	2,120	4,140



	business name		
(c)	Estate agent's licence (company)		
	— for operating under one business name —		
	(i) at one place of business	2,800	5,460
	(ii) at each additional place of business	2,120	4,140
	<u>plus</u>		
	— for operating under each additional business name —		
	(i) at one place of business	2,800	5,460
	(ii) at each additional place of business	2,120	4,140

Where a licence is granted or renewed for a period of less than 12 months, the licence fee payable shall be calculated by multiplying one-twelfth of such fee as set out in the third column as is appropriate by the number of months for which the licence is granted or renewed (part of a month shall be reckoned as a month).

Where a licence is granted or renewed for a period of more than 12 months, the licence fee payable shall be calculated by multiplying one-twenty fourth of such fee as set out in the fourth column as is appropriate by the number of months for

which the licence is granted or renewed (part of a month shall be reckoned as a month).".