

OFFICIAL RECORD OF PROCEEDINGS

Tuesday, 13 July 2004

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 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.

DR THE HONOURABLE ERIC LI KA-CHEUNG, G.B.S., 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, S.B.S., J.P.

THE HONOURABLE MARGARET NG

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 CHAN KWOK-KEUNG, 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, J.P.

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

THE HONOURABLE JASPER TSANG YOK-SING, G.B.S., J.P.

THE HONOURABLE HOWARD YOUNG, S.B.S., J.P.

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH, J.P.

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

THE HONOURABLE MIRIAM LAU KIN-YEE, G.B.S., J.P.

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

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

THE HONOURABLE ANDREW CHENG KAR-FOO

THE HONOURABLE SZETO WAH

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

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

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

THE HONOURABLE LI FUNG-YING, 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, J.P.

THE HONOURABLE WONG SING-CHI

THE HONOURABLE FREDERICK FUNG KIN-KEE, J.P.

THE HONOURABLE IP KWOK-HIM, G.B.S., J.P.

THE HONOURABLE LAU PING-CHEUNG, S.B.S.

THE HONOURABLE MA FUNG-KWOK, S.B.S., J.P.

MEMBERS ABSENT:

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

THE HONOURABLE HUI CHEUNG-CHING, S.B.S., J.P.

THE HONOURABLE CHAN YUEN-HAN, J.P.

DR THE HONOURABLE PHILIP WONG YU-HONG, G.B.S.

THE HONOURABLE WONG YUNG-KAN, J.P.

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

THE HONOURABLE CHOY SO-YUK

DR THE HONOURABLE LAW CHI-KWONG, J.P.

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE AUDREY EU YUET-MEE, S.C., J.P.

PUBLIC OFFICERS ATTENDING:

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

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

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

PROF THE HONOURABLE ARTHUR LI KWOK-CHEUNG, G.B.S., J.P.
SECRETARY FOR EDUCATION AND MANPOWER

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

DR THE HONOURABLE PATRICK HO CHI-PING, J.P.
SECRETARY FOR HOME AFFAIRS

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

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

THE HONOURABLE AMBROSE LEE SIU-KWONG, IDSM, J.P.
SECRETARY FOR SECURITY

THE HONOURABLE JOHN TSANG CHUN-WAH, J.P.
SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY

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.

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, the second term of the Legislative Council is about to conclude its four-year work. The past four years must be the most trying period for Hong Kong since the reunification in terms of the political, economic and social tests. In the extremely unfavourable circumstances, the Government of the Hong Kong Special Administrative Region (SAR) and the Legislative Council have got the support of the people, the Central Government, and various provinces, cities and compatriots of the Mainland, which has enabled us to have a stable political environment with our economy beginning to recover and the social atmosphere turning for the better amidst challenges and tests. Taking this opportunity and on behalf of the SAR Government, I would like to extend my heartfelt gratitude to the efforts and contribution of all Members in maintaining the prosperity and stability of Hong Kong and in promoting social advancement.

One of the core tasks of "Hong Kong people ruling Hong Kong" is the proper handling of the relationship between the executive authorities and the legislature, the assurance of an executive-led government in accordance with the provisions and requirements of the Basic Law, and enabling the legislature to play a full role in monitoring the Government by effecting checks and balances and co-operation. In my opinion, we have, in the past four years, continuously explored, summed up and accumulated our experiences. This process of exploration and experience accumulation will not cease simply because the term of the Government or the legislature has come to an end. The way forward for the executive-legislature relationship is bright with boundless room for development if we can stand firm by the principles of the Basic Law and the goal of serving the people.

Everybody says that I have a fondness for things and friends of old. Indeed I am. I earnestly hope that I can see most of you back here in October so that we can work for the well-being of Hong Kong and the people. I am also

aware that the coming summer will be the most strenuous and busiest summer for most of you. I would like to wish you all the best of luck. Thank you.

PRESIDENT (in Cantonese): The Chief Executive will now answer questions raised by Members.

MR ANDREW CHENG (in Cantonese): *Madam President, hundreds of thousands of people took to the streets on 1 July this year again, shouting the slogan "return the political power to the people". Despite full knowledge that there was no hope of implementing universal suffrage after the interpretation of the Basic Law by the Standing Committee of the National People's Congress (NPCSC), Hong Kong people, in the sweltering heat of 35 or 36 degrees, still pursued the ideal of universal suffrage by resorting to the most peaceful and rational means, in an attempt to express their aspirations to you, Mr TUNG and your Administration. It is rare for you, Mr TUNG, to have made swift response that night, saying that you had heard the people's voice. However, after meeting with us democrats, you stressed that you had no authority to report to Beijing in order to reflect the people's strong aspirations for democracy. I wonder why you, as the Chief Executive, did not have such authority because according to the resolution of the NPCSC on the interpretation of the Basic Law on 6 April, you have the power to initiate the mechanism of amending the election methods for the Chief Executive and the Legislative Council. So, Mr TUNG, can you tell us the legal basis in this regard and whether you have seriously conveyed to the Beijing Authorities the strong aspirations of Hong Kong people? They hope you can do so. Have you considered whether you would not resolve the crisis in governance between the people and the SAR Government as revealed by the 1 July march if you fail to convey the people's strong aspirations and stand by their side?*

CHIEF EXECUTIVE (in Cantonese): When I met with you, the 10-odd representatives from the democratic camp, a few days ago, I was requested to submit a report to the NPCSC in order to ask for reconsideration of implementing universal suffrage in 2007 and 2008. I at that time said that I did not have the authority to do so. Now in response to your question if I really have no such authority, I would like to explain what I meant.

Regarding the methods for the selection of the Chief Executive in 2007 and the formation of the Legislative Council in 2008, I submitted a report to the NPCSC fully reflecting the views of various sectors in Hong Kong on 15 April on the basis of the NPCSC's interpretation of Annexes I and II to the Basic Law. The views of those who requested for implementation of universal suffrage in 2007 and 2008 are also included. After scrutinizing the Chief Executive's report, that is my report, and having consulted the views of various sectors in Hong Kong through various channels, the NPCSC made a decision on this matter. The NPCSC's interpretation of the Basic Law forms part of the Basic Law. The NPCSC arrived at a decision, which is binding on the SAR Government, in accordance with the provisions in Annexes I and II to the Basic Law and its own interpretation. Under Article 48 para 2 of the Basic Law concerning the responsibility of the Chief Executive for the implementation of the Basic Law and other laws which, in accordance with the Basic Law, apply in the Hong Kong SAR, the Chief Executive has the responsibility to implement the NPCSC's decision in the SAR. After the NPCSC has made a decision, the Chief Executive's statutory duty is to enforce the decision and answer to the Central Government. He cannot request the NPCSC to amend its own decision. The SAR Government is currently conducting a public consultation on the specific methods for the selection of the Chief Executive in 2007 and the formation of the Legislative Council in 2008. The relevant decision of the NPCSC has made appropriate amendment to the two methods of election in the light of the actual situation in the SAR and the principle of development towards democracy in a gradual and orderly manner, thereby providing a legal basis and room for development accordingly. I hope various sectors would actively participate in the consultation exercise conducted by the SAR Government.

MR ANDREW CHENG (in Cantonese): *Madam President, the thrust of my question is on the NPCSC's decision after its interpretation of the Basic Law on 6 April. However, Mr TUNG kept mentioning Article 48 para 2 of the Basic Law. The thrust of my question is that, according to the NPCSC's decision after interpreting the Basic Law, Mr TUNG does have the initiative. You have repeatedly mentioned that you think in the way people think and sense the urgency that they sense. Now what the people think is the implementation of universal suffrage, and the urgency they sense is to have universal suffrage in 2007 and 2008. You said you had heard our voices. But you make us feel that you apparently seem to be very concerned, but you are apathetic to the people's*

aspirations for democracy in your heart. Mr TUNG, do you not worry that you would plant a time bomb for the ruling team of the SAR Government if you still adopt such an attitude? Mr TUNG, what number of people taking to the streets in the next 1 July march will oblige you to stand by the side of the people and fight for universal suffrage from the Beijing Authorities?

CHIEF EXECUTIVE (in Cantonese): I would like to emphasize once again that according to Article 48 para 2 of the Basic Law concerning the responsibility of the Chief Executive in implementing the Basic Law and other laws which apply in the Hong Kong SAR in accordance with the former, the Chief Executive is responsible for implementing the NPCSC's decision in the SAR. After the NPCSC has made a decision, the Chief Executive, under his statutory duty, implements the decision and answers to the Central Government. The Chief Executive cannot put a request to the NPCSC for amendment of its decision. I cannot accede to your request of submitting another report to ask the NPCSC to amend its decision.

Having said that, I would like to discuss the issue from another perspective, Mr CHENG. I think we all have a goal, a common goal, and that is, the Chief Executive of Hong Kong and the Legislative Council are ultimately returned by universal suffrage. We share such a common goal which is also stipulated in the Basic Law. Now the bone of contention is the timing of implementation. As regards 2007 and 2008, the NPCSC has made such a decision. However, our way forward is still towards this goal. So, I appeal to you again to take part in the consultation work of the three-member team under the leadership of Chief Secretary Donald TSANG on the basis of the NPCSC's decision so as to play an active role and arrive at a consensus about the methods of selection of the Chief Executive in 2007 and formation of the Legislative Council in 2008. In my opinion, this will lay a good foundation for the future development, the future development towards the ultimate goal of universal suffrage.

MR CHAN KWOK-KEUNG (in Cantonese): *Madam President, according to the recent population projection for the next 30 years made by the Census and Statistics Department, the growth rate will be negative, meaning that the problems of an ageing population and an imbalance of male and female with the former being outnumbered by the latter will become more and more obvious.*

May I ask Mr TUNG: Do you consider targeted adjustments should be made to the approaches adopted for family planning and publicity? Do you agree that measures and incentives should be adopted to encourage childbirth a la the practice in overseas countries? Should the slogan "Two is enough", which has been adopted by the Family Planning Association for many years, be changed to "Two is not enough" or "Not right to have no children"? (Laughter)

CHIEF EXECUTIVE (in Cantonese): I am sure you, as well as my colleagues in the Government and I, would feel worried after reading the population figures released last month. It is true that, in the interest of Hong Kong's long-term development, our economy should be full of vitality and we need more young people and more talents. So, we have to take a fresh look at the population policy. I know that Mr TSANG attaches much weight to this issue and will consider how best to take forward his work in this aspect. I hope all Members can give us more suggestions so that our work can be improved.

MR ANDREW WONG (in Cantonese): *Madam President, Mr TUNG, my question is also related to the 1 July march, but less stern, and you certainly have the power to do it. I have also taken part in the 1 July march and that is my first time in my life. Mr LEE Cheuk-yan said that my maiden walk was for him. (Laughter) He was certainly wrong. First of all, I am a man, not a maid, having my first time; secondly, this time, it was for Mr TUNG, not Mr LEE Cheuk-yan. (Laughter) Mr TUNG, my question is: Have you considered moving back to the Government House to take it as your office and residence so that when I join the march next year, I can walk to the Government House, your new residence?*

CHIEF EXECUTIVE (in Cantonese): Just now I have not drunk any wine and must be speaking in a serious manner. *(Laughter)* I have not considered moving back to the Government House, but you are welcome to meet me there any time. Just give me a call and that will do.

PRESIDENT (in Cantonese): Mr WONG, you have no follow-up, have you? *(Laughter)*

MR ANDREW WONG (in Cantonese): No.

MR LAU PING-CHEUNG (in Cantonese): *Madam President, I would like to ask Mr TUNG about the problem of dwindling work for the professionals as a result of economic restructuring in Hong Kong, keen competition and maximum economic development. In recent years, it is fortunate enough that we have obtained the SAR Government's support while Mr TUNG has also given his helping hand to us in developing the mainland market. We are very thankful to Mr TUNG. The next step, apart from promoting mutual recognition of professional qualifications between Hong Kong and the Mainland, will be the lowering of the entry threshold of the market. In this aspect, we face a very serious problem because in the Mainland, even though the Central Government may wish to do so, there is protectionism in the relevant sectors. I hope Mr TUNG can provide assistance to our professionals in respect of developing the mainland market, particularly the lowering of the entry threshold. Can any assistance be provided in this aspect?*

CHIEF EXECUTIVE (in Cantonese): To allow Hong Kong professionals to develop in the Mainland is certainly beneficial to Hong Kong. It will also bring positive effect to the future development of our country. So we will do our best in this aspect. I am also aware that different cities and different professional bodies in the Mainland have different views on us. Some welcome us, but some reject us. So, insofar as our negotiations are concerned, some have made more progress while some less. I can assure you that the Government attaches great importance to this matter, and so am I. We will do our best in this aspect.

MR MICHAEL MAK (in Cantonese): *Madam President, Mr TUNG, I think you have read the Report of the Select Committee to inquire into the handling of the Severe Acute Respiratory Syndrome outbreak by the Government and the Hospital Authority (the SARS Report). Among all of the criticisms, Secretary Dr YEOH was criticized of having a communication problem. Now that Secretary Dr YEOH has tendered his resignation, and in fact a lot of people know what I am going to ask, because the press has also made a report on that. May I know insofar as selecting a replacement is concerned, what your criteria are?*

In particular to the reference we made concerning the shortcomings of Secretary Dr YEOH, what efforts will you make in the course of selecting the candidate?

CHIEF EXECUTIVE (in Cantonese): I feel sorry for the departure of Secretary Dr YEOH, and I think you also know that the entire Government also feels sorry for his departure. In his past 33 years' service with the Government, he has made contribution to Hong Kong. In particular, he has thrown himself into the fight against epidemics wholeheartedly in the last couple of years. As to his successor, it is still under consideration. It is no simple task to work as his successor, because he has to face not only the possibility of the return of the epidemic, but also an infinite scope of duties which would affect the life and livelihood of almost everybody. For that reason, I have to consider this carefully. At present, I do not wish to make a public discussion on my considerations, including the criteria. I wish to tell you that we will make a prudent decision only after careful consideration.

MR MICHAEL MAK (in Cantonese): *Madam President, I am sorry, I think there must be some criteria that the Chief Executive must consider. He once said that he had to find a person to take the charge of this sizable Bureau which involves \$60 billion to \$70 billion of provision, thus I think that he should explain the criteria that the candidate should meet, and there should be some clear and objective criteria. Perhaps the Chief Executive is still looking for the suitable candidate, is he not? If he can make public the criteria, perhaps someone will volunteer his service?*

CHIEF EXECUTIVE (in Cantonese): I am glad to listen to the views of Members and I am pleased to gauge the views of everyone. I will explain the criteria to Members in due course.

MRS SELINA CHOW (in Cantonese): *Madam President, Chief Executive, everybody can see that the tourism industry has indeed enjoyed a good recovery this year. With regard to the figures released recently, let us take the figure of May as an example, it was a new record high that almost 1.7 million tourists had*

visited Hong Kong. Everybody knows that the Chief Executive has exerted a lot of efforts insofar as the Individual Visit Scheme is concerned. No matter which place we go in the Mainland, people from the Mainland would tell us their aspiration, that is, they hope that Hong Kong could be opened up to them, but I also understand that we have our own considerations. May I ask the Chief Executive, to what criteria we should adhere and how fast we can open up Hong Kong to mainland cities, so that they can visit Hong Kong under the Individual Visit Scheme?

CHIEF EXECUTIVE (in Cantonese): Mrs CHOW, before I answer your question, I wish to speak on this issue from a broader perspective. In fact, tourism industry has played a significant role in the economic recovery of Hong Kong. Moreover, the tourism industry can also provide job opportunities to lower-skilled workers, therefore promoting tourism industry is an important responsibility of the SAR Government.

I have leafed through some data recently, and found that from 1997 to now, the number of inbound tourists has increased from 11 million person trips in 1997 to the current 20.5 million person trips, so the growth is over 80%. Moreover, it will probably reach 36 million to 37 million person trips by 2010. From these figures, it can be seen that the strong growth in the number of visitors would probably help to create 50 000 job opportunities. I wish to emphasize that the increased job opportunities are vital to Hong Kong, so it is important to promote the tourism industry.

We will work as hard as we could, and I know that you have been working very hard personally, and I note that more scenic spots will be introduced one after another, which would make Hong Kong a better tourism destination.

Recently, many senior officials from major mainland cities have stopped over in Hong Kong, and I have taken the opportunity to meet them. They told me that they hoped the Individual Visit Scheme could be opened up to them as soon as possible. Considering from our side, the sooner the opening the better, but we have to ensure that Hong Kong can cater for the steadily increasing number of individual travellers from the Mainland and to make sure that every sector can cope. I believe my colleague, Secretary Ambrose LEE, who is in the

Chamber now, and other colleagues have been carefully evaluating these aspects in terms of whether we should speed up or slow down the opening.

I have told Members that on the several occasions I met with Premier WEN, he could tell me that it would be fine if we wished to speed up the opening, but the most important consideration would be whether we could cope. He shows his concern to us in every aspect. For that reason, we have been examining ourselves all along before making any report to the Central Authorities. I am unable to tell you the details here and now.

MRS SELINA CHOW (in Cantonese): *I wish to follow up the question of what criteria will be adopted as the most important consideration in the course of giving the priority to mainland cities. It is because from Hong Kong's point of view, of course priority will be given to cities with more economic activities and better financial strength. Has the Government even conducted an assessment in this respect before making the decision?*

CHIEF EXECUTIVE (in Cantonese): I think we have to consider several things, of course we have to give consideration to cities with vibrant economic activities in the first place, cities of closer ties with the people of Hong Kong on the other, and cities with mature transportation arrangements which are comparatively compatible with ours as well. We would study from different perspectives and we would consider the overall situation, when we open up to a certain province, we would examine the overall number of visitors which would likely be brought to Hong Kong and to what extent we could cope. We have to consider from different perspectives.

MR SZETO WAH (in Cantonese): *Mr TUNG, has the Security Wing under the Government Secretariat any plan to increase manpower and step up security measures as the Special Branch used to do during the era of the British Hong Kong Government, in order to enhance the control of internal security of the SAR? If the answer is positive, how can it be assured that its operation will not infringe upon personal privacy and will not adopt some "dirty" means to achieve the objectives?*

CHIEF EXECUTIVE (in Cantonese): Mr SZETO Wah, the answer is pretty straightforward. We have no such plan.

MR SZETO WAH (in Cantonese): *Then, have the Police Headquarters any plan to increase their manpower by employing more police constables?*

CHIEF EXECUTIVE (in Cantonese): You should know that we are retrenching our overall expenditure; the disciplined services are no exception. Nevertheless, considering from the perspective of public order of Hong Kong and in the interest of public peace, it is necessary for us to take that into consideration.

MR JASPER TSANG (in Cantonese): *Madam President, this Council has just passed the legislation relating to school-based management which has caused strong conflicting sentiments among some school sponsoring bodies. All of these school sponsoring bodies have a long history and have been playing an important role in Hong Kong's subsidized education system. May I ask Mr TUNG if the Government has fully evaluated the issue of what possible hindrance will it cause to various education policies to be launched by the Government in future? Has the Government considered ways to re-establish a good partnership relationship with these school sponsoring bodies?*

CHIEF EXECUTIVE (in Cantonese): The school-based management legislation was passed after a long debate only recently. I believe it will help lift the standard of education in Hong Kong. Someone asks me: Has the Government any conspiracy? I wish to stress that the Government has no plot at all. Moreover, I also wish to say that the school sponsoring bodies which oppose the legislation have actually been doing a good job in sponsoring schools in Hong Kong, playing an important role, so I hope that they will keep up their efforts for education in Hong Kong. From the standpoint of the Government, we will enhance the communication with them and make an effort to communicate with them again and again, in order to better the work. I hope that they will understand the pains that the Government takes, and hopefully we can co-operate better and achieve good results in schooling.

MR JASPER TSANG (in Cantonese): *Some of the people in charge of these school sponsoring bodies are concerned that whether or not the SAR Government is trying to reduce its reliance on these bodies, that is, to change the long-standing policy that it will probably make the role they play in education not as important as it used to be? Mr TUNG just now spoke positively on the achievements of these bodies, will he give us an idea of the Government's evaluation? Has there been any change insofar as opinions of them are concerned?*

CHIEF EXECUTIVE (in Cantonese): There is definitely no change, and I hope that we can enhance our co-operation. I wish to mention another point in passing, that is, the reform of primary and secondary education I wish to share my views with Members.

Recently, in connection with the reform of primary and secondary education, I have met with some foreign experts. In fact, a lot of overseas and mainland experts have been observing our education reform. I have met a gentleman from Shanghai, who used to be the director of a committee in charge of elementary education reform in Shanghai. He came to Hong Kong to assist the Education and Manpower Bureau in conducting some studies on primary and secondary education reform. During his one year's stay in Hong Kong, he visited some 30 schools and attended lectures and exchanged views with students, principals and teachers. He told me: Firstly, primary and secondary education reform is a global trend, because education systems all over the world have to reform as a result of the continuous development of knowledge-based economy. Secondly, after coming into contact with principals and teachers of Hong Kong, he felt that the direction of education reform in Hong Kong was right, and he could see that principals and teachers had recognized and accepted the reform and they had been taking part in it actively. Thirdly, he noted that in the course of education reform, school principals often felt that they were encumbered by the prioritizing task due to the enormous number of reform projects. In fact, if they could see their own strengths and weaknesses and were aware of which item could be given priority, their schools could achieve good progress in reform. Moreover, he could note that teachers in Hong Kong had a real vocation, that they were hard-working and friendly. These were his comments. Nevertheless, he could also note that teachers in Hong Kong were required to teach too many subjects concurrently, that they had to teach English as well as Mathematics, this and that, they had to look after a number of classes and they

had to undertake administrative work as well. For that reason, we could see that the problems do exist. In the meantime, everybody hopes that the education reform could be accomplished. As far as financial backup is concerned, the Education and Manpower Bureau has obtained the support of the Legislative Council, we will give more support to all schools in respect of professional discipline in the course of education reform, so that they could plan the next move.

Actually, he said that education reform was a long journey, and usually it would take years to reap results. We have just begun the reform for two years or so, in fact we have gained some results and we can reap more after making efforts for a couple of more years. For that reason, I just wish to take this opportunity to say that no matter the Sheng Kung Hui or the Catholic Church, the roles their schools play in the entire education system are irreplaceable, and they are doing a good job. We would enhance our co-operation with them.

MISS MARGARET NG (in Cantonese): *Madam President, all men are equal before the law, yet the Chief Executive is not subject to the Prevention of Bribery Ordinance. The Legislative Council has been following up this issue since 1998, and the Chief Executive has also told the Legislative Council that he is willing to be subject to the law and pledged to amend the ordinance in order to make this amendment possible. Nevertheless, it has been six years after the question was raised, and this Council has enacted 148 pieces of legislation in the past four years, but why is there still no legislation to subject the Chief Executive to the Prevention of Bribery Ordinance so far? Has the Chief Executive already given up this plan?*

CHIEF EXECUTIVE (in Cantonese): Firstly, the Chief Executive should be regulated. Secondly, as to which method is the best method, I have not given up yet, for a good method must be sought to solve this problem. I hope we can work together to make a good job of it.

MISS MARGARET NG (in Cantonese): *We have tried our best, and the one who should do so now is Mr TUNG. Why have the attempts of Mr TUNG become futile? Why has he failed to achieve that after all these years? Can he explain to us what kind of difficulty there is? We understand that the*

Department of Justice has a lot of officials who are efficient, but why has nothing come out of it after four years? Can the Chief Executive explain to us: firstly, what the difficulty is; and secondly, since you have not given up, you can give us a timetable, a goal, to illustrate that when you will achieve that?

CHIEF EXECUTIVE (in Cantonese): The problem is that I am accountable to Hong Kong and I am accountable to the Central Authorities as well, thus it involves some other issues. Nevertheless, we should definitely find a method. We will make an effort in that respect.

DR RAYMOND HO (in Cantonese): *Madam President, in this Chamber I have said to Mr TUNG many times that the engineering and construction sector, including workers, technicians and professionals number more than 300 000 and the total would be as many as 1 million if their family members are included. Their situation during these few years can be said to be one in dire distress. They have been plagued by underemployment. Their unemployment rate has soared from 16.9% last year to over 20% now according to government figures. The crux of the problem lies in the internal circular issued by the Secretary for Financial Services and the Treasury on 30 August two years ago, that all government departments had to find enough funds for their recurrent expenditure before they could commence any capital works projects. Despite the statement made by the Chief Executive in paragraph 38 of this year's policy address that "we have also secured recurrent funding for their operation", nothing has happened. Is this an attempt made on the part of Mr TUNG, the Financial Secretary and the Directors of Bureaux concerned to pass the bucket among themselves in the hope that the issue will die a natural death and so the anxieties expressed by the sector and the urgency of the situation will remain unnoticed?*

CHIEF EXECUTIVE (in Cantonese): You have mentioned the Civil Service before talking about your own sector, so I would like to say a few words on the Civil Service.

Over the seven years past, Hong Kong has faced many political changes as well as an economic restructuring. In the course of such monumental changes, civil servants have in fact made unprecedented commitments and sacrifices. They have also taken up challenges and tests that they have never met before.

"Hong Kong people ruling Hong Kong" is in fact a long and dreary road to take and the Civil Service remains a pillar of strength in society. It is therefore important for Hong Kong that civil servants should be stable and stay in high morale, for they are serving in the interest of the people. I would also think that civil servants as a whole would need to advance with the times and deliver better services to the people. I am raising this point in particular because at times we take for granted the existence of the Civil Service and the services which civil servants render to us. Civil servants play a significant role in the stability of Hong Kong.

As for the situation of some people as you have mentioned, I am well aware of this and they are problems which happen in the course of economic restructuring. Fortunately, the restructuring is now in its last stages. All the things we have been doing are likewise in their last stages. Are the problems which you have mentioned as serious as what you told me one year ago?

DR RAYMOND HO (in Cantonese): *I think Mr TUNG must have been under great pressure at work lately. I was not talking about the civil servants, I was talking about the sector, the engineering and construction sector.....*

CHIEF EXECUTIVE (in Cantonese): Yes.

DR RAYMOND HO (in Cantonese): *The total number, including their family members, is about 1 million. Mr LAU Ping-cheung may not have the chance to raise a question on that earlier, but I think he would certainly like to raise such a question. As a matter of fact, I am saying that the sector.....*

CHIEF EXECUTIVE (in Cantonese): Oh, you were not talking about the civil servants but your sector.

DR RAYMOND HO (in Cantonese): *Yes, I was talking about the engineering and construction sector. Maybe that the demonstrations outside are particularly noisy today that they have diverted Mr TUNG's attention. I was talking about the engineering and construction sector, that is, 1 million people*

including their family members and how they are affected. You were right in saying that things were in their last stages. Things are in fact in their terminal stages. The jobless rate has risen to over 20% and these are official figures, not ours. We have almost got out of breath talking about this, but the Government still refuses to undo the deadlock. And so many projects cannot commence, and not only can the public sector not able to commence with the works, this applies to the other sectors as well. For the circular issued by the Government requires all departments to find enough funds for their recurrent expenditure before they can launch their capital works projects. Mr TUNG mentioned in paragraph 38 and I repeat: "we have also secured recurrent funding for their operation". But that has never happened at all. I have said that many times and I have met with all the people in your ruling team, including every Principal Secretary and Director of Bureau, but all of them are passing the bucket around and so nothing has ever happened. Mr TUNG, you are right, the conditions of the sector are terminal.

CHIEF EXECUTIVE (in Cantonese): Actually, I talked about this last Monday. We have \$29 billion for infrastructural projects and these projects are commencing one after another. Due to deflation, the prices are now cheaper and costs have reduced. So the sum of money is not yet spent entirely. Projects are commencing one after another as scheduled. With respect to what Dr HO has said, that certain infrastructural projects have not commenced because there is no provision for recurrent expenditure, such things will not happen now, for the capital works projects will commence and there are provisions for recurrent expenditure for such projects.

Personally, I think the problem we have is that now in the midst of such a massive process of economic restructuring, we can see that costs are reducing and this is on the whole related to the construction industry. When the number of engineers and workers in the industry is added together, the total number will be 300 000 as you have said. That is right. About 100 000 are out of work. But that is a process of economic restructuring. I often ask my colleagues what we should do about this for problems cannot be solved when people just rely on the Government to carry out some infrastructural projects. This cannot solve the problems. These problems are fundamental problems related to economic restructuring. Then where can help be found? I can tell you, if work in redeveloping the old urban areas can commence, and if work is done fast, this

will help. Regarding the repairs and maintenance work we carry out in the old areas, we have started some works projects in Mong Kok lately. If we can do more of these things and if these are done fast enough, then the problems can be solved. However, with respect to this, laws related to urban renewal cannot help much in speeding up the pace of urban renewal. Then what should we do to speed up this process of urban renewal and the repairs and maintenance work in the old areas? All these can help solve the problems, though not in their entirety.

The other thing is that we are studying where the money can be used if the sum of \$29 billion is not spent entirely and some money is saved. With respect to the remaining sum of money, we are thinking about launching some more projects. We are presently looking into this and we have tried the best we can to start working on that.

PRESIDENT (in Cantonese): Sorry, Dr HO, you have already raised one follow-up. Please sit down.

DR ERIC LI (in Cantonese): *Madam President, Mr TUNG, Chairman of the House Committee Ms Miriam LAU calls me "the king of sums" and so whenever I rise to speak, I will talk like a collector. I do not know if Mr TUNG would recall the last time when he met with us, it seems that he made out a postdated cheque that has not yet been honoured. At that time, some colleagues asked Mr TUNG what the results were after saying that he would listen more to the views of the middle class before formulating policies. At that time, Mr TUNG said that he would look into the progress and that he wanted more to be done on that because he was not very satisfied with the progress. Mr TUNG, I know it is very difficult to meet the needs of the middle class. Members representing the business sector may, for example, ask you to incline the thrust of a policy towards a particular trade to meet its special needs. But Members representing the grassroots may want you to do more on employment, they may want to fight for more welfare benefits or protection, then they will claim credit. As for the middle class, they have given a lot, but they are getting so little in return. They do not enjoy any benefits and they are not used to asking you for any advantages. Mr TUNG, do the findings of this study show any good ideas on soliciting support from the middle class for your administration?*

CHIEF EXECUTIVE (in Cantonese): I wish to solicit support of the middle class. The most important thing is that we should make constant efforts to improve our administration. Then we should absorb more middle-class people into our advisory framework so that they can really have a chance to take part in deliberations on politics. In this connection, I would like to tell Members that in the appointments we have recently made to the advisory bodies, such as the Harbour-front Enhancement Committee, the Economic and Employment Council and the Task Force on Continuing Development and Employment-related Training for Youth, it is evident that we have tried our best to attract more talents, more people from the middle class and more voices into our advisory bodies. However, I must say that progress in this respect is not so fast and so for the next few months to come, this will be an important task for us. We would speed up work in this respect. Having said that, the most important thing for the middle-class people is that they should be led to feel that in the face of the present economic restructuring, they are given equal opportunities to open up new horizons for themselves. We will certainly have a lot to do in many areas.

DR ERIC LI (in Cantonese): *Please allow me to put a follow-up, Madam President. As far as I know, the middle-class people do have many different views. Regardless of their views and inclinations, it seems that more and more people think that most of the middle-class professionals also have such concepts as the so-called core values. I think the Government will study into these so-called core values to see what they actually are. Mr TUNG, you have heard the views of middle-class people expressed in various advisory bodies, but do these views reflect the so-called core values? Are you able to manifest these core values in your administration?*

CHIEF EXECUTIVE (in Cantonese): As you know, some time ago I met with members of a group on core values headed by Anthony CHEUNG and I had a discussion with them. On the core values as we find in Hong Kong now, some of them have been identified by that group and we also agree that these are our core values. I have also said that these are also our lifeline and so this is something we must safeguard staunchly, and we will certainly do so. It remains of course, that different people may have different views on certain core values because of their different backgrounds and different experiences gained in various places. So there should be extensive discussions on these aspects in society and I think this will help foster social cohesion. In my opinion, core

values are the lifeline of Hong Kong and we will do our best to safeguard this lifeline.

MR JAMES TIEN (in Cantonese): *Mr Chief Executive, last Friday I moved a motion in this Council expressing the wish that the SAR Government, that is, you, could help enhance the communication between the Central Government and the the democratic camp. One of the things I wish to see is that people from the democratic camp can be issued with Home Visit Permits so that they can return to the Mainland to learn more about the situation there. I would like to ask you about this matter and in fact I have mentioned that to you a few times already. That is, what do you think of fixing a timetable? This is especially important because the democratic camp has suggested that you should not accept the proposal which I made to you in the beginning, that is, making the arrangements for some mild members from the democratic camp first and then making arrangements for others later, thereby solving the problem altogether. So how are things getting on? This matter is certainly becoming very urgent for me, for it would be superb if you could arrange to have Mr Andrew CHENG and Ms Emily LAU of New Territories East and Mr Albert HO, Mr LEE Cheuk-yan and Mr LEUNG Yiu-chung of New Territories West to go to China for a visit and let them come back on 13 September. (Laughter) How would you rate the chances of success in that? (Laughter)*

CHIEF EXECUTIVE (in Cantonese): All of you had better watch out, for there is a conspiracy forming between the Liberal Party and the Chief Executive. (Laughter) I have said many times about this issue of Home Visit Permits, that I will take active steps to handle it. Some more time might be needed, but I will take active steps to handle it. So let us work hard to get it done as soon as possible.

MR JAMES TIEN (in Cantonese): *Madam President, I am sorry, I missed out something when I spoke earlier. When the Chief Executive says "as soon as possible", could he tell us how long it will take? Say, how many months? I know that it is kidding to want the problem solved by September, but can it be done, say after September or by the end of this year? Can something be said on this? The Chief Executive may say that it is not possible to say anything on it today, but how about the end of this year? When can we expect to see the problem solved?*

CHIEF EXECUTIVE (in Cantonese): I cannot give you a timetable, but what I can say is that we are actively working on it and I believe you can see that certain things are happening. So, some more time is needed for us to tackle the problem.

MR WONG SING-CHI (in Cantonese): *Madam President, Mr TUNG, last time when the Democratic Party met with you, I mentioned that there was a group of residents who had moved to Tung Chung in 1997 as "pioneers". There is a lot in Tai Ho which was set aside in 1998 for the purpose of building a hospital for northern Lantau and it was even pledged that the hospital would complete by 2007. But this lot which has been set aside for the construction of a hospital is now earmarked for developing a value-added logistics park. It is heard that the family members of Mr TUNG are involved in this value-added logistics park project. Now even if a decision is made to build the Lantau hospital somewhere else, it is expected that this decision would not be finalized before 2007, and when four or five years are added for the construction, the people of Lantau Island would have to wait until 2012 before they can have a hospital. That is to say, it will be as many as 15 years before Tung Chung can ever hope to have a hospital. When residents there are sick, they will have to travel a long way and spend much time to go to Princess Margaret Hospital. It is very inconvenient for them. Members of the Democratic Party belonging to that geographical constituency are all very concerned about this matter. The Disneyland is going to complete next year and there is an airport nearby, so it is an extremely urgent matter that health care facilities be provided as a great necessity. Would Mr TUNG think that this hospital should be built and are there any plans in place to build this hospital as soon as possible in order that health care facilities there can be improved?*

CHIEF EXECUTIVE (in Cantonese): Last time after you had raised the issue with me, the first thing I did was to enquire with my younger brother about this and to see what it was all about. *(Laughter)* I can assert that there is no such thing and I believe there is really no such thing at all. This is the first point. The second point, on the hospital in north Lantau at Tung Chung which you have just mentioned, the matter has also been brought to my attention by other political parties. As a matter of fact, before Dr YEOH, the Secretary for Health, Welfare and Food, tendered his resignation, I had talked to him about

this. I think he is looking into the matter. I hope he can give us an answer and then I will come back to Members.

MR WONG SING-CHI (in Cantonese): *Mr TUNG, this makes the people of Tung Chung all the more unhappy. Besides, you have only mentioned building a hospital, but before it is actually built, many people there still need health care facilities. Have you discussed with Secretary Dr YEOH in detail on how existing health care facilities can be improved so that the urgent need of the people of Tung Chung for health care services can be satisfied?*

CHIEF EXECUTIVE (in Cantonese): Yes, we have discussed that in concrete details and we will likewise give such a concrete answer. However, it has not been a long time since the discussion and we also need to give our colleagues in the Government some time to work on it before a reply can be given.

MR MA FUNG-KWOK (in Cantonese): *Madam President, the Culture and Heritage Commission had submitted a report to the Chief Executive more than a year ago, and after using one year to examine the report, the Government made a response a few months ago. Many of the views suggested are accepted by the authorities in their response, for example, the recommendation on the setting up of a committee on libraries and a management committee for museums, and so on. Does the Government have any specific timetable in place and when will these recommendations be put into practice? This I very much like to know.*

CHIEF EXECUTIVE (in Cantonese): I have not had the chance to follow this matter up, though I am aware of this idea. As I do not have the chance to follow up the matter related to the timetable, maybe I will ask Secretary Dr Patrick HO to liaise with you later. I think we should be able to work out a timetable and discuss it with the sector before a sound timetable is finalized. Of course, we will also take into consideration all other relevant factors within the Government.

MR MA FUNG-KWOK (in Cantonese): *In the event that a timetable is not ready in the near future, as I think that time is needed to put these*

recommendations into practice and as the term of office of members in the Culture and Heritage Commission would have been expired during that period, would the Chief Executive consider setting up a high-level advisory body like the Commission in the interim to attend to issues related to cultural policy?

CHIEF EXECUTIVE (in Cantonese): I will follow that matter up and I will give you a detailed answer afterwards. Thank you.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, I would like to ask the Chief Executive about the accountability system. The system has been implemented for more than two years and it has also led to some expectations from the people for the system. Often times when after some major events have happened, the public may want the officials responsible to bear the responsibility and they may be asked to step down. Does Mr TUNG have any plans to make a review of the accountability system, or has he gathered any experience of the system to determine what improvement should be made, or has any timetable been set, or in what direction will improvement be made?*

CHIEF EXECUTIVE (in Cantonese): With respect to matters concerning the accountability system, the principal officials in the Government always keep these matters under review. The accountability system is an inevitable development in the evolution of the political institutions of Hong Kong. The system is a response to the ever-rising public expectations for accountability from officials making policy decisions. It can help set up a team in the Government, one in which members have shared convictions and political calibre for leadership in the face of the various scenarios and problems in Hong Kong which are becoming more and more challenging. The accountability system has taken its roots in Hong Kong for only two years. It has only a short history of two years. A long period of time is needed to allow the system to mature and perfect itself. Even in the past couple of years, though the accountability system was always evolving, it still had inadequacies. What improvements has it made? In the team work and concerted action among the team players who provided leadership. The Government has now grasped a better understanding of the public opinion, the people's aspirations and grievances as well as the political situation. Various policies are now better co-ordinated and put in a

synergetic perspective. Our accountability awareness has risen by a large extent. We will continue to put in the best of our efforts in these areas. What then are the kinds of work that need our urgent attention? These include providing more support to the accountable officials, strengthening political work among them, fostering closer partnership between accountable officials and civil servants, enhancing efforts in policy co-ordination, soliciting support for the Government from all sectors across the community, engaging in more public policy research, as well as intensifying the partnership relations between the advisory and statutory bodies and the accountable officials. We must strive to do well in all these matters. They are also the focus of our efforts for a significant period of time in the future.

If the accountability system is to succeed, certainly we should train up more political personalities who are committed to serving the community. There must also be staunch support for the Government in the Legislative Council as well. All these are tasks which we will hope to complete over time and step by step.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, may I ask the Chief Executive whether he would create Deputy Director of Bureau positions and whether or not he finds it more and more difficult to persuade people to be principal officials?*

CHIEF EXECUTIVE (in Cantonese): Mr TAM, you are right. From the experience I have gained over the past two years, I have the feeling right from the outset that it is not a simple thing to find people to become accountable Directors of Bureaux, but I think there are still quite a number of well-qualified people in Hong Kong who are willing to make commitments to serving the community.

PRESIDENT (in Cantonese): Mr Chief Executive, the time now is exactly 4 pm. Fifteen Members have raised questions, but there are still 11 Members waiting for their turn to ask questions. As this is the last time in the current term of the Council when you attend a Question and Answer Session, so would you take on a total of 18 questions and give your replies?

CHIEF EXECUTIVE (in Cantonese) Yes, but we must have time for dinner. It is your treat. All right. *(Laughter)*

PRESIDENT (in Cantonese): Thank you, Mr Chief Executive.

MS EMILY LAU (in Cantonese): *Madam President, I would like to pursue the issue on dual elections by universal suffrage in 2007 and 2008. Recently, I met with the Chief Executive on two occasions. The Chief Executive said that he had no authority to raise the issue with the Central Authorities. However, I hope the Chief Executive can tell the Legislative Council and the public whether he understands fully that most people in Hong Kong consider Hong Kong should have dual elections by universal suffrage; and whether he understands that we are politically very mature and fully prepared in many aspects, but not that it is not in the long-term interest of Hong Kong as claimed by some people. I would like the Chief Executive to say a few words about this, to say whether he will reconsider the situation and go to the authorities at Beijing to tell them that Hong Kong should have dual elections by universal suffrage and that the National People's Congress should reconsider the issue.*

CHIEF EXECUTIVE (in Cantonese): Ms LAU, this is the third time you raise this issue with me recently. The first time was when you came to me with the democratic camp. The second time was last week when I met with The Frontier. So, today is the third time.

Actually, we have heard clearly the aspiration for democracy of the community. However, we, and the Central Authorities, have to consider the overall interest and long-term interest of the community. I told you that day that we are part of the country; no matter what we do, whenever the relationship between the Central Authorities and Hong Kong is involved, we have to consider many factors. We have to consider the issue from the point of view of the State rather than from the angle of Hong Kong alone. From the perspective of Hong Kong, I can tell all of you that your opinions, if any, will be reflected truthfully; I will reflect your comments. However, this is very different from submitting a report to seek to amend a decision that has already been made.

I would like to tell all of you, as I return to the subject, what we should know, which I did in fact mention last time. We have to understand fully the international environment our country is facing, the determination our country has in upholding its sovereignty and maintaining the integrity of its territory, the various challenges our country has risen to in the course of development, the importance of national security and stability to the entire Chinese race and the people of China, the opportunities as well as obstacles our country has met in achieving prosperity and building up strength. What impact will the development of Hong Kong has on the Central Authorities and our country, and how will the safety and interest of our compatriots on the Mainland be affected? We cannot consider a certain issue purely from the angle of Hong Kong, we should also think about this from the perspective of our country. As such, our communication can be greatly enhanced, and your understanding of some policies of the Central Authorities can be enhanced. From the point of view of Hong Kong, this arrangement, as decided by the Central Authorities, is really in the interest of Hong Kong in the long run. This I agree.

MS EMILY LAU (in Cantonese): *I have listened to the remarks of the Chief Executive twice, but I still fail to understand why it is not in the overall interest of our country in the long run if the SAR Government, including the Chief Executive and all Members of the Legislative Council, is elected by popular and equitable election of "one person, one vote". The Chief Executive has mentioned many factors just now, but why the SAR Government if elected by universal suffrage will affect those factors, affecting the stability, security and prosperity of our country? Madam President, I believe the Chief Executive has to explain this to the people of Hong Kong. As the Chief Executive himself also acknowledges that most people in Hong Kong aspire to universal suffrage, and they do not want anything bad to happen to their country. Then, why a government elected by universal suffrage will affect the long-term development of the country instead of promoting its democratic development?*

CHIEF EXECUTIVE (in Cantonese): Ms LAU, I am referring to the general situation here. No matter what we do in Hong Kong, on the premise of "one country, two systems", we cannot give consideration to "two systems" alone, the notion of "one country" should also warrant consideration. It is only when the premise of "one country" is factored into our consideration that the "two systems" can be reinforced. This is the major principle. The question you

mentioned just now is certainly a result of inadequate communication. We must improve our communication. *(Laughter)*

DR DAVID CHU (in Cantonese): *Madam President, Chief Executive, last year, I proposed a motion on supporting the middle class which was supported by all Members. When you answered Dr Eric LI's question earlier, you said that you have absorbed some members of the middle class into advisory bodies recently. From consultation of their opinions to their acceptance by the Government to formulation of policy and then endorsement by the Legislative Council before fruition is a very long process. I have been given to understand that the Government is now considering or actively considering the introduction of sales tax, a matter of enormous import to the middle class for it will increase their burden. What substantial effort has the Government made during the past year and what is it going to do in the near future to help the middle class?*

CHIEF EXECUTIVE (in Cantonese): In respect of sales tax, the Government has yet to reach a final decision. The Government is studying the possible impact of introducing sales tax. A final decision has not yet been made. If we have the intention to do so, we will certainly discuss the issue further with the public extensively. Regarding the middle class, what we can do, I think, is to ensure sustained growth of the economy. This is of the utmost importance for this can continue to provide an opportunity to the middle class. What they need is actually an opportunity, an opportunity for them to strive for what they aspire for in times of economic growth. This is what we have to do.

PRESIDENT (in Cantonese): Last question.

MR FRED LI (in Cantonese): *Mr TUNG, last week, I visited a group of surplus teachers going on a hunger strike. This was the second time they staged actions of this kind. I promised them to raise this question. Mr TUNG said earlier that he is very much concerned about education. However, the problem of surplus teachers is worsening. Does the Government agree that as more and more teachers become unemployed every year, the stability of education and*

people's confidence in the education reform will be affected? Will the Government face the unemployment problem of teachers squarely to find both short-term and long-term solutions, such that members of the education sector may rest assured and teachers may keep their minds on teaching? Has it done so?

CHIEF EXECUTIVE (in Cantonese): Was it Mr CHEUNG Man-kwong who asked you to raise this question? Mr LI, I have to thank you for allowing me to talk about this issue, for I am really concerned about this. With the decrease in population, the problem of surplus teachers arises, dealing a blow to the morale of teachers. My colleagues, both Secretary Prof Arthur LI and other colleagues, have been trying hard to think of a solution, to overcome the problem we are now facing together with the public. However, this is not a problem prevails only at the moment. As our population will continue to decline, the problem will persist in the next year and the years to come. Therefore, I think we need a long-term solution to the problem. However, as in the observations of Mr ZHANG Minsheng mentioned by me earlier, many aspects are involved. For example, our teachers have to teach too many subjects, how can we think of a long-term solution? I believe enhancing the quality and professionalism of teachers will certainly help to resolve the problem. How can we make use of the opportunity to help the education reform to gain momentum? We really need to think about this to find a solution in the long-term interest of Hong Kong.

MR FRED LI (in Cantonese): *Madam President, this is a cue given by Mr CHEUNG Man-kwong. Actually, I think Mr TUNG knows that Mr CHEUNG Man-kwong has guessed it right; he knows what your answer is. So, I just follow exactly the version provided by him in putting my follow-up. In your earlier reply, you said that the problem was caused by the decrease in school age children. However, in the light of the declining trend, can the Government adjust the speed of building new schools to pre-empt oversupply of school places, cutting of the number of classes and closure of schools? Can it introduce small class teaching by reducing the number of students in each class, so that new teachers and existing teachers may put to use what they have learnt, thereby enhancing the quality of teaching and easing the worries of parents for a win-win situation?*

CHIEF EXECUTIVE (in Cantonese): I have my own opinions about all these issues; however, they cannot be explained clearly in just a few lines. We should sit together to discuss these issues in detail. I look forward to an opportunity to meet with you all to discuss these.

PRESIDENT (in Cantonese): Mr Chief Executive, thank you for answering the questions raised by 18 Members.

CHIEF EXECUTIVE (in Cantonese): Thank you.

PRESIDENT (in Cantonese): The Chief Executive will now leave the Chamber. Will Members please stand.

END OF SESSION

PRESIDENT (in Cantonese): Honourable colleagues, this is the last meeting of this term of the Legislative Council. I wish to see you again.

Adjourned accordingly at thirteen minutes past Four o'clock.