

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 13 October 2004

The Council met at half-past Two o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE JAMES TIEN PEI-CHUN, G.B.S., J.P.

THE HONOURABLE ALBERT HO CHUN-YAN

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

THE HONOURABLE LEE CHEUK-YAN

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

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

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

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

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

THE HONOURABLE WONG YUNG-KAN, 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 EMILY LAU WAI-HING, J.P.

THE HONOURABLE CHOY SO-YUK

THE HONOURABLE ANDREW CHENG KAR-FOO

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 ALBERT CHAN WAI-YIP

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

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

THE HONOURABLE VINCENT FANG KANG, J.P.

THE HONOURABLE WONG KWOK-HING, M.H.

THE HONOURABLE LEE WING-TAT

THE HONOURABLE LI KWOK-YING, M.H.

DR THE HONOURABLE JOSEPH LEE KOK-LONG

THE HONOURABLE DANIEL LAM WAI-KEUNG, B.B.S., J.P.

THE HONOURABLE JEFFREY LAM KIN-FUNG, S.B.S., J.P.

THE HONOURABLE MA LIK, J.P.

THE HONOURABLE ANDREW LEUNG KWAN-YUEN, S.B.S., J.P.

THE HONOURABLE ALAN LEONG KAH-KIT, S.C.

THE HONOURABLE LEUNG KWOK-HUNG

DR THE HONOURABLE KWOK KA-KI

DR THE HONOURABLE FERNANDO CHEUNG CHIU-HUNG

THE HONOURABLE CHEUNG HOK-MING, S.B.S., J.P.

THE HONOURABLE WONG TING-KWONG, B.B.S.

THE HONOURABLE TONG KA-WAH, S.C.

THE HONOURABLE CHIM PUI-CHUNG

THE HONOURABLE PATRICK LAU SAU-SHING, S.B.S., J.P.

THE HONOURABLE ALBERT JINGHAN CHENG

THE HONOURABLE KWONG CHI-KIN

THE HONOURABLE TAM HEUNG-MAN

PUBLIC OFFICERS ATTENDING:

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

THE HONOURABLE HENRY TANG YING-YEN, G.B.S., J.P.
THE FINANCIAL SECRETARY

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

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

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

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

THE HONOURABLE FREDERICK MA SI-HANG, J.P.
SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

THE HONOURABLE AMBROSE LEE SIU-KWONG, I.D.S.M., J.P.
SECRETARY FOR SECURITY

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

DR THE HONOURABLE YORK CHOW YAT-NGOK, S.B.S.
SECRETARY FOR HEALTH, WELFARE AND FOOD

CLERKS IN ATTENDANCE:

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

MS PAULINE NG MAN-WAH, ASSISTANT SECRETARY GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

TABLING OF PAPERS

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

Subsidiary Legislation/Instruments	<i>L.N. No.</i>
Companies (Amendment) Ordinance 2004 (30 of 2004) (Commencement) Notice 2004	154/2004

Other Papers

- No. 1 — Report by the Trustee of the Prisoners' Education Trust Fund for the period from 1 April 2003 to 31 March 2004
- No. 2 — Annual Report of the Protection of Wages on Insolvency Fund Board 2003-04
- No. 3 — Electrical and Mechanical Services Trading Fund Annual Report 2003/04
- No. 4 — Environment and Conservation Fund Trustee Report 2003-2004
- No. 5 — Report by the Trustee of the Customs and Excise Service Children's Education Trust Fund for the year ending 31 March 2004, together with the Director of Audit's Report and the Audited Statement of Accounts
- No. 6 — Audited Statement of Accounts of the Customs and Excise Service Welfare Fund and its Summary, together with the Director of Audit's Report
- No. 7 — The Legislative Council Commission Annual Report 2003-2004
- No. 8 — The Government Minute in response to the Sixteenth Annual Report of the Ombudsman issued in June 2004

- No. 9 — Audited Statement of Accounts and Auditors' Report for the Fish Marketing Organization for the year ended 31 March 2004
- No. 10 — Audited Statement of Accounts and Auditors' Report for the Vegetable Marketing Organization for the year ended 31 March 2004
- No. 11 — Marine Fish Scholarship Fund Trustee's Report and Audited Statement of Accounts and Auditors' Report on the Fund for the year ended 31 March 2004
- No. 12 — Agricultural Products Scholarship Fund Trustee's Report and Audited Statement of Accounts and Auditors' Report on the Fund for the year ended 31 March 2004

ADDRESSES

PRESIDENT (in Cantonese): Address. The Chief Secretary for Administration will address the Council on the Government Minute in response to the Sixteenth Annual Report of the Ombudsman issued in June 2004.

The Government Minute in response to the Sixteenth Annual Report of the Ombudsman issued in June 2004

CHIEF SECRETARY FOR ADMINISTRATION: Madam President, in response to the Sixteenth Annual Report of the Ombudsman tabled in the Legislative Council on 30 June this year, I now present the Government Minute setting out the Administration's response to the recommendations made in the Report.

The Government Minute covers all the investigations which The Ombudsman dealt with in her Sixteenth Annual Report. With only a few exceptions, bureaux and departments generally accepted The Ombudsman's recommendations and have taken steps to implement them. In the few cases where the responsible departments have not been able to adopt the original

recommendations in full, they have explained the reasons and their alternative measures in the Government Minute.

The Government Minute also includes responses by relevant public bodies such as the Hospital Authority. Although these bodies are not government departments, they hold themselves accountable to the public by publishing their full responses to The Ombudsman's recommendations in the Government Minute.

The community widely recognizes the statutory role and performance of The Ombudsman in handling public complaints against maladministration. It is the common objective of the legislature and the Government to forever upgrade the quality of public service, the effectiveness of administration as well as the transparency and accountability of governance. In fulfilling the objective, the Administration will continue to pledge full support for the work of The Ombudsman. I hope the positive responses and undertakings by bureaux and departments recorded in the Government Minute speak volumes of this pledge.

Thank you.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. According to House Rules, question time normally does not exceed one and a half hours, that is, each question is allocated about 15 minutes on average. After a Member has asked a main question and the relevant official has given reply, the Member who asks a question has priority to ask the first supplementary. Other Members who wish to ask supplementary questions will please indicate their wish by pressing the "Request-to-speak" buttons and wait for his/her turn.

Supplementaries should be as concise as possible so that more supplementaries may be asked by Members. Members should not make statements when asking supplementaries, as this contravenes Rule 26(5) of the Rules of Procedure.

PRESIDENT (in Cantonese): First question.

Reprovisioning of Sha Tin Water Treatment Works

1. **DR RAYMOND HO** (in Cantonese): *Madam President, it is learnt that the Government has planned to adopt the Public Private Partnership (PPP) approach in the in-situ reprovisioning and operation of the Sha Tin Water Treatment Works (STWTW), and that a relevant staff union has requested to meet the Bureau Secretary concerned to discuss the issue when petitioning against the plan in April this year. However, so far the Bureau Secretary has not yet received the staff union. In this connection, will the Government inform this Council:*

- (a) *of the reasons why the Bureau Secretary has not yet received the staff union;*
- (b) *as the consultancy study on the feasibility of the plan was already completed in May this year, when the authorities expect to decide whether or not to implement the plan; and*
- (c) *whether it will set a timetable for the work of the plan such as public consultation, advance works, preparation of contract documents and award of contracts, etc; if it will, of the details?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): *Madam President, before responding to the question raised by Dr HO, I would like to briefly introduce the background and progress of considerations given by the Government on in-situ reprovisioning and operation of the STWTW using the PPP approach.*

The Government is committed to enhancing productivity in the public sector and has been looking for various models to synergize resources and expertise of the public and private sectors in delivering large-scale public works projects while upholding the principle of "fairness, justice and openness". Through refuse transfer stations and landfill projects, we have already gained some successful experience on this subject. The Chief Executive has pledged in his 2004 policy agenda to the wider use of PPP, and the Financial Secretary has mentioned in his Budget speech in March this year that the Government has further expanded the scope of PPP pilot projects to include *in-situ* reprovisioning of the STWTW.

To evaluate prudently the practical feasibility of this proposal, we commissioned in late 2003 a consultancy study on options for *in-situ* reprovisioning and operation of the STWTW using PPP. During the course of this study, we have expanded its scope to cover facilities and services directly linked with the STWTW in the light of market response. The findings of this study are positive.

We take a serious view on the feedback from Honourable Members and have presented the consultancy study reports at a special meeting of the Panel on Planning, Lands and Works of the previous Legislative Council held on 18 May 2004. We have also published the study reports and uploaded all relevant documents onto the webpage of the Environment, Transport and Works Bureau to collect feedback from staff and the general public.

The Bureau is fully aware of the requests and anxiety expressed by staff after the Director of Water Supplies announced at an extended meeting of the Staff Consultative Committee held in August 2003 that the Government would consider *in-situ* reprovisioning and operation of the STWTW using PPP. Since then, the departmental management has maintained close communication with staff and a bureau representative has met twice with union representatives in late April and early May to explain in detail the objectives and progress of the feasibility study.

Meanwhile, the Director of Water Supplies has set up a Special Consultative Committee in May which has held three formal meetings thus far. This committee comprises over 20 representatives from seven staff unions as well as the Alliance of Staff Unions of the Water Supplies Department (WSD). The Deputy Secretary of the Bureau also attended its last meeting to have in-depth discussion and exchange with staff on matters of concern. Moreover, the Director has paid nine visits to various headquarters and regional offices within two weeks in June to have direct dialogue with staff of different grades and ranks.

My responses to the three queries raised by Dr HO are as follows:

- (a) Staff unions of the WSD have conveyed to me in various ways their requests for a meeting. But I would like to stress that there are established procedures in the Civil Service so we must allow for discussion on substance and details at this stage. I respect these

procedures and understand that the departmental management and the Bureau are actively and effectively performing their tasks. For example, the departmental management convened a special meeting last Thursday to discuss different PPP options with union representatives, while the Deputy Director of Water Supplies and staff representatives will visit water supply facilities operated by private proprietors in Macao and Zhongshan today for experience sharing. At the same time, some staff and general public have conveyed their views to me through different channels. It is incumbent upon me to take into account the long-term interest of Hong Kong and to balance reasonable staff expectations in analysing and examining this very important issue. I will certainly be prepared to meet with staff at an appropriate juncture.

(b) and (c)

While the feasibility study reports on *in-situ* reprovisioning and operation of the STWTW using PPP have been completed and the findings and recommendations uploaded onto the Internet for public comments, we are actively exploring a feasible way forward in consultation with staff and will consult this Council before making a decision. Implementation details such as arrangement for tender invitation, tender assessment procedures and timeframe for other preparatory work will be finalized after a final option has been adopted.

DR RAYMOND HO (in Cantonese): *Madam President, the Secretary mentioned in the third and fourth paragraphs of the main reply that the government consultants presented a positive conclusion in a Legislative Council meeting held on 18 May this year. However, at that time, the Government declined to comment on failure cases in overseas countries such as the filtration system was raided by parasites in Sydney, Australia; the emission of foul smell of sewage in Adelaide; and the non-fulfilment of the private water supply contract in Atlanta, the United States. Besides, there were some other examples, such as major problems had arisen in countries like the United Kingdom and Argentina. However, in Hong Kong, we have not encountered any major disruption in water supply, contamination or quality problems on a more substantial scale during the past several decades. In regard to the water supply issue that will affect several*

million people, the consultants did not explain how failure incidents such as those previously occurred in overseas countries could be avoided. In this connection, what will the Secretary do in order to make the several million people in Hong Kong rest assured that problems like major disruption in water supply and adverse impact on water quality will not arise?

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, many different modes of PPP have been adopted in many different places in the world, and the majority of the cases are successful. Of course, some of them did experience certain difficulties, due to such reasons as the poor conditions of existing water supply infrastructure, incomplete records, political instability, great fluctuation of exchange rates of their respective currencies, and so on. These factors were responsible for the problems that had occurred to PPP projects. We have also conducted some research in different directions, that is, on problem cases mentioned by Dr Raymond HO just now, such as the case with Giardia parasites in Australia. In fact, such cases occurred during the handover periods among various PPP projects. They have now solved all the problems by adopting an efficient mode of co-operation between the public and private sectors, that is, the project is taken forward by certain government employees working together with private companies, instead of doing it entirely as a private project. We have already compiled detailed information of these cases into a file, which you may view over the Internet. If you have any queries, we would be glad to answer them one by one. Here, I shall not attempt to answer some highly technical questions.

MR WONG KWOK-HING (in Cantonese): *Madam President, the staff unions reported Secretary Dr LIAO as having said that the WSD had excessive manpower, but its efficiency was low. As a matter of fact, the water supply service of the WSD has all along managed to meet world hygiene standards, and has won numerous international awards. Obviously, there exists a communication barrier between the staff unions and the Secretary. If the Secretary is unwilling to meet the staff unions, how can she enhance the communication between both sides? Another question.....*

PRESIDENT (in Cantonese): Mr WONG Kwok-hing, each Member can only raise one supplementary at a time. You may raise this one first, fine?

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Madam President, the operational efficiency of any organization will change with the times. My comments were probably targeted on the whole fresh water transfer and treatment system, highlighting the fact that, with the advancements in technology, we should keep abreast of the times. For example, in many aspects of work, like reading meters, checking leakage of pipes and the complete filing system, we actually have been making improvement; and while improvement is being made, we may need to reduce the manpower requirement accordingly. Under such circumstances, any organization would need to make new arrangements and new considerations regarding their efficiency and manpower requirement.

I have just said that I am not unwilling to meet the staff unions, but under the civil service mechanism, we have some established procedures. In the whole process of studying and implementing a PPP project, we have to conduct with a series of work at the preparatory stage. We also have some established procedures for conducting research and detailed analysis. I have already said that I shall definitely meet the staff unions at a suitable time to understand their outstanding worries. We shall take care of that.

MISS CHOY SO-YUK (in Cantonese): *Madam President, from the last part of the main reply of the Secretary, we can see that it is almost a must that the STWTW will be operated as a PPP project. Generally speaking, there must be some incentives for the users in implementing such unique and new arrangements. May I ask the Secretary what special incentives the STWTW project will offer the staff or the users in opting for the PPP approach?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Firstly, insofar as the staff is concerned, we have pledged not to dismiss any staff on a compulsory basis during the entire preparatory stage. In addition, in the process of holding discussions with them, we have been indicating the intention of continuing the co-operation in such a mode, and we do not wish to see any incidents of dismissal.

Secondly, what advantages will it bring to the people of Hong Kong? We can see that, in the water supply services, we have many examples in the world which prove that the adoption of the PPP approach can provide greater flexibility, and it will be easier for the authorities concerned to inject better skills and technology into the service to enhance the service level and flexibility, as well as actively making use of the resources and the assets to save costs. Of course, we hope that, with the synergy of both sides, we can bring in new management proposals and new management spirit. So far, there have been ample success examples to prove that this is feasible, and we certainly hope that the people can benefit from such advantages.

MR LAU KONG-WAH (in Cantonese): *Madam President, the Secretary mentioned that she has a mission of taking the overall interest of Hong Kong into consideration and balancing the reasonable aspirations of the staff. And she also mentioned that the Director has visited the staff on nine occasions. Several months have passed since June, can the Secretary conclude what the staff worries about most as well as whether such worries and anxieties can be resolved?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): We have presented to the staff several PPP models contained in the consultancy report because we can see from the report that there are three types of proposals which we may implement by adopting the PPP approach. What we need to consider in greater detail is whether we should just proceed with the water treatment works, or we should carry out a project that covers both the water treatment works plus the relevant water transfer system, or rather the project should be further extended to cover the water transfer systems in Kowloon and the New Territories. We have discussed with the staff in great detail on problems related to the technical and service aspects, as well as the market demand, and so on. Members of the staff would naturally be concerned about what roles they will play in the new organization, and whether their promotion prospects would be blocked or whether they might be eliminated in the process, and so on. We have been explaining to them very clearly that natural wastage has always been used by the WSD in streamlining its structure, and that the two issues are not contradictory to each other.

Besides, some members of the staff also worry about the issue raised by Dr Raymond HO just now. Will the quality of water supply deteriorate? As a result of the participation of the private sector and for the purpose of making a profit, will it become impossible for the water quality to be assured? These are issues that they worry about. We have discussed with them in great detail on the various aspects, explaining that there are already some very good modes for follow-up actions on the relevant issues and for adoption.

PRESIDENT (in Cantonese): We have already spent more than 16 minutes on this question. Last supplementary question.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, the Secretary has all along given us the impression that she does not want to meet certain staff unions and us. Therefore, I do share the feeling of Dr Raymond HO in raising this question. Secretary, I do not intend to make any criticism. You said just now respect should be given to the civil service mechanism. In fact, when staff members keep expressing the hope of holding discussions with you, have you ever considered whether it is because your subordinates have failed to reflect the views of the staff accurately, thereby making them repeatedly request for meetings with you? As such, can the Secretary tell us how she faces this situation: That staff members have repeatedly requested to meet you, but you keep turning them down? You have just said: At a suitable time. In the face of such great agitation and strong sentiments on the part of the staff, and even questions raised by Members in the Legislative Council, is it more appropriate for you to give a reply as to when you will meet them?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Madam President, I received the request for a meeting from the staff in about May this year. I do not have any specific date now. At that time, we had established a communication channel between the management and the staff side of the WSD. I know that meeting them once cannot solve any problem. On the contrary, I need to understand their problems very clearly. In fact, there are a host of details on which we should brief them, that is why we have established this mechanism. You may note that we have already met with staff members of different levels on nine occasions, and I have not heard any staff members expressing any dissatisfaction about such meetings, or alleging

that such meetings have induced more fears or greater uneasiness. If there are such cases, I would be most willing to listen. We think that the present mechanism has already responded to their need. Therefore, after they have clearly discussed and understood such highly technical issues, we shall have the chance to conduct direct dialogue with them. This should be a more efficient approach.

PRESIDENT (in Cantonese): Miss CHAN Yuen-han, has your supplementary question not been answered?

MISS CHAN YUEN-HAN (in Cantonese): *The Secretary has not answered my supplementary question. Today, the staff side has raised the question through the Legislative Council as to when the Secretary will meet them. I feel that this has reflected their sentiments. Therefore, the supplementary question I have just asked is: In the face of such sentiments, when does the Secretary intend to meet them? She has said at a suitable time just now, may I ask what time she means by that?*

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

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): I would like to answer this. The Honourable Member said that the staff unions had raised the question through the Legislative Council. I also want to find out at what time they had indicated that they were dissatisfied with the present communication channel, so that they had to raise the question through the Legislative Council? Or did the Honourable Member hear the opinions last year, so she has raised this question with reference to the present progress of the PPP projects? In fact, a lot of incidents have taken place between May and now, and many meetings have been held to facilitate our communication. As for when I shall meet with the staff unions, I wish to make the appointments with them later after I have ascertained that many of the basic questions will be fully explained.

PRESIDENT (in Cantonese): Second question.

Short Promotional Video to Enhance Sense of National Identity

2. **MR LI KWOK-YING** (in Cantonese): *Madam President, to enhance the sense of national identity among the public, the authorities have produced a short promotional video called "Our Home, Our Country" and broadcast it daily on the three television stations before their respective evening news programmes since 1 October. It has been reported that some members of the public consider that the short video has insufficient contents while others have negative feelings towards it, and the Broadcasting Authority has also received several complaints in this respect. In this connection, will the Government inform this Council whether:*

- (a) *it has assessed the public's opinion of this short video; if so, of the assessment results; if not, the reasons for that;*
- (b) *it will revise the contents of the short video in the light of the public's opinion; if so, of the details of the revision; if not, the reasons for that; and*
- (c) *given the negative feedback from some members of the public on the short video, it will consider adjusting the way of presentation when planning other promotional activities which are aimed at enhancing the sense of national identity among the public; if so, of the details of the adjustment; if not, the reasons for that?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): *Madam President, ever since the return of Hong Kong's sovereignty to China, there have been increasing concerns about how to promote national education in the community. In fact, enhancing the sense of national identity among the general public has been one of the Government's major objectives in the promotion of civic education. To this end, the Home Affairs Bureau has been working closely with the Committee on the Promotion of Civic Education to promote national education among the general public through various means, including sponsoring different non-governmental organizations and bodies to organize different promotional activities.*

To further enhance the sense of national identity among the public, the Committee on the Promotion of Civic Education and the Commission on Youth jointly set up a Working Group on National Education in mid-2004 for the purpose of drawing up strategies and plans to promote national education outside schools. The production of a television Announcement of Public Interest (API) entitled "Our Home, Our Country" was indeed the first project on the promotion of national education in which the Working Group was involved. Featuring the close links between Hong Kong and the Mainland, the short video uses the national anthem as the theme music.

Four Chinese words "心" (feelings), "繫" (link), "家" (home) and "國" (country) have been chosen to form the theme of the short video. The use of the words "family" and "country" is intended to signify the close links between individuals and their family and country. This seeks to magnify the affiliation of individuals with their family and country, with a view to enhancing the sense of national identity amongst the general public.

Since the short video was first broadcast on major local television channels on 1 October, we have received a considerable amount of public feedbacks, including both positive and negative comments. Among those who express support for the video, many have suggested that the lyrics of the national anthem should also be added, so as to familiarize the general public with the content of the national anthem.

As the short video "Our Home, Our Country" is the first ever API in Hong Kong which has made use of the national anthem as the theme music, we would be receptive to public views on it. We would conduct a thorough review in conjunction with the Working Group on National Education, with a view to mapping out the appropriate direction and strategy for promoting national education in future. In the context of this review, we would consider how best to adjust the scenes or contents of the video, having regard to changes in the social environment.

MR LI KWOK-YING (in Cantonese): *Madam President, after the broadcast of this short promotional video, we got in touch with many members of the public and also received a lot of feedback from them. Most of the feedback is positive*

but some is negative. Among the negative responses, some of them pointed out that this video smacked of brainwashing. We feel that this is totally unfounded. However, this precisely reflects that in the past, the Government.....

PRESIDENT (in Cantonese): Mr LI Kwok-ying, please come to your supplementary directly.

MR LI KWOK-YING (in Cantonese):*has not done enough in promoting patriotic national education. In this connection, may I ask the Government if it will allocate funds to enhance national education in view of such a development? If it will, how will it follow up this matter in the long run?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, in producing this short promotional video, our aim is to enhance the sense of national identity of the Hong Kong public. As Mr LI Kwok-ying has said, the objective of enhancing the sense of national identity cannot be achieved merely by broadcasting a short video. This short video is only a starting point in a series of tasks and plans. Some people consider that in broadcasting this short video, we are brainwashing the Hong Kong public. Actually, brainwashing is a very strong word. It refers to a coercive process of persuasion, a method aimed at controlling people's thinking and behaviour. If anyone thinks that this short video is intended to brainwash people, such a claim is overly exaggerated. Given the abundant information in Hong Kong and the innumerable promotional videos or advertisements broadcast every day on television, if we say that by merely broadcasting a promotional video of 45-second duration each day, we will be able to brainwash Hong Kong people is an underestimation of the wisdom of Hong Kong people, I think.

MR LEUNG KWOK-HUNG (in Cantonese): *Madam President, this video called "Our Home, Our Country" has omitted many scenes. For example, not long ago, the President of our country, Mr HU Jintao, told dignitaries from France that conclusions have been drawn on the 4 June incident. Obviously, the President of our country considers this to be an important matter and wanted*

to tell the nationals that a final conclusion has been drawn on this incident. Firstly, in "Our Home, Our Country", is there any scene on this matter, which shocked the world and influenced modern Chinese history so much? Secondly, on the national anthem, does the Secretary know who the writer of the lyrics of this national anthem was? From which film did this national anthem originate? I remember that this national anthem was originally a song from a film. I wish to point out one thing.....

PRESIDENT (in Cantonese): Mr LEUNG Kwok-hung, you have already put two supplementaries. Can you ask your question direct?

MR LEUNG KWOK-HUNG (in Cantonese): *Madam President, I will not stray from the topic. Concerning who the writer of the lyrics of the national anthem was, since I do not want anyone to lose face, it would be better if I divulge it. He was TIAN Han. In the Cultural Revolution, he was persecuted till death. From the persecution to death of the lyric writer of the national anthem, it can be seen that the Cultural Revolution was 10 immensely catastrophic years and the scenes of the Cultural Revolution.....*

PRESIDENT (in Cantonese): Mr LEUNG Kwok-hung, I am sorry.....

MR LEUNG KWOK-HUNG (in Cantonese): *The scenes of the Cultural Revolution.....*

PRESIDENT (in Cantonese): Mr LEUNG Kwok-hung, can you listen to me first? It is now question time, so please put your supplementary direct. Question time is not meant for expressing opinions. Please continue.

MR LEUNG KWOK-HUNG (in Cantonese): *I understand. In that case, I will put my supplementary direct. Is there any scene of the anti-rightist struggle? Three years of disaster plus the Cultural Revolution, and add to this footages of*

the 4 June incident. I did not make them up and all historical textbooks have mentioned them. In talking about "Our Home, Our Country", surely this must be the way, since people in the order of tens of million have perished. Why are such scenes not included? Why?

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, Hong Kong is a pluralistic and open society with abundant information. There are numerous and what is more, adequate channels for the Hong Kong public to understand the developments on the Mainland in various areas. It is up to the Committee on the Promotion of Civic Education to decide which scenes to incorporate into this short promotional video. We will listen carefully to the views of the public to determine which scenes best represent the care of Hong Kong people for the Mainland and will include scenes which best represent these sentiments in this short video. We will also draw on Mr LEUNG Kwok-hung's suggestion and relay it to the Committee for consideration.

MR WONG YUNG-KAN (in Cantonese): *Madam President, the third paragraph of the main reply says that this short video is aimed at magnifying the affiliation of individuals with their family and country, with a view to enhancing the sense of national identity. I found that some government organizations, in particular government departments, only flies the SAR flag but not the national flag and only some schools conduct the flag-raising ceremony. May I ask the Government if it has considered doing something in this regard? This will enable more people to learn about our country and our home.*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, we are grateful to Mr WONG Yung-kan for his views and we will put them on record and forward them to the Committee on the Promotion of Civic Education, with a view to making better preparations for stepping up long-term national education targeting the Hong Kong public.

MR ALBERT CHENG (in Cantonese): *Madam President, may I ask the Secretary for how long this short promotional video will be broadcast?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, we have not any definite plan for the time being as to when the broadcast will stop. We will conduct a review a few weeks later, after which we will listen to the views of various parties in society on, among other things, whether this short promotional video should continue to be broadcast. If the broadcast is to continue, we will examine in which form it should reappear and whether any addition, omission or modification should be made. We will decide the next move at that time.

MR LAU KONG-WAH (in Cantonese): *Madam President, just like you, I seldom heard the national anthem at school during my schooling days. I believe that even now, many of the students in the public gallery can seldom hear the national anthem at school. Therefore, to broadcast the national anthem on television and through the electronic media is a new experiment. May I ask what new strategies, forms or approaches will be adopted to promote national education apart from broadcasting this short promotional video?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Apart from launching this short promotional video, the Working Group on National Education will also launch a Civic Education Opinion Survey in 2004, that is, this year. We have commissioned an independent company to take charge of this opinion survey. The survey will be conducted from October to November in the form of interviews. The results of the survey will be published next year, that is, in early 2005. Furthermore, the Working Group is also planning to organize a seminar on national education and academics, representatives from the education sector and relevant organizations will be invited to attend, so as to share their experience. In addition, the Working Group will organize youth visit programmes to enable civic organizations and non-governmental organizations of the two places to conduct exchanges among young people. As regards other plans, we will explore future strategies on publicity and promotional activities in the light of the social conditions and acceptance by the public.

MR LEUNG KWOK-HUNG (in Cantonese): *Madam President, the fact that the lyric writer of the national anthem was persecuted to death and then*

vindicated reflects the catastrophe that the people and the nation has gone through. I suggest that the Committee on the Promotion of Civic Education or Secretary Patrick HO point out that the national anthem was the product of the resistance against Japanese invasion and a song from a film. From the national anthem to the persecution to death of its lyric writer in the Cultural Revolution, the developments in Chinese history are clearly reflected. I hope that when presenting the national anthem, we can make all young people understand that nation-building is difficult, but upholding a nation is even more so. The People's Republic had a hard time laying its foundation and all of us have to fulfill our civic responsibilities. Therefore, the lyrics of the national anthem.....

PRESIDENT (in Cantonese): I am sorry, Mr LEUNG, I have to interrupt again. Will you please ask your supplementary?

MR LEUNG KWOK-HUNG (in Cantonese): *Then I will ask Patrick HO — is he a Secretary of Department or a Director of Bureau? (Laughter) It should be Secretary Patrick HO. I suggest that he adopt my suggestion. If members of the Committee on the Promotion of Civic Education have no misgivings about my attendance at their meetings, I can tell them clearly in person the woeful history concerning the national anthem, including the revision of the lyrics by HUA Guofeng, since.....*

PRESIDENT (in Cantonese): Mr LEUNG, I have still not heard you put your supplementary. Please put your supplementary direct.

MR LEUNG KWOK-HUNG (in Cantonese): *I wish to ask Secretary Patrick HO direct. Will you include in the video the woeful history concerning the lyric writer and the lyrics?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): We understand that some members of the public in Hong Kong may still have a complex towards our

country because of their personal background and experience. However, the world is making progress all the time and so is our country. We hope that we can all get the monkey off our backs, look ahead and understand the development of modern China with an open attitude.

(Mr LEUNG Kwok-hung indicated that he wished to ask further questions)

PRESIDENT (in Cantonese): I am sorry, Mr LEUNG, I cannot allow you to do this. It is now Mr Albert CHENG's turn to ask his supplementary.

MR ALBERT CHENG (in Cantonese): *Madam President, I asked the Secretary for how long the broadcast of this short video on television which hard-sells national education would continue, but the Secretary said that he did not know. However, the Secretary then mentioned that a consultancy report will be published in early 2005. In other words, there is a definite period, that is, until early 2005. I agree with the Secretary that this is not a brainwashing short video, but this is surely a video that very much hard-sells national awareness. I believe if the performance displayed by the Secretary just now had been video-taped and then broadcast on television every day, the results would be even better and a lot of taxpayers' money could be saved.*

PRESIDENT (in Cantonese): I am sorry, Mr Albert CHENG, I have not heard you put your supplementary. What is your supplementary?

MR ALBERT CHENG (in Cantonese): *Sorry about it, Madam President, I have left it out. (Laughter) Does the Secretary agree with my suggestion that taxpayers' money could have been saved had the performance displayed by the Secretary just now been video-taped and broadcast on television every day, and better results could be achieved with less effort?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): I will convey Mr Albert CHENG's suggestion to the Committee on the Promotion of Civic Education for its consideration.

PRESIDENT (in Cantonese): We have spent more than 16 minutes — it should be 17 minutes now — on this supplementary. Last supplementary question.

MR ALAN LEONG (in Cantonese): *Madam President, may I ask the Secretary how much money was actually spent on the planning and production of this short promotional video called "Our Home, Our Country"?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, \$682,500 was spent on this short video. There are two versions, one version is 45 seconds in duration, and the other is 90 seconds in duration.

PRESIDENT (in Cantonese): Third question.

Work Arrangements for Drivers of Franchised Bus Companies

3. **MR WONG KWOK-HING** (in Cantonese): *Madam President, it has been reported that some bus drivers and trade unions complained that the franchised bus companies which they served forced the drivers to operate buses of different models and run various routes every day, and they were not given reasonable time for meal, rendering the drivers more prone to mistakes and thereby increasing the chances of traffic accidents. In this connection, will the Government inform this Council:*

- (a) *whether it has received complaints about the above problems from bus drivers or trade unions of franchised bus companies over the past three years; if so, of the number of complaints received, the details of the authorities' response and how the cases have been handled;*

- (b) *of a breakdown, by type and number, of the accidents and complaints in respect of the franchised bus services provided by the New World First Bus Services Limited (NWFB), as well as the annual rates of accident and complaint, in the past three years, and how such figures compare to those of the former China Motor Bus Company; and*
- (c) *whether any guidelines have been formulated on the bus models and number of routes to be run by franchised bus drivers every day, as well as the timing of breaks for meal and rest, and so forth; if so, of the details; if not, whether such guidelines will be formulated; if they will be, when they will be formulated and issued?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, let me first respond to Mr WONG who asked about NWFB bus drivers being forced to operate buses of different models and run various routes every day. Concerning the routes he referred to, over 20 shifts involved bus drivers driving more than four or five different routes, which is less than 2% of the overall number of shifts, that is, 1 300. In other words, the situation is rather rare as it only accounts for 2% of the overall driving duty shifts. I wish to answer his main question now.

- (a) Over the past three years, the Transport Department (TD) has received a total of eight comments or complaints from representatives of the trade unions of franchised bus companies or individual bus drivers expressing their grievances about drivers being arranged to operate various routes on the same day, unreasonable mealtime and prolonged duty time, and so forth.

Upon receipt of the complaints, the TD immediately conveyed the staff's concern to the relevant bus companies and requested their follow-up actions. The TD also encouraged the bus companies and their staff to reach a mutual understanding and to resolve the matter by agreement through communication in order to provide proper and efficient services. The bus companies concerned had held meetings with the union representatives to explain and follow up the issues.

- (b) On 1 September 1998, the NWFB started to provide bus services previously operated by the China Motor Bus Company Limited (CMB). During the three years between 2001 and 2003, the number of accidents involving the NWFB was 288.67 per year on average and the accident rate per million vehicle-kilometre was 4.54. During the three years between 1995 and 1997, the number of accidents involving the CMB was 249.67 per year on average and the accident rate per million vehicle-kilometre was 5.55. As regards complaints, the NWFB was involved in 291 cases per year on average during the three years between 2001 and 2003 and the complaint rate was 1.54 per million passenger journeys. The CMB was involved in 779.33 complaints per year on average during the three years between 1995 and 1997 and the complaint rate was 4.25 per million passenger journeys. Details of the bus accidents and types of complaints are in Annexes 1 and 2 distributed to Members. The performance of the NWFB is better than the CMB in the above two respects.
- (c) The TD has issued guidelines on work schedule of bus drivers to all franchised bus companies. Bus operators are responsible for making appropriate arrangements on driving duty and mealtime for their staff. Details of the guidelines are in Annex 3 distributed to Members.

The guidelines did not cover the number of bus models or routes operated daily by bus driver. The TD recently received comments from franchised bus staff unions about the number of routes and buses operated in a day as well as mealtime arrangement. The TD has discussed the matters with the bus companies including whether there is a need to draw up guidelines for the above issues. Having considered that there is no information showing that the number of bus models or bus routes operated by a bus driver per shift has adverse impact on bus safety, we do not have any plan to introduce additional guidelines on the above aspects.

Comparison between NWFB and CMB — Bus Accident Rate

CMB

<i>Year</i>	<i>Fatal Accidents¹</i>	<i>Serious Accidents²</i>	<i>Slight Accidents³</i>	<i>Total</i>	<i>Accident Rate⁴</i>
1995	2	54	193	249	5.62
1996	4	45	206	255	5.73
1997	3	48	194	245	5.30
Annual Average	3	49	197.67	249.67	5.55

NWFB

<i>Year</i>	<i>Fatal Accidents¹</i>	<i>Serious Accidents²</i>	<i>Slight Accidents³</i>	<i>Total</i>	<i>Accident Rate⁴</i>
2001	2	54	243	299	4.91
2002	4	41	232	277	4.21
2003	0	49	241	290	4.50
Annual Average	2	48	238.67	288.67	4.54

Note 1 A fatal accident is one in which at least one person is killed immediately, or is injured and subsequently dies of his injuries within 30 days of the accident.

Note 2 A serious accident is one in which one person or more is/are injured and detained in hospital for more than 12 hours.

Note 3 A slight accident is one in which one person or more is/are injured but not to the extent that detention in hospital is required for more than 12 hours.

Note 4 Number of accident per million vehicle-kilometre.

Annex 2

Comparison between NWFB and CMB — Bus Services Complaints

CMB

<i>Year</i>	<i>Service Arrangement¹</i>	<i>Service Quality²</i>	<i>General³</i>	<i>Total</i>	<i>Complaint Rate⁴</i>
1995	202	743	31	976	5.11
1996	132	535	22	689	3.84
1997	100	536	37	673	3.81
Annual Average	144.67	604.67	30	779.33	4.25

NWFB

<i>Year</i>	<i>Service Arrangement¹</i>	<i>Service Quality²</i>	<i>General³</i>	<i>Total</i>	<i>Complaint Rate⁴</i>
2001	71	139	25	235	1.21
2002	50	223	23	296	1.51
2003	53	271	18	342	1.89
Annual Average	58	211	22	291	1.54

Note 1 Including complaints received by the Transport Complaints Unit on passenger capacity, routeing, hours of operation and location of stops (complaints on cross harbour bus services are not included because some routes are jointly operated by different bus companies.)

Note 2 Including complaints received by the Transport Complaints Unit on regularity of service, conduct and performance of staff, passenger services and facilities (complaints on cross harbour bus services are not included because some routes are jointly operated by different bus companies.)

Note 3 Including complaints received by the Transport Complaints Unit not related to service arrangement and service quality, for example, bus fare, fare tendering and the impact made by buses on transport, and so forth.

Note 4 Number of complaints per million passenger journeys.

Guidelines on the Work Schedule for Bus Drivers
Issued by Transport Department

- Guideline A** Bus drivers should have a break of at least 30 minutes after six hours of duty and within that six-hour duty, the drivers should have total service breaks of at least 20 minutes;
- Guideline B** Maximum duty (including all breaks) should not exceed 14 hours in a day;
- Guideline C** Driving duty (that is, maximum duty minus all breaks of 30 minutes or more) should not exceed 11 hours in a day; and
- Guideline D** Break between successive working days should not be less than 9 hours.

MR WONG KWOK-HING (in Cantonese): *Madam President, I wish to express my shock and regret after listening to the main reply of the Secretary. I hope the Secretary will answer the following questions: Has the Secretary misjudged the situation as she considered that rather rare? Do you mean that you accept the "putting forth a feeler" approach of the NWFB? In the interest of public safety, may I ask whether it is acceptable to the Secretary that a person could have breakfast as the lunch and late night snack as his dinner? Does the Secretary consider that safety standard can be met when a bus driver has to operate six to seven routes per shift, and does the Secretary consider that safety standard can be met when a bus driver has to operate buses of six or seven different models during one shift? Moreover, according to the information provided by the Secretary in the main reply, the bus accident rate of the NWFB in the past three years has increased by 39 cases in terms of absolute figure, and it has increased by 16% in terms of percentage when it is compared with that of CMB. Does the Bureau really find them acceptable and is it acceptable in terms of public safety?*

PRESIDENT (in Cantonese): Mr WONG Kwok-hing, I have to advise you that when Members raise a supplementary, only one question should be raised each time, but you have already raised a series of questions. As far as I can remember, you have raised at least five. I recommend you to raise a supplementary from a broader perspective, which is the safety of buses. You may ask: Will it affect public safety if drivers are required to work shifts and change the routes like that? I think it will be easier for the Secretary to reply if you put your supplementary in that way, right?

MR WONG KWOK-HING (in Cantonese): *Thank you, Madam President. In short, I hope the Secretary will respond to the various particulars I have just raised in respect of public safety.*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, I find it quite difficult to answer since I have to respond to five questions in this supplementary. Just now Mr WONG mentioned that according to the average figures, the safety level of the NWFB was worse than that of the CMB, but I cannot see that from the figures. According to our figures, the safety rate of the NWFB is higher. As to the drawing up of guidelines, the TD will conduct a consultation first, after an agreement is reached and consent given by the employees, the guidelines are compiled in co-ordination with bus operation, but the guidelines are not set down by the TD. Recently, the parties concerned held a meeting to discuss this issue. The NWFB proposed that the present 2% of bus drivers who had to run four to five routes per shift could opt to drop the existing routes in exchange for a shift which only requires them to switch routes three times. With regard to the shift which requires bus drivers to run various routes, drivers who are willing to run these routes will be given the priority to choose. They would resort to some other solutions if the proposal does not work. I believe this is an acceptable solution to both the employees and the management; they are not forced to do that. In this respect, colleagues of the TD are watching the development closely and they will pay attention to whether a reasonable consensus can be reached between the management and bus captains.

MR KWONG CHI-KIN (in Cantonese): *Madam President, the Secretary explained in her main reply that the safety performance of the NWFB was better*

than that of the CMB. In this connection, may I ask the Secretary to further clarify that. According to Annex 1 of the main reply, although the numbers of fatal bus accident between the NWFB and the CMB were quite similar, they were actually not few and far between. For example, the NWFB had four fatal accidents in 2002, and with regard to the number of serious accidents (that is, one person being detained in a hospital for more than 12 hours), there were also 48 cases. If you consider that the situation had improved, certainly it was improved if it is compared with the CMB which had an average rate of 49 per year. Nevertheless, with regard to minor accidents, in which one person or more is/are injured but not to the extent that hospitalization is required for more than 12 hours, the annual average of the CMB was 197.67, but the NWFB had 238.67 cases. In this respect, may I ask the Secretary to clarify why the accident rate of the NWFB can be considered lower? Moreover, the Secretary just now explained that no information showed that the number of bus models or bus routes operated by a bus driver per shift had adverse impact on bus safety. Does it really mean that the Secretary will only consider the formulation of a safety guidelines until serious accidents take place, or until we have more fatal or serious accidents?

PRESIDENT (in Cantonese): Mr KWONG Chi-kin, you have raised two questions, are they.....

MR KWONG CHI-KIN (in Cantonese): *Madam President, they are virtually the same, they are about safety. I wish the Secretary will clarify the figures, that is, the safety figures of the NWFB are no better than that of the CMB, and the other question is, shall we wait until.....*

PRESIDENT (in Cantonese): I can see that, please sit down. In order to save time, Secretary, please answer this supplementary.

MR KWONG CHI-KIN (in Cantonese): *Thank you.*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Madam President, I can barely able to answer two questions at

one time. On the first question of the supplementary, the accident rate is one of the important factors we have to take into consideration. If the bus journey time and vehicle-kilometrage are increased, the risk of accident would be higher. For that reason, we have to calculate the frequency. The fourth column of Annex 1 is the most indicative of the risk. Since the vehicle-kilometrage of the CMB was less than that of the NWFB, therefore, although the total number of accidents of the NWFB seems to be higher, since its vehicle-kilometrage is higher, we have to break them down into accident per million vehicle-kilometre. This is the common practice for every safety analysis. Moreover, will it really cause any accident if a driver has to run four to five routes, to change various routes and different models? The current figures show that there is no increase in the accident rate.

Just now I have repeatedly emphasized that of the overall number of 1 300-odd routes, only 2% involved the operation of four or five different routes in one shift. Nevertheless, we have been discussing with the NWFB all along regarding the concerns raised by bus captains. Just now I have also mentioned that they have expressed their opinions on the meeting held recently, and if drivers considered the arrangement unacceptable, the company would allow the relevant bus captains to opt to drop the existing routes in exchange for the driving duty of another route. That is their initial agreement. As to why the bus company has to use this method to arrange their bus routes, I believe Members should have heard of the "one driver, one bus" approach, that is, the bus driver needs not change the bus and only one driver drives one specific route and bus. This approach has its pros and cons. It is because in terms of work arrangement, the overall working hours of the drivers will be longer, but they would probably have more breaks in between. Furthermore, in terms of efficiency, the efficiency of "one driver, one bus" approach is probably lower, and that would have an effect on the operating costs of the company. For that reason, we have to strike a balance. As to how many routes should bus captains operate or how their needs in changing the routes should be met, so as to make them feel that they could work their best and assure safety of passengers, I believe through frank and open discussion between bus captains and the bus company, a consensus could be reached and an optimum outcome of the entire plan could be attained in respect of operation and safety.

MR LEE CHEUK-YAN (in Cantonese): *Madam President, C and D in the Guidelines of Annex 3 of the main reply stated that the maximum duty should not*

exceed 14 hours in a day, in which driving duty should not exceed 11 hours in a day. In this connection, may I ask the Secretary whether 14 hours and 11 hours are indeed a very long time? If bus drivers are to take care of the safety of passengers, do you think that the Guidelines should be reviewed? Moreover, will the Secretary inform us whether bus captains of the NWFB, Kowloon Motor Bus and Citybus are required to work as many as 14 hours in a day, or their employers are not so very much overboard to require them to work as many as 14 hours a day? In this connection, may I ask whether the Secretary will review these Guidelines by formulating a more reasonable work schedule?

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, in fact, the Guidelines represented a consensus reached between the bus companies and bus captains after protracted discussions. I have repeatedly emphasized that it was not the TD which directed them unilaterally what they should do. In view of the current traffic conditions and congestion level, do bus captains consider that their working hours are too long? I welcome their suggestions so that we can also take them into our review. But I wish to point out that even though the maximum duty is set at 14 hours, having reviewed reports from various bus companies, the maximum duty per day is around 10 hours, this is far below the level set out in the Guidelines.

PRESIDENT (in Cantonese): Mr LEE Cheuk-yan, has your supplementary question not been answered?

MR LEE CHEUK-YAN (in Cantonese): *The Secretary has not answered my supplementary. She repeatedly emphasized that it was a result of negotiations in the past, but I was not asking her of the result of past negotiations, I just asked her for the views of the Bureau. Whether the Bureau considers that acceptable, or whether the Bureau considers that the problem is not that serious and a longer driving duty is not a problem at all. I just want to know the standpoint of the Bureau.*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Madam President, the stance of the Bureau depends very much on the needs of the relevant industry, for we hope to strike a balance between the

needs of all parties concerned. A reduction in the maximum duty will reduce the flexibility in arranging the shifts and the operation as well. For that reason, we have to respect the agreement between the operator and bus captains in the formulation of the guidelines. We should not unilaterally decide whether the working hours are long or short, because we have to take reference from the data as indicators, too.

PRESIDENT (in Cantonese): We have spent more than 18 minutes on this question. Last supplementary question.

MS LI FUNG-YING (in Cantonese): *Madam President, when the Secretary compares the current accident rate of the NWFB and that of the CMB in the past, it seems that the Secretary is satisfied with the current performance of the NWFB and considers it better than that of the CMB. May I ask the Secretary whether she would set a target accident rate, and up to what level will she consider that acceptable? Or has the Secretary already found the current figure satisfactory and considered that there is no need to make any improvement?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Madam President, in respect of industrial safety or road safety, one of our goals is of course to achieve progress. Our prime objective in granting the franchise of a bus company to another company is to see progress in every respect, in terms of both service quality and safety standard. With regard to safety standard, our ultimate goal is definitely "zero accident", but of course we also know that it is impossible to achieve "zero accident". This is only the direction we go for. Of course, we will not consider any progress at this stage as the destination; we have to keep on achieving progress.

MR ANDREW CHENG (in Cantonese): *Madam President, although today's question only comprises several parts, I can see that today the President ruled that Members may raise a rather long supplementary, and just now only four Members were able to raise supplementaries. In the past, a question lasted for 20 minutes would usually carry supplementaries raised by six to seven Members. Madam President, will you consider extending the question time according to the circumstances, because I believe myself and other members from the labour sector would also wish to ask questions.*

PRESIDENT (in Cantonese): Mr Andrew CHENG, with regard to your request, in fact I have been pondering that for a long time in my mind and I have been considering whether the question time can be extended. Nevertheless, my past practice was that I would only allow a longer question time when officials gave a longer reply. At the beginning of this meeting, I already urged Members to make their questions as concise as possible so that more supplementaries could be asked by Members. Nevertheless, Mr Andrew CHENG, you may also note that I have been urging Members to raise their supplementaries direct again and again today, and Members have asked a lot of questions today, or they have a lot of opinions to express, for that reason, I fully understand your request, but I believe I cannot entertain your request today. In fact, the House Committee recommended that each question should not exceed 15 minutes and the entire Question Time should not exceed one and a half hours. I have already permitted a question time of 20 minutes for each of the two questions, this is absolutely an overrun and it is evident that I have extended the time as much as I can. The only advice I can give Members is that I hope you can follow up the issue in the respective panel, because I believe a lot of Members are concerned about this question. In fact, just now 12 Members waited for their turns to raise supplementaries, but I could only allow three Members to raise supplementaries. I found it a difficult situation, too. Members please follow up the issue in the respective panel.

Fourth question.

Measures to Relieve Financial Hardship of Low-income Earners

4. **MR FRED LI** (in Cantonese): *Madam President, according to the statistics published by the Census and Statistics Department, there were more than 182 000 households earning a monthly income less than \$4,000 in the second quarter of this year, representing 8.2% of the total households. Moreover, while 2.8% of the male workforce earned less than \$4,000 a month, the figure for female workers stood at 9.9%, indicating that female workers are earning much less. Despite a 12.1% growth in the economy in the second quarter of this year, there has not been a significant decrease in the number of low-income earners. Regarding measures to relieve the financial hardship of low-income earners, will the Government inform this Council whether:*

- (a) *it will formulate a comprehensive policy to eradicate poverty and, for the purpose of implementing this policy, establish a poverty line, commit more resources in this regard, as well as adopt a "people-oriented" approach in implementing the policies;*
- (b) *it has looked into the reasons for the lower earnings of female workers, and whether it will formulate a policy to promote greater gender equality in employment; and*
- (c) *it will review the various arrangements under the existing Comprehensive Social Security Assistance (CSSA) Scheme (including the basic rates and various allowances), so as to ensure that low-income earners can maintain a basic standard of living?*

PRESIDENT (in Cantonese): Dr York CHOW, you are welcome to the Legislative Council for your first attendance in your capacity as the Secretary for Health, Welfare and Food. Would you please answer Members' questions.

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as pointed out by Mr LI, there were more than 182 000 households earning a monthly income of less than \$4,000 in the second quarter of this year. As compared with the figure for the corresponding period last year, which was about 194 000, there has been a slight decrease. The number of employed persons in the second quarter of this year stood at about 3.28 million, representing an increase of roughly 84 000 persons. Of these, 64 000 of them are workers with lower skills. This shows that the benefits of the economic growth have started to benefit the general public. However, I appreciate the fact that the low-income households still have to face all sorts of difficulties in their daily lives. I will take the initiative to understand their situations as well as listen to the views and suggestions of various organizations.

As regards the questions raised by Mr LI, my response is as follow:

- (a) In promoting social and economic development, it is our strong belief that self-motivation is the basis for both individual and societal progress. With this in mind, I believe that the most effective way to deal with poverty is to create an enabling

environment in which people are given the opportunities to make use of their strengths, participate in fair competition and improve their quality of living, while maintaining social mobility through education, training and fostering economic growth.

We offer support and assistance to the socially vulnerable, especially the elders, people with disabilities and poor families. We have also put in place a social security safety net which provides people who are unable to be economically active to make ends meet with financial assistance to meet their basic and essential needs.

At the same time, we encourage mutual help and cross-sectoral collaboration. We also strive to build capacity of individuals, families and local communities to help themselves and each other to tackle life problems, and cope with adversities in a more effective manner.

In accordance with the above principle, the Administration has allocated substantial resources for, among others, public housing, public medical services, education, manpower training and social welfare, with a view to improving the people's livelihood. In 2003-04, public spending on these fronts amounted to \$126.9 billion, accounting for 57% of our total recurrent public expenditure. The Administration has also provided low-income households and persons with a variety of fee remissions/reductions, such as in respect of public housing rentals, public hospital fees, school fees, and the provision of textbook assistance and travel subsidy.

Regarding the question of setting a poverty line, to the best of my knowledge, neither the academic circle nor the international community has reached any consensus on the definition of poverty. Some have suggested defining poverty in relative terms while others have suggested defining it in terms of income distribution. We consider it unnecessary to set a rigid poverty line. Our view is that we should provide the needy with multi-faceted services and assistance to cater for their actual needs.

- (b) As regards the feminization of poverty, we recognize the concerns about the greater number of women over men in the lower income

groups. In 2003, amongst those employed persons having monthly employment earnings of less than \$4,000 (excluding foreign domestic helpers), 61% were females, slightly less than the figure of 64% in 2002.

To improve the livelihood of women with low income, the long-term solution lies in enhancing their employability and ability to earn higher income. To this end, the Vocational Training Council and the Employees Retraining Board have provided various subsidized programmes to help women upgrade their skills and employment opportunities. Moreover, the Women's Commission has initiated a Capacity Building Mileage Programme in collaboration with other organizations to provide radio and face-to-face courses for women's self-development and lifelong education to meet challenges. To meet the needs of working mothers, a wide range of child care services are also made available to enable them to take up employment.

In respect of the CSSA Scheme, as at end-August 2004, women accounted for about 52% of the total number of CSSA recipients. In particular, single-parent CSSA families are entitled to standard rates and special grants in recognition of the difficulties they encounter in bringing up a family. We have also put in place the Ending Exclusion Project to encourage CSSA single parents to move towards self-reliance and integrate into society.

- (c) Regarding the CSSA Scheme, with ongoing fine-tuning, it has served us well in general for years. Certainly, the Scheme still has room for improvement in order to keep abreast with the development in society. We will review the Scheme from time to time to ensure that recipients' basic needs are met.

Apart from making reference to the movement of the Social Security Assistance Index of Prices (SSAIP) when we consider the adjustment of CSSA rates annually, the Social Welfare Department is also undertaking a number of reviews and studies of the CSSA Scheme, including assessing the effectiveness of the Intensive

Employment Assistance Projects and other enhanced Support for Self-reliance measures, reviewing the needs of single-parent CSSA families and the current level of assistance available to them, and revisiting the Disregarded Earnings arrangements for CSSA recipients.

We understand the public concern about the CSSA policy, and are aware that a number of organizations are conducting studies of the people's basic daily needs. The Administration welcomes exchanges with all interested parties at any time. With the ageing population, we need to maintain a healthy public financial system while allocating social resources, in order to ensure that we have a sustainable social security system to take care of the public's needs.

Protecting the vulnerable groups and poor families are one of my work focuses. In future I will meet with people from all sectors to hear their views, to help me formulate appropriate policies so that services and resources would be targeted at those people most in need.

PRESIDENT (in Cantonese): Before Mr Fred LI raises his supplementary question, I would like to inform you that there are 12 Members, apart from Mr Fred LI, waiting to put supplementaries.

MR FRED LI (in Cantonese): *Sorry, Madam President, I would like to seek your ruling because the Secretary has totally skipped one part of my main question, which is part (b) concerning whether the Government has looked into the reasons for the lower earnings of female workers. In reply, the Secretary only admitted that women's earnings were on the low side and then pointed out what the Government would do. But he has not answered whether the Government has looked into the reasons. I hope the Secretary can tell us whether or not the Government has looked into the reasons. Madam President, I hope you would not regard this as my supplementary question because the Secretary has not answered this part of my question.*

PRESIDENT (in Cantonese): Would you please raise your follow-up question.

MR FRED LI (in Cantonese): *My follow-up question is related to adjustment to the CSSA rates according to the SSAIP. I would like to ask a follow-up question on part (c) of the main reply. Since the Government has indicated that the CSSA rates would be adjusted by referring to the movement of the SSAIP, and the Secretary for the Civil Service is also in the Chamber, I would like to ask whether the CSSA rates can follow the adjustment pattern of the civil servants' pay which, according to a previous decision, will not be cut in times of deflation and will be adjusted only in times of inflation in the future. By following such an approach, the CSSA rates will not be reduced in times of deflation and will be adjusted only in times of inflation according to the recorded rates. That being the case, the problem with reducing the CSSA rates in October this year will not occur. Will the Government consider adopting such an approach?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): As regards the first part of Mr LI's question concerning the women's situation, it has been considered by the Women's Commission. We certainly have to make a decision in the light of various social circumstances, economic conditions and problems encountered by women in different districts. I wish I can provide Mr LI with a more specific reply on this matter later.

The second part of the question is related to the CSSA rates and the relevant review mechanism. In my memory, this mechanism had already been formulated before it was decided how to implement it in 1999. The current SSAIP is determined on the basis of the expenses incurred by CSSA recipients. Any change to such an approach will require sound justifications. Maybe it is considered necessary, and I am also prepared to conduct a review with various sectors to study whether such an approach is the best.

MS EMILY LAU (in Cantonese): *Madam President, in the main reply, the Secretary said that there were 182 000 households earning a monthly income of less than \$4,000 in the second quarter of this year. Madam President, we have discussed the issue to ad nauseam. The Secretary said that as compared with the figure last year, there has been a slight decrease and it seemed that the general public could gradually be able to benefit from the economic growth.*

Madam President, I wonder if the Secretary still remembers that before the handover, there were only 80 000-odd households earning a monthly income of \$4,000. But now the figure has reached over 180 000. How many times has it increased? In the light of such circumstances, Mr LI's question asked whether the authorities would formulate a comprehensive policy to eradicate poverty. In reply, however, the Secretary told us of the current measures only. How can the Secretary convince the public that a relevant policy has really been implemented? Or, as a matter of fact, is it true to say that the rich getting richer and the poor getting poorer is the reality of society?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Thank you, Ms LAU. Of course, what I have mentioned is the situation I can currently grasp and our interpretation of poverty. Regarding the future development, I think the poverty problem does not only fall within the ambit of the Health, Welfare and Food Bureau. Our main responsibility is to provide a safety net, enabling those who have fallen into it to climb out gradually. Provided with appropriate assistance, they will maintain a certain standard of living within the safety net if they lack earning power. To this end, we will conduct reviews of different policies to examine which aspects should be enhanced and which should not. So, I cannot offer a relatively specific answer as to whether it is necessary to set up a special committee on poverty eradication for the moment. To the best of my knowledge, quite a number of similar committees have been set up in foreign countries. However, they have yet to arrive at any outcome even though a lot of discussions have been held and such committees have been established for a long time. Most importantly, in my opinion, support should be provided to the needy families and individuals in a pragmatic manner.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, in the understanding of the Vocational Training Council, many low-income earners live in remote areas. In their opinion, travelling expenses are very expensive but their earnings are meagre. So, it is not feasible for them to work in districts other than the one they live. Sometimes, they may even be better-off by receiving CSSA instead of working. In view of such a situation, will the Government consider providing a travelling allowance to these low-income earners? As a matter of fact, such a measure has been implemented for domestic helpers. Can the measure be further extended to all low-income*

earners by providing a travelling allowance to all of them, in addition to domestic helpers, so as to help them work beyond their districts?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Mr TAM, we will consider your proposal. A travelling allowance is provided to some unemployed persons in an effort to help them get employment. We will actively consider whether the proposal is feasible.

MR ALBERT HO (in Cantonese): *Madam President, the Secretary, who has just assumed the office, also comes from the medical sector. The reply just given by the Secretary represents the Government's conventional answer. May I ask the Secretary whether he knows that in 2001 when the SAR Government submitted a report on how to fulfil our responsibilities under the International Covenant on Economic, Social and Cultural Rights, the United Nations Commission on Human Rights (UNCHR) had made some observations? It pointed out mainly that: It was noticed that many people in Hong Kong were living in poverty, particularly the elderly. Here I would like to quote the UNCHR's observations: "The SAR Government lacks adequate, institutional arrangements to ensure the formulation and implementation of comprehensive, integrated, consistent and effective anti-poverty strategies." Then it said, it "strongly recommended that the SAR should establish either an inter-departmental anti-poverty unit or an independent anti-poverty commission to conduct relevant research, formulate anti-poverty strategies and monitor all policies in respect of their impact on poverty". End of quote.*

After the Government's submission of the second-phase report, a hearing will be held next year. The Government's reply is exactly the same as that given by the Secretary just now. Since new people invariably bring a new style of work, I would like to ask whether the Secretary will review his current reply. If not, are you not worried that the SAR Government will be reprimanded by the UNCHR next year for having ignored its observations and advice?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): I am grateful to Mr HO's advice. I also hope that you may give me the report for my reference. Secondly, it is not a must to follow other countries' advice just

because they have set up such and such commissions. Most importantly, I think, we have reached a consensus on how to really help the poor or low-income earners so that our social resources are directly focused on providing support to them. To this end, we need some time to think of some more specific measures. Regarding the need to set up a commission of a higher level, I will reflect this to the Government.

MRS SELINA CHOW (in Cantonese): *Madam President, in part (b) of the main reply, the Secretary mentioned that in 2003, amongst those employed persons having monthly employment earnings of less than \$4,000, 61% were females. But it shows a decrease when compared with the figure in 2002. However, I am sure that the Secretary will consider 61% quite high. May I ask whether such an unequal phenomenon reflects that most of the jobs offering less than \$4,000 are taken up by females or such a situation is basically due to unequal pay for equal work?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, in my understanding, the current living standard in Hong Kong or the current median income is around \$11,000 and \$9,000 for males and females respectively. This is also a vocational problem due to the fact that males and females are suitable for different jobs. Are these low-income women only suitable for some low-income jobs? I have to look at the issue more carefully. But I think some females, particularly those from the poor families, are sometimes unable to take up full-time jobs. They have to spend some time to take care of their family members. So, in terms of social welfare, we will provide appropriate assistance to these low-income females, and on the CSSA payment, it will be calculated on an individual basis. If Mrs Selina CHOW considers that this issue requires further exploration, I will discuss it with her in detail.

MRS SELINA CHOW (in Cantonese): *Madam President, the Secretary has not answered the second part of my supplementary question. Has the situation of unequal pay for equal work also led to*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Regarding unequal pay for equal work, I believe the Equal Opportunities Commission will accept any relevant complaints and conduct investigation if necessary. But we do not have such data for the moment.

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

DR FERNANDO CHEUNG (in Cantonese): *Madam President, the level of CSSA payment has induced much controversy. As mentioned by the Secretary, the CSSA Scheme is a safety net in our society. To be safe, the safety net must be able to maintain the basic living and meet the basic needs of the needy. According to the Secretary's reply, I can see that the Government keeps reviewing the level of CSSA payment to ensure that the basic needs of the recipients can be met. May I ask the Secretary whether the review of the CSSA payment or the CSSA system is conducted in an open manner? Will the Government publish a consultation paper for public consultation and explain the issue in the near future? Can the general public, relevant bodies or members of the public participate in the review of the CSSA system?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, we are prepared to solicit various sectors' views, particularly those of the industry sector and of the advocates who represent the poor so as to determine how it should be implemented. Nevertheless, we have to examine if the existing mechanism is completely ineffective. I think the existing mechanism is proven after having been implemented for such a long time and the levels of payment can be considered sufficient for most recipients. However, in respect of some individual cases, how can we provide assistance to them? Can the poor be helped by offering other forms of grants or other means? I think a long-term policy is needed for the long term. But in the short term, we have to solve the imminent problems.

PRESIDENT (in Cantonese): Fifth question.

Boundary Facilities on Mainland Side at Lo Wu

5. **MR CHIM PUI-CHUNG** (in Cantonese): *Madam President, I have learnt that the Shenzhen authorities will review and rearrange the boundary facilities on the Mainland side at Lo Wu in the near future. In this connection, will the Government inform this Council:*

- (a) *whether it has drawn up corresponding plan in the light of the review and arrangement by the Shenzhen authorities;*
- (b) *as Hong Kong claims to be Asia's World City, and hundreds of thousands of passengers cross the boundary at Lo Wu every day, whether it has assessed if the boundary facilities on the Hong Kong side at the Lo Wu Cross Boundary Footbridge (Lo Wu Footbridge) are adequate and capable of meeting present-day needs; if it has, of the results; and*
- (c) *whether it has conducted safety assessments of overcrowding at the Lo Wu Footbridge?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, according to the Shenzhen authorities, improvement works at the Lo Wu Joint Inspection Terminal Building in Shenzhen were basically completed in October 2002. Upon completion of such works, passenger flows have been rationalized and the handling capacity of the Lo Wu Port improved, with the number of immigration clearance counters increased from 137 to 172. Moreover, to tie in with the commissioning of the initial routes of the Shenzhen Metro by the end of this year, the Shenzhen Municipal People's Government plans to build a new passageway between the Lo Wu Joint Inspection Terminal Building and the Lo Wu Station of the Shenzhen Metro for the convenience of cross-boundary passengers.

Our specific reply to Mr CHIM Pui-chung's question is as follows:

- (a) From time to time, we have maintained close contact and co-operation with the Shenzhen authorities to ensure smooth passenger traffic at the Lo Wu Control Point (LWCP). In recent years, we have frequently reviewed the cross-boundary facilities at

the LWCP and undertook a series of improvement works to further enlarge the handling capacity and improve the environment of the Control Point. Such works include widening of the passageway to the Departure Hall, replacement of clearance counters at the Arrival Hall, extension of the Departure Hall, building of 14 additional clearance counters at the Departure Hall, construction of a new passageway to the Departure Hall, widening of the Lo Wu Footbridge and installation of air-conditioning system on the bridge. Moreover, the Kowloon-Canton Railway Corporation (KCRC) has carried out improvement projects such as extension works at train platforms to cater for a new boarding and alighting scheme, building of a new waiting area at the arrival concourse, widening of the passageway at the station concourse, replacement of ticket gates and expansion of toilet facilities.

- (b) We are fully aware that passenger traffic at the LWCP is extremely heavy. Last year, the daily average passenger throughput at the Control Point was about 233 000. In the first nine months of this year, the daily average throughput rose to about 243 000, representing an increase of 6.5% over the same period last year. We are confident that through improvement works as mentioned above, the handling capacity of the LWCP will be greatly enhanced and, in particular, the passenger flow as well as the environment of the Lo Wu Footbridge will be improved. As a result, the LWCP will be able to cope with the passenger traffic on weekdays and holidays. We also fully understand the expectation of the public on the need to introduce automated immigration clearance in addition to hardware improvements. Therefore, we aim to roll out the Automated Passenger Clearance System at control points in phases by the end of 2004. By then, we believe that the handling capacity of the LWCP will be strengthened and the waiting time of passengers further reduced.
- (c) The above improvement works can help divert passenger flows and provide more waiting areas, thus alleviating congestion at the LWCP as well as the Lo Wu Footbridge. Notwithstanding that, we will remain vigilant in handling overcrowding. In order to manage passenger flow effectively, our front-line departments and the

KCRC have set up a Security Committee to regularly assess the passenger flow and safety situation at the LWCP as well as the Lo Wu Footbridge and adopt appropriate measures. These measures include flexible deployment of manpower to operate more clearance counters during peak periods, reinforcement of more law-enforcement officers to maintain order and strengthened co-operation with the mainland authorities, the KCRC, and so on. In addition, during peak periods such as long holidays, the relevant departments and the relevant Shenzhen authorities will meet to map out appropriate measures to cope with the projected passenger traffic. The Joint Command Centre will also be activated during peak periods to monitor passenger flows closely. Overall, these arrangements have proved to be effective, even during peak periods, in achieving safe and smooth passenger flows at the control point.

MR CHIM PUI-CHUNG (in Cantonese): *Madam President, I am very grateful to the Secretary for such a detailed reply. Judging from the figures, we know that the daily passenger throughput of 243 000, representing 3.6% of the total population of Hong Kong, is extremely heavy. Will the Administration inform this Council if it has any plans to replace the Lo Wu Footbridge by other means or with other structures in future — for instance, when Shenzhen has integrated with Hong Kong in the long run — so as to step up actions against the environmental and security problems currently confronting the Lo Wu Footbridge because of overcrowding in the interest of Hong Kong people and visitors from the Mainland?*

SECRETARY FOR SECURITY (in Cantonese): *Madam President, as mentioned earlier, extension works have already been undertaken at the Lo Wu Footbridge to greatly enhance our handling capacity of passengers. We are confident that the extended facilities at Lo Wu will enable us to cope with increasing passenger flows in the years to come.*

MR CHIM PUI-CHUNG (in Cantonese): *Madam President, I meant replacing the Lo Wu Footbridge with other land facilities. Is there a plan to level off the Footbridge?*

SECRETARY FOR SECURITY (in Cantonese): I do not entirely understand the question raised by Mr CHIM. What did he mean by "levelling off the Footbridge"? Did he mean demolishing the Footbridge or draining the river?

MR CHIM PUI-CHUNG (in Cantonese): *By filling the Lo Wu Footbridge, I meant replacing it with other direct land access to Shenzhen. The Lo Wu Footbridge has a history of more than 50 years. Is it really going to remain unchanged for 50 years?*

SECRETARY FOR SECURITY (in Cantonese): We will have no bridge to cross the river should the Lo Wu Footbridge be removed. We can only widen the Footbridge, and this is precisely what we are doing at the moment.

MR HOWARD YOUNG (in Cantonese): *Madam President, in paragraph (b) of the main reply, the Secretary pointed out that an automated immigration clearance system enabling the use of smart identity (ID) cards for immigration clearance would be launched this year. I recall the Secretary gave an introduction to this Council when he was still in charge of the Immigration Department. As far as I can remember, the scheme's only merit mentioned by him was that less manpower would be required, for each officer could take charge of five clearance counters. I do not remember whether there was any calculation showing that the average time required for passenger clearance would be shortened as well. In this respect, are there any new figures showing that the time required for each passenger to go through clearance can be shortened, in addition to reducing the demand for manpower?*

SECRETARY FOR SECURITY (in Cantonese): I believe there will not be a great difference between the reply I give Mr YOUNG today and the one provided to Members previously. As Members are aware, the manual control system currently in use is already very fast. Upon the future implementation of the Automated Passenger Clearance System, each passenger will take only approximately nine to 10 seconds to complete the automated clearance procedure. What are the merits of this System? The System can give us enhanced flexibility during extraordinary peak periods in coping with a sudden surge in passenger flows. After the implementation of the System, additional clearance

counters can be opened to divert a sudden surge of thousands of passengers. At present, due to manpower shortage, no additional clearance counters can be opened to handle a sudden surge in passenger traffic. The new system can make passenger clearance smoother and speedier.

MR JAMES TO (in Cantonese): *Madam President, I would like to follow up the question raised by Mr CHIM. Judging from his question, he learned that the Shenzhen authorities would review and rearrange the boundary facilities on the Mainland side at Lo Wu in the near future. My question is: Have the authorities concerned mapped out our corresponding plans in the light of the review and arrangements of the Shenzhen authorities? However, the main reply seems to suggest that works on the Mainland side were basically completed before October 2002, whereas the latest works were confined entirely to works to tie in with the Shenzhen Metro. May I ask the Secretary whether it is true that, according to his understanding, besides these two works projects, the review and rearrangement of boundary facilities, which Mr CHIM was told, do not actually exist? Or are the works restricted merely to those undertaken to tie in with the commissioning of the Shenzhen Metro? This is the crux of the entire question.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, with respect to this question, we understand that the major infrastructure facilities in Shenzhen cater mainly to the commissioning of the Shenzhen Metro. The main purpose of the Shenzhen Metro is to divert the passenger traffic at its Lo Wu station. As regards boundary crossing, extension works were already undertaken at the LWCP a couple of years ago and have been completed as stated in my main reply. As regards whether additional facilities would continue to be installed or measures would be adopted to make passenger clearance smoother, the immigration authorities of the two places have actually been heading in this direction. In this respect, the immigration departments and customs of the two places have been maintaining close liaison. However, I have not heard of any large-scale operations for the time being.

MR CHEUNG HOK-MING (in Cantonese): *Madam President, in replying to the question raised by Mr CHIM, the Secretary mentioned that, in addition to launching massive hardware equipment some time ago, the Government is also*

prepared to roll out the Automated Passenger Clearance System by the end of this year. What will this System cover? Can a specific timetable be provided given that, according to the System's timetable, the System will start operating by the end of this year?

SECRETARY FOR SECURITY (in Cantonese): The Automated Passenger Clearance System is operated by the Special Administrative Region, and is irrelevant to the boundary clearance in Shenzhen. As Members are aware, an ID replacement exercise for Hong Kong citizens is now under way. A computer chip, containing the digital codes of the card holders, is embedded in the new ID card. Because of this computer chip, we can introduce the so-called automated clearance system. Holders of the new ID cards can in future have their identity verified by means of a machine. After the verification process, the holders can go through the automated clearance counters without the need to present their documents to immigration staff for inspection. At present, we have set our goal at end of this year. However, no fixed date, such as 30 December or 28 December, can be determined yet. We hope to phase in this system in Lo Wu or Lok Ma Chau by the end of this year.

MR HOWARD YOUNG (in Cantonese): *Madam President, I would like to raise a follow-up on the Automated Passenger Clearance System. The Secretary clearly indicated a moment ago that this System had to be used in conjunction with the smart ID card. To enable more people to use the System this year, will the Secretary consider, in addition to replacing ID cards according to specific age groups, introducing special measures to enable certain people, such as those frequently crossing the boundary to attend school or frequent cross-boundary travellers, to have their ID cards replaced earlier rather than waiting for their turns according to their age groups to enable more people to make use of the System?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, we have already adopted this measure. Besides people eligible for replacing ID cards according to age, we have made special arrangements to give priority to frequent travellers between the two places, such as drivers, to replace their existing ID cards with smart ID cards.

MR JAMES TO (in Cantonese): *Madam President, I would like to follow up the question raised by Mr CHIM earlier. According to my understanding, his question is about whether there is a possibility of expanding the volume of cross-boundary passenger flow. Supposing there is only one river in a natural environment and the Government can only undertake such improvement works and increase the number of facilities (I hope I remember correctly) by such means as widening the bridge, levelling off the river, or carrying out works underground or in the air, the volume of passenger traffic will still more or less reach saturation after five to 10 years. This is because we have every reason to believe, and hope, that the two-way flow of population between the two places, namely China and Hong Kong, will continue to grow. Will the Government inform this Council whether it has started examining long-term solutions to cater for expanding passenger flows required to be handled by passenger clearance facilities? Have the authorities concerned conducted longer-term studies on matching facilities in the two places? Has this task begun?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, perhaps I shall say a few words on the situation of the Lo Wu Footbridge. We can see that passenger flow between Shenzhen and Hong Kong through the Lo Wu Footbridge has been rising over the past couple of years. We already planned to expand the Footbridge after noticing this situation two years ago. The relevant works are near completion. Upon the completion of the works, the usable space of the Footbridge will be widened by 5.5 m, or 60% of its existing width. In other words, passenger traffic can rise by 60%. This should be sufficient to meet the needs of the next couple of years. Mr James TO also raised a question earlier concerning whether we had undertaken other plans to cope with the trend of growing passenger traffic across the boundary in the future. We do have such plans, including a plan to build new control points. Another example is the Lok Ma Chau Extension, which is under construction and expected to complete in 2007. The Extension, upon completion, can help divert cross-boundary passengers travelling on the East Rail at Lo Wu to alleviate pressure on the LWCP. It is hoped that the first phase of the Lok Ma Chau Extension can handle a daily passenger flow of approximately 150 000 passenger trips. Coupled with the fact that 240 000 or so passengers can be handled at Lo Wu at the moment, our handling capacity should be greatly enhanced. Upon the completion of the second phase of the Lok Ma Chau Extension, passenger traffic handled daily can reach 300 000, or the same as the passenger traffic

handled at Lo Wu. Furthermore, a new boundary control point named Hong Kong-Shenzhen Western Corridor, now under construction, is expected to complete by the end of 2006 to help divert the heavy flow of passenger and vehicular traffic every day.

PRESIDENT (in Cantonese): Sixth question.

Mainland Enterprises to Invest in Hong Kong and Macao

6. **MR SIN CHUNG-KAI** (in Cantonese): *Madam President, the State Ministry of Commerce and the Hong Kong and Macao Affairs Office of the State Council jointly announced early last month a new investment facilitation policy for mainland enterprises to invest in the Hong Kong and the Macao Special Administrative Regions (the investment facilitation policy) so as to further encourage and support mainland enterprises to invest in Hong Kong and Macao. In this connection, will the Government inform this Council:*

- (a) *of the measures the relevant authorities will launch to tie in with the implementation of the investment facilitation policy, and the targets of these measures, as well as the result they anticipate;*
- (b) *given that mainlanders are required to apply for visas to enter Hong Kong, the policy on foreign exchange control is still in force, and as there are differences between the business rules and regulations in China and Hong Kong, of the relevant authorities' measures to facilitate mainland enterprises to invest in Hong Kong; and*
- (c) *whether the relevant authorities have considered amending the policy on investment migrants to tie in with the implementation of the investment facilitation policy; if they have, of the outcome of the consideration; if not, the reasons for that?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, the new investment facilitation policy of the Mainland (the new policy) is an important step under the Mainland/Hong Kong Closer Economic Partnership Arrangement (CEPA) in the respect of investment

facilitation. The new policy expressly states that the Central People's Government encourages and supports mainland enterprises investing in Hong Kong. Under the new policy which has been implemented since 31 August 2004, the procedures for mainland enterprises applying for investing in Hong Kong are more transparent, simplified and convenient.

My reply to the three parts of Mr SIN's question are as follows:

- (a) In response to the new policy of the Central People's Government, relevant government departments including Invest Hong Kong (InvestHK), the Hong Kong Economic and Trade Office in Guangdong and the Beijing Office as well as the Hong Kong Trade Development Council (TDC) will step up their promotional efforts to attract mainland enterprises to invest in Hong Kong and to provide a full range of services to assist them to establish their operations in Hong Kong.

InvestHK has been providing one-stop service for enterprises investing in Hong Kong. To enhance its service, InvestHK has introduced a series of new initiatives, called "Invest Hong Kong One-stop Services", to provide convenient one-stop service for potential mainland investors intended to use the Hong Kong platform for their global business.

The TDC will also enhance its services to help mainland companies to use Hong Kong as a trade and service platform to reach out to the international markets. Through its network of 11 offices in the Mainland, the TDC will gauge the views and needs of mainland enterprises towards Hong Kong as their launch pad for global business and build up a databank of success stories of mainland enterprises using the Hong Kong platform for their global business. These success stories will be featured in its media communications programme in the Mainland.

For our two offices in the Mainland, they will enhance their promotional and publicity efforts in response to the new policy and the initiatives of InvestHK and TDC.

- (b) Companies registered in Hong Kong may apply to import quality personnel from the Mainland to work in Hong Kong under the Admission Scheme for Mainland Talents and Professionals. The Scheme has no sectoral restriction or quota. The candidate would be required to have a good education background and a confirmed offer of employment by a Hong Kong company with remuneration broadly commensurate with the prevailing market level for professionals in Hong Kong. Just like other registered companies in Hong Kong, mainland enterprises registered in Hong Kong which need to employ eligible mainland residents to come to work here may submit an application under the Scheme. The Scheme also allows multinational corporations from all over the world (including the Mainland) with operations in Hong Kong to sponsor the entry of their employees for intra-company transfer to Hong Kong. The employee must be at managerial or professional level who has worked with the company for not less than one year and is paid market level remuneration. Furthermore, the number of intra-company transferees sponsored by a company at any one time should be reasonable when compared to its total employment and the nature of its business operation.

Concerning the foreign exchange control in the Mainland, as we understand it, the implementation of foreign exchange control in the Mainland is a national policy made in accordance with the overall economic development in the Mainland. The mainland authority reviews its control over foreign exchange from time to time and relaxes the arrangements as appropriate. The Government of the Hong Kong Special Administrative Region (SAR) will monitor the situation, in particular the difference between the policies on foreign exchange control and the business rules in the Mainland and Hong Kong. We will discuss with the mainland authorities on further measures to promote investment of mainland enterprise in Hong Kong when opportunities arise.

- (c) Foreign exchange control is implemented in the Mainland. In addition, mainland residents seeking to leave the Mainland must obtain prior approval from relevant mainland authorities. Under these circumstances, our current immigration policy governing the entry of capital investment entrants and business operators are not

applicable to mainland residents. The SAR Government will continue to maintain close liaison with mainland authorities and will consider, at an appropriate time, the feasibility of broadening the scope of these policies with a view to including mainland residents.

MR SIN CHUNG-KAI (in Cantonese): *Madam President, I would like to follow up the part on foreign exchange control. In the last paragraph of the reply in part (b), it is pointed out that the mainland authority reviews its control over foreign exchange from time to time and relaxes the arrangements as appropriate. May I ask about the specific situation of such relaxation? How much money, be it foreign currencies or Renminbi (RMB), can each private enterprise bring to Hong Kong as capital? This may have much greater influence on investment in Hong Kong. In this connection, what has the Government done or what will it do to tackle the problem?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): *Madam President, as far as I understand it, no specific limit has been set on the capital amount in this respect, and the decision is made on a case by case basis, depending on the different nature of each investment. Regarding what changes are made, we will follow up the matter. We will draw reference together and gain a more comprehensive understanding of the practice. However, we do not have a specific figure so far.*

MR JAMES TIEN (in Cantonese): *Madam Present, I would like to raise a similar supplementary question. In part (c) of the Secretary's reply, foreign exchange control of the Mainland is mentioned. Madam President, I know many mainland investors. In fact, many mainland investors or sole proprietors have foreign currency accounts in addition to RMB accounts. The present situation is that many of them have already opened foreign currency accounts, it is thus not necessary for them to exchange their RMB into Hong Kong dollars to participate in our \$6.5 million investment entrant scheme. I consider it is the right time now. May I ask the Government, given that many mainland sole proprietors have already opened foreign currency accounts, as I said, whether it considers it is now the right time to allow them to participate in our Capital Investment Entrant Scheme?*

PRESIDENT (in Cantonese): Which Secretary will answer this supplementary question? Secretary for Commerce, Industry and Technology.

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, this question involves two issues. First, it is a matter of money. Second, their departure requires the approval of mainland authorities. As for these two issues, even if the one involving money can be solved, the issue on obtaining approval through proper channel has to be dealt with.

PRESIDENT (in Cantonese): Mr TIEN, will you listen to the reply of the Secretary for Security first? Secretary for Security.

MR JAMES TIEN (in Cantonese): *Alright.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, I would like to give some supplementary information, for immigration policy falls within my policy area. Though some mainlanders have deposits overseas or foreign currency deposits, we are unable to identify the source of such money, and thus, according to our overall policy in this respect, we must discuss this with the Central People's Government. At present, we are informed that it is state policy to impose foreign exchange control. Any mainlander who intends to transfer money to Hong Kong for investment must obtain the approval of the State. Thus, under such circumstances, where foreign exchange control is imposed by the State, we do not want to open a special access to allow mainlanders to invest in Hong Kong through the backdoor. I think we must co-operate. Therefore, our Capital Investment Entrant Scheme has yet to open to mainland residents at the moment.

DR RAYMOND HO (in Cantonese): *Madam President, in the middle of this year, Hong Kong, Macao and nine provinces of the Pearl River Delta signed the Regional Co-operation Framework Agreement. May I ask the Secretary whether the one-way arrangement, encouraging mainland enterprises to invest in*

Hong Kong, mentioned in the reply is related to the Agreement? If it is related, why it is only one-way? Will the arrangement be two-way, that is, arrangement will also be made to facilitate Hong Kong enterprises to develop in the Mainland? If the arrangement is not related to the Agreement, what are the reasons?

PRESIDENT (in Cantonese): Which Secretary will answer to this supplementary question? Secretary for Commerce, Industry and Technology.

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, I believe the relation is not one-way. We all know that a good part of investment in the Mainland comes from Hong Kong. This has been the direction of investment for the past two decades or so. Now, we also note that mainland investment in Hong Kong started not from today. The new measures implemented recently only simplify the relevant application procedures, speeding up the process involved. We hope that by simplifying the relevant procedures, more mainland enterprises will be attracted to invest in Hong Kong.

MR JAMES TO (in Cantonese): *Madam President, I also like to follow up the supplementary question raised by other colleagues. The Secretary said that two issues are involved; one is foreign exchange control and the other is immigration control on residents. Regarding foreign exchange control, mainland residents who have money at places outside China need only transfer money to Hong Kong from places outside China. As such, the transfer is not made from China. Those mainlanders may even provide supporting documents for such transfer. Hence, will it be possible to first discuss this issue with the State? Of course, mainlanders must obtain approval from the State to migrate to Hong Kong, but can progressive arrangement in this respect be made first? Will it be easier to do so?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, we have had discussions with the authorities of the Mainland. Just now, Mr James TO has made it very clear that mainland residents intending to invest or live in Hong

Kong must clear two barriers. The first barrier is departure. According to the law of China and the Basic Law, mainland residents must obtain permission to gain entry to Hong Kong. The second barrier is foreign exchange control. They are subject to such control if they are going to invest in Hong Kong. Therefore, if our Capital Investment Entrant Scheme is to be extended to cover mainland residents, discussion with the relevant mainland authorities must be held. We have discussed the issue for quite a long time, but the Capital Investment Entrant Scheme cannot be opened to mainlanders for the time being.

MR JAMES TIEN (in Cantonese): *Madam President, I am glad that after waiting for some time, I have the chance to raise another supplementary question. We can note from the supplementary questions raised by two other Members earlier that, Madam President, apart from foreign exchange control, mainland residents must apply for exit permits. I notice that in many cases, they have already obtained the exit permits to other places, such as Fiji Islands, Singapore, and so on. They will then come to Hong Kong from those places; if we do not want to let the opportunities slip to others, we should not trouble them with such unnecessary steps. They have both foreign currency and exit permits, but they have to arrive at any single island first before they can apply for participation in this scheme of Hong Kong. Will the Government discuss with the Central Authorities to allow these people who have both the money and the permits to come to Hong Kong direct?*

PRESIDENT (in Cantonese): Which Secretary will answer this supplementary question? Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): This supplementary question is also about the immigration policy on capital investment entrants. According to the policy on capital investment entrants, the persons concerned may bring the capital involved to Hong Kong and reside here. The policy is applicable to people of foreign nationality, in particular, residents of the Macao Special Administrative Region who are Chinese nationals but have also acquired permanent resident status of foreign countries. As Mr James TIEN said earlier, since they are Chinese who have resided in a third country and have attained the permanent resident status, they may also come to Hong Kong under the Capital Investment Entrant Scheme.

Mr James TIEN suggested just now that if those people are allowed to invest in Hong Kong via a third country, why can they not be allowed to come to Hong Kong direct? In my reply to Mr TO earlier, I said that we had all along been reflecting to the Central Government our hope to allow mainland residents to invest in Hong Kong. However, as we all know, the Central Government has their own considerations. As I said, their considerations consist of two aspects. First, mainland residents intending to reside in Hong Kong direct must obtain approval for settlement in Hong Kong. Second, they are subject to foreign exchange control. Therefore, up to the present moment, we are still unable to extend the Scheme to mainland residents. We will continue to discuss the issue with members of the relevant ministries with a view to extending the Scheme to cover mainland investors in future.

MR CHIM PUI-CHUNG (in Cantonese): *Madam President, I understand that under CEPA, the Mainland may take steps to complement economic development and development in other aspects in Hong Kong and Macao. I also notice that no measures are included under CEPA to promote financial development, in particular shares dealing in Hong Kong. Can the Government inform us whether this actual situation has been reflected to the Mainland? I hope the issue will be taken into account in the possible future, for financial services constitute a very important sector of Hong Kong economy.*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, we will certainly consider the issue in this respect.

PRESIDENT (in Cantonese): Last supplementary.

DR RAYMOND HO (in Cantonese): *Madam President, in part (b) of the main reply, the Secretary mentioned the Admission Scheme for Mainland Talents and Professionals. As the Scheme has been launched for several months, will the Secretary inform us of the response to the Scheme? Could the Secretary provide some figures to us?*

PRESIDENT (in Cantonese): Which Secretary will answer this supplementary question? Secretary for Security.

SECRETARY FOR SECURITY (in Cantonese): The Admission Scheme for Mainland Talents and Professionals was introduced in July 2003. As at the end of September this year, we have received 5 248 applications, among which, 4 237 have been approved, while 405 are still being processed. We think the Scheme can be considered a success.

PRESIDENT (in Cantonese): Oral question time ends here.

WRITTEN ANSWERS TO QUESTIONS

Plan to Merge Environment Branch into Environmental Protection Department

7. **MS LI FUNG-YING** (in Chinese): *Madam President, the Administration plans to merge the Environment Branch (EB) of the Environment, Transport and Works Bureau into the Environmental Protection Department (EPD) on 1 April next year, and to delete four directorate and 29 non-directorate posts. In this connection, will the Government inform this Council:*

- (a) *of the titles of the posts proposed to be deleted, and the future work arrangements for the existing staff members in these posts; and*
- (b) *as the work of the EPD often involves professional knowledge and judgement, of the reasons for the relevant authorities' decision to fill some EPD posts at Assistant Director or above ranks by staff from the Administrative Officer grade instead of from the professional grade, after the merger?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Chinese): Madam President, the objectives of the proposed merger of the EB of the Environment, Transport and Works Bureau with the EPD are to promote a

closer link between the formulation and implementation of policies and to delay the decision-making process. The proposal has been precipitated by a fundamental belief that the merged entity will be able to provide better services to the public and cope with new challenges in environmental protection.

The merger of the EB and EPD does not involve any forced redundancy. The four directorate posts to be removed from the existing structure as a result of delayering are as follows:

- (i) the post of the Director of Environmental Protection (D5) where the incumbent will commence pre-retirement leave on 1 April 2005;
- (ii) one Principal Assistant Secretary post (D2/AOSGC) in the EB where the incumbent will be redeployed; and
- (iii) two Principal Environmental Protection Officer posts (D1) which will be deleted as a result of the second Voluntary Retirement Scheme.

Twenty-nine non-directorate posts have also been identified for removal before 1 April 2005 through natural wastage or departure under the second Voluntary Retirement Scheme. They are as follows:

<i>Rank</i>	<i>Number</i>
Senior Environmental Protection Officer	5
Environmental Protection Officer	3
Chief Environmental Protection Inspector	3
Senior Environmental Protection Inspector	11
Clerical Officer	2
Assistant Clerical Officer	4
Typist	1
Total	29

All these proposed deletions are preliminary proposals only. Their actual deletion will have to be confirmed when the staffing plans for the new

organization are finalized. Some of these proposed deletions may be reviewed should demand of resources for new services be identified.

It is the posting policy of the Government to select the most suitable candidate available at the time of the selection, having regard to job requirements, operational needs, and the experience and personal attributes of individual officers. The head of the new organization, the Permanent Secretary for the Environment, Transport and Works (Environment) and Director of Environmental Protection (PSE/DEP), will be a D6 officer who directly oversees all operational matters relating to environmental protection while assuming the policy formulation functions in support of the Secretary for the Environment, Transport and Works. A wide range of competencies is therefore required. The post of PSE/DEP will initially be filled by an Administrative Officer. In the longer term, all professional officers meeting the job requirements of the PSE/DEP post would be considered. In addition, one out of the three Deputy Director posts and five out of the seven Assistant Director posts in the new organization will be filled by professional officers from the existing EPD in order to provide adequate technical support to the new organization.

Oil Prices

8. **MR LAU KONG-WAH** (in Chinese): *Madam President, will the Government inform this Council whether:*

- (a) *it has compared the prices net of tax of various types of oil in Southeast Asian countries and advanced countries in Europe and America with those of Hong Kong; if so, of the results of the comparison; and*
- (b) *it has looked into the reasons for the oil price differences between the above countries and Hong Kong, and whether the reasons include the import of oil from different places, and the differences in costs of setting up filling stations?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Chinese): Madam President,

- (a) The average retail prices (exclusive of duty) of unleaded petrol and auto-diesel, in certain countries in Asia, Europe and America obtained from the International Energy Agency (IEA) are set out in the Annex. The retail prices (exclusive of duty) of unleaded petrol and ultra low sulphur diesel (ULSD) in Hong Kong are also shown in the Annex.
- (b) The retail price of oil products in a market is determined by various factors, including:
- (i) whether crude oil is available locally, whether oil refining is done locally, whether refined products are imported;
 - (ii) the structure and size of the market;
 - (iii) the quality of the product;
 - (iv) the mode of operation, marketing strategy and operating costs (including the costs of setting up filling stations) of individual companies; and
 - (v) the safety requirements of the concerned government.

Due to the above factors, the retail prices of oil products in Hong Kong are different from many places and it would be difficult to have direct comparison. For example, all oil products in Hong Kong are imported. For environmental and other reasons, the quality of auto-fuels used in Hong Kong is generally better than other places. For instance, the Ron value of unleaded petrol imported by Hong Kong is generally higher while the sulphur content of the ULSD imported is generally lower. In addition, the operating costs of local petrol filling stations are also relatively high. For example, being a densely populated city, our safety requirements for storage, transportation and distribution of oil products are more stringent.

Annex

Table 1: Average Retail Prices (exclusive of duty) of unleaded petrol and auto-diesel in certain countries in Asia, Europe and America in August 2004 (Note 1)

<i>Country</i>	<i>Unleaded Petrol (Note 2) HK\$/Litre</i>	<i>Auto-Diesel (Note 3) HK\$/Litre</i>
Japan	4.26	4.10
Italy	3.86	3.73
Spain	3.62	3.56
Germany	3.48	3.47
The United Kingdom	3.13	3.25
Canada	3.10	3.20
The United States	3.07	2.84
France	3.02	3.24

Note:

- (1) Source: IEA. All countries covered by the IEA report are included.
- (2) Unleaded petrol:
 - 95 Ron is used in France, Germany, Italy, Spain and the United Kingdom.
 - Regular unleaded petrol is used in Canada, Japan and the United States.
- (3) The sulphur content of auto-diesel used in most of these countries is generally higher than 0.005%.

Table 2: Retail price (exclusive of duty) of regular unleaded petrol and ULSD in Hong Kong

	<i>Unleaded Petrol (98 Ron) HK\$/Litre</i>	<i>ULSD (Sulphur content of 0.005%) HK\$/Litre</i>
August 2004	5.95	5.94
October 2004	5.95	6.14

There are minor variations in the retail prices of different oil companies. The figures represent the highest retail prices of the respective product at the point in time.

Accidents Involving Wheels Coming off Vehicles in Motion

9. **MS MIRIAM LAU** (in Chinese): *Madam President, it has been reported that some academics suspect that one of the possible causes of the recent accidents involving wheels coming off vehicles in motion might have been the direction in which the screws of the wheels were tightened. In this connection, will the Government inform this Council:*

- (a) *of the number of accidents involving wheels coming off vehicles in motion in the past three years, and the proportion of the wheels concerned which were on the left side of the vehicles to those on the right side;*
- (b) *whether it has studied the causes of wheels coming off vehicles; if so, of the results; if not, the reasons for that; and*
- (c) *whether it will consider making it a mandatory requirement that the screws of the wheels on the left and right sides of imported vehicles must be tightened in the opposite directions; if so, of the details; if not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): Madam President, since wheels coming off vehicles in motion is not a common cause of traffic accidents, we do not have statistics regarding such incidents. However, our research shows that since October 2001, there have been about 17 incidents involving wheels coming off vehicles in motion. Thirteen of them involved wheels on the left side of the vehicles.

Failure of the vehicle owners or drivers to maintain their vehicles properly, thus resulting in the loosening or damage of the wheel nuts, is the major cause of wheels coming off vehicles in motion.

At present, the majority of vehicle manufacturers worldwide use right-hand threaded wheel nuts to fix wheels on both sides of the vehicles.

There is no indication that loosening of the wheels is directly correlated to the threaded direction of the wheel nuts. Hence, we have no plans to require the wheels of imported vehicles to be tightened by wheel nuts threaded in opposite directions. To prevent wheels coming off vehicles in motion, the most important thing is to tighten wheel nuts according to the torque requirements of the vehicle type.

We will strengthen the inspection of wheel nuts during vehicle examinations. We will also distribute leaflets to remind vehicle owners and drivers of the importance of vehicle maintenance. In addition, information on wheel nut tightening, tyre pressure and tyre tread will be provided to the vehicle maintenance trade and road users for their reference.

Write-offs by Hospital Authority

10. **MISS CHAN YUEN-HAN** (in Chinese): *Madam President, it has been reported that write-offs by the Hospital Authority (HA) due to patients not paying hospital or consultation fees in the past three years have been serious, with the amount exceeding \$50 million. In this connection, will the Government inform this Council whether it knows:*

- (a) *the respective amounts of medical fees written off by the HA in each of the past three financial years, together with details of the types of non-payment, categories of the defaulters (such as Hong Kong permanent residents, people from the Mainland and overseas visitors) and the amounts of non-payment for each year;*
- (b) *if the HA has an established procedure for recovering payments in default; if it has, of the details of the procedure and the percentage of the amounts successfully recovered; and*
- (c) *the amount of administration fees involved in executing such procedure, and such amount expressed as a percentage of the amount successfully recovered?*

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

- (a) The amounts of outstanding fees written off by the HA in the past three years broken down by service and patient type, that is, Eligible Persons (EP) and Non-Eligible Persons (NEP), are shown in the table below. The HA does not have a further breakdown of the NEP category into mainland visitors and overseas visitors.

	<i>2001-02</i>			<i>2002-03</i>			<i>2003-04</i>		
	<i>EP</i>	<i>NEP</i>	<i>Total</i>	<i>EP</i>	<i>NEP</i>	<i>Total</i>	<i>EP</i>	<i>NEP</i>	<i>Total</i>
	<i>\$M</i>	<i>\$M</i>	<i>\$M</i>	<i>\$M</i>	<i>\$M</i>	<i>\$M</i>	<i>\$M</i>	<i>\$M</i>	<i>\$M</i>
In-patient Services	3.6	10.1	13.7	4.0	13.7	17.7	6.8	16.8	23.6
Out-patient/Community Services	0.1	0.0	0.1	0.3	0.0	0.3	0.5	0.0	0.5
Accident and Emergency Services	N/A	N/A	N/A	-	-	-	0.5	1.8	2.3
Total:	3.7	10.1	13.8	4.3	13.7	18.0	7.8	18.6	26.4

- (b) When a patient defaults on the payment of his medical fees, the hospital will follow up the final bill with the patient concerned through telephone calls, mail reminders and a final notice. The hospital will also contact the patient's next-of-kin for settlement of the outstanding fees. Failing the above, the HA Head Office will institute legal action, where appropriate, to recover the outstanding fees, taking into account relevant factors such as the amount in arrears and the chance of successful recovery. In cases where the outstanding fees are owed by a deceased patient, the HA will file its claims with the Probate Office.

To tackle the problem of bad debts, the HA has in fact taken a number of measures to reduce the incidence of default payment in the first place. For example, in respect of patients who are NEPs, the HA would require the payment of a deposit upon admission at a public hospital. At present, the amount of the deposit is fixed at \$19,800. In addition, it is an established practice at public hospitals to issue interim bills at least once every seven days for patients who are NEPs or 14 days for EPs. Patients are reminded

by hospital staff from time to time to settle the interim bills in a timely manner.

- (c) The costs of recovery include the cost of time spent by the HA staff in the recovery process, postage for the mail reminders and final notices, and the out-of-pocket expenses involved in the institution of legal action such as the costs of courier delivery, filing fees to the Small Claims Tribunal and the subsequent bailiff execution fees. The HA does not routinely collate information on the cost of time spent by the HA staff in the recovery process and the postage for the mail reminders and final notices. The out-of-pocket expenses involved in the institution of legal action, together with the amount of written-off fees recovered through legal action by the HA over the past three years, are shown in the table below:

	2001-02	2002-03	2003-04
	\$M	\$M	\$M
A) Amount claimed through legal action, taking into account factors in part (b) of the reply above	6.9	6.8	10.1
B) Amount recovered	0.7	0.8	0.8
C) % recovered (B ÷ A)	9.7%	11.1%	7.6%
D) Out-of-pocket expenses in legal action	0.3	0.3	0.3
E) Costs as % of amount recovered (D ÷ B)	37.7%	42.7%	34.2%

Handling of Care Procedures by Non-professional Attendants

11. **MR KWONG CHI-KIN** (in Chinese): *Madam President, it has been reported that the Hospital Authority (HA) intends to train non-professional attendants to become General Care Assistants for taking up some of the duties currently performed by nurses, such as cleansing patients' wounds, from the end of this year onwards. In this regard, will the Government inform this Council if it knows:*

- (a) *the details of this arrangement and whether the HA has consulted the staff of the grades concerned;*

- (b) *how the HA will ensure the quality of the relevant health care services and safeguard the health of patients after the handling of the care procedures has been transferred to the non-professional attendants; and*
- (c) *whether the HA will employ fewer nurses because of the above arrangement; if so, the estimated reduction in the number of nurses to be recruited?*

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

(a), (b) and (c)

At present, public hospitals under the HA have no plans to arrange for non-professional health care workers to take up duties such as cleansing patients' wounds currently performed by nurses.

In order to make more effective use of limited resources and to enable nurses to concentrate their efforts on providing professional care for patients, duties which do not require professional nursing knowledge such as bed baths, oral health care, giving out bedpans and urinals as well as feeding patients have now been taken up by staff of other grades in public hospitals. Duties which require professional nursing knowledge, such as cleansing patients' wounds, are all along performed by qualified nurses.

Our public health care system has always attached much importance to teamwork in providing cost-effective and quality health care service to the public. With the continuous advancement of medical technology, medical services in various domains have become more professionalized. The HA will adjust the job content of officers of different ranks in the light of latest technological developments and service needs. Before introducing any changes, however, the HA will conduct assessments on the effect of such changes on service to patients and work arrangements for staff as well as communicate clearly the changes to the staff concerned.

Setting up of Livestock Centre Far away from Residential Areas

12. **MR ALBERT CHAN** (in Chinese): *Madam President, in reply to my question on 21 November 2001, the Administration advised that the stench from a nullah in Tin Shui Wai originated from pig farms in the district, and that it would continue with its enforcement actions against illegal discharges of pig excretion. The Administration has also promised to study my proposal to set up a livestock centre at a location far away from residential areas and relocating all the pig farms there to reduce the nuisances caused by such farms to residents nearby. As the problem of stench from the nullah has deteriorated rather than improved, will the Government inform this Council:*

- (a) of the measures that have been implemented since November 2001 to solve the above problem;*
- (b) apart from regular inspections and night-time raid operations, of the specific plans and measures to address the above problem, and when the problem of stench from the nullah can be completely solved; and*
- (c) of the progress of its study of my proposal?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): Madam President,

- (a) Since November 2001, the Environmental Protection Department (EPD) and the Agriculture, Fisheries and Conservation Department (AFCD) had stepped up surveillance operations on pig farms near Tin Shui Wai area. The EPD has carried out 836 routine inspections to ensure that wastewater from the farms is properly treated before being discharged. The EPD has also carried out 204 prolonged night-time ambushes to farms with suspected illegal discharges, which has resulted in 16 successful convictions.

As far as educating the farmers and helping them to manage livestock waste properly, the EPD also organized a workshop earlier this year to keep farmers abreast of the livestock waste treatment practices of the Mainland and overseas.

- (b) The EPD will continue to conduct surveillance operations on farms in the Tin Shui Wai area, step up enforcement actions and carry out night-time ambushes against farms with poor compliance records to further deter any illegal discharge.

The EPD has all along been very concerned about the odour problem in the Tin Shui Wai New Town. According to the EPD's long-term monitoring results, the water quality at Tin Shui Wai Nullah has been maintained at fair or good levels. In fact, odour can be generated from many sources. While illegal discharge of livestock waste can cause odour, farm sheds and pigs will also produce odour. Wind direction may also affect the dispersion of smell.

In order to improve the environment effectively, the EPD plans to collaborate with the livestock farming associations to introduce a partnership programme to promote self-discipline among farmers and to raise their awareness of environmental protection. The EPD also plans to make use of a web-based livestock portal to provide the public with information on the farms and encourage them to participate in monitoring any illegal discharge. The above should help the trade to improve its discipline and social responsibility, which in turn would help improve the hygiene of farms and minimize their environmental nuisances caused to new development areas.

Apart from the above measures, the AFCD will also consider reviewing the licensing conditions for livestock farms, including the possibility of implementing a demerit point system, so as to tackle those farms with poor records.

- (c) Livestock farms must adopt stringent farm management practices as well as disease prevention and control measures to ensure the health and quality of the livestock. In addition to implementing an appropriate vaccination programme for livestock, the farms must also adopt various preventive measures to reduce the risk of infection. To ensure healthy development of livestock farming and protect public health, advanced countries nowadays have established stringent biosecurity requirements to reduce the risk of spread of

animal diseases amongst and beyond farms. An important biosecurity measure to reduce the risk of transmission of animal diseases is to require that farms should be separated by a certain distance.

The concept of a pig husbandry centre is to put a considerable number of pig farms in a relatively small area. A good choice of site can help reduce possible nuisances caused by pig farms to residents. However, in practice, the reduced distance between farms would substantially increase the risk of spread of swine diseases among pig farms in the husbandry centre and the chances of outbreak of animal diseases therein. Such outbreaks may cause enormous financial losses and jeopardize public health.

The current biosecurity standard of the AFCD requires that new livestock farms should have a minimum distance of 500 m from any other farms. As a rule of thumb, only one pig farm can be established within a piece of land of about 21 hectares. To accommodate all the pigs farms in Hong Kong would require about 6 000 hectares. Yet, Hong Kong has a total of about 100 000 hectares of land only. We cannot afford to set aside 6 000 hectares of land for the development of pig husbandry centres.

In view of the above, the AFCD is of the view that the establishment of pig husbandry centres is not a viable option. Apart from biosecurity concerns and the intractable problem of reducing the risk of transmission of animal disease, it would also increase the risk of pigs coming down with infectious diseases.

Regulation of Operation of Non-franchised Buses

13. **MR HOWARD YOUNG** (in Chinese): *Madam President, with the increasing number of visitors, the demand for tour coaches has been keen. On the other hand, to address concerns about the supply and operation of non-franchised buses (NFBs), including tour coaches, the Government invited the Transport Advisory Committee (TAC) to set up a working group to review the regulation on NFB operation in late 2003. The TAC submitted a review report to the Government in July this year. In this connection, will the Government inform this Council:*

- (a) *whether the authorities, in adopting a regulatory framework to resolve the problem of increasing NFBs, will consider differentiating tour coaches from other NFBs and adopting a more flexible and less stringent approach for regulating tour coaches, including streamlining the procedures and shortening the vetting time for coach operating licence applications, so as to cope with the demand arising from the surging number of visitors;*
- (b) *whether, in studying the findings and recommendations of the above review report, it will consider reviewing the licence fee for tour coaches as well; and*
- (c) *of the expected dates of the completion of the consideration of the above study and for implementing its findings?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): Madam President, in response to the invitation of the Administration, the TAC set up a working group in end 2003 to review the regulation of NFB operation. The review covers the role of NFBs in the public transport services sector, the regulatory framework and licensing system for NFB operation and the enforcement procedures and measures for tackling unauthorized operation of NFB services.

The TAC Working Group completed the review in July 2004. It recommends the following three categories of measures to address the problem of oversupply of NFBs in the market and improve the regulation of NFB services:

- (i) co-ordinating the change in NFB services with demand;
- (ii) strengthening regulatory control over NFB operation; and
- (iii) enhancing effectiveness and efficiency of enforcement actions.

Under the relevant recommendations made by the TAC, adequate flexibility is allowed in processing applications for renewal of licences and endorsement and replacement of vehicles, including those for tour services. No change in licence fees has been proposed for the time being.

The Transport Department (TD) maintains regular liaison with the Tourism Commission and the Travel Industry Council of Hong Kong (TIC) to better understand the mode of operation and latest development of tour services. The TD has also exchanged views with the TIC and members of the tourist industry on the arrangements for processing applications for tour services to ensure that needs for such services could be met properly. The Administration will take into account the views of the tourist industry when considering the TAC's recommendations.

The Administration consulted the Legislative Council Panel on Transport on 19 July 2004 on the recommendations. As requested by the Panel, the Administration is consulting the NFB trade on the proposed measures and plans to report to the Legislative Council Panel on Transport on the consultation results in the next few months before implementing the relevant recommendations.

Sampling of Fish Tank Water

14. **DR RAYMOND HO** (in Chinese): *Madam President, it has been reported that The Open University of Hong Kong had earlier on collected fish tank water samples from a total of 12 fish stalls in six markets for testing, and the results showed that the water samples taken from two live freshwater fish tanks were found to contain E. coli exceeding the standard prescribed by the law. However, at present, the Food and Environmental Hygiene Department (FEHD) takes water samples for testing from only the marine fish tanks of market fish stalls but not their freshwater fish tanks. In this connection, will the Government inform this Council:*

- (a) *whether there were any cases of food poisoning in the past three years which were associated with the quality of freshwater fish tank water of market fish stalls; if so, of the total number of such cases;*
- (b) *of the reasons for taking only marine fish tank water samples for testing; and*

- (c) *whether it has plans to extend the sampling coverage to freshwater fish tank water; if so, of the details; if not, the reasons for that?*

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

- (a) According to the records of the Department of Health, in the past three years, there was no food poisoning case arising from keeping freshwater fish in water of poor quality.
- (b) At present, the FEHD takes samples of fish tank water from each stall/premises selling live marine seafood at bi-monthly intervals for *E. coli* analysis and takes one sample for *Vibrio cholerae* analysis between May and September each year.

The current control of fish tank water quality mainly focuses on *Vibrio cholerae* due to its public health significance and potential to cause cholera outbreaks. *Vibrio cholerae* is mainly found in marine and estuarine environment and is unlikely to multiply significantly in freshwater tanks. *E. coli* is a bacterium present in the gut of humans and warm blooded animals. It is regarded as a sensitive indicator for faecal contamination. Testing for *E. coli* in fish tank water keeping live marine seafood would reflect the degree of faecal contamination of the source water.

Currently, the FEHD does not apply the same surveillance programme to fish tank water for keeping freshwater fish. Source water for keeping live freshwater fish is mainly tap water which is potable in nature. Potable water provided by the Water Supplies Department is of high quality and complies with the World Health Organization Guidelines for Drinking Water Quality, which requires *E. coli* to be absent in 100 ml of water sample.

However, tap water can be contaminated by dirty environment and hence failure to observe good personal hygiene or to comply with

hygiene requirements of the premises may lead to the presence of *E. coli* in freshwater. We will therefore continue to monitor closely the premises selling live seafood to ensure strict compliance of our licensing requirements and conditions.

- (c) For reasons stated in (b) above, we do not consider it necessary to apply the same surveillance programme to fish tank water for keeping freshwater fish. All operators that sell live fish for human consumption are subject to stringent control on the hygiene condition of their premises, including tanks used for keeping live fish. The FEHD staff conduct regular inspections at these premises to check their compliance with food hygiene law and licensing requirements and conditions. Frequency of inspection ranges from four to 12 weeks depending on a number of factors including the track record of the premises. Repeat non-compliance with the law and the FEHD's licensing requirements and conditions may result in suspension and cancellation of licence.

Notwithstanding the above, we will explore what further measures could be taken to enhance the hygiene conditions of the premises selling live seafood.

Regulation of Water Quality in Private Swimming Pools

15. **MR LI KWOK-YING** (in Chinese): *Madam President, regarding the regulation of water quality in private swimming pools, will the Government inform this Council of:*

- (a) *the respective numbers of sample laboratory tests conducted by the Food and Environmental Hygiene Department (FEHD) on the water quality of private swimming pools in 2003 and so far this year, the relevant test results and the follow-up actions that have been taken; and*

- (b) *the frequency of such sample tests on the water quality of individual private swimming pools?*

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

- (a) Under the Swimming Pools Regulation (Cap. 132 sub. leg.), a swimming pool licensee is required to comply with bacteriological standard of:
- (i) absence of *E. coli* in pool water samples of 100 ml each; and
 - (ii) total bacterial count not exceeding 200 bacteria per ml of pool water sample.

Furthermore, pool water must meet the standard of clarity as prescribed in the law. Non-compliance with the bacteriological and clarity standards is an offence.

From January 2003 to June 2004, the FEHD took a total of 12 982 and 793 samples for bacteriological examination and chemical analysis respectively to ascertain compliance with the statutory bacteriological and clarity standards. During the period, two licensees were prosecuted for the presence of *E. coli* in pool water samples. The irregularities were subsequently rectified by the licensees concerned. All water samples taken for chemical analysis were found to comply with the statutory standard of clarity.

- (b) At present, staff members of the FEHD take pool water samples for bacteriological examination on a monthly basis during the period when the swimming pools are open for use. Water samples are taken once a year for chemical analysis to ascertain compliance with the statutory standard of clarity which does not have direct impact on human health.

Service Items Covered by Management Fees

16. **MR FRED LI** (in Chinese): *Madam President, the property management companies of some private housing estates have included the expenses on telecommunications, medical and feeder services in the management fees for collection, thereby obligating all occupiers to share the expenses of the services irrespective of whether they have used them or not. In this connection, will the Government inform this Council whether the relevant legislation will be amended to stipulate that, when property developers put up flats for sale, they shall state in the sales brochures the service items covered by the management fees, so as to protect the interests of consumers?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese): Madam President, the Consumer Council has recently suggested that the Real Estate Developers Association of Hong Kong (REDA) should take steps to self-regulate its members by developing a code of best practice to cover, among other things, accuracy of representations in sales brochures and to consider instituting a scheme that would carry a deterrent effect. The Consumer Council has also requested that the relevant government bureau should facilitate the REDA's initiatives in this respect and to monitor progress. We believe it is a step in the right direction under the self-regulatory regime set up by the REDA concerning the provision of information in sales brochures of uncompleted residential properties.

The REDA has set up the self-regulatory scheme since October 2001. Since then, the Administration has been monitoring the functioning of the scheme and checking sales brochures against the guidelines issued by the REDA under the scheme. Omissions so identified have been duly rectified, and complaints about sales brochure information have been properly addressed.

At present, the guidelines issued by the REDA do not require the provision in sales brochures of information on the scope of services that are covered by management fees. In response to the Consumer Council's report, the REDA has issued a circular asking its member developers to state in sales brochures the payment terms and contract periods for any telecommunication services that will be covered by management fees if such information is available at the time of pre-sale. We hope that this initiative will achieve its intended objective. The Administration will in conjunction with the REDA monitor the implementation

of this initiative. If it does not work, we will consider other options in order to ensure compliance. We will work closely with the REDA and the trade.

Departure of Health Care Workers

17. **MS LI FUNG-YING** (in Chinese): *Madam President, it has been reported that 108 doctors and 80 registered nurses of the Hospital Authority (HA) left service in June and July this year. In this connection, will the Government inform this Council whether it knows:*

- (a) *the breakdown of these health care workers by hospital as well as by grade and rank;*
- (b) *if these health care workers departed under the Voluntary Early Retirement Scheme; if not, of their reasons for leaving office;*
- (c) *if the workload and working hours of existing health care workers have been increased as a result of such manpower depletion; if so, of the measures to alleviate their work stress; and*
- (d) *if the HA has any recruitment plans in the near future to fill the vacancies?*

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

- (a) Within the period of June and July 2004, a total of 95 doctors and 77 registered nurses left their service at the HA. Their reasons for departure include contract completion, termination, resignation, and normal/voluntary early retirement, as shown in the table below:

<i>Reason for Departure</i>	<i>Number of Doctors</i>	<i>Number of Nurses</i>
Contract Completion/Termination	57	2
Resignation	31	31
Normal/Voluntary Early Retirement	7	44
Total:	95	77

- (b) The number of departed staff broken down by rank in the seven hospital clusters are as follows:

	<i>HKE</i>	<i>HKW</i>	<i>KC</i>	<i>KE</i>	<i>KW</i>	<i>NTE</i>	<i>NTW</i>	<i>Total</i>
<i>Doctors</i>								
Consultant	0	0	0	1	6	1	1	9
Associate Consultant/Senior Medical Officer	2	3	1	0	1	0	0	7
Resident/Medical Officer	2	13	7	9	23	20	5	79
Total:	4	16	8	10	30	21	6	95
<i>Nurses</i>								
Department Manager/Senior Nursing Officer	0	0	1	0	2	2	0	5
Ward Manager/Nursing Officer	4	12	6	1	3	3	4	33
Registered Nurse	5	8	3	6	7	8	2	39
Total:	9	20	10	7	12	13	6	77

- (c) and (d)

The HA conducts an annual manpower planning exercise, which encompasses among other things, a forecast of staff wastage and the drawing up of a recruitment plan for the following year. The objectives of this exercise are to ensure that the HA has the necessary manpower resources for handling the demand on public medical services and that the workload of its staff is kept within reasonable limits. At the beginning of this year, the HA has formulated a plan for the recruitment of doctors, nurses and other health care staff, taking into account relevant factors including staff wastage and the effects of voluntary early retirement. The HA has already brought in 291 new doctors so far, with 10 more expected to commence work later this year. As for nurses, the HA has already hired over 300 new staff and will continue its efforts to recruit additional registered nurses. To alleviate the workload of

front-line nursing staff in certain areas, the HA has retained over 200 undergraduate nursing students on temporary employment. The HA will also deploy more support staff to assist in simple patient care duties that do not require professional nursing knowledge.

Gas Leakage of Liquefied Petroleum Gas Taxis

18. **MS MIRIAM LAU** (in Chinese): *Madam President, will the Government inform this Council of:*

- (a) *the number of incidents involving leakage of liquefied petroleum gas (LPG) from the LPG taxis since their introduction;*
- (b) *the respective causes of such incidents; and*
- (c) *the measures taken by the authorities, in the light of the above causes, to prevent the recurrence of such incidents?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): Madam President,

- (a) According to our record, there were six incidents of gas leakage from the LPG taxis since the introduction of the LPG taxis in 1997.
- (b) Of these six incidents, most (five) involved minor gas leakage during refuelling at the LPG filling stations caused by defective fill connectors. It is believed that the defective fill connectors were caused by drivers driving away the vehicles before removal of the dispensing nozzles during previous refuelling processes. There were no casualties in these incidents.

The other incident took place at Ma On Shan in August this year and resulted in frost-bite at the hands of a person. It is believed that the gas leakage was caused by the person who attempted to repair the vehicle and loosened the screws of the gas filter.

- (c) In the light of the causes of the incidents, we published in 2003 a leaflet on the safe use of LPG vehicles for distribution to the owners and drivers of LPG vehicles. The leaflet highlights the safety precautions to take when refuelling such vehicles. For example, after the refuelling process is completed, a driver should ensure that the dispensing nozzle has been detached from the vehicle before driving the vehicle away. The Government has also urged oil companies to review the refuelling procedure and provide training to the operators to prevent recurrence of such incidents.

Furthermore, in the light of the gas leakage incident that took place at Ma On Shan in August this year, the Government will step up publicity effort to remind the LPG vehicle owners and drivers to send their vehicles to approved LPG vehicle repair workshops for inspection and repair by qualified mechanics as soon as a problem with the fuel system or its components is suspected or found. To guard against accidents, they must not attempt to repair these parts by themselves.

Smart Card Access Control System

19. **MR LAU KONG-WAH** (in Chinese): *Madam President, it has been reported that a smart card access control system for the Central Government Offices (CGO) installed at a cost of around \$3 million was put into trial run at the end of last month. In this connection, will the Government inform this Council:*

- (a) *whether office workers in the CGO have been consulted before the installation of the system; if so, of the details of the consultation;*
- (b) *of the benefits the system will bring;*
- (c) *of the duties of the security guards which can be taken over by the system;*
- (d) *whether it has assessed if the system will hinder the evacuation of persons in the CGO in the event of emergencies; if so, of the assessment results; and*

- (e) *whether it has reviewed the operation of the system and its effect on the flow of people; if so, of the findings of the review?*

CHIEF SECRETARY FOR ADMINISTRATION (in Chinese): Madam President,

- (a) Before the installation of the new system, we have consulted all Policy Bureaux and offices in the CGO, and explained to colleagues the operation of the system and sought their opinions.
- (b) The Access Facilitation System is an automatic swipe card reading system. It facilitates the flow of staff and visitors who require regular access to the CGO office buildings. Many modern office buildings have also resorted to similar access management systems.
- (c) Upon the operation of the system, we will still require the security guards to provide the integrated service associated with the system and other ongoing security services at the CGO.
- (d) The design of the system ensures that the control panel will fully open all turnstile gates in case of emergency such as fire to allow immediate and free passage of people from all the CGO buildings.
- (e) The Access Facilitation System is still being tested. Upon completion of the trial run, we will conduct a thorough review of the system including its operation and implications on the flow of people. In the review, we will consider the work of security guards and their deployment at the same time.

Travel Insurance

20. **MR HOWARD YOUNG** (in Chinese): *Madam President, it has been reported that since the September 11 incident in the United States, many insurance companies have raised the insurance premium for travel agents or even excluded the provisions relating to "compensation for death of tour group members" under the "professional indemnity insurance", thereby subjecting*

travel agents, especially those operating outbound tours, to greater operational risks. In this connection, will the Government inform this Council:

- (a) whether it will consider imposing a mandatory requirement that people joining outbound package tours should take out travel insurance so as to enhance protection for outbound travellers; if it will, of the timetable of the study concerned; if not, the reasons for that; and*
- (b) how it will assist travel agents in reducing the extra operational risks arising from the exclusion of the above provisions by insurance companies?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Chinese): Madam President,

- (a) Under the Travel Agents Ordinance, outbound travellers joining package tours are protected by the "Package Tour Accident Contingency Fund Scheme" under the Travel Industry Compensation Fund. Under the scheme, if an outbound traveller is killed or injured in an accident in the course of an activity arranged or organized by a Hong Kong travel agent, he or his family members may receive an *ex gratia* payment of up to HK\$180,000 (including medical expenses incurred at the place of accident, travel expenses incurred by relatives for compassionate visits, funeral expenses incurred in the place of accident, or the costs of repatriating the remains of a deceased person to Hong Kong, and so on).

As regards whether outbound travellers should acquire additional protection, individual travellers may assess their own needs and the risk of each trip to decide whether they should take out their own travel insurance policies. Regarding public education and promotion, the Travel Industry Council (TIC) issued a circular to travel agents in May 2002 suggesting them to remind their clients to consider taking out their own insurance policies. The Consumer Council, through its publications, educates travellers about the

importance of purchasing travel insurance and gives advice on travel insurance products.

- (b) The Government has been assisting the TIC to communicate with the insurance sector and to study the coverage of liability insurance. Like all commercial operations, travel agents should be responsible for adopting effective risk management measures to reduce the possibility of liability claims. We understand that in order to enhance the travel agents' knowledge of risk management and to reduce their operational risks, the TIC is actively drawing up business protection measures (including the preparation of a code of best business practice) for travel agents. We consider that drawing up measures to reduce operational risks and conducting discussion with the insurance industry on the issue of liability insurance by the trade themselves would be an effective way to meet the different needs of individual travel agents.

STATEMENTS

PRESIDENT (in Cantonese): Statement. The Chief Secretary for Administration will make a statement on "2004-05 Legislative Programme".

In accordance with Rule 28(2) of the Rules of Procedure, no debate may arise on the statement but I may in my discretion allow short questions to be put to the Chief Secretary for Administration for the purpose of elucidating its contents.

2004-05 Legislative Programme

CHIEF SECRETARY FOR ADMINISTRATION: Madam President, thank you for allowing me to speak to the Legislative Council today about the Administration's Legislative Programme for 2004-05. We have promised to let Members know the Administration's legislative proposals for the year ahead as soon as a Legislative Session begins. I am now fulfilling that promise, hoping that this will help Members draw up their annual work plan.

Before I introduce the Legislative Programme, let me extend my warmest congratulations to all Members on their success in the elections held just a month ago. Looking around the Chamber, I can see many familiar faces, but definitely not all old faces. There are also Members who are new to the Legislative Council. Their different backgrounds, varied experiences and personal styles indicate, in my view, the very strength of the Legislative Council, as long as we are able to demonstrate to the Hong Kong people that we, the legislature and the Administration, always work together single-mindedly in their interests.

The Legislative Council's statutory duty in enacting law for Hong Kong is a solemn one. Members fulfil this important responsibility through an established and elaborate process involving scrutiny by Bills Committees and legislative proceedings in full Council meetings. Laws impose legal and mandatory duties and obligations on our citizens. At times, they also impose additional costs on society. Legislation also requires enforcement and compliance. As a consequence, the Administration takes its constitutional responsibility very seriously in preparing and submitting legislative proposals. In this regard, we always ask ourselves a series of questions:

- Is the proposed legislation necessary in the public interest?
- Is legislation the most effective means to implement an established policy? For instance, would the impact of the policy initiative underpinned by the proposed legislation be more onerous or more palatable to the public, if we go down the road of legislation and not turning to other means?
- Can we enforce the new legislation fully and effectively? Have we got the resources to do this?
- And how urgent is the proposed legislation?

Some Members will recall that they did not have time to scrutinize several bills introduced during the last Legislative Session. These bills lapsed at the end of the last term. My colleagues will introduce five such bills for their First and Second Readings under the relevant agenda items later today. They are:

- the Vocational Training Council (Amendment) Bill 2004;
- the Construction Industry Council (No. 2) Bill;
- the Bankruptcy (Amendment) Bill 2004;
- the Companies (Amendment) Bill 2004; and
- the Undesirable Medical Advertisements (Amendment) (No. 2) Bill 2004.

My colleagues will also explain the benefits of these Bills to the community in greater detail shortly.

In addition to these five Bills, the 2004-05 Legislative Programme will also include over 30 pieces of legislation to implement new policy initiatives in the Chief Executive's policy address and policy agenda; measures in the Financial Secretary's Budget speech; and policy commitments which the Administration has made. I shall highlight some of these major proposals.

First, on bills seeking to take forward initiatives in the last policy address and policy agenda. We have pledged in our policy agenda to safeguard Hong Kong's position as an international financial centre and the premier capital formation centre of China. In this regard, we need to upgrade continuously the quality and integrity of our financial markets to keep abreast with the best standards and practices among the most developed economies. Accordingly, we will introduce the Securities and Futures (Amendment) Bill 2005. We will also introduce the Independent Investigation Board and the Financial Reporting Review Panel Bill to improve the regulation of the auditing profession and the financial reporting standard of listed companies. We will also introduce another Companies (Amendment) Bill to facilitate the issue and transfer of securities by electronic means.

As Members know, we have been working hard to foster closer links with our Pearl River Delta neighbours. Such co-operation is essential to our long-term economic development and prosperity. In addition to the measures we have pursued to smooth the movement of people and goods across the boundary, we will need a Hong Kong Management Areas Bill to allow us to provide immigration and customs facilities and enforce our laws in designated

areas on the Mainland. We will also introduce the Immigration (Amendment) Bill to provide for the automation of cross-boundary passengers clearance.

We have pledged in our policy agenda to promote a community of creativity, diversity and harmony. Forming part of our efforts in this area are the following legislative proposals:

- The Hong Kong Council for Academic Accreditation (Amendment) Bill. This Bill seeks to empower the Hong Kong Council for Academic Accreditation to perform quality assurance of qualifications under a comprehensive framework. With this framework, learners can draw up their own roadmaps to acquire recognized qualifications at different stages of their study lives.
- The Race Discrimination Bill will help to maintain racial harmony and promote human rights by outlawing discrimination on racial grounds and legislating against racial harassment. With this new legislation, and together with other existing anti-discrimination laws, we seek to ensure equal opportunities for all members of our community to develop their full potential, irrespective of race, sex, family status or disability.
- The Smoking (Public Health) (Amendment) Bill aims to protect the public from the harmful effects of passive smoking and discourage smoking by further expanding the statutory no smoking areas and tightening the control on tobacco advertisement and promotion.

The principle of "Environmentally Responsible Development" involves delivering a better quality of life and living environment to our people. To this end, we will introduce the Waste Disposal (Amendment) Bill in this Legislative Session. The Bill seeks to provide a legal framework to control the handling, collection and disposal of clinical waste, and to control the disposal and importation of hazardous and non-hazardous waste. We will also introduce the Building Management (Amendment) Bill to enhance building management and maintenance by improving existing laws for the benefit of owners' corporations and property owners.

We have always strived to improve the police complaints system. For this purpose, we will introduce the Independent Police Complaints Council Bill

to achieve greater transparency and credibility of the existing system. The Bill proposes to make the Independent Police Complaints Council a statutory body and to specify its powers and functions in law.

Madam President, let me now turn to the budget-related proposals.

The Airport Authority (Amendment) Bill, enacted in the last Legislative Session, provides for the capital restructuring of the Airport Authority. We are now ready to move on to the next step. We propose to introduce the Hong Kong International Airport Bill for the gradual privatization of the Airport Authority. This move will not only bring financial benefits to the Government, but will also help the Airport Authority to better develop its aviation and related services and enhance its competitiveness in the fierce aviation market.

There will also be two revenue and tax exemption bills to implement the Financial Secretary's initiatives in the budgets. They are the Revenue Bill which seeks to implement the Personalized Vehicle Registration Marks Scheme, and the Inland Revenue (Amendment) Bill which enables the provision of profits tax exemption for offshore funds.

In pursuing our vision of Hong Kong as Asia's World City, we shall continue to keep abreast with international standards and improve our global competitiveness in different domains. For example:

- the Carriage by Air (Amendment) Bill seeks to bring our regulatory framework governing carriage by air in line with international standards by applying an international convention to Hong Kong;
- the Merchant Shipping (Limitation of Shipowners Liability) (Amendment) Bill implements amendments to an international convention to enhance protection for passengers and cargo owners against personal injury and other losses; and
- the Banking (Amendment) Bill will put in place the New Capital Accord issued by the Basel Committee on Banking Supervision, and will aim to improve the working of the Banking Ordinance in the light of operational experience.

In the last legislative programme, we pledged to introduce the Employment (Amendment) Bill. This Bill will offer more effective protection to our workforce by providing for compulsory reinstatement of employees who have been unreasonably or unlawfully dismissed. The Administration is in the process of refining some of the provisions, and our plan is to introduce the Bill within this Legislative Session.

Madam President, the Administration has thus tabled the 2004-05 Legislative Programme. I hope my statement will help Members better understand our major legislative proposals. The Legislative Programme represents the Administration's policy intent at present. In response to changing circumstances, I am afraid we may have to adjust the programme in the course of the Session. We shall, of course, keep Members informed if there are such changes.

Successful implementation of the Legislative Programme hinges on effective communication and close co-operation between the Administration and the legislature. My colleagues and I stand ready to explain the legislative proposals, and to provide the information necessary to facilitate Members' work. We look forward to working with you in serving the people of Hong Kong.

Thank you.

MS EMILY LAU: Madam President, I thank the Chief Secretary for his statement which is very helpful. In paragraph 3 of this statement, Madam President, the Chief Secretary said that in making, preparing and submitting legislative proposals, officials always ask themselves a number of questions, and one of them is the impact which the policy initiative would have on the public. This of course is quite right, and we have heard a lot of adverse comments on this in the past. Madam President, I want the Chief Secretary to elucidate whether that means in future, all the initiatives would contain an impact assessment review?

CHIEF SECRETARY FOR ADMINISTRATION: Madam President, in our policy analysis, the duty of all Policy Bureaux is to ensure that all possible impact on the community should be fully assessed. It is already part and parcel of the present procedure. So I can assure Members that we do conduct such

review. In our submission to the Executive Council, we illustrate how the impact would be; in our submission to the Legislative Council, such assessment is indicated as well.

BILLS

First Reading of Bills

PRESIDENT (in Cantonese): Bills: First Reading.

VOCATIONAL TRAINING COUNCIL (AMENDMENT) BILL 2004

CONSTRUCTION INDUSTRY COUNCIL (NO. 2) BILL

BANKRUPTCY (AMENDMENT) BILL 2004

COMPANIES (AMENDMENT) BILL 2004

UNDESIRABLE MEDICAL ADVERTISEMENTS (AMENDMENT) (NO. 2) BILL 2004

CLERK (in Cantonese): Vocational Training Council (Amendment) Bill 2004
Construction Industry Council (No. 2) Bill
Bankruptcy (Amendment) Bill 2004
Companies (Amendment) Bill 2004
Undesirable Medical Advertisements (Amendment)
(No. 2) Bill 2004.

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

Second Reading of Bills

PRESIDENT (in Cantonese): Bills: Second Reading.

VOCATIONAL TRAINING COUNCIL (AMENDMENT) BILL 2004

SECRETARY FOR EDUCATION AND MANPOWER: Madam President, I move that the Vocational Training Council (Amendment) Bill 2004 (the Bill) be read the Second time.

The Bill was introduced into the Legislative Council on 14 January 2004 but was not scrutinized due to limited time available in the last Legislative Session of its second term of office. Pursuant to section 9(4) of the Legislative Council Ordinance, the consideration of the Bill is to lapse at the end of the term, that is, on 30 September 2004. Apart from amending the short title of the Ordinance from Vocational Training Council (Amendment) Ordinance 2003 to Vocational Training Council (Amendment) Ordinance 2004, the Bill is the same as the previous one introduced into the Legislative Council on 14 January 2004.

With rapid economic growth in the Pearl River Delta Region in recent years, an increasing number of Hong Kong firms engaging in cross-border operations and mainland entities will recruit workers from Hong Kong. It is paramount that the Vocational Training Council (VTC) is able to provide our workforce with the relevant training to cater for the demand of these firms and maintain the competitiveness and employment prospects of our workers.

It will also be beneficial to our young people for the VTC to arrange for industrial attachment across the border for its students. This will help our youngsters acquire valuable working experience and enhance their employment opportunities upon graduation.

In order to bring about these benefits to the business sector and community at large, we need to amend the Vocational Training Council Ordinance to empower the VTC to engage in activities outside Hong Kong. This is the main proposal covered in the Bill.

The Bill also covers two other minor amendments to the Vocational Training Council Ordinance. The first amendment is to replace the term "disabled person" with "person with a disability". This is to conform with international nomenclature. The second is to provide for any one of the Deputy Chairmen of the VTC to be signatory of accounts when the Chairman is absent from Hong Kong or is unable to act as Chairman.

Madam President, I hope Members will support the Bill.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Vocational Training Council (Amendment) Bill 2004 be read the Second time.

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

CONSTRUCTION INDUSTRY COUNCIL (NO. 2) BILL

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Madam President, I move the Second Reading of the Construction Industry Council (No. 2) Bill (the Bill).

The Bill proposes that a new statutory body called the Construction Industry Council (CIC) encompassing all key sectors should be formed to promote the culture of self-enhancement in a market-driven environment and to spearhead reforms and sustain momentum to achieve continuous improvements across the construction industry.

The construction industry is all along fragmented and there is great divergence in quality and standards of work. The Government agrees to the recommendation made by the Construction Industry Review Committee in January 2001, that an industry co-ordination body should be formed to forge consensus on long-term strategic issues, conveying industry needs and aspirations to the Government, as well as providing a proper communication channel for the Government to solicit advice on all construction-related matters in order to put into practice the reform initiatives.

The Bill will establish the industry self-regulatory regime. To propagate improvements across the entire industry, the CIC will formulate codes of conduct, administer registration and rating schemes, steer forward research and manpower development, facilitate adoption of construction standards, promote good practices and compile performance indicators.

To meet the needs of the future development of the industry, the construction levy will be assessed and collected by the CIC for deployment as appropriate. As compared with the collection of the construction levy by the Construction Industry Training Authority (CITA) for uses limited to training alone, the Bill will make it possible to pool resources for more flexible deployment that will benefit the industry at large. To ensure transparency, the CIC shall submit a scheme of work and financial budget to the Government each year, including expenditure for its daily operation from funds appropriated from the levy. A report of work and statement of accounts shall be submitted to the Legislative Council for scrutiny.

A Construction Industry Training Board (CITB) will be formed under the CIC. Existing employees of the CITA shall become employees of the CITB on the same terms and conditions of service as when they are employed by the CITA and they are to undertake training and skill testing work previously undertaken by the CITA. The CITA will then be dissolved.

As a body providing leadership to the industry, the CIC will be managed by prominent members of the community from major sectors like works commissioning institutions, professionals, consultants, contractors, subcontractors, suppliers, workers, and academic and research institutions. There will also be representatives from the Government and laymen.

The Provisional Construction Industry Co-ordination Board consulted industry stakeholders on a draft legal framework of the CIC in early 2003 and gained their support in principle. We will continue to discuss with the related bodies on the details, thus enabling the industry to undertake reforms to enhance its efficiency, quality, productivity and competitiveness, as well as improving its overall performance in environment protection, site safety and sustainable development.

The Bill was introduced to the former Legislative Council in February. However, owing to the limited time available during the last Session of the second term of the Council, it was not possible to form a Bills Committee to deliberate on the Bill. Consequential to new legislation enacted since, such as the Construction Industry Levy (Miscellaneous Amendments) Ordinance 2004 and the Construction Workers Registration Ordinance, amendments have been made to the Bill where relevant, without prejudice to the original policy intent.

I hope Members will lend their support to the Bill so that the CIC can be established soon.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Construction Industry Council (No. 2) Bill be read the Second time.

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

BANKRUPTCY (AMENDMENT) BILL 2004

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Madam President, I move the Second Reading of the Bankruptcy (Amendment) Bill 2004 (the Bill).

The Bill was introduced to the Legislative Council in December last year. As there was not enough time for the scrutiny of the Bill before the end of the second term of the Legislative Council, we have to reintroduce the relevant proposals for scrutiny by the Legislative Council in the form of this Bill today.

The Bill seeks to amend the Bankruptcy Ordinance, with a view to facilitating the outsourcing of summary bankruptcy cases to private-sector insolvency practitioners (PIPs) by the Official Receiver (OR).

By making reference to the Companies Ordinance, the Bill proposes to set up an outsourcing regime for bankruptcy cases with procedures similar to those for liquidation of companies. Under the Government's proposal, when handling summary bankruptcy cases, that is, cases where the value of the bankrupt's property does not exceed \$200,000, the OR is not required to call a meeting of creditors and is given the power to directly appoint a PIP as the provisional trustee who shall then take over the case.

We propose this amendment in view of the drastic increase in the number of bankruptcy cases in recent years. In 2003 alone, the number of bankruptcy orders made by the Court exceeded 24 000, which is 39 times of that in 1997. The Government considers that the Bill will enable the OR to deal with the considerable caseload in a more cost-effective and efficient manner.

Under the proposed outsourcing regime, the PIPs appointed by the OR will be subject to the control of the Court and the OR under various sections of the Bankruptcy Ordinance. These PIPs are mostly professionals in the accountancy and legal sectors. The duties and obligations imposed under the Bankruptcy Ordinance aside, these PIPs will be expected to perform their duties in accordance with the guidelines and rules of their respective professional bodies. They will also receive remuneration payable out of the bankrupt's assets.

Consultation had been conducted before the Bill was introduced to the Legislative Council during its second term, and the views collected indicated general support for the proposal of outsourcing bankruptcy cases.

The Bill, when enacted, will enable PIPs to provide service in summary bankruptcy cases. This presents new business opportunities to the professions. It will also improve the efficiency in dealing with such cases. I hope Members will support the Bill. Thank you, Madam President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Bankruptcy (Amendment) Bill 2004 be read the Second time.

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

COMPANIES (AMENDMENT) BILL 2004

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY: Madam President, I move that the Companies (Amendment) Bill 2004 be read the Second time.

The Bill seeks to amend the definition of the term "subsidiary" in the Companies Ordinance with regard to group accounts to make it more closely aligned with the International Accounting Standards (IASs). The proposal was originally part of the Companies (Amendment) Bill 2003. As the Bills Committee did not have enough time to scrutinize it within the second term of office of the Legislative Council, we have to re-introduce it to the Legislative Council in the form of the Companies (Amendment) Bill 2004.

Section 124 of the Companies Ordinance requires a company having subsidiaries to lay in general meeting accounts dealing with the state of affairs and the profit and loss of the company itself and its subsidiaries. These accounts are known as group accounts. The definition of the term "subsidiary" in section 2 which applies to accounting and other provisions in the Ordinance is currently narrower than that adopted in the IASs. We consider it necessary to amend the statutory definition of "subsidiary" with regard to group accounts to make it more closely aligned with the IASs. This will ensure that, under the company laws, the group accounts will better reflect the financial position of a company. The amendments are confined to the definition of "subsidiary" for the purpose of preparing group accounts. The definition of "subsidiary" in other contexts will not be affected.

The Bill introduces new terms of "subsidiary undertaking" and "parent undertaking". With reference to the IASs, the "right to exercise a dominant influence over another undertaking" is proposed to be added to the existing tests of determining the existence of a parent and subsidiary relationship.

To cater for the evolving nature of accounting reporting requirements, the Bill introduces the "true and fair view override" provision. If the compliance with the requirements of the Ordinance does not result in a true and fair view of the state of affairs of the company or the group, the directors should depart from these requirements to the extent necessary to give a true and fair view.

The proposal has been prepared in consultation with the Hong Kong Institute of Certified Public Accountants and has its support. On the other hand, the asset securitization industry has expressed some concerns about the impact of the proposal. We will continue to exchange views with the industry so as to better understand its concerns and consider how they can be addressed.

The Bill will improve the Companies Ordinance and ensure that it continues to provide Hong Kong with a commercial law regime which is commensurate with its status as a major international commercial centre. I hope Members will support the Bill. Thank you, Madam President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Companies (Amendment) Bill 2004 be read the Second time.

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

**UNDESIRABLE MEDICAL ADVERTISEMENTS (AMENDMENT) (NO. 2)
BILL 2004**

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese):
Madam President, I move the Second Reading of the Undesirable Medical Advertisements (Amendment) (No. 2) Bill 2004 (the Bill).

The Undesirable Medical Advertisements Ordinance (UMAO) makes it an offence to publish, or cause to be published, an advertisement likely to lead to the use of any medicine, surgical appliance or treatment for treating or preventing a disease or condition specified in Schedule 1 or 2 of the UMAO.

In recent years, an increasing number of the so-called "health food" products claiming beneficial health effects are found in the local market. However, some orally consumed products which are not subject to the regulation of the Pharmacy and Poisons Ordinance or the Chinese Medicine Ordinance may be labelled or advertised with claims of specific beneficial health effects which may exist in the domain of drugs but are not explicitly prohibited in the UMAO. This will cause confusion among the public on the medical effects of these products.

These claims are considered undesirable for they take advantage of the public's mentality of believing advertisements easily and their fear for diseases. Worse still, they may result in improper self-administration of medicine, thus causing harm to public health due to improper self-medication or delaying the public from seeking proper medical treatment. There have been complaints from consumers against misleading or exaggerated claims of these products, and there have been calls from the public and Members of the Legislative Council that control on these irresponsible claims should be introduced for the protection of public health.

In this connection, an Expert Committee was set up earlier to compile a list of claims that should be brought under regulation. This Expert Committee consists of representatives from the Consumer Council, Chinese medical practitioners, medical practitioners, pharmacists and nutritionists. As

recommended by the Expert Committee, we conducted public consultation on the establishment of a regulatory framework for nine groups of claims last year. We have listened to the views of the public, the sectors concerned and the Panel on Health Services of the second term of the Legislative Council. Medical professional bodies and academics are generally supportive of the relevant proposals. But the sectors concerned have expressed reservations about the issues in the consultation document. On the other hand, with regard to three types of claims proposed to be brought under regulation, namely, the regulation of the immune system, the promotion of detoxification, and slimming or fat reduction, public views were diverse. We understand that these three types of claims pose relatively lower risks to public health. Therefore, having considered views from all sides, we decided to introduce regulation on the other six types of claims with higher risks first at the present stage.

The Bill was introduced to the Legislative Council during its last term on 11 February this year, but was not scrutinized due to limited time available in the last Legislative Session of its second term. Pursuant to section 9(4) of the Legislative Council Ordinance, the consideration of a bill is to lapse at the end of the term. For this reason, we have to reintroduce the Bill for scrutiny by this term of the Legislative Council.

Now I will brief Members on the main contents of the Bill.

The Bill seeks to widen the scope of the UMAO in two aspects: First, to extend the prohibition or restriction on advertising to the six claims specified in Schedule 4; and second, to incorporate into the scope of prohibition or restriction specified in Schedule 4 the advertising of all orally consumed products which are not conventional food or drink.

The claims in Schedule 4 of the Bill are subject to two levels of restriction based on the risk-based approach. The first level of restriction will apply to the most risky claims, namely claims relating to the prevention, elimination or treatment of breast lumps; the regulation of function of the genitourinary system; and the regulation of the endocrine system. The making of such claims will not be allowed under any circumstances. For the second level of restriction which is applicable to three other types of claims, namely, claims relating to the regulation of body sugar, the regulation of blood pressure, and the regulation of blood lipid and cholesterol, we propose to draw up two permissible claims for each type of claim, and manufacturers or traders are only allowed to make the

permissible claims. For products under the second level of restriction which are attached with permissible claims and which are not registered under the Pharmacy and Poisons Ordinance or the Chinese Medicine Ordinance, a disclaimer must be put on both the packaging and in the advertisement to clearly state that they are not products registered under the two Ordinances. We believe this should help the public distinguish between such products and general medicine.

It is not our intention to regulate such conventional food as cereals, cooking oil, fruits and vegetables. But some conventional food may be affected as they can also be described as orally consumed products. We, therefore, propose to define "orally consumed products" in such a way that a product which is customarily consumed only as food or drink to provide energy, nourishment or hydration, or to satisfy a desire for taste, texture or flavour, would not be subject to regulation.

Under the existing section 7 of the UMAO, the Director of Health has the power to amend the new schedule, so as to add or delete claims for orally consumed products and to vary the exemptions. We propose that the Director of Health should have power to authorize public officers to be inspectors who should have investigative powers to enforce the UMAO.

After the enactment of the Bill, the penalty for contravention of the UMAO will be increased to a fine of \$50,000 and imprisonment for six months for a first offence and to \$100,000 and imprisonment for one year for a second or subsequent offence. Upon the enactment of the new schedule of prohibited claims, the "health food" industry will be given a grace period of at least 18 months to enable them to make changes and preparation in order to comply with the new requirements.

Moreover, we have also taken the opportunity to review other parts of the UMAO. Based on the risk assessment approach, we consider that some permitted claims can be added to column 2 of Schedule 1 while some restrictions on the permitted claims can be removed. We also propose to amend the Chinese short title in order to better reflect the object of the UMAO.

With these remarks, I hope Members will support the Bill. Thank you, Madam President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Undesirable Medical Advertisements (Amendment) (No. 2) Bill 2004 be read the Second time.

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

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions. Proposed resolution under Article 75 of the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China.

PROPOSED RESOLUTION UNDER ARTICLE 75 OF THE BASIC LAW OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA

MS MIRIAM LAU (in Cantonese): Madam President, I move that the motion under my name, as printed on the Agenda, be passed to amend the Rules of Procedure of the Legislative Council of the Hong Kong Special Administrative Region. The resolution seeks to amend Rule 46(2) of the Rules of Procedure consequential upon the changed composition of the third Legislative Council.

Under the existing Rule 46(2) of the Rules of Procedure, the passage of a motion or bill introduced by a Member, or an amendment introduced by a Member to any motion or bill, shall require a majority vote of each of the following two groups of Members present, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee.

Since the Members of the third Legislative Council are returned only by functional constituencies and by geographical constituencies through direct elections, it is therefore necessary to amend Rule 46(2)(b) of the Rules of Procedure by repealing the reference to Members returned by the Election Committee. The proposed amendment was endorsed by the House Committee at its meeting on 8 October 2004.

Madam President, I implore Members to support this resolution.

Thank you.

Ms Miriam LAU moved the following motion:

"RESOLVED that Rule 46(2)(b) of the Rules of Procedure of the Legislative Council of the Hong Kong Special Administrative Region be amended by repealing "and by the Election Committee"."

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

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Ms Miriam LAU be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Two motions with no legislative effect. I have accepted the recommendations of the House Committee: the movers of the motions will each have up to 15 minutes for their speeches including their replies, and another five minutes to speak on the amendments; the movers of amendments will each have up to 10 minutes to speak; the mover of an amendment to an amendment and other Members will each have up to seven minutes for their speeches. I am obliged to direct any Member speaking in excess of the specified time to discontinue.

Members who wish to speak in a debate on a motion will please indicate their wish by pressing the "Request-to-speak" button.

First motion: Minimum wage, maximum working hours. Miss CHAN Yuen-han.

MINIMUM WAGE, MAXIMUM WORKING HOURS

MISS CHAN YUEN-HAN (in Cantonese): Madam President, I move that the motion, as printed on the Agenda, be passed.

Honourable colleagues, the Hong Kong economy has been showing signs of recovery recently and the unemployment rate has also seen some improvement. However, many wage earners cannot share the fruits of this slight economic upswing. Today, on behalf of the Hong Kong Federation of Trade Unions (FTU), I have proposed this motion in the hope that everybody can pay attention to the problems and difficulties facing wage earners in Hong Kong.

Members, in the past few years, Hong Kong has gone through a hard time and the economy has experienced a serious downturn. We often heard employers request workers to accept wage reductions, wage freezes and benefit cuts, so as to tide over the hard times together. Many wage earners, having no bargaining power, had to dig their toes and continue to work, no matter how unreasonable the working hours and wages offered by their employers were, in order to keep their "rice bowls". If they refused, the boss would simply suggest that they quit. However, what would happen if they quit? If they quit, their livelihood would be at stake.

As a result, the wages of many wage earners have been subject to a continuous downward adjustment in the past few years and the wages of workers have been suppressed further and further. The wages of grass-roots labourers have reached an extremely unreasonable level and the number of low-income earners has been on the increase. In the second quarter of this year, there were 550 000 workers whose monthly income was below \$5,000. Compared with the figures in the same quarter of the previous two years, the number of people has increased by 90 000, which was a 20% increase. These people are mainly labourers with low educational level and low skill. They toil throughout the month and have minimal resting time, but the wages that they earn amount to only some \$2,000 to \$3,000 or \$3,000 to \$4,000. I believe many colleagues seated here have often come across cases of this nature and such cases can be described as all too prevalent. It was reported in the press that a fast-food shop had hired workers to make deliveries at a rate of \$2 per delivery, so making one delivery will fetch \$2, \$4 for two, without any other protection. Such low wages is a disgrace to Hong Kong.

(THE PRESIDENT'S DEPUTY, MS MIRIAM LAU, took the Chair)

In the face of inadequate incomes which do not allow them to feed themselves, many people are forced to receive Comprehensive Social Security Assistance (CSSA) as a kind of subsidy. We can see that in September, of all categories of CSSA, the number of people who applied for low-income CSSA saw the greatest increase. It increased from 15 500 cases in August to 15 688 cases last month, representing an increase of 1.2%. This is the increase in a single month and reveals that the number of low-income earners is increasing. The disparity between the rich and the poor has become very serious. If we look at the Gini Coefficient, which measures the disparity of wealth between the rich and the poor, we would find that it rose from 0.518 in 1996 to 0.525 in 2001. When graded according to the disparity of wealth between the rich and the poor, Hong Kong ranks the fifth in the world, so it can be seen that the problem is growing ever more serious. To address this problem of great disparity of wealth between the rich and the poor, I believe that apart from the Government, various sectors in society have to face it squarely.

Although in early May this year — Mr TUNG pointed out on the festive day of 1 May that the wages of government outsourced jobs were not enough for

workers to feed themselves — the Government proposed that minimum wages and reasonable working hours should be stipulated for all jobs outsourced by the Government, the FTU must ask, "What about other wage earners in the private market?" We believe the Government should now formulate a policy of minimum wage for society as a whole, so that the basic living of workers can be safeguarded to some extent and the exploitation of workers nowadays can be remedied.

Members, of late, I have been lobbying my colleagues on this issue. We heard people say all the time that the wages of workers should be decided by the market and it is undesirable for the Government to intervene. However, the workers actually do not have any bargaining power to negotiate their wages or working conditions with their employers. At a time when everyone considers it a blessing just to retain their jobs and that it will not do to be out of work, generally speaking, our wages have in fact remained at an unreasonable level. As I have just said, this is precisely because workers have no bargaining power and employers can always dictate the terms. Although on the face of it, this is a matter of "buying and selling" and mutual agreement, when market conditions have not yet reached a stage at which both sides can hold dialogue on an equal footing, what we call "buy and sell" is in fact entirely manipulated by employers. Employees, in order to keep their jobs, have no bargaining power whatsoever and a minimum wage is a tool that they can rely on. When the labour market loses its ability to adjust freely, a minimum wage will be able to protect labourers who have no bargaining power but are in the greatest need of protection.

Members, judging from the figures for Hong Kong nowadays, this type of labourers are increasing gradually from some 500 000 to 600 000. Based on a working population of over 3 million in Hong Kong, that means one sixths of the workers are in such a situation and this figure will continue to rise.

By working hard and earning wages, workers want to feed themselves as well as support their family members. However, under the present circumstances, their rock-bottom wages do not even allow them to make their own ends meet. This is the case for many people that I know. They want to find a job no matter how, however, in the end, they find that the wage they earn cannot even cover their own travelling expenses, meals or rent, still less support their families. It is totally impossible for them to feed their families. There is a genuine need for society as a whole to consider how best to enable them to earn wages that will allow them to support themselves and their family members.

In fact, over 80 capitalist or socialist countries have put in place minimum wages to protect labourers who have no bargaining power. Nowadays, there is a real need for Hong Kong to protect the hundreds of thousands of workers who have no bargaining power by means of a policy. Moreover, the number of such workers is on the rise. I hope Honourable colleagues in this Council can consider the issue from this angle.

Madam Deputy, as I have said, given the lack of bargaining power, apart from the problem of low wages, nowadays workers also have to face the problem of long working hours. Yesterday was the International "Fatigue Kills" Day. In the past few years, we could read press reports from time to time about women working as cleaning workers who had worked day and night and then died all of a sudden; about drivers who, in order to earn money as best as they could to support their families, went so far as to work longer and longer hours and eventually, they lost their lives in car crashes. We read this kind of news reports every day. Recently, an organization has conducted a survey on Work Life Balance in Hong Kong and pointed out that on average, local employees work 55.2 hours weekly. This not only exceeds the 38 hours in the United Kingdom and 35 hours in France, moreover, 80% of the people have to work overtime without pay on a regular basis. The unreasonably long hours impact on the physical and mental well-being of workers and even their family life, and the pressure arising from their work is immense. Acquaintances in my neighbourhood, be they in their forties and fifties or twenties and thirties, all have to work like this. No matter if it is grass-roots labourers or professionals, they all have to work like this. In my family, there is a young university graduate. He goes to work at six o'clock every day and cannot come home even after twelve o'clock at night. He works in the IT sector and if put nicely, he is a professional. However, such a situation did not last just one month or half a year but it has been like this for several years. We told him to change his job but he said he would face problems in his career and livelihood if he did so.

The situation in Hong Kong has reached such proportions and I believe we can all find such instances around us. The diligence and industry of Hong Kong people are famous throughout the world. However, if we tell workers that they should not complain about their long working hours because of this, I think this is going too far. Because such a situation will make more and more people in

society insomniac, more and more people will encounter family problems and parents and children will have less and less time for communication. We all very much want to watch television and have dinner together with our family members after work. I think many workers, not to mention grass-roots workers, have not had such luxury for a long time. Wage earners nowadays have to toil all day long and when they get home, it is already late at night and their family members are already asleep.

Often, apart from coping with these hassles, workers also have to deal with the constant requests from their bosses to upgrade themselves. How would it be possible for them to find time for further studies? It can be said that they are in a miserable situation. I believe such a situation is not favourable to employers either. The long-term pressure and deprivation of adequate rest that employees are subjected to will impact on their performance and in the end, employers will lose more than they stand to gain.

Honourable colleagues, apart from minimum wages and maximum working hours, the FTU also demands that employers who are making a profit increase the salaries of their employees this year. In the past, when facing economic hardships, many employers followed each other suit in demanding that their employees accept pay cuts in the hope that workers could tide over the hard times together with the company. I dealt with a fair amount of such cases and at that time, everybody was willing to do so. Now that the business of the bosses is on the upturn, why is it not possible to consider raising the wages of workers somewhat? Why? Why did the Employers' Federation of Hong Kong propose that double-pay and bonuses should replace salary increase? We all know that in raising our children, we have to first consider how much basic salary we can earn before making plans and deciding to which school we send our children or where our children should go to pursue their study. We have to know the minimum amount of salary that we can earn because incomes such as double-pay and bonus are discretionary and are issued or withheld as the boss pleases and there can be no certainty. In the past, bosses would say that salaries would be increased according to the rate of inflation and economic growth. Why is it that they no longer give workers reasonable treatment according to these criteria nowadays? Some people have estimated that economic growth this year will exceed 6%. If the business of companies is good, I hope employers can increase the wages of those employees who took pay cuts in the past, so as to inspire in everyone greater confidence in the future prospects.

Members, salary is in fact the basis of our monthly basic expenditure as well as the basis of various types of benefits. For example, the Mandatory Provident Fund (MPF) contribution is calculated according to our monthly income. I very much hope that when bosses make a profit, workers can get a pay rise. In fact, for the company, this can boost staff morale and create a good work sentiment. In this way, society will also benefit.

Today, before I left home, I watched a short video produced by the Government about good labour relations, about being in the same boat and braving the storms together. Now that the sky has cleared — the Secretary keeps nodding his head — is it possible to give us some sunshine, some warmth? Is it possible to increase our wages? Can employers and businesses fulfil their social responsibilities?

Madam Deputy, a good economic environment and a society in which everyone takes their share of social responsibility have to be shaped jointly by employers and employees. I hope Honourable colleagues can support this motion. Although I know that friends in the business sector do not seem to approve of this motion, I am willing to discuss with them and hope that all of us can take the first step by tabling this issue before the Labour Advisory Board, which comprises representatives of employees and employers, and discuss it together, rather than oppose the motion today. Why are they not even willing to discuss this matter?

Madam Deputy, I beg to move and hope that Honourable colleagues will support it, and that friends in the business sector can, together with the entire society, address the plight encountered by workers nowadays. Thank you.

Miss CHAN Yuen-han moved the following motion: (Translation)

"That, as Hong Kong's sluggish economy in the past few years has rendered the working conditions of the labour force extremely deplorable and low wages and long working hours are very common among workers, with our economy picking up in recent months, this Council suggests that employers should consider adjusting the pay and benefits of their employees so as to enable them to reasonably share the economic benefits; furthermore, this Council also urges the Government to:

- (a) legislate for a minimum wage to safeguard the most basic living standard of workers, and priority should be accorded to individual low-income industries and jobs; and
- (b) prescribe the maximum number of working hours and reasonable rest breaks during working hours to ensure that employees have sufficient rest time and opportunities to pursue their studies at their leisure time."

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Miss CHAN Yuen-han be passed.

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

DEPUTY PRESIDENT (in Cantonese): I now call upon Mr Andrew CHENG to speak and move his amendment.

MR ANDREW CHENG (in Cantonese): Madam Deputy, I move that Miss CHAN Yuen-han's motion be amended, as printed on the Agenda.

Madam Deputy, first, I would like to speak on the issue of legislation to regulate working hours. Madam Deputy, Miss CHAN Yuen-han has mentioned the hardship of grass-roots workers who have to work long hours, I believe all of us can fully appreciate this. In Hong Kong, this kind of work culture exists in many offices. I believe many people will understand that under such a culture, when it is time to go off work, people will keep an eye on one another. Everybody is trying to outdo others in working longer hours and whoever goes off work first will be considered by colleagues to be lazier or incompetent, or gossips to this effect will circulate. Whoever works longer hours will be recognized as more hardworking and it is hoped that the boss will appreciate this because with the economy in poor shape now, no one wants to be the first person to be fired by the boss. As a result, such an office culture has led to an extremely unhealthy work culture of outdoing one another in working

longer hours and of not going off work. Why would this happen? The reason is in fact very simple. The economy is not looking up and employees very much want to keep their jobs. The consequences of such a work culture are obvious. This makes us believe that if the Government still refuses to consider stipulating maximum working hours as many other countries have done, the health of individuals will be affected and as far as their families are concerned, they cannot find time for their children. Nor will employers stand to gain, since the productivity of their employees may not necessarily increase and the social costs borne by society will become heavy.

In May, the Democratic Party conducted a survey and found that 36% of the employees who worked overtime said that their health was to some extent or seriously affected, whereas 56.1% said that their family or social life was to some extent or seriously affected.

According to the information of the Census and Statistics Department (C&SD), the "normal" working hours of a dishwasher is on average nine hours per day and the standard number of working days is on average 26 days per month. Engaging in manual work for extended periods of time exacts a heavy toll on the health and physique of workers. How can they enjoy their family and social life after work? I believe they do not even have the energy to take care of their children. If we continue to turn a blind eye to their situation, in the long run, society as a whole will have to pay a price.

Concerning these problems, it is not the case that the Government is oblivious of them, but it seems that it is not willing to address squarely the seriousness of the problem. The report of the C&SD contains quarterly data on the working hours and days of employees in various businesses and ranks. The information of the C&SD indicates that the normal working hours of employees in Hong Kong is eight hours per day and the standard number of working days per month is 26 days, that is, about six days per week, and the number of working hours per week is approximately 48 hours. This duration of working time is in theory more or less the same as the standards laid down by the International Labour Organization in 1930.

However, the actual situation is a far cry from this standard number of hours. According to the General Household Survey conducted by the C&SD in the second quarter of this year, 39% of employees, that is, 1.28 million of them, worked for more than 50 hours per week and among them, 750 000 worked for

more than 60 hours per week. If there is a restriction on working hours, not only can employees reduce their working hours and lead a more normal life, it will also enable other people to get a job and make a living.

The Government is well aware of the fact that some people have no work while others have overworked, yet it does not regulate the working hours to enable more people to share the work and make it possible for them not to live on CSSA. Therefore, on these issues, it is in fact possible to bring into play social welfare policies on a macro level and make this a consideration in bringing about social progress.

I believe the Government's dithering has to do with the strong opposition from the business sector. One of the arguments is that a control regime is at odds with the free-market principle and it is also feared that costs will also increase and Hong Kong's competitiveness will be reduced. However, these arguments are hardly convincing. Free economies such as the United States, Germany and Japan have all put in place legislation to restrict working hours, so why is it that only Hong Kong will violate the principle of free market if working hours are regulated? In fact, even if the working hours are regulated by legislation, it does not mean that employers are barred from requesting employees to work overtime. It only means that employers will be required to pay normal and reasonable overtime pay. It is indeed only highly justified that when employees do extra work, employers should be required to pay allowances.

As regards whether the implementation of maximum working hours will undermine Hong Kong's competitiveness, overseas experience points precisely to the opposite. Firstly, after stipulating maximum working hours, employers and managers can be required to restructure the work and their approach to personnel management, for example, to introduce flexi-time and allow staff members to go to work later or leave earlier when there is not much business, so as to enhance work efficiency and reduce the instances of employees having to work overtime. Secondly, reducing the working hours of employees to a reasonable level will actually give impetus to economic development because if employees have more leisure time, the retail and service industries will also benefit. Thirdly, the excessively long hours at present have impacted on the performance of employees. Our survey found that 31.4% of employees maintained that the need to work overtime had to some extent or greatly affected their performance. The regulation of working hours will help improve the performance of employees. Fourthly, extended overtime work will deprive

employees of the energy and time to pursue continued education. Reducing overtime work and allowing employees to make good use of their leisure to pursue further studies or do volunteer work will help enhance Hong Kong's competitiveness in the international arena.

The business sector's opposition to the regulation of working hours is only rooted in the fear of change. In fact, employers may not necessarily object to it. The survey we conducted last week shows that 74% of the respondents expressed support for regulation by legislation and many of them are employers.

In sum, as long as the regulation of working hours is implemented in an appropriate manner, one can say that it will be beneficial to businesses. We also support the exercise of flexibility in implementing the relevant measures in Hong Kong. For example, a temporary exemption can be considered for small and medium enterprises at the initial stage and for some jobs. On 1 July this year, the South Korean Government introduced a phased measure which began with large corporations and would gradually be extended to small and medium enterprises year by year. The objective is to fully regulate the maximum working hours after the work culture has changed in the future.

However, no matter how, the regulation of working hours has to be implemented through legislation. Therefore, I hope the Government will not remain inflexible, otherwise, our employees will never be able to work under reasonable conditions and with dignity.

Madam Deputy, next I wish to talk about the issue of minimum wage. The issue of minimum wage is really controversial. We in the Democratic Party have always maintained the position that we support examining the introduction of minimum wages for different industries and different types of jobs. Initially, minimum wages can be introduced for low-pay jobs in the catering, retail, security and cleaning industries because in these industries, the working conditions of workers have degenerated to an intolerable state devoid of dignity.

At present, the differences in salaries in Hong Kong are indeed very great. In some low-pay industries, the salaries of non-skilled workers have remained at low levels for long periods of time. Take the catering industry as an example, the average monthly salary of dim-sum workers in restaurants was only \$5,287 in the second quarter of this year, whereas other workers, such as odd-job

workers, dishwashers and cleaning workers, received just a little more than \$5,000 monthly on average after factoring in all forms of incomes. According to the statistics, there are 330 000 people with a monthly income of over \$30,000, however, there are over 100 000 people with an income of less than \$3,000 monthly and over 200 000 people with an income of only between \$3,000 and \$4,000 monthly. At present, although the economy is recovering, we still feel that the poor is getting poorer but the rich richer.

On this issue, I believe that only by establishing a minimum wage system, with priority attention being given to individual low-pay industries and positions, can the problems encountered by low-income people nowadays be solved, so as to enable them to live with greater dignity. This is indeed a pressing issue requiring immediate attention. This is why I hope that through my amendment to Miss CHAN Yuen-han's motion, priority can be accorded to some industries when legislating on minimum wage. As regards maximum working hours, we also hope that it can be affirmed by means of legislation because I found that the wording used by Miss CHAN Yuen-han is to "prescribe", which does not have the overall effect of a statutory regime. I hope Honourable colleagues can support my amendment.

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

Mr Andrew CHENG moved the following amendment: (Translation)

"To add "take proactive action to seek the signing and implementation of the conventions of the International Labour Organization, legislate for regulating the number of working hours and stipulating the basis for calculating overtime allowance, and" after "(b)"; to delete "the maximum number of working hours and" after "prescribe"; and to add ", so as" after "working hours"."

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Andrew CHENG to Miss CHAN Yuen-han's motion, be passed.

MR TOMMY CHEUNG (in Cantonese): Madam Deputy, Miss CHAN Yuen-han just mentioned the miserable conditions of employees. I would also like to mention the deplorable situation of employees in the catering industry. In fact, they are very pitiful. With the establishment of the MPF, they have to make contributions at 5% of their income. And during the recent period of deflation which lasted for more than a year, many of them have not got any pay rise, while some have even received pay cuts. Besides, during the SARS outbreak, apart from pay cuts initiated by employers, in certain cases, some employees even had proposed voluntary pay cuts in order to avoid the fate of dismissal. Therefore, I fully appreciate the miserable conditions of employees. However, employers are also in miserable situations, though I do not intend to speak on them today. I believe that, if I dwell on that subject, I will definitely speak much longer than seven minutes.

In the past, I supported Mr LEE Cheuk-yan in highlighting the fact that there were substantially more unscrupulous employers than before. However, to me, "unscrupulous employers" is defined as employers who are unscrupulous to themselves by not paying wages to themselves. Apart from paying wages to employees and paying rents, they do not have any wages left for themselves. They are very pitiable. Two Honourable colleagues asked just now whether legislating on maximum working hours and minimum wage would undermine the economy and the competitiveness of Hong Kong, and they said the answer was in the negative. But I can definitely tell you that the answer is in the affirmative, and this also violates the principles of a free market. Overseas countries are also free markets, why can they have such laws in place, but not us? Last evening, I received a group of overseas investors from my own trade. During our discussion which lasted for more than two hours, they kept telling me that, one of the reasons for their decision to come to Hong Kong to make investments, instead of doing it in their own countries, was that there were laws on minimum wage in their own countries. This point serves to tell us that not only Hong Kong people are afraid of such laws, so are overseas investors who are prompted to come to Hong Kong for investment for fear of such laws in their own countries.

I would like to first speak on the minimum wage. In fact, is the average wage of workers washing dishes and selling dim sum really \$5,000-odd, as claimed by Mr Andrew CHENG, and then we must legislate on a minimum wage for such workers? I really do not know at what level Mr Andrew CHENG

wishes to set the minimum wage? Must it be set at \$6,000? As a matter of fact, why are the wages of workers washing dishes and selling dim sum are very often lower? This is exactly because many of them are living in housing estates near their workplaces, so they do not have to spend either the time or money on travelling. Another reason is the convenience offered by such jobs — they can go selling dim sum for several hours after their husbands and children have gone to work and school. They can make good use of the time when they are not required by their families. They can make use of their spare time on making some money they can spend for themselves. Under such circumstances, they often choose to take up such a kind of job.

I can recall that, more than a decade ago, when I operated a restaurant in Tsim Sha Tsui, I could not find any worker selling dim sum for me even though I offered as much as \$6,000 a month. Yet, when I offered just \$3,000-odd in districts with housing estates in the proximity of Sha Tin and Tai Po, many people queued up to scramble for the jobs. This is exactly the result of market adjustments. We feel that this is the natural outcome in a free market, because if the workers had to travel from Tai Po to Tsim Sha Tsui, which essentially involved travelling time and expenses, they would naturally expect to receive a higher wage. Therefore, if a minimum wage is set, certain jobs with higher wages will not go to people who need them, and those who wish to work in places nearby will find their jobs taken away due to the restrictions created by the minimum wage. At the end of the day, is this really helping workers in the catering industry? Is this really protecting them? I believe this is not necessarily so.

Regarding the maximum working hours, we can also take a look at the habit of Hong Kong people in taking their meals. Our usual lunch time runs from about 12.00 noon to 2.00 pm, and dinner time from roughly 6.00 pm to 10.00 pm. For these eight hours of work, we may involve some overtime work and pay. But I can tell Mr Andrew CHENG that, upon the enactment of such legislation, a post in this work type will be split into two, that is, some people will do half of the work, the morning session, whereas some other workers will take up the work in the evening shift. By then, even holidays and other benefits for permanent employees will no longer exist because the post has involuntarily been divided into two. As a result, we will let a certain worker work for over 20 hours a week for three consecutive weeks, but will not let him work for the fourth week. Alternatively, we may not let him work for 18 hours a week, but

just 17 hours and a half. Therefore, there are a lot of such possible scenarios. Under such circumstances, I do not believe the legislation on minimum wage and maximum working hours must necessarily help workers of the catering industry.

Recently, because of this motion, I have received a lot of telephone calls from people of my industry — be they members of the management or investors, who all indicated objection. If you do not know how keen the competition we are facing, you may take a look at the situation in Shenzhen, a place not too away from us. You can see that the rent they are paying is only about 20% to 30% of that in Hong Kong, whereas our wages are 800% of those for the same work type. But their prices are about 80% of ours. In other words, if the wage we pay our worker is \$10,000, the range of their wages is just between \$1,000-odd and \$2,000. If our rent is \$20 per sq ft, theirs is just \$5 or \$6 per sq ft. But for our goods sold at \$100, theirs will be as much as \$80. Therefore, you can see that, while we are having such a tough time, the enactment of laws on minimum wage and maximum working hours will certainly undermine the competitiveness of our catering industry, and it will not be fair to both employees and employers.

In fact, we would very much like to see that the employees can have the time to take a good rest. Unfortunately, very often, workers in the catering trade will become very vigorous and energetic right off duty and then they will spend their time going out to have fun and enjoy themselves, instead of going to sleep. When they turn up for work the next morning, they will look tired and worn-out. As such, if we can legislate to regulate their sleeping time, I would certainly agree. This is because I find that, very often, workers are unwilling to go home immediately after work to take some rest. Instead, they will go out to indulge in entertainment activities. Thank you, Madam Deputy.

DR FERNANDO CHEUNG (in Cantonese): Madam Deputy, the issue of minimum wage is a moral issue to me. When there is a group of people who are willing to toil extremely hard, yet the return they receive is so mediocre that they cannot even maintain a basic living for themselves, not to mention their families, then there must be something wrong with this society. We would feel morally indebted to them, and we just cannot accept such a social phenomenon.

Hong Kong is an international city, yet the problem of the wealth gap between the rich and the poor is so acute. Recently, we have witnessed a major rebound of the local economy. However, the grassroots and wage earners basically cannot share any of the economic benefits. The economic growth of the last quarter exceeds 12%, yet the household income saw a drop instead of an upsurge. According to the data compiled by the Census and Statistics Department (C&SD), the number of families with an income below \$4,000 has increased by 8% over the previous year. As just mentioned by several Honourable colleagues, the statistics in the second quarter of 2004 show that the number of households with an income below \$4,000 is more than 180 000, accounting for 8.3% of the total number of households in Hong Kong. This is an alarming figure. From the figures provided by the C&SD, we can see that wage earners who work more than 60 hours in a week accounted for 16.3% of the total workforce in 2001. This was already quite alarming, as it was relatively high in comparison with most developed countries and territories. However, this figure further rose from 16.3% to 20.2% in 2003. In other words, one in every five wage earners must work 12 hours or more daily on average. Such a phenomenon of "working from dawn to dusk" has already reached such an extent that, in our opinion, it is morally unacceptable. However, what do they get in return for "working from dawn to dusk"? As far as we can see, they are in fact getting wages that are shrinking all the time.

The figures of the C&SD also show that the number of persons who work more than 60 hours weekly and earn less than \$3,000 has increased fourfold between 2000 and 2003. The number of wage earners who work more than 60 hours a week and earn less than \$5,000 also increased from 20 000 in 2000 to 45 000 in 2003, which shows an increase of 120%. Recently, we have read a report on the business environment in Asia compiled by the World Bank and international financial companies. The report mentions that the business environment in Hong Kong is certainly the best. This is mainly attributable to the phenomenon just mentioned by Honourable colleagues, that is, there is neither requirement on working time for the protection of workers, nor the stipulation of the least rest time in a day, which is one of the requirements mentioned by Mr Tommy CHEUNG, that is, "no overtime allowance, no minimum wage".

After reading the report, we were chilled down the spine. The fact is: Our competitiveness, as claimed by the capitalists, is actually founded on exploitation of our wage earners. The fact is, the stronger our competitiveness

is, the more our wage earners are exploited. Therefore, if we are still shouting the slogan to support free market, thinking that the free market can bring us everything, then we may be disappointed because the free market may fail. And we cannot accept that, given the market failure, we have to exploit our wage earners. For a society in the 21st century, this is morally unacceptable. As such, I support the motion of Miss CHAN Yuen-han and the amendment moved by Mr Andrew CHENG.

Madam Deputy, I so submit.

MR LAU CHIN-SHEK (in Cantonese): Madam Deputy, I am going to speak on the part on maximum working hours, whereas Mr LEE Cheuk-yan will speak on the part on minimum wage.

Madam Deputy, there is a job which requires the worker to work seven hours a day with no overtime work; the job entails a six-day week, with rest days on all Sundays and public holidays. In addition, the employer provides food and accommodation. Unfortunately, the job is not meant for any human beings. In June this year, the MTR Corporation Limited imported six mules from Canada for transporting construction materials from Ngong Ping to Nei Lak Shan for the construction of the Tung Chung Cable Car project. What I have just described are the conditions of work for these six mules.

Madam Deputy, a common Chinese saying often compares the tough and deplorable life of someone to that of a mule, "His work exhausts him so much that he is actually leading a tough life like a mule". However, nowadays, many wage earners are working such long hours to earn very mediocre income that they are actually even worse-off than the mules. According to the statistics compiled by the Census and Statistics Department, the number of wage earners who have to work long hours keep on rising. In the second quarter of this year, the number of persons who have to work for more than 60 hours a week exceeded 750 000, which represents an increase of 310 000 persons over the corresponding figure recorded before the reunification in 1997. The increase is over 70%. Not only do they have to work long hours, many wage earners even do not have a single day of holiday in a full year. According to a survey conducted by the Hong Kong Confederation of Trade Unions (CTU), many professional drivers and cleaning workers have to work seven days a week.

Madam Deputy, I have mentioned in numerous debates in the past that long-term overtime work will not only affect the physical health of the employees concerned and their efficiency, but also their family life and personal development. I do not intend to repeat my points made in the past *seriatim*. I just hope that if the Government really wants to listen to public opinions and improve its administration (I also hope that the Liberal Party can really listen to the aspirations of the people and answer them as far as possible), please listen to the following stories of the several members of the public which we have collected during the recent period of time,

- The only son of Mrs CHAN works as an information technology adviser. His long working hours deprive him of any opportunities of dating girls. This makes Mrs CHAN worry that her son may not be able to get married and give birth to children, thus bringing the family tree to an end in this generation.
- Mr LEE, an account clerk, has to take up the workload for two persons in his post. He does not only have to work overnight, but also has to worry about the possibility that someone might take away his job.
- Security guard Uncle Kan always has a dilemma on his hard-earned rest day: To join his family in enjoying a dim sum breakfast in a tea-house or to take a good rest.
- Miss YUEN, an Executive Officer, has enrolled in a continuing education course in a university in an attempt to better equip herself. Unfortunately, she has to work overtime nearly every day, so she skips classes more often than attending them;
- Truck driver Nam works 14 hours a day. He has become very tired both physically and mentally. In spite of that, as he is driving on the road, he has to pull up himself to become very alert in order to avoid accidents.

Yesterday was the Annual International Road Transport Action Day: "Fatigue Kills". A good father who worked 14 hours a day was killed in a traffic accident on the Fanling Highway after he had fallen into a doze when he

was driving the van to deliver some ice cubes to a restaurant in the midnight. His van crashed into the tail of a truck delivering vegetables and he eventually died of severe injuries.

Wage earners from different sectors, be they grass-roots workers, professionals or even administrators, have all been perturbed by long working hours. Some of the entrepreneurs in the business sector have realized the seriousness of the problem. Some time earlier, a research conducted jointly by the Community Business and the Corporate Environmental Governance Programme of the University of Hong Kong reveals that, employees working overtime on a regular basis will upset the work-life balance, and it will have an adverse impact on both the health of the employees and the earnings of the companies.

Dr Richard WELFORD, programme director of the Corporate Environmental Governance Programme of the University of Hong Kong, cautions that, the severe imbalance between work and life has already worsened to an unreasonable extent in Hong Kong. Apart from creating problems like excessive pressure, fatigue and insomnia, it will also affect the employees' family and social lives, heighten their inclination to switch to other jobs and eventually affect the work morale and productivity of the employees concerned. The Chief Executive Officer of the Community Business said that the practice of working overtime on a long-term basis is mainly attributable to the management culture of a company, instead of being the inevitable result caused by competition. He suggested that enterprises should assess and pay due regard to the issue of a proper work-life balance for employees from the perspective of shouldering part of the social responsibility.

Madam Deputy, I trust the Government and some Honourable colleagues from the business sector will oppose legislating to regulate the working hours on the ground of Hong Kong being a free market. I would like to point out that many academic research projects on economies in fact have not taken into account the social costs incurred by long working hours, which will eventually be borne by the entire community. I do not wish to see economic theories being used as the tools to justify the phenomenon of making workers "lead a life even worse than the mules".

Primate of Hong Kong Sheng Kung Hui Anglican Archbishop Peter KWONG raised a series of questions in his Christmas Message in 1999. Although it has already been five years since then, I still find his Message worthy

to be quoted once again here. He said, "More and more working people have to work overtime on a regular basis, and some of them have to work even late into the evenings. This How will it affect humanity? What will it affect the staff physically and mentally? How will it affect their families? How will it affect society? Will such measures make human beings the slaves of the economy? Will it become the act that destroys humanity?"

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

MR ALAN LEONG (in Cantonese): Madam Deputy, I support in principle the establishment of a mechanism to determine the minimum wage and the maximum working hours. A certain degree of rivalry naturally exists between employers and employees, though a co-operative partnership relationship should also exist. Satisfied employees will help make better profits for the employers, whereas profit-making employers can offer protection for the employees' living.

I believe that the stipulation of a minimum wage will ensure that wage earners can enjoy reasonable shares of the fruits of economic development and their hard work. Most importantly, the stipulation of the minimum wage will protect workers with lower bargaining power, so that they can enjoy the most basic living standard. The stipulation of the maximum working hours will help safeguard the quality of life of the workers because only when they have sufficient rest, they can maintain or even enhance their efficiency, and spend their leisure time on their community network and family life. Apart from this, wage earners may pursue further education and training or even interest classes, and so on. All these can contribute to improvement of one's own production efficiency and personal growth.

However, I would like to propose that the following conditions must be taken care of and satisfied when we legislate on the minimum wage and the maximum working hours:

Firstly, the new legislation will not bring about adverse impact on the reviving economy of Hong Kong;

Secondly, the new legislation will not undermine the competitiveness of Hong Kong. After the enactment of the new legislation, the provision of protection to wage earners will not, at the same time, lead to a major increase in production costs which will deter investors;

Thirdly, in actual operation, there must be a mature and effective mechanism for prescribing a practical minimum wage and maximum working hours. In certain countries which have already enacted laws to stipulate the minimum wage and maximum working hours, usually there will be a mechanism for collective bargaining. Through this mechanism, the Government, employers and employees may review the minimum wage and maximum working hours on a regular basis, so as to cater to the prevailing conditions and needs of society. I would like to point out that, after comparing with the situations in other countries, the mechanism of Hong Kong in this regard still has much room for further improvement;

Fourthly, law-abiding employers must not be made to shoulder costs incurred by unlawful employers. Therefore, in enacting the legislation, we must ensure that the law enforcement agency can effectively punish the law-breaking employers; and

Fifthly, the stipulation of the minimum wage should not actually become the *de facto* maximum wage for workers. This concern is especially important to marginalized wage earners with lower competitiveness. Just now Mr Tommy CHEUNG said that he had some reservations about enacting laws for this purpose. I feel that it is too early to make such a comment. If we do not make an attempt to enact laws, and instead consider these two issues from the policy level, we shall never make any progress. However, regarding the reservations and worries mentioned by Mr CHEUNG just now, I believe we would definitely have sufficient discussion on them in the preliminary stage of our discussion of the policy and our handling of legislative issues. This should by no means be the pretext for not launching the relevant policy research for purposes of making preparations for legislation.

With these remarks, Madam Deputy, I support both the motion of Miss CHAN Yuen-han and the amendment of Mr Andrew CHENG. Thank you.

MR TONG KA-WAH (in Cantonese): Madam Deputy, Honourable colleagues, when people discuss labour issues, it seems that the subject is brought up because the workers deserve our sympathy or we are showing our sympathy towards them. But I would like to ask Members: Has it ever occurred to you that protecting the basic interests of workers is our due obligation? Have we ever asked ourselves honestly whether the present achievement of Hong Kong is due not only to the effort of the business sector, but the collective accomplishment of various sectors of society?

Starting from an obscure fishing port, Hong Kong has developed into an international financial centre. For every single successful businessman, there must always be crowds of workers working silently yet diligently behind him.

However, we still have service attendants working for international fast food chain groups who earn on average \$18 an hour — just an average figure. In other words, many of them are actually earning less than \$18 an hour. If we calculate on the basis of 10 hours daily, and the worker does not take any day of leave for the whole month, still he can earn only a wage of \$5,400, or even lower, for the whole month. We have professional drivers working for 12 hours or even longer in a day, working against their own sleepiness and risking their own lives to promote international trade. We have some cleaning workers, working for the Housing Department, who earn only \$2,400 a month. Some children from less well-off families have to collect discarded cartons in order to earn some extra dollars to help improve the family income. Is this the reward the workers should be getting?

Since the reunification, the Hong Kong society has been facing two major crises: First, the absence of a democratic system; second, the widening wealth gap between the rich and the poor. An Honourable colleague mentioned earlier that the Gini Coefficient which reflects the disparity between the rich and the poor is gradually rising. We rank first among developed territories on this count.

The Hong Kong Council of Social Service started to compile a sub-index which reflects the situation of low-income earners in 1998. According to this sub-index, it originally started at -64, worsened to -78 in 2000, and by 2002, reached -119. This sub-index reflects that, within the short span of several years, the situation has worsened by nearly 100%.

The adverse situation faced by the grass-roots people is a serious accusation against our society as a whole.

Apart from our social responsibilities, we still have another constitutional and international obligation. Article 39 of the Basic Law stipulates that the International Covenant on Economic, Social and Cultural Rights (ICESCR) is applicable to Hong Kong. And Article 7 of the ICESCR explicitly points out that a contracting state must ensure that everyone can receive just and favourable conditions of work, including fair and equal remuneration, in particular, it must ensure that all workers must be able to receive remuneration which at least can offer fair wages; people with same work value should enjoy the same remuneration, rest, and leisure, reasonable limitations to working hours; and periodic holidays with pay.

After scrutinizing the implementation of the ICESCR in Hong Kong, the United Nations Commission on Human Rights (UNCHR) pointed out in 2001 that Hong Kong did not have statutory protection for minimum wage, working hours, weekly rest day and overtime allowance. The UNCHR reiterated that Hong Kong must review its employment policies, and it regretted that Hong Kong had not implemented its recommendations on employment policies as advocated in 1996. At the same time, the UNCHR also pointed out that the ICESCR is legally binding on Hong Kong. As the Government has been evading its responsibility in this regard, I would like to express my deep regret about this as well.

Apart from our constitutional, international and social obligation, we must also approach the issue from an economic perspective. Many people opine that after a minimum wage is implemented, the wages of workers will rise, but there may be less job opportunities. As such, the workers may gain less than they lose. However, please bear this in mind. It seems that this Council conducted a detailed research study in 1996 — I am sorry, it should be 1999. This Council conducted a detailed research study then. I trust every Honourable Member must have a copy of it. In this report, it is stated that there is no convincing data to prove that the stipulation of a minimum wage will affect the employment rate. On the contrary, the experience in the United States has adequately proved that the stipulation of a minimum wage can push up the employment rates of certain low-skilled community groups.

On the other hand, we must consider this. Although recently there has been a drop in the overall number of cases of Comprehensive Social Security Assistance (CSSA), the number of CSSA cases because of low income has been gradually rising. This exactly reflects that given the problem of the wealth gap between the rich and the poor, Hong Kong has to allocate more public funds to meet the expenditure arising from the provision of social welfare, which has indirectly subsidized the businessmen in making unscrupulous profits. The prescription of a minimum wage is to require employers to shoulder reasonable costs. I feel that this is a reasonable and sensible request made by each and every taxpayer.

Finally, I wish to say that we can have many different modes of enacting laws. It is not necessary for us to go into the details as to what such modes should be. However, as I said just now, we are socially, constitutionally and internationally obligated. As Members of the Legislative Council, we should not shirk such obligations. Thank you.

MISS TAM HEUNG-MAN (in Cantonese): Madam Deputy, Honourable colleagues, I would like to analyse the issue of minimum wage from the perspectives of overall economic development and social justice.

In short, an economy will usually undergo certain cyclic changes. When the external economic situation prospers and Hong Kong sees its export volume grow, there will be an increase in money supply, which will lead to inflation, thereby undermining the competitiveness of Hong Kong. As a result, the export volume will gradually drop.

However, when the external economic situation becomes sluggish and the export volume plummets, the money supply will decrease, resulting in deflation, thereby enhancing the competitiveness of Hong Kong, and this will push the export volume to grow.

In fact, the Government should in no circumstances make any attempt to interfere with the market for the purpose of stabilizing the price level in any major economic factor.

At the moment, the retail market, the capital market and the labour market of the business sector have basically completed the above deflationary adjustment.

But the property market, due to the stabilizing measures introduced by the Government, still has not completed its full adjustment process.

At a time when the property prices have not been adjusted completely, but all prices in other segments have been adjusted, the overall distribution of wealth of society has been distorted, thereby aggravating the problem of the great wealth gap between the rich and the poor in Hong Kong.

I agree that there is a need to legislate on minimum wage in order to assist the low-income working class who is currently unable to share the economic benefits. In this way, we may encourage them to stay in their posts on the one hand, and slightly reduce the extent of unfairness involved in the present distorted distribution of wealth on the other.

Madam Deputy, more than 80 countries in the world, including such developed and competitive economies as Britain and the United States, have implemented the minimum wage system. Basing on the actual experience of certain countries in implementing the minimum wage system, I think the Government should not dismiss the minimum wage system right away before it has ever conducted any objective analysis.

Madam Deputy, next I would like to discuss the issue of maximum working hours.

The issue of maximum working hours is in fact not a class-specific problem. Regardless of whether you are the grass-roots blue-collar workers, or the white-collar professionals, we all have to face the problem of having to work increasingly long hours.

We have often heard of the term "enhanced productivity". With its application to the working class, it simply imposes the demand on individual wage earners to increase their productivity. Besides, under the threat of pay cuts and layoffs, you are expected to either work faster in order to increase your productivity, or to work longer hours.

Even for the professional sectors, for example, the accountancy sector which I serve, many young accountants are facing the problem of having to work excessively long hours. They are even forced into putting a smaller number of working hours into the logbook in order to avoid being criticized as working with

low efficiency. Such a practice is unofficially described as "short reporting the hours" (食鐘), which is used uniquely in this profession.

If this situation is allowed to continue, the employees, in such a vicious cycle, will definitely not be able to maintain the high efficiency and high productivity in the long run, as they are constantly under tremendous work pressure. At the end of the day, only half the productivity could be achieved no matter how hard they try. And the employers will suffer greater loss than gain.

For the above reason, I strongly support prescribing the maximum working hours to ensure that employees have sufficient rest time.

As for the amendment moved by Mr Andrew CHENG, I think it will be no easy task for the Government to draw a suitable line if it chooses to regulate the working time by way of legislation under the current circumstances. In addition, the adoption of a uniform standard will mean inflexibility and cause great inconveniences to various industries and trades.

I am more inclined to consider setting different maximum working hours for different trades and industries. This will reflect the actual situations and needs of individual trades and industries in a more flexible manner when the system is established.

Insofar as the actual implementation is concerned, I think the Government should have the responsibility of taking the lead in implementing the maximum working hours, and it should actively encourage the people to pursue further studies in their leisure time. From the perspective of society as a whole, this will help to enhance the average literacy and competitiveness of the people, and it will have an active and positive effect on the long-term economic development of Hong Kong.

With these remarks, Madam Deputy, I support the original motion. Thank you.

DR KWOK KA-KI (in Cantonese): Madam Deputy, first of all, I would like to thank Miss CHAN Yuen-han and Mr Andrew CHENG for moving the motion and the amendment respectively today.

Earlier on today, I consulted some colleagues on their views of resolving the poverty problem in Hong Kong. Of course, the reply given by the Government is very much the same, simply reiterating its consistent policy in this regard. However, we must realize that the poverty problem of today cannot be tackled by any individual bureau or department. The crux of the poverty problem is still related to such issues as whether wealth has been evenly distributed and whether the working population has been fairly treated. I do not intend to rehash the data quoted by certain Honourable colleagues earlier, but I do wish to point out that, among the working population, there are 750 000 persons working over 60 hours a week. This in fact has sounded a loud alarm. As a doctor, many people or patients who come to see me to seek treatment under different circumstances are suffering from many different illnesses, such as stomach pain, headache and insomnia, and so on. But after I have asked them further questions, I often find that most of their illnesses are attributable to their working hours.

Last week, I attended a seminar organized by a trade union. From it, I came to learn that, among people now working in the transportation industries, many of them are working more than 14 hours a day. From the accident that happened yesterday as well as some other accidents caused by professional drivers some time ago, we can see that working hours do not just affect our rest time and social life, but also our own lives as well as those of others.

The Legislative Council is a large discussion forum. So many Honourable colleagues have come forward to discuss this issue on behalf of the various trades and industries, may I ask what actually is the most important objective? We often say repeatedly that the Hong Kong community is a caring and impartial society. However, once the most significant subject relevant to the working class is mentioned, such as the minimum wage and maximum working hours, many people will forget the objectives in this aspect.

Mr Tommy CHEUNG quoted an example just now. He said many women living in housing estates might find themselves having too much spare time, so they wish to find a job. I think Mr Tommy CHEUNG may not know too much about the grievances of the people now. In fact, there are not too many people who will accept a job that requires working 60 hours a week for

\$3,000 or so monthly just because they have too much time to kill. Therefore, he has made some rather irresponsible description.

Someone may say that the implementation of minimum wage and maximum working hours will affect the business environment in Hong Kong. But please do not forget, there is a Chinese idiom, "Kill the chicken to get the eggs." Today Hong Kong is still able to maintain a good reputation in the international business environment, I trust our present achievement is heavily attributable to our ability to maintain the rule of law in a relatively fair environment and our effort in fighting for suitable benefits for our workers. If we should still compare ourselves with some backward territories or third-world places in terms of our working hours and labour protection, I feel that our Honourable Members are too short-sighted. Hong Kong should never move in this direction. If we really hope to solve the economic problems of Hong Kong, we must formulate some suitable policies and legislation to protect our massive working population.

I hope such minimum protection can help Hong Kong people, especially we should help the large number of people who earn very mediocre incomes for long working hours, so that they can enjoy the protection of a basic standard of living. Probably Members may not be aware that, in fact, the excessively long working hours have exerted substantial pressure and impact on the families of the working population. Today, many of the family problems originated from such unfair working hours.

Probably Members may think that such family problems will only occur in the very low stratum of society. But, just let me share with you some of the problems faced by me. In the medical profession, as of today, many of my colleagues (that is, the front-line medical and health care workers) and I still have to work 80 to 100 hours a week. Such a situation is unacceptable. Please think about this. If you were a patient, do you expect or are you willing to see the doctor responsible for treating you have to work 80 to 100 hours a week? The enactment of such legislation is meant to protect not just those with the lowest income, but everyone in the working population of Hong Kong, and it is directly assuring the maximum safety for society. Please imagine, if the doctors, the drivers or those in control of the most significant safety devices for us do not enjoy such protection, what kind of services we shall get?

I hope friends from all walks of life, especially those in the business sector, can ask themselves the following questions regarding this motion. In which social direction do we want Hong Kong moves? Should we tolerate such a major wealth gap continuing to widen between the rich and the poor, or should we tackle such problems? I must draw your attention to one point: Such problems will not disappear simply because we do not enact laws on them. If we allow the size of the low-income and poor population continue to grow, then at the end of the day, such people would approach the Government for some assistance or more social benefits, and by then, we have to pay a cost as well. Such a cost, we definitely have to pay.

I hope all Members may adopt a prudent attitude in considering the original motion of Miss CHAN Yuen-han and the amendment of Mr Andrew CHENG, I believe both of them can safeguard the majority of our poor working people, and be able to provide such people with some significant protection. Thank you.

MR ANDREW LEUNG (in Cantonese): Madam Deputy, from time to time the Legislative Council will hold discussions on the issue of minimum wage. It seems to be an unchanged pattern. Today's motion is moved by Miss CHAN Yuen-han of the FTU as a gesture of doing something for the people who voted for her. This is understandable. But Hong Kong has always upheld free market economy, which relies heavily on supply and demand as its foundation. Therefore, the proposition of setting a minimum wage and maximum working hours is definitely not compatible with the overall interests and the long-term development of Hong Kong.

It is unwise to interfere with the economic affairs by employing political methods such as enacting laws. Today, the various political parties have to argue and debate with each other on an issue that will not bring about any concrete results. But we have only four years in our term of office, and it will be over before you know it. Should we accord priorities to those policies that we are more likely to come to a consensus, as well as those that are constructive and will help to promote a better environment for Hong Kong as a whole, instead of doing something which you still prefer to do though you know only too well that it will not be passed? All along, the industrial and the commercial sectors are willing to support the handling of issues related to the people's livelihood in a mature and rational manner, with due consideration being given to the interests

of Hong Kong as a whole, instead of giving away free lunches and distorting the rules of free economy, just for the sake of winning some transient applause from the people. Today, right on the first day of holding a motion debate in the new term of this Legislative Council, Members hurry to fight for the minimum wage and maximum working hours which are in a way related to welfarism. This is exactly what the industrial and commercial sectors worry most.

The labour sector has a misguided conviction in the efficacy of minimum wage, thinking that once the minimum wage and maximum working hours are established, the living standards of the grass-roots workers can be safeguarded. This is in fact unrealistic, and they have ignored the free economy upon which Hong Kong's success has been built, in that the wages should be automatically adjusted by market forces.

Everyone must understand that the best way to protect the interests of the grass-roots workers is the provision of employment opportunities, instead of assuring them of any wage level. Before the financial turmoil, as the economy of Hong Kong prospered, the incomes of workers surged dramatically as a result of the booming economy. However, in recent years, with the economic downturn and globalization, we started to face competition from all parts of the world. With the economic restructuring, the downward adjustment of wages is something we have to accept with great reluctance. All we can do is to make suitable adjustments to the wages and enhance our productivity. Only in this way can we upgrade our competitiveness again so as to revitalize the local economy. As long as our economy is thriving, and there is an abundant supply of vacant positions, wage earners will naturally have the bargaining power. And it is not necessary for the Government to intervene by way of legislation.

Wage is one of the important elements in the production cost. If the wage is set at a low level, it is difficult to render any protection to the workers. If it is set at a high level, the entrepreneurs may, after doing all the calculations, find it unprofitable, and then may relocate their operations out of Hong Kong. Once the jobs are drained out of Hong Kong, the local workers may even lose their own jobs. In that case, the minimum wage is useless. The labour sector and the employers have successfully relocated more than 800 000 labour-intensive jobs out of Hong Kong during the past two decades. In this days and age, is it still necessary for us to bring other jobs in the service industries out of Hong Kong?

Madam Deputy, I firmly believe that Miss CHAN Yuen-han must have genuine concerns for the interests of the grass-roots workers at the bottom of her heart in putting forward this demand. However, the minimum wage could actually become the draconian law that kills the jobs of the workers. Honourable Members, please do not let your good intention mess up everything.

In 2001, the Cato Institute released a detailed research report which included an analysis of the employment situation in 1990-91 after the minimum wage of workers had been adjusted upwards. It was discovered that, upon the upward readjustment of the minimum wage, the opportunities of workers in securing employment had dropped in all age groups. The impact was most severe for young workers in the age group between 15 and 19. Besides, an official organization of the United States Minimum Wage Study Commission once pointed out that the minimum wage is most unfavourable for young people in seeking employment. For every 10% upward adjustment of the wage, the employment rate of young people will drop 1% to 3%. The organization stressed that the minimum wage would also affect the resources the employers intended to invest in in-service training, thereby undermining the promotion prospects of workers.

According to the relevant information, the number of corporate bankruptcy cases in 2003 was still on the high side, amounting to 9 100 cases. This reflects that the economy of Hong Kong has not fully recovered yet, and the business environment is still very tough. If such a major change is introduced now, it will rub salt into the wound of small and medium enterprises who are still struggling to survive, and it will not do any good to the wage earners of Hong Kong either.

I have always stressed that the interests of employers and employees are consistent. If the economic situation is good, most employers are absolutely willing to share with their employees the fruit of their success. Recently, many major corporations have undertaken to award employees with pay rises and bonuses, so as to serve as good examples for other companies. Both the employers and the employees are actually in the same boat. Both sides should work together harmoniously in order to revitalize the economy of Hong Kong and to create a good investment environment in the territory, thereby enabling more jobs to be created in the market. Only in this way can we safeguard the employment of workers, and then in return workers can fight for better treatment.

I very much agree with Miss CHAN Yuen-han that we can conduct discussions on the subjects of how to ameliorate the problem of the major wealth gap between the rich and the poor and workers' employment situation through the Labour Advisory Board (LAB), an organization that can facilitate any discussion among the three sides.

Madam Deputy, the Democratic Party used to oppose the setting of minimum wage in Hong Kong. This demonstrated the political maturity of the Democratic Party. I also understand the importance of upholding the free market principles, which are as precious as human rights and press freedom. They are all essential qualities for Hong Kong's success, which must be defended. Therefore, I hope the Democratic Party can continue adhering to its stance today to oppose setting a minimum wage.

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

MR LEUNG KWOK-HUNG (in Cantonese): Mr Andrew LEUNG said that both the employers and employees are in the same boat. Yes, quite true. But, now there are some gusts and swells coming our way, the employers are quick to say that the employees are too heavy and they have to dump them into the sea. The employers think that only by doing so can they enable the boat to keep afloat and sail ahead. What on earth is this "in the same boat" scenario?

I have received many gifts outside the building, and I have to display them here. One of the gifts is a sword handed to me by a trade union. The sword is known as "long working hours and low wages", which is a double-blade sword. Next, let me take this out slowly — this gift is called "wearing the worn-out shoes, and picking up discarded portions of vegetables". I think this one is self-explanatory. I saw an old man picking up such discarded vegetables in the Kai Yip Estate, and I saw some housewives doing the same. I do not know whether they have seen something like this before. If so, will they feel miserable? I have two red bands on my hands, the left one stands for the Hong Kong Confederation of Trade Unions (CTU), and the right one for the FTU. Fellow workers, we shall have hope only when these two major organizations can work together. Today is the right moment for the workers to join forces in fighting for a minimum wage and maximum working hours. Even if we are

defeated in this Council, it does not matter because justice does not necessarily prevail in the Council.

In fact, the first thing I would like to say is, if today's motion was to be voted by one single grouping within the Legislative Council, the motion of "minimum wage, maximum working hours" will definitely be passed. But under the unique system in Hong Kong in which a motion has to be voted by two separate groupings, the majority will become the minority. They taught us that we should respect the Council, that we should respect the majority. However, what kind of majority is this? In the whole world, you cannot find another place where there are functional bodies with votes by legal persons, no physical persons. In other words, our system is one which some organizations, some shops are the voters. What kind of system is this? If the one-person-one-vote system is adopted, we will definitely win this battle. If the one-person-one-vote system is adopted, Hong Kong workers will receive more impartial treatment. Why do we have to fight for democracy? Today we have some very good teaching materials. Over three millions workers are represented by only two functional representatives. This is not all. We even have over 6 million people being dominated by the representatives of 30 functional bodies.

Someone said that the minimum wage would become the maximum wage, and the maximum working hours would make employers dismiss workers. Yes, but he has missed one point. A table is supported by four legs. But the table of Hong Kong has only two legs, and they are also very worn-out as well because we do not even have the maximum working hours and the minimum wage. The right to collective bargaining go to certain functional organizations (not functional bodies) — and this legislation was passed by the Provisional Legislative Council which was consisted of dummy Members, many of them were members of the Liberal Party. You broke one of the legs of the table, and then you said that the table was not stable enough. Besides, the fair trading legislation and the unfair dismissal legislation are universally recognized by the world, yet they are not applicable in Hong Kong now. You said the table was not stable just because you had cut off two of its legs. If you cut off two more legs of the table, how can the table support itself properly?

When the debate on the right to collective bargaining was held, I staged a demonstration in the public gallery upstairs. And seven years have lapsed quickly — seven years in the Chee-hwa Chaotic Era, in which there was unfair collaboration between officials and rich tycoons, and Hong Kong has become

notorious for its poverty and unemployment. What kind of a world is this? I would like to ask the Liberal Party: Do you agree that we should have a four-legged table, that is, the minimum wage, the maximum working hours, the right to collective bargaining, unfair dismissal legislation and fair trading legislation?

Someone said that the wages had to be adjusted downwards. But among many operators of small businesses I have contacted, they just complain about the exorbitant rents of their shops, instead of the high wages. Why should the Government repeatedly take care of property developers by pushing up property prices? Everyone knows that, in the composition of capital in Hong Kong, the most expensive items are land and rent, not wage. Can you respond to this question on the composition of capital?

Honourable Members, the Liberal Party has launched attacks on all the righteous persons, saying that we are doing all these for garnering votes. But I say that you are exactly doing this for garnering votes. Among you, only two had stood in direct elections, and the rest of you did not have to face any competition. Did you not say that you wanted to serve Hong Kong people? Did you not say that, "I hear you; I get you; I act for you"? When Mr James TIEN was conducting his election campaign in New Territories East, did he not say that he wanted to work for the working class? What has he done today for the working class? All he has done today is to put a loop around their necks to hang them to death.

Honourable Members, I would like to share with you three stories, because delivering a speech in this way is much too boring. The first story is about a girl called Ivy whom I met about four years ago. She said she had quit her schooling because her father was out of work. So she found a job, but she earned very little money and had to work very long hours. This girl is very filial to her parents and she cannot continue with her education.

The second story is again about a woman whom I met in Kwong Fuk Estate when I was engaging in the election campaign. She works as a cleaning worker responsible for clearing garbage for the households in a building. She earns \$2,600 a month, works 28 days a month. Her daughter finds her mother's work much too tough, so she helps her mother in clearing the garbage. This is the bad consequences brought about by the lack of measures to specify a minimum wage and maximum working hours.

I was told the last story when I visited a secondary school yesterday. The Vice Chairman of the Student Council told me his father had suffered from osteophyte and could not take up any normal employment. So his mother had to work as a cleaning worker for clearing garbage to earn \$2,000 or so a month. I told him to bring his parents to meet me. But I am not sure whether they will really turn up to see me.

I support Miss CHAN Yuen-han's motion. I hope all wage earners will not be discouraged. Victory will eventually be ours, and democracy will arrive for sure. Thank you.

MR ALBERT CHAN (in Cantonese): Madam Deputy, Long Hair has told us a story. I also want to share with you a story of mine. The story took place 30 years ago. At that time, I was still studying at school. I took on two jobs in my summer vacation: One from 8.00 am to 4.00 pm, and the other from 5.00 pm to 1.00 am in the night. From Monday to Friday, I worked for 16 hours a day. Saturday was slightly better, I just worked for eight hours on that day. So, I worked for 88 hours a week. I had worked like this for three months. When it came to the last month, I felt I could not bear it anymore in the morning. As I was driving a car to work, I jumped a red traffic light and crashed into the middle of another car driven by an old man. As I was looking at him, I asked him if he had jumped a red traffic light. He said he had fell into a doze, and had jumped the red light. This man whose car I had crashed into was trembling as he stepped out of the car. I saw that he needed to take some medicine immediately for his heart. The memory was captured some 30 years ago, yet it was still very clear and vivid in my mind.

During the past few years, the situation I had seen in the districts was very much like the deplorable scenes described by Charles DICKENS in his novels. Long Hair has just cited several examples. Such examples could be heard in the districts nearly every month or even every week. Coming to the statistics of Hong Kong, the unemployment rate remains high, and the number of bankruptcies continue to stay at the high level, with a caseload of over 1 000 a month. The latest figure is between 800 and 900. Sometimes when there are more cases, the figure could be as high as 2 000 cases. The suicide rate, in proportion to the population, is the highest in the world. These are the achievements made during the seven years of the Chee-hwa Chaotic Era, just as described by Long Hair. The suicide statistics keep rising and continue to stay

at a high level. Many people cannot stand the sufferings and some who have become bankrupt commit suicide. From time to time, we come across cases in which the whole family committed suicide together. Such cases happen in the districts from time to time or even every day. I hope the Bureau Secretaries can come when we hold residents' meetings. I would like to invite you to come and listen to their grievances.

As for the minimum wage and maximum working hours, we may take a look at the experience of other countries. Let me tell Members one by one: In 1907, a minimum wage was introduced in Australia; in 1938, the Fair Labor Standards Act was passed in the United States; in 1950, a minimum wage was stipulated in France; in 1956, a minimum wage was stipulated in Taiwan; in 1959, a minimum wage was stipulated in Japan; in 1988, a minimum wage was stipulated in South Korea; in 1993, a minimum wage regulation was promulgated in our great Motherland, China. We in Hong Kong, in 2004, still have to discuss whether we should legislate on a minimum wage, and Members of our "rich party" and our Government still do not have the courage to face this issue squarely, and they are still unwilling to accept this issue. Take a look at the situations in different countries all over the world, at this state, can we claim our society as civilized and advanced? I hope Members opposing this can put a mirror before them and look what they actually look like.

As for the issue of maximum working hours, China has also stipulated that the working time per week should not exceed 44 hours; in Taiwan, it is stipulated that the working time should not exceed 84 hours every fortnight; in the United States, it is not more than 40 hours weekly; in Germany, not more than 37.65 hours weekly; in Thailand, not more than 48 hours weekly; in Malaysia, not more than 44 hours every five and a half days. The above is the situation in some developed countries, some neighbouring countries, or even some so-called developing countries.

Why is that so? Are Hong Kong workers inferior? Are they more lowly in status, so that they have to work longer hours? Why should the Hong Kong working class not be entitled to the protection? Where has our Government gone? Where have our businessmen gone? Oh, everyone in the Liberal Party have now disappeared. They do not have the courage to hear our words? So, Madam Deputy, we can see that our situation is very lamentable, and very shameful, too. Lamentable because we have been saying how prosperous our economy is, that our economy is gradually recovering recently, that how booming our property market has become, and how we should proceed

to attract investment. Yet how do we treat our poor people, Hong Kong workers, the grassroots people of Hong Kong? How are they treated by our employers, the political party supported by property developers and major consortia, as well as the top government officials who enjoy high positions and generous remunerations?

If you oppose the idea of minimum wage and maximum working hours, be you an official, a Member or a businessman, you are either ignorant or unscrupulous. You are not really unaware of the deplorable situation of Hong Kong people, but you have betrayed your conscience, and continue to connive at the oppression suffered by our workers, and the oppression suffered by our poor masses.

Do we need to stir up a riot now? Do we have to take to the streets and burn down some vehicles? Do we need to follow the examples of the Black Panther Party of the United States in the '80s to organize some militant oppositions? I often tell Members that, it is useless to make speeches. Maybe we should follow the Black Panther Movement in the '80s to burn down some warehouses, plant some bombs, then you property developers and top government officials will know how formidable we are. We set bombs off on two occasions, will you not feel frightened? CHEUNG Tze-keung kidnapped two billionaires, and that was sufficient to scare them to death. Do you really need to see riots, militant actions and uprisings before you really become frightened?

Hong Kong people prefer committing suicide to organizing an opposition. May I call upon all the oppressed not to kill themselves. If you want to put up a fight, come up to fight a battle against the rich tycoons and the top officials. Do not act so foolishly in killing yourself and your family. If you want to die, you had better make the top officials or the rich tycoons die together with you. Do not go ahead dying a lone death. If you do it that way, it would create a greater impact than Long Hair carrying a coffin purely to stage a protest. If they have not seen their own coffins, they would not be frightened. If they have not seen riots and deaths, they would not be frightened. But is it necessary for us to take actions to such an extent before we can achieve what we want?

Of course, I absolutely do not encourage, do not hope that something like that would happen. I must state this very clearly here. Nor do I hope that Hong Kong should ultimately move on to such a state. Therefore, I strongly

hope that if members of the "rich party" could still find their own conscience, please do not follow your party in casting your votes. Simply disappear for a while, so that this motion can be passed. Since this is the first motion in the first meeting of this Legislative Council, if even something like this is not passed, it will convey a very bad message, that is, if we have a bad beginning, it may make Hong Kong as a whole have a bad ending.

MR JEFFREY LAM (in Cantonese): Madam Deputy, we all agree that Hong Kong is an international city. Very often, we would demand that international standards be adopted in many cases. However, for exactly this reason, we must exercise even greater care in making reference to examples of overseas countries. Just now, many Honourable colleagues have mentioned examples of minimum wage and maximum working hours in overseas countries. We should learn from their experience, so as not to repeat their failures. On the surface, enacting laws to prescribe the maximum working hours for employees seems to be protecting the interests of wage earners. However, such laws have often created many obstacles to the economic development of the countries and territories in which such laws are implemented. As a result, such laws have affected the economic development of their respective countries, and the ultimate victims are none other than the working class, who should be the beneficiary of the protection provided by such laws.

Does the moon in overseas countries shine more brightly? Maybe we should go and have a look. Let us take the case of Germany as an example. They implemented the minimum labour law in 1952, which specified very strictly the working time of workers. In 1994, a new law on the working hours was passed, specifying explicitly that all workers work eight hours a day, and 48 hours a week. However, with the mutual agreement between employers and employees, most of the local enterprises adopt 35 hours a week as the maximum working hours.

So what kind of impact has this law caused on Germany? In September this year, the multinational Ernst and Young conducted a survey on the leading industry in Germany — the motor car manufacturing industry. Surprisingly it was discovered that the economic growth there could not help to bring down the unemployment rate. In July this year, the announced unemployment rate of Germany was 10.5%, with the unemployed population numbering at 4.36

million. In other words, one in every 10 persons is unemployed. This is really an alarming figure. The survey further revealed that, among the 200 German vehicle spare parts enterprises interviewed, half of them had made investment to set up production plants out of Germany; and among such enterprises, two thirds had moved their production plants to countries in Eastern Europe and the remaining one third to China.

Why has such a situation occurred? Ultimately, it was due to the fact that the limitations on the wages and the working hours in Germany are much tougher than those in Eastern European countries. And such limitations are threatening the survival of German enterprises. So in order to struggle for their own survival, they have no alternative but to relocate to other countries. The staff union of metal industries confessed openly last month that, among 770 000 workers of the motor car manufacturing industries, one third of them, that is, about 250 000 workers are facing the prospect of unemployment or underemployment, due to the relocation of their production processes to Eastern Europe.

For another European country, France, it enacted a law to prescribe the maximum working hours four years ago, though no national minimum wage has been introduced. It is stipulated that employees cannot work in excess of 35 hours weekly. What is the unemployment rate of France? The answer is 10.4%.

The high unemployment rates in Germany and France have made both the employers and the employees doubtful about the effectiveness of the relevant laws. After Bosch and Siemens had expressed their intention to relocate their production to Eastern Europe, the employees, in an attempt to secure their "rice bowls", agreed to extend their working time on the premise of preserving the same wages. At the moment, the industrial and commercial sectors of the two countries are actively planning to lobby for repeal of the law on maximum working hours, so as to enhance their competitiveness. An opinion poll in France reveals that, 90% of the interviewees support more options on working hours, for example, employees and employers should be allowed to negotiate for longer working hours. From this, we can see that the relevant laws have really become outdated now.

Let us examine one more example. Some Japanese economists have pointed out that the economic downturn of the country that has persisted for 10 years is also mainly caused by the maximum working hours. From the '80s to

the present, the weekly working hours of employees have dropped from 44 hours to the present 38 hours. The GDP of Japan has been dropping gradually since 1988, and this has brought about great hardship to both employers and employees.

Madam Deputy, when the labour sector promotes maximum working hours, it has the wishful thinking that with the working hours for the existing workers reduced, the employers will have to employ extra hands to complete the unfinished work. As such, more people would be employed. However, such logic has already been invalidated by economists. This is because, in the realistic world, the market does not function as simply as "one plus one is two". The prescription of maximum working hours has not only jeopardized the meaning of free economy, but also undermined the right of employers and employees to freely reach labour agreements. This has led to higher production costs and aggravated the unemployment problem.

As the representative of the business sector in this Council, I fully understand the significance of a good business environment, which includes policy flexibility. Yet, rigid policies will only suffocate development, and it will be difficult to cope with the ever-changing market, thereby further undermining the competitiveness of Hong Kong. As a matter of fact, enacting the relevant laws will definitely lead to higher costs for enterprises, and the consequences will be threefold: (1) Generally speaking, entrepreneurs of manufacturing industries will transfer the costs onto consumers. Are the people willing to buy the expensive goods? (2) For those goods of excessively high costs which could not be transferred onto consumers, manufacturers would choose to relocate the plants elsewhere, and workers will lose their jobs; (3) The businessmen cannot afford the costs. The worst outcome is: Closure of the business. Everybody will stand to suffer losses.

Madam Deputy, all along the business sector of Hong Kong has treasured the harmonious relationship between employers and employees. Everyone can say freely what they think in the negotiation process. The business sector absolutely does not have any intention to reduce the interests of the workers. If some people insist that the Government must enact legislation to intervene in the market and create more obstacles for the business environment, this will render the measures proposed by the business and industrial sector for removing red tape totally meaningless (even the SAR Government agrees to remove the obstacles). I would like to reiterate that (*The buzzer sounded*)

DEPUTY PRESIDENT (in Cantonese): Mr Jeffrey LAM, please stop speaking.

MR JEFFREY LAM (in Cantonese): Only by maintaining freedom and flexibility in the market can we enjoy greater competitiveness. I hope Members can support me in opposing this motion.

MS MARGARET NG (in Cantonese): Madam Deputy, the core values of a society are reflected in its public policies. The critical issue of our current debate is: Is the protection offered to working families to assure the most basic living standard for them a core value of Hong Kong society? If so, is the prescription of a minimum wage a suitable approach?

In the meantime, we also have to explore whether it will bring about bad consequences to society, if this policy of specifying a minimum wage is implemented.

In 1999, the Research and Library Services Division (RLSD) of this Council compiled a research report on the issue of minimum wage. The Report covered how the policy of minimum wage was implemented in various countries, and the information so collected is still valuable reference for us now.

Firstly, many countries have established a minimum wage system for a long time; such countries include Australia, the United States, France, Britain, Taiwan, Japan, South Korea and China. Nearly all the countries, in specifying a minimum wage, have the intention of offering protection to workers, so that the income they earn should be adequate to meet the needs of a family in leading the most basic living in a civilized society.

In other words, there is absolutely no difference between what Miss CHAN Yuen-han says in the first part of her motion and the concepts of other advanced countries. It is indeed a very common practice for a civilized society to provide the safeguard that the wages earned by the workers can meet the most basic needs in their daily life.

Secondly, the research report also explored the usual grounds of objection for legislating on a minimum wage. Such reasons included the possibility that job opportunities might be reduced; the wages of other industries not regulated

by the minimum wage legislation would be slashed; the adverse impact on the competitiveness of the economy as well as the possibility that employers might reduce the resources for in-service training, and so on.

The research report also indicated that there were no explicit facts to support such worries. The research projects of other experts also did not produce any uniform conclusion. The only fact we can be sure of is, if the minimum wage is set at a level too high, job opportunities will be affected. Just now, Mr Andrew LEUNG said that if a minimum wage is implemented, Hong Kong employers will move northwards to the Mainland to set up factories there. In fact, at the moment even though we still have not stipulated any minimum wage, Hong Kong industrialists have already done that. This is something we all witness with our own eyes.

Therefore, the critical issue is how we should specify and adjust the level of minimum wage. The research report showed that different countries and territories had adopted different mechanisms and levels to adapt to their respective needs and circumstances. If the Hong Kong Special Administrative Region (SAR) does decide to implement the minimum wage policy, we shall of course discuss what the most suitable mechanism for Hong Kong is.

I hope the Government and this Council can attach great significance to facts and information collected by such research work when they discuss any policies. As the grounds of objection are not substantiated by facts, then we should not continue with our opposition. Instead, we should go back to the crux, that is, the core values of Hong Kong.

Madam Deputy, while propelling its own economic development, a civilized society must attach great significance to the protection of the dignity of workers. "Workers" includes all those who work with their physical strength or their intelligence. In our culture, we despise parasites, but respect those who insist on self-reliance despite very difficult circumstances. If a person who does a normal job for a reasonable number of working hours, but he still cannot make enough money to meet his most basic needs in his daily life, may I ask what kind of society this is? Is this still the society of Hong Kong which we used to take great pride in?

Undoubtedly, in order to legislate on a minimum wage, society as a whole has to pay a little price. For example, we need to study how the policy should be formulated, how it can be implemented, and how the relevant laws should be enacted. Upon the enactment of the laws, everyone will somehow be restricted. But what we need to decide now is: Are we driven by our own conscience and dignity in wanting to do this? To me, the answer is all too clear. I support the minimum wage and maximum working hours; I support both the motion and the amendment. Thank you, Madam Deputy.

MS LI FUNG-YING (in Cantonese): Madam Deputy, in June this year, before the end of the last term of the Legislative Council, I proposed a motion on qualifications framework for employees in this Council. As I pointed out in my speech back then, it is difficult for us to expect a worker who works six days a week and over 10 hours daily to be able to pursue studies in his spare time. Without matching measures in terms of working hours and wages in the system, it will be utterly difficult for the 1 million-odd grass-roots workers to benefit from the learning ladder. This term of the Legislative Council has just started, and Miss CHAN Yuen-han has proposed a motion on minimum wage and maximum working hours. So, in today's debate, I will focus on the qualifications framework for employees in my discussion on minimum wage and maximum working hours. I also wish to spend more time on discussing the pros and cons of setting a minimum wage and maximum working hours. But I am afraid I may not be able to do so due to the time constraint.

In 2001, the Chief Executive proposed in his policy address the setting up of the Continuing Education Fund for application by people without a university degree. This initiative was indeed meant to support people with lower education attainment to pursue on-the-job studies. Regrettably, the Government considered the response unsatisfactory and therefore relaxed the requirement of application to the effect that people who hold a university degree are also eligible to make applications. Even now, I still take exception to this measure of the Government, because the Government has not looked into the underlying reason for the poor response among non-degree holders to the Continuing Education Fund. At present, the Education and Manpower Bureau is vigorously making preparations for the implementation of a qualifications framework, setting an even grander objective, that is, to facilitate the pursuit of studies by all people at work in the territory with a view to producing doctorate degree holders in all trades and industries. I have criticized the Government

time and again that it has made the same mistake as that in respect of the Continuing Education Fund.

As I said during the debate on the qualifications framework for employees, in order to create a favourable environment for lifelong learning, to make the qualifications framework truly beneficial to employees, and to ensure the successful restructuring of Hong Kong into a knowledge-based economy, we cannot evade the existing problems in the labour market. I think only by prescribing a minimum wage and maximum working hours can we help the grassroots to pursue on-the-job studies. In June this year, the Secretary for Education and Manpower, in response to my motion, only stated the benefits of establishing a qualifications framework. But he has never explained to us as to how a grass-roots worker who earns low wages and works long hours can avail himself to the benefits. While it is not the Secretary for Education and Manpower who will respond to this motion today, the Secretary for Economic Development and Labour, being the responsible official, is duty-bound to tell us how grass-roots workers can pursue lifelong studies, thereby promoting the overall quality of the human capital in Hong Kong and taking our economic restructuring forward if there are no matching measures in minimum wage and maximum working hours.

Madam Deputy, about the controversies surrounding the prescription of a minimum wage, I have looked up past records of meetings of the Legislative Council pertaining to debates on minimum wage. In April 1999, the Secretary in charge stated three reasons for opposition in the debate on minimum wage proposed by a Member of this Council: First, setting a minimum wage will distort the wage structure of the free market. But in May this year, the Chief Executive required various departments to issue guidelines on outsourcing, stipulating that the wages of non-skilled workers must not be lower than the wage levels as reflected in the survey conducted by the Census and Statistics Department on the same types of work. With its own actions, the Government has negated its own argument. Second, employers will determine the wages of their workers according to their productivity, capability and performance as well as the business situation of the company. But last month, the Employers' Federation of Hong Kong suggested companies not to make adjustment to the basic or fixed salary levels. Instead, it was suggested that adjustment of the fixed salary be replaced by a one-off bonus as a reward for employees showing good performances. This is entirely not in line with the Government's view that wages are determined according to worker's capability and performance.

Third, the minimum wage will become the maximum wage and increase the unemployment rate, a view also expressed by some colleagues earlier on. I admit that when a minimum wage system is put in place, there is the risk that the minimum wage would become the maximum wage. But does it mean that enacting labour legislation would affect the labour market?

Labour legislation is usually enacted to set the minimum requirements for compliance by employers. But we will not refrain from enacting labour legislation for fear that some responsible employers may cease measures that are above the minimum requirement. Similarly, I think we cannot refuse to strive for dignity and good treatment at work for grass-roots workers for fear that some employers may take advantage of a minimum wage system.

Madam Deputy, improving the unemployment rate has all along been an issue of the utmost concern to the labour sector. But the labour sector absolutely will not support the reduction of production costs by according unreasonable treatment to workers. While it is said on the surface that the intention is to increase job opportunities, the true purpose is to subject workers to more extensive exploitation. I deeply regret the use of protection of grass-roots benefits as a pretext to oppose the setting of a minimum wage and maximum working hours. Thank you, Madam Deputy.

MR WONG KWOK-HING (in Cantonese): Madam Deputy, the motion moved by Miss CHAN Yuen-han of the FTU essentially seeks to promote healthy interaction and sustainable development in Hong Kong society. The motion comprises three elements: first, a call for pay rises; second, a hope for legislating on a minimum wage; and third, a call for prescribing maximum working hours.

Insofar as Miss CHAN's motion is concerned, I believe the voices of opposition have come mainly from the business sector and it was those colleagues with business background who presented reasons for objection. I find all these reasons outdated. Nor do I find it worthwhile to waste time to refute the attack launched by a Member against the motive behind Miss CHAN's motion. On the contrary, I would like to call on opposing Members to adopt a new way of thinking and new vision, and refrain from opposing the motion for the sake of protecting the narrow interest of the business sector. Actually, I have to appeal to friends in the business sector to vote out of the highest level of

their conscience with a view to promoting a healthy cycle, healthy interaction and sustainable development in Hong Kong society.

Honourable colleagues, the FTU's call for pay increases is not purely for the sake of wage earners. It is for the good of the entire community in the hope of promoting healthy interaction among all members of the community. When business prospers, employers will be benefited; not only will employers be benefited, workers will be benefited too; when workers are benefited, spending in the community will improve; with spending improved, the community will become even better. The community comprises mostly wage earners. Should employers only care about tightening their purse strings without allowing wage earners to share the benefits of the recovery and prosperity of the community, how can there be healthy interaction and sustainable development in the community as a whole? Therefore, I hope friends in the business sector can, besides "pressing their wallets" with one hand, search for their social conscience with the other.

Honourable colleagues, the intention or objective of the appeal made by the FTU to legislate on a minimum wage is to resolve a major social problem currently confronting Hong Kong, namely working poverty, or employment poverty. Unless this problem is resolved, there can never be a healthy cycle in the community. Wages can merely be pushed further down.

I would like to quote a popular saying on the Mainland before its opening and reform: "One gets paid 36 bucks for working, but 37 bucks for not working". How come 37 bucks? This can be used to describe Hong Kong's current situation, in which 550 000 people are earning less than \$5,090, the amount of Comprehensive Social Security Assistance (CSSA) they are eligible for (if calculated on the basis of a four-member family). These people are all hard-working and are eager to be self-dependent; yet they are offered a humiliating wage ranging from \$2,000 to \$4,000, which is simply insufficient to meet their own and family expenses. It would be even better for them to apply for CSSA for they will then receive \$5,090 a month. The business sector is commonly known as a penny pincher. Yet, they are not really good at sums if they have only taken into account the amount affecting the sector without considering the cost to society as a whole.

Mr Andrew LEUNG stated earlier that Miss CHAN Yuen-han's motion had sought to promote "welfarism". Actually, should there be a reward for

promoting "welfarism" and free lunches, it should go to Mr LEUNG for, according to his logic, he is actually encouraging the people to apply for CSSA.

Honourable colleagues, the objective of the appeal made by the FTU to legislate on maximum working hours is to oppose irregular working hours and vicious circles. I have no intention to repeat the numerous examples cited and the stories told by Members earlier. However, these examples and stories have actually reflected the blood and sweat of labour in Hong Kong in the 21st century. For the sake of protecting their "rice bowls", wage earners have to comply reluctantly by working overtime and performing irregular manual work. According to a number of surveys, wage earners work 55.2 hours on average per week. We were told by a colleague, who is a doctor, that people in the medical sector work 80 to 100 hours on average a week. Such inhuman labour is absolutely inhumane.

Besides overtime work, workers have to pay a great deal as well. They have to sacrifice their social life, family life, learning opportunities and studies, personal space, and so on. Actually, social costs are involved in all these too. They include deteriorating physical condition; increased work injuries; diminishing productivity, labour quality and labour efficiency; proliferation of family problems; dropping birth rates; rapid ageing of the population; and so on. A recent survey has even found that Hong Kong ranked the second last globally in terms of the most intimate relationship between both sexes. All this bears testimony to the problems caused by irregular working hours and the absence of maximum working hours. Such being the case, I cannot help asking this question: Should we allow Hong Kong society to build its economic prosperity on the blood and sweat of labourers in Hong Kong in the 21st century? Can we allow this social phenomenon (*The buzzer sounded*)

DEPUTY PRESIDENT (in Cantonese): Mr WONG Kwok-hing, please discontinue.

MR WONG KWOK-HING (in Cantonese):to exist? Therefore, I urge Members to support Miss CHAN Yuen-han's motion.

Thank you.

MR ALBERT CHENG (in Cantonese): Madam Deputy, the labelling of our colleagues as champions for free lunches or free welfare because of their fight to uphold social justice and for the interest of the labour force is indeed an insult to Hong Kong people. Despite the popular saying that CSSA nurtures lazy bones, this is actually not the case. On the contrary, workers have been forced to apply for CSSA because of their shameful treatment. Therefore, unscrupulous employers may actually be responsible for nurturing lazy bones by forcing workers to apply for CSSA.

The Liberal Party, labelled by me as a rich-man's party, comprises members including you, Madam Deputy. Members of this party are loyal to property developers. Following the record-breaking land auction yesterday, rent, accommodation charges and land prices are bound to surge. I trust Members know that exorbitant rent is to blame for the allegation that Hong Kong's business environment is lacking in competitive edge. Rent is the highest of all business costs. So, why have our colleagues — some of those from the rich-man's party — not fought for reasonable rent? Why do they have to exploit our labour force? Wages are actually not the most exorbitant component.

Mr Andrew LEUNG has acted impudently and shamelessly by raising such alarmist talk that some 800 000 jobs have been relocated to the Mainland because of the northward shift of industries. As Members are aware, employers will relocate their production or work processes to low-wage places where possible as long as operating costs can be saved. May I ask employers whether they will carry with them a bag of refuse when they travel to the Mainland to play golf? Besides their golf bag, will they carry with them a bag of refuse? Should they do so, there will be no need to employ people here to perform cleaning duties. Can the bowls and plates they have used at meals be taken to the Mainland to be washed clean and brought back after their golf games? Work processes should have been relocated a long time ago should this be possible. I hope Mr LEUNG can discontinue his alarmist talk. Hong Kong is still the most profitable and best place for business in the world. Businesses should have been relocated a long time ago should this be possible.

(THE PRESIDENT resumed the Chair)

Both the motion moved by Miss CHAN Yuen-han and the amendment moved by Mr Andrew CHENG today are extremely mild. Can an hourly wage of \$25 as proposed in the bill mean anything? Do the workers who trade their blood and sweat for their living not deserve a monthly wage of \$5,000?

Mr Tommy CHEUNG made another remark that he very much wanted the workers to take rests. In his opinion, however, they should take rests by staying home to get more sleep, or else they would not need to take any rest. It is because their productivity will be affected should they go out having fun. What kind of persons could have spoken something like this? He also added that workers had volunteered to have their pay cut. I have not heard any workers express willingness to cut their wages. Then, Mr CHEUNG made a comparison in wages between workers in Hong Kong and those in Shenzhen. Should workers in Hong Kong be demanded to accept wages comparable to those paid in Shenzhen, they should be allowed to pay rent comparable to that levied in Shenzhen and provided with supplies from Shenzhen. Our workers will then be willing to do so, but why.....

PRESIDENT (in Cantonese): Mr Albert CHENG, excuse me, you have to face the President while speaking.

MR ALBERT CHENG (in Cantonese): I did not face you because I had not noticed that you were back. It is better to face you because I can see it if someone returns.

Excuse me (*laughter*), Mr Andrew LEUNG then presented some data to make some improper comparisons. Those data, compiled by some conservative foundations, are biased. He even cited the idea that the setting of minimum wages and maximum working hours in East Germany and West Germany will affect the German economy. As Members are aware, the economic problems confronting Germany are attributed to the merger of East Germany and West Germany and bear no relevance to the maximum working hours and minimum wages.

As stated by Long Hair, if this Council can represent the opinions of a majority of the people of Hong Kong, it is needless to discuss these issues today. Nor is it necessary to discuss the impossible tasks cited by Mr Andrew LEUNG

and this motion considered by him to be futile. The only remark made by Mr LEUNG with which I can agree is that this motion is not going to bear any fruit. He made this remark because the rich-man's party has already had an established policy. Under the existing separate voting system, we are seeking to do something impossible for the party will veto this motion on minimum wages and maximum working hours according to its policy. The swearing-in ceremony was held just a week ago. I hope to remind Honourable colleagues that we have to maintain allegiance to the voters of Hong Kong and the people of Hong Kong, in addition to the People's Republic of China and the Special Administrative Region Government. We must not exploit the labour force against our conscience.

As I mentioned before, this motion is indeed very mild. What is involved is merely an hourly wage of \$25 or a monthly wage of \$5,000, only in selected trades and industries. I have no choice because, should I have one, I will not support this motion. In my opinion, we should stipulate minimum working hours and maximum wages for all industries, and even provide for right to collective bargaining. In the absence of choices, and knowing it very well that we are doing something impossible and bearing in mind the injustice that prevails in this Chamber, I can only say that I support Miss CHAN Yuen-han's motion and Mr Andrew CHENG's amendment. Nevertheless, I agree with Mr Andrew LEUNG that we will surely lose because we can definitely not secure sufficient votes. This is like the case in the election of the President of this Council or Chairmen of Panels, we will definitely lose. Yet, I agree with Long Hair that we are not going to fight here. The public will probably have to fight for the introduction of full universal suffrage in 2007 and 2008 with their eyes open wide. Thank you, Madam President.

MS MIRIAM LAU (in Cantonese): Madam President, just now when Mr Albert CHENG spoke, he mentioned or alleged that Mr Andrew LEUNG was shameless. I would like you, Madam President, to make a ruling as to whether Mr Albert CHENG had breached Rule 41(4) of the Rules of Procedure.

PRESIDENT (in Cantonese): I also heard Mr Albert CHENG say that another Member was "shameless". Mr Albert CHENG, I think this remark is insulting.

MR ALBERT CHENG (in Cantonese): Madam President, I cannot hear you.

PRESIDENT (in Cantonese): You could not hear me? Just now you said that a Member was shameless. I think this remark is insulting. Do you wish to withdraw this remark?

MR ALBERT CHENG (in Cantonese): In this Council where those in the majority can always bully those in the minority, I think it is meaningless if I refuse to withdraw it. So, if I have to withdraw it, I will. But I still believe in every word that I have said. Thank you, Madam President.

PRESIDENT (in Cantonese): Mr Albert CHENG, thank you for withdrawing that remark.

MR ALBERT HO (in Cantonese): Madam President, the new Council is going to debate two questions today. The first motion is concerned with protecting grass-roots workers and legislating on a minimum wage and maximum working hours. The second one to be debated later deals with protecting the socially disadvantaged groups and people with disabilities. There is something in common between the two motions, in that speakers have to speak with their hearts as well as their brains. The same goes to this debate today. We can note from the speeches delivered by Honourable colleagues not only their eloquence and wisdom, but also their moral values and inclinations.

Madam President, in studying social policies, we will very often use certain standards to define the progress of civilization. Modern people are proud that they are living in a civilized and advancing society. But what determines our index of civilization? Our GDP? The number of computers? The number of Benzes? The quantity of brandy that has been consumed? Or the number of the rich and powerful having been included in the world's chart of billionaires? I believe none of these answers is right. In my opinion, in order to define whether or not a place is civilized, we have to look at the place from such angles as the physical well-being of the people, the level of environmental protection, the education standards of the average people, and so on. One extremely important factor is whether the most vulnerable group is given humane

care and attention. Of course, democracy is equally important, for democracy represents human dignity.

It is a bad idea to use the following data to compile indexes, and that Hong Kong should really feel ashamed for this: our Gini Coefficient has exceeded 5.1 to almost 5.2. Recently, I was told by Dr YEUNG Sum, who is studying social policies, that attention should be paid to a place once its Gini Coefficient reaches 4, a level already considered unacceptable in many places. The Gini Coefficient of Hong Kong has even reached 5.18. Hong Kong has been ranked fourth internationally by the World Bank in terms of the disparity between the poor and the rich. What sort of society do we have? We should indeed feel ashamed if we still do not find there much food for serious thought or even refuse to take immediate remedial actions after noting the observations and criticisms made by the Commission on Human Rights in response to Hong Kong's report to the United Nations.

Madam President, Dr Fernando CHEUNG pointed out earlier that this is a moral issue. In my opinion, however, minimum wage is more than that. Of the relevant references made by many Honourable colleagues earlier, Ms Margaret NG raised the point of core values, while Mr Albert CHENG talked about social justice. All this illustrates that this issue concerns more than moral values and is of vital importance to our society's long-term stability and sustainable development. Furthermore, this policy is conducive to achieving these two goals. Without a stabilizing policy to enable citizens to enjoy the most fundamental and humane living so that they can lead a stable life and let their children receive education, how can we have talents? Without talents, how can our economic transformation be sustained? How can equal opportunities be achieved? How can Hong Kong maintain its position as a financial hub? As such, all this is important. I feel that many Hong Kong people — I do not mean all of them, but some of the friends in the commercial and industrial sectors — are too short-sighted for they may be looking merely at short-term economic effectiveness. The idea of giving workers an immediate pay rise the following day will definitely be unacceptable to them. Actually, such a short-sighted approach is out of line with the consideration of maintaining the stability of society as a whole.

From the angle of the impact on the economy, the example cited by Mr Jeffrey LAM earlier is all too sweeping. The researches conducted by this Council have provided us with a great deal of data. What he mentioned just

now was merely a 2001-02 report about Germany. I can easily cite numerous other reports: According to a report published by the Australian Industrial Relations Commission in 1998, the setting of a minimum wage will merely produce a mild effect and will not affect employment. In other words, the employment rate will not be affected as long as the adjustment is mild. Furthermore, in a report submitted to the United States Congress in 1998, the Secretary of Labour of the United States pointed out that the impact of a minimum wage set below 50% of the median wage on employment is hardly noticeable.

Of course, some reports will present diverse views. However, according to the findings of a majority of researches, there will be little or no impact, with some individual reports even pointing to positive effects. There may be a number of factors contributing to the decision of investors to pull out of a place to another. As mentioned by Honourable colleagues earlier, a great number of investors in Hong Kong have already relocated to the Mainland a long time ago. Was it because there was a minimum wage policy in Hong Kong? Or a maximum working hours policy? None of them was in existence. Madam President, Mr TONG Ka-wah reminded Members earlier that, besides moral and economic considerations, there was legal consideration, too. Nothing is clearer than law. Hong Kong is legally bound by labour conventions and the International Covenant on Economic, Social and Cultural Rights. It is incumbent upon us to assume these responsibilities.

Madam President, the expression "free economy" has frequently been abused. Many concepts have now become obsolete, one such example being equating *laissez-faire* to freedom. Believers of such concepts are not aware that the value of free economy lies in price competitions and free choices, which are underpinned by reasonable regulation. Owing to market imbalance, the competitions mentioned earlier have very often failed to perform their functions. For these reasons, the Democratic Party's position is very clear: it supports today's motion and amendment. However, in future implementation, prudence must be exercised in setting the level and mechanism (*the buzzer sounded*)I so submit.

MR FREDERICK FUNG (in Cantonese): Madam President, the Hong Kong Association for Democracy and People's Livelihood (ADPL) and I have, over the years, been supporting and demanding the stipulation of minimum wages and

maximum working hours to enable wage earners to meet their basic needs of living and those of their families. However, after numerous debates in this Chamber, it is found that the views of government officials and opposing Members from the business sector can indeed be summarized into two points:

- (1) the imposition of a minimum wage will reduce the number of job vacancies and push up the unemployment rate. Ultimately, the interest of the labour force will not be protected, with the minimum wage turning into the maximum wage instead; and
- (2) this measure will violate the principle of free market economy and interfere with the market in its determination of wages, thus depriving the job market of its flexibility and pushing the businessmen's operating costs even higher.

Actually, the ADPL and I have repeatedly pointed out that the above arguments are much too lopsided and rash. I have also repeatedly quoted a number of scholars and their theories to refute the above arguments. In debating this question in this Chamber in the last term, I presented the researches conducted by Prof D CARD of the University of California, Berkeley and Prof A KRUEGER of the Princeton University and relevant live examples to prove that there is no causal relation between minimum wage and unemployment rate. Although Mr Jeffrey LAM, a representative of the business sector, quoted the case of Germany to illustrate his point that Germany's business sector had decided to relocate all the factories and plants because of the imposition of minimum wage and maximum working hours, he could not explain the reasons for the relocation of a majority of factories and plants from Hong Kong, though there are no minimum wage and maximum working hours in Hong Kong. How can he explain the sharp decline in the number of manufacturing workers from more than 1 million to less than 300 000 now? His conclusion is obviously wrong and misleading.

The argument that the imposition of a minimum wage violates the principles of free market economy and interferes with the market in its determination of wages is obviously exaggeration. We have repeatedly emphasized that the stipulation of a minimum wage will merely bring about a very slight increase in society's overall spending on wages. It has, however, a vital part to play in enabling the grassroots to sustain their basic living. Yet, the Government holds the view that the imposition of a minimum wage will seriously distort the wage structure of the entire job market. What are those extra-low

wage jobs? They are mainly confined to some low-skilled manual jobs. As Hong Kong economy is dominated by financial, professional and service industries, I really cannot see how a minimum wage will impact on them.

Should we allow the free market to adjust unchecked, wage levels will only be further suppressed and go further down, thereby leading to a situation similar to the repeated incidents occurred early this year in which outsourced cleansing workers were found to be exploited by contractors of the Housing Departments and the Food and Environmental Hygiene Departments. The unreasonable treatment, such as extra-low wages, extra-long working hours, the absence of holidays, and so on, facing these workers actually triggered an outcry from the general community and public opinion at that time.

As regards the issue of maximum working hours, I seek to quote a survey, entitled "Work-life balance", recently conducted by the University of Hong Kong and Community Business. A total of 1 000 employees were interviewed in the survey and it was found that the average weekly working hours of the interviewees reached 55.2 hours, with nearly 80% of them having to perform unpaid overtime work on a long-term basis. The survey also pointed out that more than 70% of the interviewees felt under pressure because of overtime work and they did not have time to do exercise. 45% and 33% of them even complained of suffering physical exhaustion and depression respectively.

The findings of the survey indicated that this is an all-lose situation. For the employees, prolonged working hours bring about physical and emotional problems, thereby producing a negative impact on their family relationship. For business organizations, prolonged working hours cannot enhance productivity; on the contrary, the morale of their employees will be dampened and the profit of the companies will ultimately be affected. For the community, the impact is even more profound. In addition to increasing the community's overall spending on medical and welfare services in the long run, the cost borne by the community for resolving the problems derived from a lack of family care among the younger generation is incalculable.

In sum, both the ADPL and I agree with the direction of the original motion and the amendment. Yet, I believe the chances of this motion passing are slim. Why? Because the positions of Members are sharply divided over this remedy. In my opinion, this problem is fundamentally attributed to

Members' diverse views on the cultural level and the sense of value of the labour sector.

The business sector is accustomed to looking at things from the perspective of an employer. As a result, profit is always the prime consideration in its decision-making process in the hope that the maximum profit can be achieved within the shortest possible time. While there is nothing wrong for operators of commercial organizations to hold this mentality, I find it totally wrong, illogical and unacceptable to hold this mentality in formulating long-term labour policies that will affect millions of wage earners.

From another angle, some hold the view that these two policies, the collective benefit of society and prestige in governance are of overriding importance. When there is a conflict between the right of individuals and the collective benefit of society or prestige in governance, the right of individuals will very often have to be sacrificed. This angle also represents the deep sense of value behind some of the opposing Members. Under this ideology, the argument of "preserving the interest of the whole" is thus put forth: "With globalization, and in order to maintain our competitive edge so that we will not lag behind others, it is impossible for the Government to legislate to restrict working hours and wages." This actually means that employees should, under all circumstances, be made sacrifices for the sake of preserving the interest of the whole.

Under no circumstances should those in power formulate long-term policies with such a short-sighted vision and established ideology and jump to a conclusion for the whole community by grasping just one side of the story. Otherwise, the "value of men" will ultimately be reduced to a heap of lifeless economic figures, thereby stifling the long-term development of the territory.

The formulation of the International Covenant on Economic, Social and Cultural Rights (ICESCR) is actually a product of the struggle between developed countries and developing countries as a manifestation of a balance between the pursuit of individuals' rights in Western societies and the emphasis for collective interest in eastern societies. It is made clear in the ICESCR that due attention has to be given to the basic rights of the labour force in the course of pursuing economic development.

For these reasons, the ADPL and I strongly request the Government to faithfully enforce the provisions of the Basic Law and the ICESCR by legislating on a minimum wage and maximum working hours while respecting international covenants made as a result of co-ordination of diverse values and inclinations.

Madam President, I have to stress that the formulation of a minimum wage and maximum working hours should not be seen as some sort of panacea. We must not exaggerate its efficacy. What is more, we must not exaggerate its negative impact on the economy and the job market, as the opponents do. I hope Members will not forget those wage earners who have been toiling silently behind the economic activities. Can Members bear to see them lose balance in their life because of overworking? Can Members bear to see them make so little that they cannot even meet the basic need of feeding themselves? I hope colleagues can pass this motion and amendment today to give workers a little dignity of bare survival.

Thank you, Madam President.

MS AUDREY EU (in Cantonese): Madam President, two and a half years ago, Mr LEE Cheuk-yan proposed in the last term of the Legislative Council a motion debate on the problem of "working poverty" in relation to the minimum wage. I did speak during the debate and what I said in my speech at that time was mentioned by Mr TONG Ka-wah when he spoke today. I said, and I quote, "Article 39 of the Basic Law stipulates that the provisions of the International Covenant on Economic, Social and Cultural Rights (the Covenant) as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region (SAR). Article 7 of the Covenant specifies the right of workers to receive remuneration that provides all workers, as a minimum, with a decent living for themselves and their families. When the United Nations Human Rights Commission (UNHRC) discussed the implementation of the Covenant in Hong Kong in 1996 and 2001, it twice proposed a review of the employment policies of Hong Kong including the establishment of the minimum wage. It is a pity that the British Hong Kong Government and the SAR Government remained indifferent. The Secretary for Justice, Ms Elsie LEUNG, also emphasized that the provisions of the Covenant only had promotional effects in Hong Kong."

"As the UNHRC stressed in its discussion report, the Covenant had legal effects and constituted the legal responsibilities of the States Parties. In fact, if the Government does not intend to observe the provisions of the Covenant, would it be meaningful for it to become one of the States Parties? The UNHRC and I are very sorry that the Government has been evading its responsibilities in this respect." Such was what I said on the last occasion.

Today's situation is even worse compared with two and a half years ago. According to the Government's statistics, when calculated on the basis of weekly working hours of 50 or more, up to 117 800 employees, representing a rise of 117% on the year 2000, received a monthly income of less than \$5,000 last year. Furthermore, the number of low-income households, or households having an income less than one-half of the median household income, reached 1.12 million, or 16.5% of the population, last year. Mr Tommy CHEUNG of the Liberal Party spoke in opposition to the motion mainly on the ground that the free market should not be violated. Actually, the establishment of a minimum wage and maximum working hours will in no way violate the free market. We merely seek to, in accordance with the Basic Law and the international covenant mentioned by me earlier, set the minimum wage at a reasonable level to enable employees to live with dignity and prevent them from being forced to apply for CSSA, thereby increasing the financial burden on the Government and, at the same time, allowing the free market to continue to operate freely on this basic level.

As regards working hours, according to the Government's figures, the number of employees working 60 hours or more per week last year reached 574 000, representing a rise of 21% on 2001. The long working hours of wage earners may cost the community dearly. First, the Government and the business sector have always stressed the need for employees to pursue lifelong learning. How can the employees afford the time to pursue further studies and upgrade their personal vocational skills if they have to work long hours? Second, wage earners working long hours do not have time to take care of their families, thereby indirectly leading to various kinds of family and youth problems. Furthermore, long working hours will affect the health of wage earners. This will mean higher medical expenditure for society in the long run.

In sum, the problem of "low wages and long working hours" must be resolved. Although the Government has currently resorted to an administrative

guideline to regulate the minimum wages received by outsourced cleansing workers and security guards, the guideline is unable to protect millions of employees working in private organizations because of its limited application. However, is legislation the best solution? Madam President, you may recall that, during the Legislative Council Election held recently, we were frequently challenged by our opponent, Mr TSANG Kin-shing, who said that he was the only one who demanded legislation on a minimum wage and maximum working hours, and whether or not we agreed to such legislation. I remember I once said, and I believe, Madam President, you will remember, that a great number of Members had reservations and raised many concerns about such legislation. Yet, I cannot rule out that legislation may ultimately be proved to be the most effective solution. However, many issues have to be taken into account in the process of legislation. Mr Alan LEONG also mentioned in the part of this debate that we need many conditions as complement and we have to address the concerns of many people. I believe Hong Kong, being a sophisticated and rational society, should be capable of addressing these problems.

I understand that we are beset with difficulties in implementing a minimum wage and maximum working hours. Yet, the presence of difficulties does not mean that we should not start working. This motion seeks merely to demand each Member to state their position on this issue. As such, I appreciate the various concerns about legislation and believe it is not timely for us to discuss how to legislate or what proposal is the most suitable at this stage. I only hope that Members can assume a very clear position on this question. As such, Madam President, I agree with today's motion and amendment.

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, in this motion debate today, I find the objections raised by two Members, namely Mr Tommy CHEUNG and Mr Andrew LEUNG, to the motion the most representative. It is a pity that both of them were not present in this Chamber while we were debating the question. It does not matter because it is a common scene in this Council. Their speeches deserve our discussion for they are truly representative. The two Members began by asking why we had to discuss this question every year. True, why do we have to discuss this topic every year? The simplest answer is: it is brought up for discussion again because it is not yet resolved. If it is already resolved, why will we have to waste Members' time to discuss it again? It is therefore simple and clear that we very much hope the problem can truly be resolved.

Actually, Miss CHAN Yuen-han picked the winning straw to move this motion. Even if she had not moved this motion, Mr LAU Chin-shek or Mr LEE Cheuk-yan will move a similar motion sooner or later. Why? Because this issue has an extensive and profound impact on the development of the entire community. Friends in the labour sector and those who care about labour interest will therefore definitely move a motion again in this Council. Their spirit impresses us precisely like the one demonstrated by the Foolish Old Man who tried to remove the mountains. So long as the issue remains unresolved, it will be brought up for discussion again and again. I want to tell friends in the business sector that should no progress be made this time and no action be taken by the Secretary, this question will be brought up for debate again next year. Therefore, they should be prepared psychologically. Of course, this is not what we want. We hope this problem can be resolved today. Of course, I might be dreaming an impossible dream.

On the other hand, Mr Andrew LEUNG accused us of harbouring the motive of garnering voters' support and more votes by harping on this old tune again and again. Madam President, we have all experienced this election. What is wrong with elected Members securing voters' support? Is there anything wrong? In fact, it is true that we need support. At the same time, they need our support too. Why? We must make concerted efforts before the problem can be solved. Nothing can be accomplished if one party refuses to co-operate. We have to seek voters' support and their votes. We hope every citizen can support the passage of the motions moved by us in this Council. It is an indisputable fact that we have to fight for voters' support as well as their votes.

Nevertheless, we disagree with Mr Andrew LEUNG in questioning why we should continue with our discussion as it will bear no fruit. We feel that we have to maintain this spirit — we do not necessarily do things to achieve results and avoid those that do not bear fruit. Nor should we do things that achieve immediate results and avoid those that bear fruit in the long run. We hope to seek a consensus in the community with respect to certain matters. Should it be impossible for a consensus to be reached today, we hope this can be done next time around. It is of vital importance that both parties are willing to open their minds in search of a consensus.

Mr LEUNG also mentioned that, as representatives of employers, they had addressed the issue pertaining to the people's livelihood with great rationality. I think Mr Albert HO made an excellent remark by saying that it was more

important for the issue to be addressed with our hearts, besides rationality. Actually, the issue of minimum wage proposed by us today is affecting the livelihood of the public, particularly the grassroots. Is their dignity being respected? Is their way of living up to the basic standard of living in society? We do appreciate these problems.

Mr LEUNG Kwok-hung and some Members cited numerous live examples earlier. I have personally witnessed some saddening examples too. I once saw a female cleaning worker perform cleaning work with her eight-year-old daughter after eleven o'clock in the evening. When I asked her why she had to do that, she said she had no other solutions because she had virtually got no time to take care of her daughter. She would break the law should her daughter be left home alone, for it is against the law for parents to leave their children who are under the age of 12 at home. So, what could she possibly do? She could only bring her daughter along with her until she finished her work after eleven o'clock in the evening. When I asked whether her daughter had to go to school the next day, she told me it was against the law too to not to allow her daughter to attend school. So, what could she do? On the one hand, her daughter could not stay at home alone; and on the other, her daughter had to go to school the next day and she could not disallow her from attending school. So, they could only tolerate their situation.

Will Members not feel saddened at seeing something like this? Is it a way of life led by a normal person? Is it acceptable to us for the social environment to be turned back to the way Hong Kong was in the '50s or '60s? As remarked by many colleagues just now, we are living in a modern society. What does the so-called modern society mean? Is it a way of life in our modern and civilized society for a woman in her forties or fifties to bring along a seven- or eight-year-old girl to perform cleaning work even after eleven o'clock in the evening?

Mr Andrew LEUNG again accused us of being impatient by revisiting this old topic for debate today immediately after the start of this new term. Actually, as remarked by Mr Albert HO earlier, these two motion debates are very meaningful, for one deals with grass-roots workers, and the other with the socially-disadvantaged group. Both topics are pressing problems facing the community. When should these topics be brought up for discussion if it is inappropriate to do so today? We have to bring up this topic for debate because we are now facing the hardship and pressure confronting those people in their

daily lives. We will be tolerating the existence of their sorry plight should we keep on waiting.

We are not hoping that this debate today can deliver a solution. We can at least arouse the attention and concern of the community at large by debating this topic in this Council. We hope we can make a joint effort in this respect, not just to say a few words about it. I do hope this debate can arouse the concern of the community at large.

Mr Andrew LEUNG repeatedly stressed that the problem with wages could be resolved naturally under the free market system. I would like to ask him this question: Have wages ever been raised under the free market adjustment mechanism after all these years? If so, it is unnecessary for us to bring up this issue for discussion, right? Why are we still insisting on prescribing a minimum wage? It is a lie and unrealistic to say that this problem can be resolved through the automatic adjustment mechanism of the free market. Furthermore, what we are fighting for today is a basic or minimum wage. In other words, it is actually the same as the lowest wage which is barely enough for a person to enjoy the lowest standard of living or meet the lowest requirement of living. The long working hours will completely ruin many of the policies espoused by Mr TUNG. For instance, Mr TUNG encouraged the public to pay attention to parent-child education. How can parents working long hours pursue parent-child education? Then he encouraged the public to pursue continuing education (*the buzzer sounded*) How can they pursue continuing education if they have to work long hours? Therefore, Madam President, I

PRESIDENT (in Cantonese): Mr LEUNG, your time is up. Please sit down.

MR LEUNG YIU-CHUNG (in Cantonese): I support Miss CHAN Yuen-han's motion and Mr Andrew CHENG's amendment.

MR JASPER TSANG (in Cantonese): Madam President, on behalf of the Democratic Alliance for Betterment of Hong Kong (DAB), I rise to speak in support of Miss CHAN Yuen-han's motion. The DAB is clearly aware of the problems involved in legislating on minimum wage. We have, in the past, expressed our reservations about such legislation. In the debate earlier, a

number of colleagues commented on today's question from the angles of moral, conscience, social justice and core values. The DAB is of the opinion that the basic living of the families of the labour force must be protected. We have absolutely no objection to this.

The issue we are examining is: Is legislation on minimum wage an effective means to protect the basic living of the families of the labour force? Members of the Liberal Party have pointed out, while quoting some overseas research findings, that the stipulation of a minimum wage will possibly affect employment as well as the economy. Yet, many other Members have also pointed out, while quoting even more research results, that the effect of legislation on minimum wage on employment, or increasing the unemployment rate, is negligible.

We have also referred to the findings of researches conducted elsewhere. As pointed out by Ms Margaret NG in her speech, there seems to be no convincing conclusion that the prescription of a minimum wage will lead to greater difficulty in seeking employment or produce a negative impact on the economy. In fact, in some countries where legislation on minimum wage has been implemented for more than half a century, such as the United States, a large volume of literature debating the pros and cons of minimum wage can still be found today. According to the information we have collected, arguments for and against such legislation are still being debated this year. After the enactment of the Fair Trade Standard Act in 1938, the United States has made numerous attempts to raise the minimum wage. Yet, the fact that almost every attempt to adjust the minimum wage would lead to controversies illustrates that the problem still exists. We cannot say that the implementation of minimum wages by others proves that it is not necessary to consider the problems involved in legislating on minimum wage as their experience has all been successful. As remarked by many Honourable colleagues earlier, we have to protect the interest of the labour force. Yet, we would like to point out that the enactment of legislation on minimum wage will not merely restrict employers and protect the labour force. At the same time, the labour force is bound as a result.

As pointed out by some dissenting views, according to the requirements, labourers cannot sell their labour at a level lower than the statutory minimum wage. When there are more hands than needed, people with comparatively low competitive edge, such as low-skilled workers, cannot secure a job by lowering

their wages even if they are willing to do so. It is theoretically tenable that similar problems may occur under certain circumstances.

However, Madam President, after looking at all the disputes about minimum wage abroad, we still consider it worthwhile to give it support back in the Hong Kong context, including the disputes among Members of this Council over the years, the recent economic development of and labour situation in Hong Kong, and the concrete idea presented by Miss CHAN Yuen-han in moving this motion. As pointed out by some Honourable colleagues earlier, more than 80 countries and regions — a persuasive figure — in the world have put it into implementation while we are debating this issue. Despite constant disputes, continuous efforts are being made by these countries and regions. However heated the disputes and however strong the dissenting views, not a single country has scrapped the law on minimum wage because it is found to be infeasible or met with opposition.

As the matter now stands, we would rather start by enacting legislation in accordance with the proposal of Miss CHAN Yuen-han in selected industries and jobs where the bargaining power and income of workers are the lowest than continuing with our debates. This is not expected to produce any enormous impact on our economy and major impact on the competitive edge of employers. Nor will the job opportunities of the majority be affected. Although some researches point to the existence of conflicts in a number of areas, it is quite consistent in this aspect. In other words, the effect of legislation on minimum wage on the least competitive people is minimal. On the contrary, it will definitely help ameliorate the poverty situation. This explains why we approve of this plan. This is a prudent, well-conceived and step-by-step approach, and definitely not a rash act.

As regards the enactment of legislation on maximum working hours, we can note at least two contrasting scenarios in the debate so far. We are still not entirely clear about whether it is necessary to legislate to require employers to pay overtime allowance should they ask their employees to work overtime or, as pointed out by doctors, to legislate on maximum working hours in the interest of industrial safety and protecting social interest so that all employees are barred from working overtime notwithstanding a mutual agreement between employers and employees. In this issue of legislating on maximum working hours, we have yet to form a clear idea. As such, we still consider it necessary to further

explore the amendment moved by Mr Andrew CHENG. We have therefore decided to abstain from voting on it today. Thank you, Madam President.

MR VINCENT FANG (in Cantonese): Madam President, at a time when Hong Kong's retail industry has yet to fully recover and our internal economy and external environment are still restrained by numerous uncertainties, the opposite result may be achieved if we are to follow the examples of overseas countries to establish "minimum wages and maximum working hours". This is because not all industries can necessarily benefit from the recent improvement in the retail market, not to mention the prospects of recovery are not entirely optimistic. Imposing new restrictions on a mandatory basis will make it hard for enterprises, small and medium enterprises in particular, to cope and the operation of business even more difficult.

According to the figures published by the Census and Statistics Department, retailing has seen signs of an upward trend since the beginning of this year. Yet, it must be borne in mind that these figures are based on a comparison with the figures recorded when Hong Kong was hit by SARS last year. The figure of August published last Friday has shown an obvious sign of slowing down.

It can be seen from the analysis of the retail trade that the products which sale kept rising over the past couple of months were mostly capital tools and products related to the Individual Visit Scheme. For instance, the commodities registering a bigger rise in the month of August are motor vehicles, automotive parts, electrical appliance and photographic equipment.

At the same time, the retailing environment, targeting mainly local consumers, has not performed satisfactorily, with some categories even showing signs of a downward trend. The categories recording a decline in sale in August are: food, liquor and tobacco, fuel, and miscellaneous consumer durables. Even the sale of consumer goods related to tourism has shown signs of slowing down. In August, the sale of jewellery, timepieces and precious gifts has registered a drop of 1%.

These figures reflect that the recovery of the retail industry is merely sector specific, and the internal demand of Hong Kong is still weak. In addition, the momentum driven by mainlanders under the Individual Visit

Scheme and the shopping fever cannot necessarily sustain. Although Hong Kong saw a larger number of travellers during the golden week starting from 1 October, they obviously spent less than before. Furthermore, the Mainland has seen its economic growth slowed down because of its macroeconomic regulation. All this will definitely affect the economic prospects of Hong Kong. With the international oil prices having broken through US\$54 a barrel on Tuesday, business cost is bound to rise. For instance, the cost price of plastic bags, a necessity of the retail industry, has risen by more than 30% during this year.

In the external environment, Hong Kong will inevitably follow the United States, which has entered a rising interest rate cycle. By that time, our business environment will become even more difficult. Furthermore, the economic environment, currently filled with optimism with the approach of the United States presidential election, will probably see a change in economic policies after the election.

Members could see that two pieces of land were sold at exceedingly favourable prices in a land auction held yesterday. However, I am worried that this would further stimulate shop rents that have been fluctuating recently, thus making the operation of business even more difficult. It has been recently noted that many vacant shop premises appear in the market. According to estate agents, operators are going to face greater difficulty as many owners have refused to rent their property and prefer to wait until they can let their property for a higher return. In the short run, the industry has to face a number of external problems as well as guarding itself against the economic challenge resulted from oil prices. Hong Kong's internal operating environment needs to be further improved too.

Speaking of the industry itself, the establishment of a minimum wage is not suitable for the retail and wholesale industry. This is because members of the industry mostly adopt a system of "basic salary plus commission". Under this *modus operandi*, the more an employee works, the more he or she earns. There are many merits in this *modus operandi* too. First, the Mainland's phenomenon of receiving the same amount of remuneration in state enterprises whether or not one works can be eliminated; second, employees will be encouraged to enhance their "awareness of service" and do more business through the provision of excellent service, thereby giving tourists a good impression of Hong Kong as a shoppers' paradise; and third, employees can enjoy the fruit of their efforts because the retail industry, in particular, pays "commission" alongside salary at the end of each month.

I do understand that, when Hong Kong was hit by SARS last year, some employers of the retail industry requested their employees to share their hardship by accepting pay cuts because of the sluggishness of the industry. Now with the market showing a marked improvement over last year, I think the employers will not mind sharing the benefit with their employees should there be improved business.

Actually, the great majority of the basic salaries offered by the wholesale and retail industry are higher than the minimum wage level set by the International Labour Convention. Should the industry implement the minimum wage system, I am worried that the minimum wage will, on the contrary, become the maximum wage, with the consequence of realizing good intentions as bad deeds. This is no good, particularly to wage earners.

Furthermore, the wholesale and retail industry is not a monopolized business. Should there be improvement in the retail market, employers failing to reward their employees appropriately can definitely not keep good staff. Capable employees will definitely change jobs for greener pasture.

With these remarks, I speak in opposition to this motion on establishing "a minimum wage and maximum working hours". Thank you, Madam President.

MR LEE CHEUK-YAN (in Cantonese): Arise, ye who refuse to be slaves! (*in Putonghua*) Besides hearing it mentioned in a question raised today, I have heard the national anthem sung numerous times recently.

The first sentence of our national anthem is actually mentioned in today's motion — workers in Hong Kong should not be reduced to slaves of labour. Madam President, besides working, what do Hong Kong workers have in their lives? Some ask this question: What other meanings can we find in living? Judging from the present circumstances, Hong Kong workers have literally become slaves of work: long working hours, no room for their families and themselves, and no opportunities for them to pursue studies or foster parent-children relationship. Nowadays, Hong Kong people simply do not want to have children and have sex. It is found that Hong Kong people have turned into slaves of work.

Madam President, we can see a miserable world in which workers are competing fiercely to lower their wages. Under the economic transformation, the supply of poorly-educated and low-skilled workers has exceeded the demand. As a result, the wages of the workers, constantly under suppression, have now reached a shameful level. Members may wish to take a look at these figures obtained recently from the Census and Statistics Departments. In 1997, the average monthly wage of nearly 280 000 workers, or the lowest percentile of poorly-paid full-time workers in Hong Kong, was \$4,900. In 2003, seven years after, their average monthly wage dropped to \$3,900, representing a drop of 20%. Secretary, Madam President, with such a drastic fall, how can Hong Kong workers survive should the fall persist? It is very obvious that workers put in a lot of labour and work reasonably long hours. Yet, what they get in return is a shameful wage level that is simply not enough to feed their families. At present, some workers are forced to have "second-hand meal" and scraps of food. Despite the damage done to their health, they still have to exert themselves to the utmost. This is because they might be fired by their employers should they take sick leave; moreover, they will not be paid when taking sick leave. Should we expect workers to endure all kinds of humiliation at work in a civilized society? We in the CTU have for a long time been advocating the establishment of a minimum wage and maximum working hours. We actually hope to appeal to the collective conscience of society to give a moral verdict. It is now time for Hong Kong society to deliver a moral verdict, that we cannot accept shameful wages and inhumane working hours.

Mr Tommy CHEUNG remarked earlier that I often talked about unscrupulous employers. Yet, he substituted the word "良" as appeared in "良心"¹ (meaning conscience) with the word "糧" as appeared in "出糧" (meaning pay). Actually, conscience is a matter of our concern too. I hope the Liberal Party can refrain from acting like an unscrupulous political party. Here is my appeal to all right-minded political parties: No excessive exploitation of workers; nor should such exploitation be considered as a matter of course. I was very disappointed at hearing the speeches delivered by a few representatives of the business sector. They seemed to hint in their speeches that exploitation was a matter of course. Any reference to intervention, or interference would mean an

¹ In Cantonese, "良" and "糧" are homonyms.

attempt to damage the free market. It is a great pity that there are no workers but merely the economic benefit of a small fraction of people in their eyes.

The reasons for objection they cited earlier revolved around several points only. The first reason they cited was damaging the free market was tantamount to damaging our competitive edge. However, I want to tell Members that an objection like this can apply in many cases. Why do we not oppose legislating on the prohibition of child labour? A century ago, the United Kingdom similarly debated the free market issue and argued against prohibiting children from sweeping chimneys. Why should children be barred from sweeping chimneys? In a free market, some people are willing to give, and some willing to take. By this logic, why can child labour not be allowed? This is because morality does exist in Hong Kong society and the international community. A free market does not exist in a vacuum, and morality should be one of the considerations. Despite the serious inadequacy of labour protection in Hong Kong, there is still a universal judgement that excessive exploitation is morally unacceptable. So, why can wages not be judged in this way? Both wages and working hours are elements of vital importance. Why can we not protect them? We have to intervene in the market because it is no longer effective, and the wages offered in the market are so low that it is simply impossible for workers to support their families.

The second reason cited concerned the threat of withdrawal of investment. I think some Members were merely crying wolf. This reason would be cited whenever labour protection was mentioned. However, I would like to remind Members that Hong Kong should not follow the path of cheap labour if we talk about the withdrawal of investment. Although its wages are already high, Singapore still makes it a point to raise wages in order to raise its economic value and achieve economic transformation. On the contrary, bosses in Hong Kong still insist on employing cheap labour. Actually, labour in Hong Kong can never be cheaper than that in the Mainland. It is therefore groundless for Hong Kong to choose this path.

According to our calculation, even if the minimum wage is set at \$25, the overall payroll cost will increase by a mere 0.6%, and such an increase is in no way remarkable insofar as employers are concerned. So why is it impossible to set a minimum wage? Will it really lead to a terrible consequence? I hope Members can stop citing those reasons frequently. It should be borne in mind

that we hope to see a more balanced society in which workers can continue with their lives. I note that some argued that a minimum wage would lead to unemployment, and a number of Members cited relevant studies earlier to justify their arguments. I can similarly cite a number of studies to support my argument that a minimum wage will not result in unemployment.

I believe it is impossible for today's motion to pass when it comes to the ultimate separate voting. However, there will be improvement in the voting on the motion this time. I proposed a motion on minimum wage on three previous occasions. This time, the DAB will give its support, though it chose to abstain on the last occasion. I welcome its decision to "make a U-turn". Therefore, there is still a chance for this motion to pass. I believe the majority of Members will give their support should this motion be proposed by the Government. We were requested by some people taking part in a petition today to eat scraps of vegetable in honour of workers. In order to demonstrate our determination to support the establishment of a minimum wage, I will eat scraps of vegetable and give up my dinner this evening to show our determination to fight for a minimum wage. *(Mr LEE Cheuk-yan ate the scraps of vegetable held in his hand)*

PRESIDENT (in Cantonese): Mr LEE, your time is up. Enjoy your vegetable. *(Laughter)*

MR ABRAHAM SHEK: Madam President, today's debate marks the beginning of a new era — the era of the holy or unholy alliance between the democrats and Members of the DAB. It is a battle joined on economic lines, and a battle between the heart and the mind. It is not a fight between the good and the bad, but a debate between those who want to do good and those who aspire to do the right thing. So, there are no winners and no losers.

For many years and today, many legislators, especially those representing labour and trade unions, have earnestly called for legislation here in Hong Kong to protect those low-wage earners vulnerable to exploitation. Their concerns are noted and their voices heard, but the reality is that in Hong Kong, the majority of our employees are in a much better condition and position than their counterparts in some Western developed nations. Therefore, regulations for wage control are not called for and the reasons are as follows. First, argument for a minimum wage system and maximum working hours regulation will distort

our free market economy system and hinder the efficient allocation of labour by market forces. Second, it will lead to a reduction of employment opportunities and an increase in unemployment, now standing at a rate of 6.3%. Third, production costs will rise and weaken the competitiveness of our local enterprises. In particular, some small and medium companies may find it difficult to survive. All in all, imposing a minimum wage and maximum working hours regulation at this time — I repeat, at this time — may not actually bring any benefits to the low-wage earners as the proponents would advocate.

Madam President, I sympathize with the arguments for a minimum wage and maximum working hours. However, I do oppose the setting up of a minimum wage system. Practically speaking, it is difficult to set up an efficient minimum wage in Hong Kong's free and dynamic labour market. Compared with Western nations, our economy is far more open and transparent. Moreover, the Hong Kong Government does not have a tradition of adopting measures to interfere in employees and employers relations. This has proved to be a Hong Kong success. Wages are determined by market forces and economic conditions. As the Mainland rapidly expands and increases market strength, economic competition between Hong Kong and the mainland cities is inevitable. The setting up of a minimum wage system will only weaken our competitiveness, and the problem of low wages will not be solved. What we need to do is to foster economic growth and a better relationship, and share the fruits of our success between the employers and the employees.

Apart from fostering economic growth and in my humble opinion, there are many ways to tackle this economic issue: A minimum wage legislation is not one of them. The fact is that the low income problem is caused primarily by an excessive number of low-skilled workers. Apart from promoting economic development and creating more job opportunities, a review of our population policy is of paramount importance in tackling this problem. Over the past decades, the Hong Kong Government could not control and assess the One-way Permit applications of mainlanders. Consequently, the Hong Kong Government was unable to adopt measures to control the quality of new immigrants. Moreover, some of these new immigrants have not been successful in adapting to a new livelihood in Hong Kong. In other words, they cannot find work and eventually join the queue of Comprehensive Social Security Assistance recipients. If the Hong Kong Government manages to gain the right to control the quality of our new immigrants, I believe there will be an

improvement in the structure of our labour force, the employment situation and the wages of the low-skilled workers.

Another cause of the low wage problem is the Government's failure to combat illegal "black labour" employment. Over the years, illegal workers paid "under the table" have been discovered in the construction industry. In recent years, the problem has spread to other services and industries like catering, retailing, domestic helpers and even funeral service. The growing number of "black labour" not only steals jobs from local workers, but also drags down the overall wage level. Although the relevant government departments have put more efforts into combating "black labour", the situation has not been controlled. I believe this is largely due to insufficient inspection and a lack of legal reinforcement actions. In fact, the relaxation of cross-boundary controls has facilitated an even greater flow of people between Hong Kong and the Mainland. If the Government does not adopt any new measures to combat the influx of "black labour", the problem will simply get worse. I sincerely hope that the Government will review and formulate more effective measures and, if necessary, amend the existing legislation to enhance the deterrent effect.

In recent years, the Government has also followed an international trend towards downsizing and outsourcing. As a result, many of its services have been outsourced to private contractors to save operating expenditure. However, there have been cases of contractors unethically deducting wages to win contracts under the lowest-bid criterion of the Government's tendering system. Obviously, the Government should be responsible for managing the efficient use of public money. But as the largest employer of outsourced contractors, the successful tendering price it accepts becomes a benchmark in the market. If the Government's tendering system places a heavy weighting just on the lowest-bid, it will push down the general wage levels. In this regard, I sincerely hope that the Government will not only focus.....

PRESIDENT (in Cantonese): Mr SHEK, your time is up.

MR ABRAHAM SHEK: Thank you, Madam President.

MS MIRIAM LAU (in Cantonese): Madam President, colleagues who support the formulation of the maximum number of working hours have spoken with eloquence today in stating that more than 130 countries or regions in the world have imposed a cap on the number of working hours and that Hong Kong should follow suit. Some others have also pointed out that there are no clear signs showing any concrete negative impact on the economy after the implementation of these policies on minimum wages and maximum working hours. However, I would like to point out that, according to our survey, large and small enterprises in many countries have actually started to find ways to break this strait-jacket of maximum working hours because they noticed a decline in the productivity and competitive edge of many enterprises after the imposition of this strait-jacket. In Germany, for example, after the employees of a large enterprise had learnt of its plan to relocate its plant out of the country, their union finally agreed to extend working hours without seeking pay increases. A survey conducted in France also showed that small enterprises considered the cap on maximum working hours too strict, and enterprises, in particularly small ones, found their productivity and competitive edge had been weakened as a result.

Regarding the state of these small, medium and large enterprises in overseas countries, Members may not necessarily want to know or visit them for an inspection. Yet, many overseas economists, as well as many local economists, have actually published views on this topic of minimum wage and maximum working hours. They are of the view that, besides producing a negative impact on the economy, such regulation may not provide employees with the best protection. While we may choose to ignore the incidents occurred in overseas countries, can we completely ignore or disregard the views of these economists?

After interviewing some professional drivers a couple of days ago, a labour union in Hong Kong considered it necessary to impose a cap on maximum working hours after finding some drivers would work comparatively long hours every day. It is an indisputable fact in Hong Kong that the working hours of professional drivers, whether employed or self-employed, are comparatively long. Regarding the question of capping working hours, I have consulted some sector representatives of container trucks, dump trucks, coaches and taxis to find out their views of the subject. I was told by members of the industry that, owing to the economic slump, they had no choice but to work longer hours to make enough income. They will naturally earn less and even be unable to make ends meet should a cap on maximum working hours be imposed. In this

respect, they are extremely worried. At the same time, the industry pointed out that, for certain jobs, it is simply infeasible to prescribe maximum working hours. For instance, dump truck drivers have to work in step with the operation of construction sites, whereas container truck drivers have to tie in with the delivery schedule of consignors. The imposition of maximum working hours will seriously affect operation.

All professional drivers, whether employed or self-employed, earn more by working harder. Some of them are forced to opt for longer working hours to make a living. However, some people have complained to me that some drivers preferred earning less instead of working longer hours. A person in charge of a local logistics company reflected to me that, although the incomes of the drivers of his company were higher because his company offered higher wages and bonuses, the drivers preferred earning less to working long hours. His company had always been unable to hire enough hands. Furthermore, long-haul container truck drivers will hire mainland drivers as their substitutes after crossing the boundary to prevent themselves from overworking.

I agree that it is not at all satisfactory for professional drivers to work long hours. An ideal shift should be eight hours. It would be perfect if two drivers can take turns to perform a shift lasting more than eight hours. Nevertheless, ideal and reality are entirely different. Legislating on a cap on working hours will make working hours less flexible. Not only can drivers not earn more by working harder, the competitive edge of Hong Kong's logistics industry will be greatly undermined as a result of a surge in transportation cost. As Members are aware, our logistics industry is facing extremely fierce competition. While workers in our neighbouring regions are still making \$100 or so, there is already a difference of US\$200 per container between the fees charged by our logistics and freight industries and that on the Mainland. As such, local drivers have to work longer hours in order to reduce cost and maintain their competitive edge.

While self-employed drivers may consider imposing cap on maximum working hours not useful to boosting their income, some employees may think in the same way that the cap is not useful to them. Let me cite the security and guarding services industry, with which I am more familiar, as an example. I basically encourage security and property management firms to switch to a three-shift system as far as possible. In other words, employees should work eight instead of 12 hours. In this connection, I know that many security and

property management firms are in favour of the three-shift system and wish to put in into implementation. But what will happen if security firms having been awarded a contract in a tender with the lowest bidding price adopt the three-shift system? Their employees will still be working eight hours as usual, but the money they bring home will be less. This has actually happened. Let me cite some property management firms, not tenders, as another example. If the current two-shift system is replaced by a three-shift system, the employees will eventually see their income reduced and bring less money home, unless owners are willing to pay more management fees. Otherwise, how can the sums match? Where does the money come from?

Madam President, without natural resources, Hong Kong has to rely on human resources. The combatant spirit of Hong Kong people has made it possible for Hong Kong to make all these achievements today. However, the reality is that Hong Kong has been hit by an economic slump in recent years. Both employed and self-employed people must work a bit harder and a bit longer. We had better take more positive actions by concentrating our efforts on reviving the economy than debating minimum wages and maximum working hours. Only in doing so can the current situation be improved and employees be afforded the best protection.

Madam President, I so submit.

MR CHIM PUI-CHUNG (in Cantonese): Madam President, this motion debate today is the first one conducted by this term of the Legislative Council. Although this motion is not binding at all, I have to warn the Government that many such debates are on their way. Even if the Government wins, or a motion is negated, the public can still judge with their hearts on which side is justice. This time, we see that 62% of voters supported the so-called pan-democratic camp in denouncing the irresponsible behaviour of the Government. I hope the Government — though I am a bit off the point at the moment, what I am going to say is relevant — I have to warn the Government of the importance to pay absolute attention to the people's livelihood, including labour problems, in the future. The authorities concerned must listen attentively to public aspirations, whether voiced through directly elected Members or Members from other constituencies. Only in doing so can the Government be accountable and gain the support of the people.

Many colleagues have mentioned minimum wages and maximum working hours today. Let us review some history. Back in the '50s, the problems confronting Hong Kong were far more serious than those confronting us today. If we looked up from the Victoria Park, we would find the Mid-Levels covered entirely with squatter huts. All homes in Western District, Central and Sheung Wan were not equipped with toilet facilities and water rationing was down to four hours every four days. Hong Kong was indeed lagging behind other places. Now improvement has been made in every aspect. We must not smear Hong Kong. We must appreciate the efforts made by the Hong Kong Government in every aspect and, most importantly, the efforts of the people. Under the current circumstances, it is imperative for us to examine ways to improve the entire environment in every aspect. Although the so-called Asian financial turmoil and, in particular, challenges from all sides last year have impacted heavily on the public, we can now see a revival in the property market. However, I would like to take this opportunity to remind some people that it is imperative that they must bear in mind their own conditions, even though the property market is thriving.

Hong Kong is now facing this situation — while some job vacancies are not filled, some people cannot secure a job. This is mainly attributed to the overall social structure and social welfare. We can see that there is a trend among the public to move their homes further away from the urban areas to the New Territories. Yet, travelling expenses in Hong Kong are indeed too high, thus posing an obstacle to the employment of manual and grass-roots workers. Why? They have to spend nearly \$2,000 or even more on travelling expenses monthly, and then they have to pay for their lunches. These expenses may add up to at least \$3,000 monthly. Yet, they may be earning \$6,000 or even less monthly, if calculated on the basis of \$25 per hour, as pointed out by a Member earlier. Therefore, they might as well not go to work. According to my knowledge, a four-member family can receive more than \$10,000 in CSSA payment, though it is not easy for CSSA applications to be approved and the applicants have to go through a means test. However, the family of a successful applicant can receive \$10,000 without any cost. This amount is even better than the combined income of a couple, for their income from work is even lower than the amount of their CSSA payment. I am not saying that every CSSA recipient harbours this mentality. Yet, some people might be judging them in this way. Therefore, this is a matter of great concern to me. And I think this is also one of the factors contributing to unemployment.

I have no objection to this motion moved. Insofar as minimum wages are concerned, we understand that even the domestic helpers in Hong Kong are protected by minimum wages and, better still, they are provided with free accommodation. Therefore, they virtually earn more than \$5,000 monthly. So, why should we discriminate against the local people? This is the most practical issue. Of course, only history can tell whether the proposal is right or wrong, and whether the gains outweigh the losses. We have to understand that before the Government takes any action, our debate is meant to urge the Government to take effective actions promptly. As one of the effective actions, I would propose subsidizing low-income earners. For instance, the Government may offer a travelling allowance to an ordinary worker earning \$5,000 monthly by, for instance, giving him an Octopus card, with the travelling expenses shared equally between the Government and transport operators. In addition, arrangements can be made to require the card holders to go to work earlier or later, thus enabling low-income earners to receive travelling allowance by complying with the requirement. In so doing, they will be willing to re-enter the job market. The number of unemployment and CSSA applications will thus be reduced as well. At the same time, there is even a possibility for those capable of integrating into society to get promoted in future. These benefits to society as a whole are indeed more practical. I hope all Members can join in the effort to call on the Government to take more practical and effective actions in this respect.

Many Hong Kong drivers have protested to me that an increasing number of expatriate drivers are snatching their jobs and that I should raise this issue in this Council if I have the opportunity to do so. I hope the Government can pay attention to this issue to enable local drivers to have formal job opportunities instead of being gradually forced into unemployment and even fussing about minimum wages.

Madam President, insofar as this motion is concerned, I personally feel that it is not worthwhile for me to support the Government alongside those who support the Government in seeking to gain benefit. Therefore, I will abstain at voting.

MR HOWARD YOUNG (in Cantonese): Madam President, after the lifting of individual travel restrictions to Hong Kong by the Mainland, our retail business has been given a boost, the economy has picked up and the unemployment rate

fallen. Business in the tourism sector has improved this year, but a full recovery has not yet set in.

For outbound travel, the number of people joining tours has been increasing. The stamp duty collected by the travel agencies in September has surged by 30% compared to the same period last year. However, as the tour fees charged are low, the increase in profits in real terms is not significant.

As for inbound travel, the direct benefits brought to the travel agencies as a result of the implementation of the Individual Visit Scheme are limited. Despite the fact that 400 000 people had visited Hong Kong during the National Day holidays, the average consumption was no match for that of last year. Not much money was made against this backdrop of a surge in the number of visitors. As at September, the number of visitors to Hong Kong showed a marked increase over the number last year. However, most of the visitors come from the Mainland. Visitors from other countries, especially those belonging to the high consumption category, like those from Japan, have not yet restored to their former levels. This, when coupled with the high oil prices, has plunged the tourism sector into a plight of rising costs.

Madam President, against such a background, I consulted the sector last week on the motion debate today. Views were collected from the bosses of large, medium and small travel agencies, the hotel associations and the employees in the sector. The mainstream view is that at this juncture it would not be appropriate for many companies, especially the small and medium-sized ones in the sector, be required to make an immediate adjustment to the pay and benefits of their employees as proposed in the motion. Though the economy has picked up and companies are making profits, the financial situation which individual companies is facing is different. On top of that, the business outlook has to be factored in. So it may not be possible to make an immediate adjustment to the pay and benefits of all employees industry-wide. If and when circumstances permit, I believe employers are very willing to adjust the pay and benefits of their employees as a token of their recognition of the employees' contribution to the companies.

Many friends of the Liberal Party from the business sector are good employers. I have heard that the hotel industry is looking into a pay rise next year. Though these plans have not yet been finalized, they are proof that the

industry is very willing to share the economic benefits with the employees when the economy fares better and companies make money.

Recently, a large travel agency which is making money has paid out bonuses to its employees as a reward for their hard work. That company is also prepared to increase the salaries of its employees next year to boost their morale and sense of belonging so that they will work even harder for the company.

In fact, if legislation is enacted in the future to impose a minimum wage, it may not be suitable for every trade and company. If an across-the-board approach is taken, it will be hard for wages to be adjusted according to the socio-economic conditions and the labour market. This will in turn violate the principles of free market and blunt Hong Kong's competitive edge. On top of these, the average wages of our employees are already higher than those of our neighbours. If a minimum wage is imposed now, that may add to the operating costs of the small and medium enterprises, discourage foreign companies from investing in Hong Kong and also impede our economic recovery.

The tourism industry is a service industry. Tour guides, escorts and ticketing clerks are paid according to a commission system apart from a basic salary. They are rewarded according to their performance and the amount of effort they have put in. A minimum wage system will not suit most of the travel agencies.

As for the stipulation of a maximum number of working hours and reasonable rest breaks during working hours to ensure that employees have sufficient rest time and opportunities to pursue further studies at their leisure time, the proposal is founded on the premise of protecting the health of employees and enhancing their family life, but the question is, how can we ensure that it is enforced? If employees want to make money after work to increase their income, then what is the use of imposing a maximum number of working hours? In the end, this will just defeat the purpose and the efforts of imposing a maximum number of working hours will just be in vain. In my sector, there are many people who work in hotels during the day time but they also work during holidays or at night-time for other eating establishments which engage in exhibitions and conferences. How are we to oversee the actual number of their working hours? This is really a difficult task.

It is very difficult to set a maximum number of working hours in the tourist industry. The reason is that there are peak and off-peak seasons. Take the example of outbound travel. Each year when it comes to the Chinese New Year, the Easter, Christmas and the summer holidays, it is a peak season for outbound travel. During these periods, tour guides have to work overtime and it is all too common that they have to lead tours after tours non-stop. So in most cases they will make money during the peak seasons and spend it during the off-peak seasons. If a maximum number of working hours is imposed, it may on the contrary affect their income and hence make their life difficult.

Currently there are more than 130 countries and places with restrictions on the maximum number of working hours, but there is no evidence that this will help lower the unemployment rate. Some foreign businessmen have relocated their companies elsewhere as they cannot stand the cumbersome formalities of a maximum working hours policy. Such examples do exist. Some Members have cited the examples of Germany and France earlier. These countries are pioneers of a maximum working hours policy but there are signs that they are backtracking and even contemplating lifting the restrictions on maximum working hours.

The success of Hong Kong and its achievements as an international financial centre are attributable to its long-standing adherence to the principles of free economy. The stipulation of a minimum wage and a maximum number of working hours will simply go against this. Not only will our competitive edge be undermined and the pace of our economic recovery affected, but our employees with low education attainment will also reap no benefits from it. On the other hand, the problem of illegal labour which many Members have mentioned earlier will appear.

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

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

MS EMILY LAU (in Cantonese): Madam President, I speak in support of the motion moved by Miss CHAN Yuen-han and the amendment moved by Mr Andrew CHENG.

Earlier on when Mr Abraham SHEK spoke, he said that a new era had dawned. He was referring to the forging of an unholy alliance between the democratic camp and the DAB. Madam President, this is not the first time that an alliance like this is formed. Actually, on issues concerning the people's livelihood, elected Members do share some common grounds. There are Honourable colleagues who say that since the democratic camp managed to get more than 60% of the votes, the percentage would just be staggering if those from the DAB and the Hong Kong Federation of Trade Unions are added.

Madam President, when it comes to the vote later, it may be that just two Members returned by direct elections will not vote for the motion. Madam President, before this motion debate ends, I would hope very much to hear what these two Members have to say on this motion. For I am convinced that Members who have come through a baptism of fire in the direct elections would be different from those who have not. Madam President, I would think that you too are different. But you cannot speak on the motion and I am not aware of your stand during the debate, whether it is for or against the motion. If it is the latter, then there are altogether three directly elected Members who do not support the motion. Shall we assume there are three? It is a pity that the President cannot tell us her stand, so for those who are not subject such restriction as the President, let them make their voices heard. They should not be afraid. As they are all elected by voters, they should be accountable to them.

Talking about Members from the Liberal Party, I think Mr Andrew LEUNG is going to take the place of Mr CHAN Kam-lam as the Member who provokes most contentions. It seems that Mr CHAN Kam-lam has not yet spoken. I believe Mr CHAN had better try to out speak Mr LEUNG, for I have never heard so many Members mention the name of a single Member. Of course, Members have also mentioned Mr Tommy CHEUNG. Mr Andrew LEUNG said that this is a discussion without any conclusion. I hope new colleagues will understand that there are lots of these inconclusive discussions and they should be prepared to bear with these for the next four years.

This discussion is inconclusive because we have a trash system. Madam President, I think I must say this even if it will offend some people. It is this system which makes matters supported by the majority of Members get voted down. For matters not favoured by a minority or those Members who are not directly returned can be voted down. This system will definitely have an impact on the Liberal Party. Just now the unholy alliance was described as one which

targets the Liberal Party. Frankly, notwithstanding my respect for the Liberal Party, could the Liberal Party alone have made all this possible? Can this be done without the "crucial minority"? So some people just got flabbergasted when these people spoke earlier as they thought they would get the support of the "crucial minority". But the "crucial minority" said bargaining was out of the question. So as it has come to this, I do not really know who in fact belongs to this unholy alliance. Having said this, Madam President, there are people who say that the truth is self-evident.

Madam President, I still hope that the Secretary can care to take a look at this. Now we have this voting method which is so unfair and it can help the authorities get rid of the things they do not like, but more and more Members are showing support for it. Maybe these Members do have the support of the voters. I hope the Secretary can tell us later what is the percentage of voters who agree with what the authorities are doing? On top of that, Madam President, in such circumstances, if the Secretary manages to get this matter voted down by resorting to this alliance which is truly unholy, how can he make himself accountable to the people?

Honourable colleagues from the Liberal Party said that they had consulted their respective sectors. I have heard from Mr Howard YOUNG that he has consulted his employees. But in fact the main subjects of his consultation are the bosses. Why can Honourable colleagues of the Liberal Party not come forth and say that they want to consult the people of Hong Kong? There are members of the public who may not be billionaires or bosses, but they are also their voters. Why can they not consult these people? Why do they not ask them whether they favour the idea of a minimum wage and a maximum number of working hours? When it comes especially to the idea of a maximum number of working hours, an overwhelming majority of the middle class and professionals very much support prescribing such a maximum number of working hours. Many lawyers have told me that they will give their full support to it. If we give them a call now, we will find out that most of them are still working. Many of the cold calls in the business sector could well be made at this time of the day. When it is nine o'clock in the evening, I am usually at home, sometimes I will get a call from HSBC asking me about something, and when I look at my watch, I cannot help but ask whether these calls are for real. Do they really have to work such long hours? Is it because they want to meet the needs of their clients? Is this what a

business friendly environment is about? Madam President, I think we can only say that is an unacceptable facet of capitalism.

So I really want Honourable colleagues to know that we very much want to improve the business environment. Madam President, I have said both inside and outside this Economic and Employment Council that the reason why I have joined so many of this kind of groups is that I want to make the business environment better. I work with Mr Vincent FANG in the retail sector to this end. I have tried my best in the construction industry. But having said that, and besides making these improvements, we have to look after the basic interest of workers. Just the most basic interest. Madam President, I would like to tell these rich colleagues here that there are really people who live in dire distress. So I am happy to hear that the Secretary, Dr York CHOW, say that he wants to go and have a look. I believe his eyes must be wide open when he sees that. I also call upon our richest of the rich Members to go and have a look.

The request made today is, as Mr Albert CHENG said, mild and minimal. How are we going to make ourselves accountable to the some 6 million people of Hong Kong if such a small request is voted down? Mr Jasper TSANG has put it very well when he admits that the topic is very controversial. While more than 80 countries and places in the world are arguing hotly over it, the one big difference they have from us is they have allowed these rights and interests to exist. They have not dumped them after finishing with the arguing. So, Madam President, this has nothing to do with the unholy alliance. What we are doing is to speak out for the people. I know that the matter is controversial, but I think now it is the right time for it. We must do it. We hope that the Secretary will be bold enough to tell the people of Hong Kong that there should be a big debate on this topic and if a consensus comes out of it, then we should work in this right direction.

I so submit.

MR SIN CHUNG-KAI (in Cantonese): Madam President, I think even if this topic is debated for 10 more years, it will continue to be debated, for it is a never-ending issue. As Mr Jasper TSANG said, when the United States debated over the issue of minimum wage, it also considered the question of whether or not an increase in minimum wage would push the jobless rate up or

lower it. There are presently two related studies on this, but their findings are mutually exclusive. Since there are differences between the American and Hong Kong systems, the practical issues will need to be addressed in a practical manner. I think Members from the business sector need not regard a minimum wage as an evil while the proponents of a minimum wage should not think that the prescription of a minimum wage will solve all the problems.

We have to be frank and we need to face the reality and that is, we may impose more restrictions, but jobs will still be lost. There are so many ways which make our jobs lost, ways that we have never dreamt of, and now they are increasing in numbers. One issue debated in the presidential campaign in the United States is about job losses. What is being talked about today is growth without net job creation, that is, despite growth in the economy, there is no growth in jobs. As we look at the topic under discussion, does Hong Kong have any minimum wages? The answer is yes. But it depends on which trade you are talking about. Now all the Philippina maids get \$3,200 a month as a minimum wage. That has been in practice for a long time, for at least 20 years. At least this is stipulated in the law. For other trades, that depends. Workers in the "three trades", that is, plasterers, painters and carpenters, would form their own groups. There is also a minimum wage for these trades, though this may have been agreed in a Chinese restaurant over a cup of tea. This is the established practice for the "three trades".

Having said that, we cannot entirely rely on the market. Can a full-scale implementation of a minimum wage solve the existing problems? Personally I have reservations about that. With respect to the motion today and as far as I know, Miss CHAN Yuen-han has made it clear that she wants to legislate on a minimum wage policy and that the policy should begin with some trades where wages are particularly low, like dish-washing or cleaning. If you ask me, can I make a living by washing dishes more than 10 hours a day? I would say I really cannot. We have to address an issue like this. But if we enact a law to cover all trades, then I think it is not the right time for it now. I think there are reasons why the Democratic Party will support the idea of setting up a minimum wage. We used to oppose the idea of making a study on this issue. But now we are showing support for it and we think this should be implemented in certain trades. So I hope that Members can be more open about this and examine if what is proposed is some middle-of-the-road idea, and they should never dismiss it vaguely as being evil.

Talking about the issue of maximum working hours, I would think that it is less controversial than the minimum wage issue. The issue of maximum working hours involves the issue of safety. I think the FTU has mentioned that recently. Take the example of drivers. They have to work for more than 10 hours daily non-stop and such long working hours will not only put themselves in danger but also endanger the pedestrians and the passers-by, or even the cargo owners. For what should the owners do when, say, a truck falls over a hill? Though the owners may have taken out insurance, they are bound to incur losses if they cannot deliver the goods. So we must do something about the issue of maximum working hours. As to what should be the suitable number of hours, this is some minor point we can work out over time in the process of legislation.

As to the peak and off-peak seasons which Mr Howard YOUNG talked about earlier, I think these are minor points too. Can these be addressed when the relevant bill is scrutinized or when the so-called drafting instructions are issued? As a matter of principle, I think that we have to examine the working conditions of Hong Kong. They are such that the wage earners here — or rather, not only the wage earners but also the grassroots, many people from the middle class or the professionals — they all have to work as a matter of routine more than 10 hours daily. I can see that Mr TONG Ka-wah is nodding in approval. He must be used to working all through the night and so he shares this feeling. Of course, some high-income earners may get some kind of special compensation. After they have worked so hard for one or two cases, they may go to the Mainland golfing for a few days. But many people from the grassroots are not afforded such kind of compensation. That is why we think that their basic rights and interests should be protected by the law.

Actually, I would think that we should accord a higher priority to the issue of maximum working hours. This is also in compliance with the requirements prescribed by the international conventions. Now this issue of maximum working hours is not limited to the grass-roots workers. A survey shows that many of the middle class people or those in IT sector, which is also the trade I am in, work as a general rule for more than 50 hours weekly, or 55.7 to 57 hours. If we take six working days in a week, it will mean that they have to work nine to 10 hours daily. And if there are five and a half working days in a week, that will be more than 10 hours daily. It can therefore be seen that long working hours are seriously disrupting family life, further studies and the progress of society as a whole.

Hong Kong can be considered an affluent society. Does it mean that amending two laws will push our competitiveness drastically downwards? I do not think so. Members can just look at our neighbouring countries and places, where these measures are already in place. Have jobs moved out of these countries and places when such measures are in place? Not necessarily. In general, there are two points about the discussion today. First, we support a maximum number of working hours. That is admittedly quite a controversial issue. But on the issue of a minimum wage, can some sort of compromise be made by the two sides? There is no need to fight to the bitter end over this issue. The measure can be implemented in certain trades first. It does not have to be elevated to something sacred right from the beginning or launched across the board for all trades. We can look at the issue from a pragmatic perspective, to examine in what kind of trades it should be implemented first and then to take the next step forward depending on the results. (*The buzzer sounded*) I so submit.

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

MRS SELINA CHOW (in Cantonese): Madam President, I am taking up the gauntlet thrown down by Ms Emily LAU. As a matter of fact, I have prepared to speak a long time ago and it is not because of what she has said that I now rise to speak.

First of all, I would like to pay tribute to Miss CHAN Yuen-han. It is because the motion today shows her efforts in fighting for the rights and interests of the working class. It is only because of the different way of looking at things that we have come up with different opinions. So even if we oppose the motion, that does not matter. I hope Members will not look at divergent views from the perspective of a moral judgement. I have seen some labelling today and heard some Members calling names, but I do not think that is necessary. Some people would think that those who support the idea are standing on the high ground of morality whereas those who oppose it, like the Liberal Party, are considered speaking for the unscrupulous employers and exploiting the workers. These people should, in their view, therefore bear the responsibility of not putting minimum wage into practice. As a matter of fact, wages are very low these days. All these are not necessary. What Members should do is to produce evidence and it would not matter if others do not agree. For it is in the true attitude and spirit of parliamentary discussions. We are not in the days of

the Cultural Revolution and we should not rebuke people for nothing and say nothing but rebukes.

On the question of prescribing a minimum wage or a maximum number of working hours, the basic idea is to regulate wages in the labour market through legislation and to impose restrictions on market freedom. That is all. Though the Government may regulate companies, there are certain things that cannot be regulated and these are the investment sentiment and the amount of investment. When wages are too high or when regulations are too harsh, the investors will be put off and this will in turn lead to unemployment and a sluggish economy. These are just some of the consequences. But those who slogan chanters have not mentioned these consequences. They have just talked about things which sound pleasing to the ear. For those things hard on the ear, they will just shy away from them.

I do not wish to repeat some of the actual examples which some Honourable colleagues have mentioned. Miss Margaret NG says there are no actual examples, but there are in fact such examples. Currently the United States has a minimum wage, but it also has 1 million illegal workers. This stretches the law enforcement authorities to their limits but they still can do nothing about it. If we have a minimum wage, we will also have illegal workers. There will be companies which cannot balance their accounts when a minimum wage is in force. And despite such things, the law will have to be enforced. All these are actual examples. Besides, there are other examples as well. Dr KWOK Ka-ki, doctors in Britain are subject to a maximum number of working hours. Even if a doctor wishes to work overtime doing research without pay or undergoing some training, that will not do. For he is barred by the law and the law wants to protect his health. He has to subject himself to the protection of the law. He cannot work overtime, not even if that is voluntary. These are the facts. So these are examples which we all know and they are real.

Earlier on I have heard many Members talk about a minimum wage and a maximum number of working hours. I know that we are all pleased to hear about these things. This applies to lawyers, professionals and practically everyone. Everyone will think that now that they are working so hard for some 50-plus hours a week and it would just be great if the working hours are cut to some 40 only. But the problem is this will also undermine your freedom. As I have said, we have heard that in Europe, even the gates of the factories will be locked and no one can enter. You cannot get in and work overtime even if you

want to. For that is stipulated by the law. The issue which we have been talking about over and over again is this issue of law.

There is also an issue which has not been mentioned and, that is, at what level the minimum wage should be set. What should be the statutory level? Let me tell you. A minimum wage has been set up in Thailand, on the Mainland and in the Philippines. These are our neighbours and they do have some competitive edge. In Thailand, the statutory minimum wage is HK\$6 for one day and night. That in the Philippines is HK\$3.85. The monthly minimum wage on the Mainland is HK\$400 to HK\$500. Whenever mention is made of minimum wage and when nothing is said about the level, this may sound pleasing to our ears. But once the level is mentioned and when it is set at too low a level, will it afford the workers any protection? They will not get any protection at all if the level is set too low. But if it is set too high, the investors will say that it is too high and they cannot make the accounts balance and so they will not make investments. So the question is what level should be set? When people hear slogans, they may clap their hands but they will certainly not do so when they hear mention of the minimum wage level.

Now we have heard all about the problem that may be caused, that is, that our competitiveness may be undermined. But there is one thing which I have not mentioned and, that is, the increase in wages will be transferred onto the consumers, that is, the public. We are directly elected Members of this Council and we represent the public. It will just be too bad if we do not tell the people that the increase in wages will be transferred onto the consumers. It is true that the pay is increased, but as we have said, people like security guards now have to work a 12-hour shift and that is not acceptable. But if we change the number of working hours per shift to eight hours, then there will be three shifts instead of two. When the three-shift system is in place, that will mean a 50% increase in wages. If the wage level remains unchanged or if the wages are not reduced, then who will foot the 50% increase in wage expenses? That will mean you and me, the consumers. It is because these expenses are paid from the management fees. If people do not talk about these but keep on talking about the kind of benefits that will come with an increase in the number of shifts, that is just like asking a horse to run fast but do not feed it. That will of course sound nice. Some people often say that we favour the big companies, but actually those which suffer are not those big companies. Ms Emily LAU, we have talked with many SMEs and people in the business sector and found out that those affected are not the big companies. These big companies are never scared. When

there are more of this kind of laws around, it will only help the big companies. The SMEs will find it harder and harder to survive. This I can tell Members is where the problem lies.

Mr Alan LEONG says that the present motion is talking about legislation first and then discussion on the details later. But how can there be legislation when the policy behind it is not yet finalized? The motion is about legislation instead of policy discussion. I suspect in the next four years we will be constantly discussing this policy as some Honourable colleagues will never let us forget it.

Mr TONG Ka-wah says that we must be bold and that is exactly what I am doing. I dare tell Members that a great majority of Honourable colleagues in this Chamber want to have this policy, but I can tell everyone here the Liberal Party does not want this. Why? Because a minimum wage and a maximum number of working hours will lead Hong Kong onto the path of socialism. We cannot afford to see this happen and Hong Kong must never become socialist.

Thank you, Madam President.

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

DR YEUNG SUM (in Cantonese): Madam President, I am very grateful to Mrs Selina CHOW for making her speech just now. She has taught us a valuable lesson as we are told that legislation on a statutory maximum number of working hours and a minimum wage level will lead Hong Kong to socialism. This remark was shocking, and I was simply flabbergasted. I find my knowledge so appallingly deficient. For if we travel to any one of the countries in the European Union or any one of the other 80-plus countries in the world, we can note that a minimum wage and a maximum number of working hours are provided for there. But, Madam President, they are all very advanced capitalist countries with a multi-party democratic system and they all have the rule of law and judicial independence. Can we say that these countries are socialist countries? From such a conclusion we can see that her argument is so very filmsy. How can such exaggerated conclusion come from the mouth of a Council Member? Any freshman in a university in Hong Kong will know that

fixing a minimum wage and a maximum number of working hours cannot be deemed as socialist.

Madam President, generally speaking we do have a minimum wage in Hong Kong. This can be seen in the outsourced works of the Government. I hope Secretary Stephen IP would care to explain that to us later. So in policy terms, there is a minimum wage and it is currently in force. With respect to the outsourced works of the Government, after requests made by various Members, the Government has at last decided on some policy and that is to stipulate a minimum wage in the outsourcing contracts. But that is only a policy, not a law. Indeed the Democratic Party has reservations if people legislate across the board. The last part of item (a) in Miss CHAN Yuen-han's motion is that priority should be accorded to individual low-income industries and jobs. There should be a priority when it comes to legislation and certain low-income industries and jobs should be accorded priority. When this is done and when a consensus is reached across the community, this can be extended to other industries and jobs. We think that we can give this gradual process a try because a minimum wage is already in place and the arguments we have now are just whether to enact laws or to formulate policies. When a trial scheme is launched in certain industries and when the community has reached a clear consensus and as Mr Alan LEONG has said, many safeguards such as assurance that investments are not affected, that the level is not set too high or a co-ordinating system or collective bargaining are in place — if these are all there, then why not?

Members have cited many examples in the debate. We can refer to the research studies made by the Legislative Council Secretariat for us. We can note that in 1998 the Secretary of Labour of the United States submitted a report to the Congress. The conclusion was that if a minimum wage level was set at a point below 50% of the average wage level and provided that the increase was mild, then the negative impact on employment would be insignificant and hardly noticeable. So the question is how high this level should be set. The Gini Co-efficient of Hong Kong in 2001 was already 0.52. If we all think that this is already a very dangerous level and as Hong Kong ranks one of the top five places in the world with the widest gap between the rich and the poor, then why can we not take one step forward to solve this problem of the disparity between the rich and the poor and see what is the result of adopting this trial and error approach? If a positive consensus is reached, we can extend the plan. Why can we not do as DENG Xiaoping once said, to feel our way across the river? We will not get

drowned, will we? We will have precedents. If the precedents prove to be successful, we will do it again. What Miss CHAN Yuen-han wants is not a sweeping prescription of minimum wages for all trades and industries now. She is only urging that this be done in those trades and industries with the greatest need. When there are precedents, we can look at the results. Will friends in the business sector give it a try? Do we all agree that our Gini Co-efficient which now stands at 0.528 is alarming? Which advanced countries have such a grave problem of disparity between the rich and the poor like ours? This is a fact. The situation has become so different from that of more than 10 years ago, that is, 1991, when we were first elected into the Legislative Council. I only hope that Members can look at this problem of disparity between the rich and the poor and examine if it is as polarized as Mr SIN Chung-kai has suggested and if the problem is really very serious or not.

There is one more point that I think Secretary Stephen IP will tell us later, that is, even when our GDP increases, it does not mean that the unemployed will be able to find a job because the types of jobs available may not suit them any more. Should we give some special attention to these people? In addition, this problem of disparity between the rich and the poor is likely to persist in Hong Kong for a significant period of time and if we cannot formulate any specific measures, I am afraid the grievances in society will only intensify. This is more so the case as public opinion cannot be effectively expressed when our political system is progressing at a snail's pace.

Madam President, I only hope that Honourable colleagues can take a serious look at or consider the motion moved by Miss CHAN Yuen-han. She suggests that a priority system should be adopted and it should first be accorded to certain industries. I think this is a very pragmatic approach to take. I do not think I need to say anything on the issue of maximum working hours as people from the grassroots or the middle class are likewise chronically burdened with a heavy workload. This has caused great problems to their health, their families and even social security. I agree very much with Mr SIN Chung-kai when he says that the Government may need to take urgent measures with respect to the issue of maximum working hours.

With these remarks, I support the motion and the amendment.

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

MR MARTIN LEE (in Cantonese): Madam President, this morning I read the *South China Morning Post* and there was a report about a truck driver who had an accident because of lack of sleep. The driver was killed and his truck crashed into an oncoming truck. But the driver of the other truck was only slightly injured. In Hong Kong, drink driving is an offence but it is not an offence when someone causes an accident due to insufficient sleep. But a sleepless driver and a drunken driver will pose the same danger to other drivers and pedestrians.

I thought for a while and it occurred to me that had this truck driver who was killed in the accident due to insufficient sleep crashed into a school bus carrying primary school students on their way to school, and many children were wounded or seriously injured, how would their parents think? If the parents or grandparents of these children are now in this Council, would they look at the matter differently? Or what would happen if this unfortunate driver hit a Rolls Royce carrying a billionaire or the big toe of one of our Honourable Members, so that he is injured and unable to play golf, how should we then look at the issue? So we should not think that such incidents are no big deal and that it only concerns the driver. He was killed in the accident himself or that he had crashed into another truck, and that is all. We should not look at the incident this way. Rather, we should think how we should look at this issue without using such lofty principles. We should be a bit more selfish and think why these people should be allowed to drive like this after all.

In fact, once we are clear about this point, I believe it would not be necessary for us to argue like this over such an issue. However, I should like to speak to the Secretary through the President and that is: When faced with topics like this, the Government will often deploy the paparazzi. Our newcomer Members may not have met those paparazzi. They are truly scary. They will mark you so closely. They will do their marking when you support the Government. But if you oppose it, they will hope very much that you will go out for meal or go to the toilet and do something that you do not want to do. They will shadow the royalists for fear that they will not support the Government and vote down this kind of motions.

Having said all these, I would like to speak to the Secretary, through the President, that this kind of motion is not binding at all, but the Government is still very nervous about it. I do not think this motion will be passed, for five Members have made their stand known. However, Secretary, I wish you would

face up to this problem. This is a problem for society as a whole. A sleepless driver may hit a vehicle with an "AM" licence plate and that means he may also hit your car. To protect your life as well as the lives of others, you must think it over. Maybe the Secretary could exert his pervasive influence as when he is savouring a hairy crab with Honourable Members — as this is the hairy crab season — and sipping *Maotai*, could he talk with them about this? I know things will not work if Members like us talk with them and it will not help things if we argue. I hope that the Government can talk with them and arrive at some consensus on this issue. That will be doing something good for society. It is because a sleepless driver will pose great dangers to the community. Thank you, Madam President.

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

MR JAMES TIEN (in Cantonese): Madam President, slogans like "a minimum wage" and "a maximum number of working hours" do sound nice, but will nice-sounding slogans work? Admittedly, every country has its own conditions and so is every place. This point has been mentioned by many Honourable colleagues already. There is one more point I wish to make and that is, we have a unique feature — our dollar is pegged to the US Dollar. For whatever level of minimum wage that we have imposed, it is like we are imposing a minimum wage in US Dollars. It is true that many countries in Southeast Asia have a minimum wage. But the exchange rate for the Indonesian currency can fall from 2,000 or 3,000 to 10,000 per US Dollar. The Thai Baht may also drop from 20 something to one US Dollar to more than 50 to one US Dollar. And their minimum wage is calculated in their local currency. Do we have this sort of flexibility? Put it in another perspective, why have so many industries relocated to the Pearl River Delta over these past years? Is it related to wages? Or is it related to the high land prices? I think both have something to do with this situation.

If we look back at our economy over this past decade or so, the best times would be during the 1990s. At that time, the inflation rate was more than 10% a year. So even as employees got a salary raise of 10%, they would think that it was too small. They thought salaries should be increased at a rate of 2% to 3% over the inflation rate. Now things are exactly the opposite. Speaking from the perspective of employees, the most important factor if they want to ensure a

good income is a good economy. If the economic situation is good, when the unemployment rate drops to 4% or 5% as in the past, every boss would worry that their staff will resign. They are worried that the staff will move to greener pasture. Employees may switch to a nearby restaurant or company for a \$1,000 increase in their salary. So if it is an employee-dominant market, then there will be no need to impose a minimum wage.

Speaking on the current conditions, some Members from the democratic camp have asked us why we have not conducted any opinion polls. They say that 75% of the people support the idea. With respect to slogans like a minimum wage and a maximum number of working hours, I think that a 75% approval rate is on the small side. For a 25% disapproval rate shows that something is wrong. Sometimes I need to find lawyers to help me in law suits. Their minimum rate is \$4,000 per hour. Minimum wages are different with every trade. For example, a dish-washing worker may get something from \$20 to \$30 per hour, whereas a barrister gets \$4,000 per hour. In Britain lawyers are not expensive. If you hire a barrister to write a paper for you, it will only take £4,000 to £5,000. So why should I need to pay at a rate of \$4,000 per hour? As there is a great difference between trades, so how can a minimum wage be set?

On the problem of disparity between the rich and the poor, I would think that if we wish to improve our economy, there is one policy to which we should give serious thoughts and, that is, the daily quota of 150 people coming to Hong Kong for family reunion. This is a policy which we all agree that should be reconsidered. Allowing people to come to Hong Kong for family reunion has received the endorsement and support from Members since 1997. However and as a matter of fact, we can see that the 150 people who come to Hong Kong every day belong to the low-income and low educational attainment category. This is of course a rough description of these people and it does not mean that all of them are like this. So for so many years, since so many of these new arrivals have come to rob the local people of their rice bowls, it is no surprise that wages have fallen. That is why a few hours ago in the question time, we asked whether or not investors from the Mainland could come here. It is because more bosses should be permitted to come here. And if we just let those job seekers come here, it is only natural that wages will be pushed down. But if more sole proprietors are allowed to come here to make investments, and since the sum of \$6 million or so is not too large, they may not want to spend on property purchase only. If they want to open a small business, they may hire a

secretary, a receptionist or a driver. And even if they do not invest in business, they need to go around for meals and shopping, so they need to visit restaurants and ride a taxi. So if more business owners are allowed to come here, more jobs can be created.

But if the present situation is allowed to continue, it is no surprise that this gap between the rich and the poor will widen. In our opinion, to resolve this problem, the poor people should be assisted so that they can climb the social ladder, instead of dragging the rich people down and mix the two kinds of people. Only in this way can the gap between the rich and the poor be narrowed. We would think that the most important thing is that the outlook of the economy rides on the current trend and develop for the better. The property market is of crucial importance to those owners of negative assets and people from the middle class. For the middle-class people — many of the Members sitting here belong to the middle class as well — if their problem of negative equity assets is resolved, they will be in a better mood. Do we not notice that traffic these days has become more congested, that there are traffic jams everywhere. Restaurants are crowded with people and given this, restaurants may need to hire a few more dish washing workers or cleaners. By then can these workers be hired with just \$4,000 a month? The restaurant next doors may offer \$4,500. Some time later, the pay may rise to \$5,000. So this is the way out. We hope Members will consider it. This is the only way to solve the low wage problem which low-income workers are most concerned about. We do not have to resort to legislation. If legislation on a minimum wage is enacted, may I know whether it will be revised every year? And for this minimum wage, should it set at the minimum wage prevailing in the market, or should it be the median income? What we are talking about are \$5,000 or \$6,000, not that of US\$5.15 per hour as in the United States which is really very low indeed.

Mr SIN Chung-kai has suggested opening the door first then study and discuss the issue later. But we think that it would be too bad if the business sector is given the wrong message on this issue. We will not want to see some trades moving to another place to continue their operations. Having said that, I fully agree that some trades will not move out of Hong Kong. The taxis, for example, cannot go to Shenzhen. The eating establishments which Mr Tommy CHEUNG represents cannot all move to Shenzhen as well. But there are many manufacturers or banks which have back-up and support services, that is, the so-called back office, and these can be relocated. So would the prescription of

a minimum wage a bad deed made out of bad intentions or a bad deed made out of good intentions?

Madam President, I think that the issue should continue to be discussed in the community. We note perfectly well that many countries in the world have imposed a minimum wage for various reasons. But in the Hong Kong context, the most important thing here and now is to improve the economy so that more people can get a job, instead of imposing a minimum wage. As for the issue of maximum working hours, the same argument also holds.

Thank you, Madam President.

MR KWONG CHI-KIN (in Cantonese): Madam President, I was glad to hear Mr James TIEN's speech just now. At least, I can find two common points with Mr TIEN and these can be used as a basis for future discussions. First, Mr TIEN thinks that the hourly rate of dish-washing workers should be some \$20. Second, he said that we should help the poor people climb the social ladder. I welcome this stand of Mr James TIEN for it can be used as a basis for our future discussions on minimum wage.

Madam President, many Members from the business sector would have strong reactions when they hear the topic of minimum wage. They would jump up at hearing calls for legislation on the same. As I looked up the records I found that we have overlooked one thing and that is, as early as in 1932, Hong Kong had a law on minimum wage. This law was replaced in 1940 by a law called the Trade Boards Ordinance. Members may not be aware that Hong Kong has such kind of laws but they indeed exist in Hong Kong. Unfortunately, the deadline for proposing amendments had passed when I learnt about that, otherwise I would certainly propose an amendment to Miss CHAN Yuen-han's motion. It is because such a law indeed exists in Hong Kong and what we should do is just to urge the director of bureau concerned to enforce it.

This existing law can be found in Cap. 63 of the Laws of Hong Kong which is also available on the Internet. It shows that many decades ago there were laws on a minimum wage in Hong Kong and so minimum wage is not something dreadful and so is legislation on it. Then what does this law say? It provides that when the wage of a trade is lower than a reasonable level, the Government can impose a minimum wage rate and an overtime work rate

through the trade board concerned. In this way the issues of both minimum wage and maximum working hours that we discuss today can be solved. If there is a wage rate for overtime work which is higher than the normal wage rate, the bosses will not want their employees to work long hours. The reason is that they will have to pay more wages. So this is a kind of restriction in disguise on working hours.

How about the prevailing wage levels in Hong Kong? Are they reasonable, so the Secretary would not have to do anything or make a study and that he can go home and take a rest after the meeting is over? Or are the wage levels so unreasonable that there is a need for government intervention? Let me just quote two examples off-hand. The figures are given to me by the trade unions. First, the monthly salary of a security guard in a single-block building is \$4,000. He works for 12 hours daily and the hourly rate is \$13. Second, the dish-washing workers. Mr James TIEN, if you look at the figures alone, you may be misled when you see that their wage is as much as \$5,000 to \$6,000. This sounds good enough and the hourly rate is some \$20. But please bear in mind, this is the wage you get when you work for two shifts. That is to say, you only make some \$2,000 to \$3,000 for one shift and when you work for 15 hours a day, you will only get an hourly rate of \$14. So the question now before Members of this Council and the entire community is: Can we accept such wage levels in Hong Kong now? Can people who make \$13 or \$14 an hour pay for their household expenses in any reasonable way?

As a matter of fact, the motion moved by Miss CHAN Yuen-han has adopted an approach which is based on principles. Many Honourable colleagues have said that we may not have to discuss any specific modes today. But since I am a representative of the labour sector and regardless of whether or not this motion can be passed, I hope that the discussion result today will be a starting point for future discussions. Now low wages are prevailing in Hong Kong. This is a practical problem that we have to address. I like the way in which Mr SIN Chung-kai treats the problem. He does not mind saying that he has made a change, a U-turn. Now there is a practical problem lying in front of us and we just cannot afford to ignore it. That problem is: some people are paid just some \$10 an hour. So what can we do about it? Maybe it is unfair for me to say that Mr SIN Chung-kai has made a U-turn. But we need to handle a practical issue now and so let us not talk about things which belong to the past. What should we do about such a problem with the prevailing conditions in Hong Kong?

Let me suggest a plan. This is my personal opinion. This plan may not be a good one, but I hope it can serve to stimulate discussions. After the meeting today, and irrespective of whether this motion is passed, I hope the Government will follow this matter up or do something to let people from the business sector look into this plan, examine if it is really that dreadful or if it bites like a monster. If our discussions on this issue remain abstract and academic, there will be no end to disputes. It seems to me that Mr Jasper TSANG has just said that even if some countries have implemented such measures, there are still some disputes on an international level. And for us, even if we continue to fight and quarrel, there is one fact of life that we cannot address, and that is, an hourly wage of some \$10 will never feed a person.

I can put up some specific proposals for Members' consideration. First, though there are laws in place and it can be done through the trade boards, the Government has done nothing all these years, so these trade boards simply do not exist. That is to say, we have the laws but not the institutions, so things cannot be done. It would be better if we can make use of the existing system, that is, the Labour Advisory Board, instead of forming a trade board for each trade. The Board has tripartite representatives from the labour, the employers and the Government. It is a vital consultative body for labour policies and we can start from there.

Second, in my opinion, when a minimum wage is introduced, and in a bid to pre-empt unnecessary disputes, I would suggest that the minimum wage should be based on hourly rates, for things would get very complicated if it is based on monthly rates as they will involve other issues like working hours, and so on.

Third, as a start, discussions should be based on a minimum hourly wage of \$25. How is this rate arrived? As Dr YEUNG Sum has said, the current outsourcing government contracts stipulate that contractors cannot hire a worker by paying the person less than \$5,000. If we take the number of working hours to be eight hours a day and 26 working days in a month, then the hourly rate will be around \$24. The reason I propose \$25 is simply for the sake of convenience. As compared to the CSSA rates, a four-member family with a couple and two children may get about \$10,000 from CSSA payment plus rental allowance. If the couple works, their monthly income should not be less than \$5,000, or an hourly rate of \$25. It will not make any sense if the wage they get from work is less than the CSSA payment they get.

Fourth, the minimum wage system should not be trade-specific. But in order to dispel Members' worries, including those that a minimum wage will become a maximum wage, and so on, we should start with those trades where extremely low wages are paid. These are trades where just about some \$10 are paid for each hour, like cleaners, watchmen, staff in fast food outlets, staff in supermarkets, cashiers, and so on. As to whether their hourly rates should be revised to \$25, \$30 or \$35, that will have to be decided by the system. Leaving things to the system will also allay the worries of friends in the labour sector. And for some trades like the domestic helpers who get an hourly rate of \$40, there is no need to pull the wage down.

There are still a few seconds. Lastly, Madam President, I support the motion moved by Miss CHAN Yuen-han and the amendment moved by Mr Andrew CHENG. Thank you.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Miss CHAN Yuen-han, you may speak on Mr Andrew CHENG's amendment. You have five minutes.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, we support the amendment moved by Mr Andrew CHENG, for we agree to the 40-hour restriction laid down by the International Labour Organization (ILO). There are some countries which impose a lower number of working hours. I think we can discuss about it. But this is a norm I would support. So we support the amendment. However, I can see clearly that Mr Andrew CHENG's amendment is on the second point of my motion, that is, he does not make any amendment in respect of minimum wage, he has only amended the part on maximum working hours.

As Mr KWONG Chi-kin has said, I welcome the frank remarks made by Mr SIN Chung-kai earlier. He has put forward some views held by Members on a minimum wage. That shows that Members have different views on full-scale legislation in this matter. They would support the idea if legislation is directed at some trades only. I think it is a good thing that the Democratic Party

and the DAB are both open about this issue. It is because I can see a gradual shift in the stand of these two large parties in the Council from that of reservations and worries to an open stand now. For the SAR Government, it should stop evading the issue and it would be no good if it will only discuss it when everything is settled.

Madam President, I note that Mr Andrew CHENG has not sought to amend item (a) in my motion. Actually, we had revised the wording of the motion many times as we drafted it. We also heard views from many people. It is because I really do not want to see a continuous debate on the issue since the end of the 1990s for the debate on each past occasion yielded no outcome.

I wish to use some very mild wording so that we all can take the first step forward. Members can read the wordings used by me. Mr SIN Chung-kai has clearly read out the wordings. In item (a) I wish to propose for legislation. But in putting this into practice, priority should be accorded to certain industries and jobs with particularly low income and such low-paying industries and jobs have been pointed out by Mr James TIEN earlier. I would think that, with this as the starting point, we can discuss the issue. So I have used very mild wordings for the motion. Honestly, in the FTU there are some colleagues who do not agree with the mild wordings I have chosen. They say that legislation should be enacted and then a minimum wage will be imposed. If the Council agrees adopting the \$25 hourly rate which Mr KWONG Chi-kin has mentioned as the minimum wage, then this should be regarded as the norm.

In other countries and even in the Mainland, there are many ways of implementing a minimum wage. They have concluded the experience for past decades and the minimum wage has been revised many times amid divergent views. I have used very mild wordings in the hope that Members can be aware of the conditions in Hong Kong and put the suggestions as stated in the motion wordings into practice. So I am very grateful to Mr Andrew CHENG, Mr SIN Chung-kai and Mr Jasper TSANG, and so on, for speaking up on this topic. They have talked about some views which reflect what the groups of people they represent may think. As Members from the labour sector, we are tired of this kind of endless arguments. We want to achieve a breakthrough. It is because as many as some 500 000 to 600 000 workers are getting a wage of less than \$5,000. Most of them are getting just some \$2,000 to \$3,000. In Hong Kong,

one in every six of the wage earners only manages to get such a despicably low wage. Can we bear with this situation?

About two weeks ago, three Members of this Council from the FTU met Mr TUNG and we brought this issue up. Mr TUNG was very receptive to our views. He also thought that this was a great problem. So in May this year, that is, on the Labour Day, he said that things were wrong with the outsourcing system in the Government and it had to be changed. He was of the view that he could do something to pull up the wages of the 20% of the working population making the lowest income. But later on he saw that the wages of this bottom 20% bracket were still falling. So what could he do? He only brought up the issue but just left it to the labour sector, or the three Members from the FTU rather, to discuss it.

So with respect to the amendment moved by Mr Andrew CHENG, I think we ought to support him and also thank him for holding such an open attitude towards our motion. I also hope that friends from the Liberal Party or the business sector can also support this. It is a good thing to hear, for example, Mr Andrew LEUNG say that he would like to see the proposals tabled for discussions in the Labour Advisory Board. At least they are willing to take the first step. I also hope in the voting later, a good message can be conveyed to the community, that we are all prepared to discuss it. In addition, I would like to say to Mr TIEN that he should not be afraid. He said that the operators would be worried. But I can tell him that the industries and jobs with the highest jobless rates are found in the catering and cleaning trades and watchmen jobs. We should discuss the issue with reference to these industries and jobs as a start. They belong to those which can never be moved elsewhere. You do not have to worry about other people moving out of Hong Kong. They are different from factories which have almost all gone. They are also different from offices where all things which can be moved, even computers, are almost gone. What I am talking about are these jobs which cannot be moved out of Hong Kong. I would like to see the first step to be taken on jobs like cleaning workers, watchmen, car park attendants, and so on.

Thank you, Madam President.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Madam President, I thank Miss CHAN Yuen-han for proposing this

motion today, for it has given me the opportunity to take part in the first motion debate of this term of the Legislative Council. In response to Mr Martin LEE's remarks earlier, I would like to tell him that we do not have one single paparazzo deployed outside this Chamber. But I am very grateful for his advice, and I also hope to communicate more with Members over a glass of Maotai or Bordeaux. I would like to say that even if the maximum working hours is prescribed in the future, I think Members in this Chamber still would not be able to enjoy it, for I believe all Members and I will continue to work over 60 hours a week.

Recently, the Chief Executive has met with various sectors of the community, representatives from various political parties and Members of the Legislative Council to listen to their views on the administration of the Government. Minimum wage and maximum working hours were among the topics of their discussion. I am aware that Miss CHAN Yuen-han, Mr WONG Kwok-hing and Mr KWONG Chi-kin had suggested the Chief Executive to legislate on a minimum wage and to regulate the maximum working hours, in order to improve the living of the lower-class workers. Mr Andrew CHENG proposed that the Government should enact legislation on maximum working hours specific to individual industries and jobs. Mr LEUNG Yiu-chung suggested regulation of maximum working hours and minimum wage. Mr LEE Cheuk-yan and Mr LAU Chin-shek suggested that, in the short term, the Government should first prescribe the maximum working hours for certain high-risk industries (such as transport and security services) on a trial basis and in the long term, it should legislate to introduce statutory regulation. The Chief Executive attaches great importance to and is very grateful for the views of Members. We will look into these issues in depth and conduct consultation with an open mind.

Like Members, the Government places great emphasis on the protection of workers' rights and interest. But in considering labour policies, we must also consider the overall interest of Hong Kong. While protecting labour rights and interest, the Government must consider the pace of economic development, the affordability of society and how a balance can be struck between employers' and employees' interests. Last year, despite bad economic conditions, we were glad to see that employers and employees had worked in concert to ride out the storm together. Now that the Hong Kong economy has started to turn the corner, we hope that employers and employees can share the fruits of their labour together. I certainly hope that the bosses can make profits, and I all the

more hope that these bosses who have made profits can suitably increase the salary of their employees in accordance with the operational conditions of their companies. This will be conducive to raising employees' morale, their quality of service and sense of belonging. Of course, whether a salary increase will be effected in the end definitely rests with the decision of the employer. Recently, we have seen some enterprises and bosses taking the initiative to increase the salary of their staff or to improve the employment terms of their staff. I think this is a good beginning.

As regards whether the maximum working hours and a minimum wage should be prescribed, Madam President, employers and employees do have their own positions and views, and there have been divergent views among different sectors of the community. In the past few years, these issues were debated in the Legislative Council but a consensus could not be reached. Members who have spoken on the motion have also expressed different opinions on these issues. All this indicates that the topic of our discussion today is extremely controversial. The proponents consider that a minimum wage can assure the most basic standard of living for workers, whereas prescribing the maximum working hours can protect employees' occupational, physical and psychological health. They hold that the employees can make use of the leisure time to pursue studies, thereby increasing their competitive edge and upgrading their skills. On the other hand, the opponents consider that the relevant policies will cause business operation to become fossilized, thus jeopardizing the flexibility of the operation of a company, particularly the company's resilience in times of an economic downturn. This will, in the long run, undermine the competitive edge of Hong Kong to the detriment of Hong Kong's economic development and labour market.

Following globalization and automation of production, fundamental changes have taken place in the structure of the labour market and most obviously, we have seen an increasing number of enterprises relocating and outsourcing their manufacturing processes off-shore, or replacing manual labour by machinery or information technology. In recent years, many Western economies have been developing in the direction of improving the flexibility of the labour market, with a view to enhancing their competitiveness.

Any policy aiming to improve workers' rights and interest will affect not only the employers and employees, but also the entire society and economy. Before implementing any such policy, the Government must objectively and

comprehensively consider the arguments for and against the policy. It must also conduct detailed analyse and assessments on the short-term and long-term effects and consult the public extensively. Given the far-reaching implications of these proposals on the local economy and community, they are unlikely to be implemented successfully unless a consensus can be reached among various sectors of the community, particularly between employers and employees.

On the question of minimum wage, we appreciate the views of the supporters. They think that prescribing a minimum wage can protect the income of grass-roots workers and alleviate the problem of poverty among people at work.

Minimum wage is primarily intended to protect non-skilled or low-skilled grass-roots workers. According to the experience of some countries where a minimum wage is prescribed, a minimum wage, despite its good intention, may actually make it more difficult for non-skilled grass-roots workers to seek employment, particularly when a surplus supply exists in the elementary labour market. Faced with a surplus supply in the market, and if employers must comply with the statutory minimum wage requirement in recruiting workers, as also mentioned by Members earlier, employers may tend to recruit persons with greater capability and reject the less competitive workers. In Hong Kong, there is precisely a surplus supply in the elementary labour market now. If the policy on minimum wage is implemented, some employers may no longer pay their employees at a rate higher than the minimum wage. They may even adjust downward the salary of those employees who are currently paid higher than the minimum wage and reduce their salaries to the level of the statutory minimum wage. This is certainly not beneficial to employees.

The imposition of a minimum wage may also increase the labour cost of certain industries and hence undermine the competitiveness of these industries. This will hasten off-shore relocation of manufacturing processes and finally leading to retrenchment and reduced employment opportunities for local workers. Labour-intensive processes which are less likely to increase in value will be the first to bear the brunt, and low-skilled workers with low education attainment will be hit the hardest. It is certainly not our wish to see this happen. Recently, these issues have been mentioned in the editorials of many newspapers. I am also aware that some academics have pointed out that a

statutory minimum wage will distort the market's mechanism of natural adjustment, making it impossible for employers to flexibly determine the level of wages on basis of such factors as workers' ability and performance as well as the company's operational conditions or the performance of external economies. It may also dampen workers' incentive to upgrade their quality of work. All these will take a toll on the overall competitiveness and hence adversely affect the long-term development of the economy.

Similarly, on the question of whether the setting of a statutory minimum wage can genuinely benefit the labour sector, views are diverse in various sectors of the community. This issue has also been debated twice in the Legislative Council.

We understand that continuous long working hours may affect employees' health, their families and their social life. Excessively long working hours may mean that employees will have less time to spend with their families and less opportunities to pursue studies. Insofar as certain industries are concerned, if workers are made to work long hours continuously without suitable rest breaks, industrial accidents may be resulted and public safety will even be affected. People who support the setting of the maximum working hours consider that imposing restrictions on working hours can create more posts and therefore alleviate unemployment, and at the same time facilitate adjustments of the *modus operandi* of enterprises, thus increasing their productivity. Employees can then have more leisure time for entertainment and spending, thus promoting the retail, catering and service industries, and this will generate a virtuous cycle.

However, restricting working hours by legislation may affect the flexibility of the labour market and the business environment. In many industries or sectors, such as retail, hotel, insurance brokerage, real estate agency and domestic helpers, given the special needs of the jobs, flexibility must be allowed in the working hours of employees. Enacting legislation to cap working hours may preclude some employers and employees from making appropriate adjustments to suit the needs of their operation or work. This will jeopardize the flexible operation of enterprises and may lead to fragmentation of work, affecting the livelihood of employees. The income of employees may even be reduced in tandem with reduced working hours and so, employees may not genuinely benefit from it.

On the propriety of prescribing the maximum working hours, we have to consider it in many aspects. For instance, should it be implemented in all trades and industries across the board, or should we consider it from the angle of protecting employees' occupational safety and health and hence give priority to certain industries which can most directly affect public safety or security? We should consider whether different criteria should be set with reference to the operation of different industries or job types, and also study whether there are ways to achieve the objective other than legislation. Moreover, we have to look into issues relating to overtime work, say, whether the number of overtime hours should be rigidly restricted and how the basis for calculating overtime compensation can be determined.

To prevent the health of employees from being affected by working continuously for a prolonged period of time, the Labour Department introduced the Guide on Rest Breaks in July last year to encourage employers and employees to work out, through consultation, appropriate arrangements for rest breaks having regard to the operational needs. The Guide was drawn up by the Committee on Occupational Safety and Health of the Labour Advisory Board (LAB) in consultation with employers' representatives, employees' representatives and professionals in occupational safety.

The rapid economic development of Hong Kong over the years has indeed hinged on our human resources. The workforce in Hong Kong, whether in the past or at present, is known for its flexibility and adaptability. To maintain the advantages of Hong Kong, it is necessary for us to strike a balance among the need to maintain Hong Kong's competitiveness, the need to maintain our advantage in terms of talents and the need to protect workers' rights and interest.

The prescription of maximum working hours and minimum wage is well-intentioned but has far-reaching implications on the economy and society of Hong Kong. It involves a myriad of questions. What are considered a reasonable minimum wage and reasonable maximum working hours? Should regulation be imposed across the board, or should regulation be introduced for certain industries or strata? Is it a must to implement it on a mandatory basis by legislative means, or should some pilot points be identified for implementation in an orderly and flexible manner? In May this year, the Government, by issuing administrative guidelines, actively took the lead to stipulate that workers employed for work outsourced by the Government must not be paid lower than the average salary in the market. This measure of the Government is proof that

the objective can also be achieved by administrative means. We also have to consider whether the same measure can be taken to encourage other public bodies and universities to follow suit. What sort of platform and mechanism should be used to determine and adjust the minimum wage and maximum working hours? How should these mechanisms be monitored? Will the prescription of maximum working hours create more posts, or will it lead to fragmentation or loss of jobs? Should rigid stipulations be made on overtime work? From what I have just said, Members can see that many fundamental questions are involved, questions that we must address and resolve. Will the labour cost be substantially increased after the implementation of these measures to a level beyond the affordability of employers and hence seriously affect the business environment and the overall competitiveness of Hong Kong? Can these measures truly benefit the grassroots who are most in need of protection?

All these are fundamental questions, and we are prepared to listen to the views of all sectors of the community with an open mind. We will adopt a practical attitude to analyse the relevant information and statistics, drawing reference on overseas experience and past studies and making considerations in the light of the actual social and economic conditions of Hong Kong. I wish to emphasize again that for any proposal relating to employees and employers with far-reaching implications on the community and economy of Hong Kong, we must reach a consensus through consultation before reciprocal benefits can be achieved for employers and employees.

Madam President, I wish to thank Members again for the many valuable views expressed by them earlier during the debate. In fact, many of the issues raised by me just now have been mentioned by Members in the debate. First, I believe we must conduct in-depth studies on the fundamental questions mentioned earlier. I am very glad to hear that Members, whether they support or oppose the motion today, such as Mr Andrew LEUNG, Mr KWONG Chi-kin and other Members, have expressed a wish to refer this issue to the LAB for in-depth consideration. I believe Members are aware that the LAB, which is comprised of representatives returned by the labour sector and employers, should be a very suitable forum for this sort of labour issue to be thoroughly studied. Certainly, I am more than happy to further discuss this issue in the Economic and Employment Council chaired by the Financial Secretary. Madam President, I hope that through positive dialogues among employees, employers and the Government, we can identify the future direction for this

important issue as well as answers to the fundamental questions raised earlier, thereby bringing reciprocal benefits to employees and employers.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment, moved by Mr Andrew CHENG to Miss CHAN Yuen-han's motion, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Andrew CHENG rose to claim a division.

PRESIDENT (in Cantonese): Mr Andrew CHENG has claimed a division. The division bell will ring for three minutes.

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

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

Functional Constituencies:

Ms Margaret NG, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Ms LI Fung-ying, Mr WONG Kwok-hing, Dr Joseph LEE, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Dr Raymond HO, Dr LUI Ming-wah, Mr Bernard CHAN, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG and Mr Patrick LAU voted against the amendment.

Mr WONG Ting-kwong and Mr CHIM Pui-chung abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mr James TO, Miss CHAN Yuen-han, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Chin-shek, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr TONG Ka-wah and Mr Albert CHENG voted for the amendment.

Mr James TIEN and Mrs Selina CHOW voted against the amendment.

Mr CHAN Kam-lam, Mr Jasper TSANG, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Mr LI Kwok-ying, Mr MA Lik and Mr CHEUNG Hok-ming abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 28 were present, 10 were in favour of the amendment, 16 against it and two abstained; while among the Members returned by geographical constituencies through direct elections, 30 were present, 19 were in favour of the amendment, two against it and eight abstained. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Miss CHAN Yuen-han, you may now speak in reply, you have two minutes and eight seconds.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, I am grateful to the 30-odd Honourable colleagues who have spoken on this motion. The issue at hand is one which has been debated time and again ever since the end of the 1990s. It is no longer a new issue and it is good that it still draws the attention of Members who have taken part in discussing it. This also shows that the issue is a common concern for us all.

I beg to differ from what the Secretary has said, especially the contents of the former part of his speech. The Secretary talked about what might happen with a minimum wage and what might happen to the labour sector. In my opinion, these are all old and worn-out points of view. The Secretary should on the contrary adopt the views expressed by Mr Jasper TSANG. For what should be changed will eventually be changed. The minimum wage and maximum working hours systems used in other places for such a long time are constantly evolving because of this reason. So why can we not take the first step? The Secretary is, after all, an expert and so in his conclusion he said he would remain open on this and that he would be prepared to discuss it on various occasions. That I think is very important.

Madam President, nowadays there are hundreds of thousand people earning low wages. Many of the employees think that long working hours have ceased to be an employment issue. It is a political issue for society. So when we met Mr TUNG Chee-hwa, he told us very clearly that this was a big problem. He would hope very much to resolve it, but there are divergent views in his administration. I hope that the persons who hold divergent views do not include the Secretary. I hope he could be open about it. When he was the Commissioner of Labour back in 1995, he managed to resolve an employment issue which was very controversial at that time. I hope that views can be clearly reflected by the Council this time. With respect to the divergent views held by the labour sector and the business sector, I am sure the Government must have been aware of that when some laws were enacted in the past. Legal provisions related to one rest day for every seven days, sick leave and maternity leave during the 1970s, as well as those related to the long service payment, annual leave, and so on, in the 1980s, were all passed only after many heated debates. Even after these provisions had been passed, the controversies did not cease.

The Government in the 1970s was bold enough to propose that there should be one rest day for every seven days and later on proposed that people should be given sick leave. All these are now law. I think that the Government should show some of this kind of boldness now and cease wavering in its stand when we are now in the 21st century. Secretary, it is all up to you.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Miss CHAN Yuen-han as printed on the Agenda, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raise their hands)

Miss CHAN Yuen-han rose to claim a division.

PRESIDENT (in Cantonese): Miss CHAN Yuen-han has claimed a division. The division bell will ring for three minutes.

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

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

Functional Constituencies:

Ms Margaret NG, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Ms LI Fung-ying, Mr WONG Kwok-hing, Dr Joseph LEE, Dr Kwok Ka-ki, Dr

Fernando CHEUNG, Mr WONG Ting-kwong, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the motion.

Dr Raymond HO, Dr LUI Ming-wah, Mr Bernard CHAN, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG and Mr Patrick LAU voted against the motion.

Mr CHIM Pui-chung abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mr James TO, Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Mr Jasper TSANG, Dr YEUNG Sum, Mr LAU Chin-shek, Mr LAU Kong-wah, Ms Emily LAU, Miss CHOY So-yuk, Mr Andrew CHENG, Mr TAM Yiu-chung, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr LI Kwok-ying, Mr MA Lik, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr CHEUNG Hok-ming, Mr TONG Ka-wah and Mr Albert CHENG voted for the motion.

Mr James TIEN and Mrs Selina CHOW voted against the motion.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 28 were present, 11 were in favour of the motion, 16 against it and one abstained; while among the Members returned by geographical constituencies through direct elections, 30 were present, 27 were in favour of the motion and two against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the motion was negated.

PRESIDENT (in Cantonese): Honourable Members, now it is close to a quarter to 10 pm and if the next motion, like the previous one, sees so many Members keen to speak, then we may have to sit in this Chamber till 3 am. However, I believe it will not happen. So we shall continue with the meeting. The meeting may end a bit later than usual, but as there seems to be no special meetings in this Council next morning, so Members may get up later tomorrow.

Second motion: Facilitating the integration of people with disabilities into society. Mr LEUNG Yiu-chung.

FACILITATING THE INTEGRATION OF PEOPLE WITH DISABILITIES INTO SOCIETY

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, this is the third consecutive year I move a motion on a similar subject like this. The reason why I do this is to arouse greater public concern for the rights of people with disabilities and to demand the Government and the related organizations to accede to our requests, improve the relevant policies and facilities so as to meet the needs of people with disabilities.

I recall some Members said last year that my motion was merely repeating the same old stuff. Dr LIAO, the Director of Bureau who gave a reply afterwards, also criticized my motion of merely repeating the same old stuff. It was unfortunate that Dr LIAO chose to speak only on what seemed to be in her favour. She did not speak like Ms Audrey EU. I recall Ms EU pointed out why the old stuff was being repeated. It was because the Government had not taken concrete steps to put our proposals into practice after the Legislative Council had passed the motion. This has forced me to move this motion year after year. This is like the life of many grassroots and people with disabilities, they have no money to buy fresh food, so all they can do is to take out the old stuff and leftovers of the last meal and make a meal. This is most disheartening indeed. For those principal officials who enjoy such a lucrative salary, do they know why we have to repeat the same old stuff again? Can they appreciate our feelings?

Dr CHOW, the new Director of Bureau, has just assumed office, so it would be a bit discourteous if I just repeat the same old stuff again. So I have added some new food for thought in the motion this time, that is, I have added

the two items on introducing an employment quota system and objecting to the reduction of CSSA rates for the elderly and people with disabilities. This is done in the hope that the new Director of Bureau will have a fuller understanding of the needs and aspirations of people with disabilities.

Madam President, not only does some of the contents of the motion today resemble those in the past but that the background against the motion this time is also quite familiar to Members. Why? I remember in 2002 when I proposed a motion on this subject for the first time, at that time Dr LIAO had just assumed office. She said that she was glad that all Members had reached a consensus, and not only did she pledge that she would do something for people with disabilities but also that she stressed that the Government was sincere in caring for the disadvantaged. She said that the objectives of the Government were consistent with the views of Members. So she would give full consideration to the needs of people with disabilities so that they could integrate fully into society. Unfortunately, three years have passed, just how much of Dr LIAO's pledge has been honoured? Every year we would receive a report of progress from the Secretary but the contents of these reports are invariably the same — they are just repeating the same old stuff. The most basic of our demands, that is, half-fare concessions from the transport operators, has seen no signs of progress.

Today when a motion of a similar subject is tabled, by sheer coincidence there is also a new Director of Bureau. He is Dr CHOW. In a press conference held last Friday, Dr CHOW stressed that priority would be accorded to care for the elderly, people with disabilities, the chronically ill and the poor. They would be provided effective support and services. The motion today is in fact a test for all these pledges made by the new Director of Bureau. It will make us know whether Dr CHOW is like Dr LIAO who may pay lip service but do nothing, or if he would act on his words and make the life of people with disabilities better.

The motion moved by me today is focused on transport and financial improvements — two areas which effects are most direct. These will enable people with disabilities to integrate into society. So I must point out that the motion before us is not just about one or two measures. It is about whether or not this society and this Council can give due respect to the freedoms and right to equality which people with disabilities should enjoy.

We are convinced that people with disabilities should enjoy full civic rights and should not be deprived of any or all of their rights on account of their physical disabilities. I still recall the reply given by Dr LIAO in 2002. She was moved into tears as she mentioned her childhood experience in looking after some disabled people. She said that the want of relevant aids and equipment in those days had prevented these people from going any farther than 5 km from their homes. So these disabled persons were like inmates of a jail. In a modern society like ours, unless someone has committed a crime and has to be put behind bars, everyone is entitled to the freedom of movement and they should be allowed to go to anywhere they like. Disability is no crime, so people with disabilities should enjoy the same freedom of movement like any ordinary person and they should not be put in a position worse off than other people on account of the lack of facilities or financial means. Any assistance given to people with disabilities does not merely stem from care and sympathy alone. It should be part and parcel of policies or measures implemented in any society out of respect for personal freedoms and civil rights.

Perhaps the Government may think that the transport operators have done their part in providing facilities to people with disabilities in circumstances permitting. But what we demand are half-fare concessions only. Are we asking too much? If only we can look at the actual situation, we will see that the public transport operators are not sincere in putting half-fare concessions into practice and they are just giving some half-hearted efforts to improve the facilities.

We demand that the Government should urge the public transport operators to provide half-fare concessions to people with disabilities because they often need company when they go out. Thus their transport expenses are at least double that of those of the able-bodied. This state of affairs shows that they do not enjoy truly equal rights. The motion was passed by this Council unanimously for the past two years. For two years in a row the Government said that it would strive to get this done. Unfortunately, with the only exception of the ferries which have made some improvements, all other means of public transport only offer full-fare concessions to people with disabilities on the International Rehabilitation Day on 30 November and that is all. This is their so-called response. Does the Government not feel that this kind of response is an insult to its intelligence? The reason advanced by these public transport operators in refusing to offer full-fare concessions to people with disabilities is that they can hardly distinguish such people. This argument is most absurd. I

would like to ask them why they can distinguish people with disabilities on the International Rehabilitation Day but not on the other days of the year? Why? What kind of logic is this? In fact, we have suggested that the existing registration cards for people with disabilities can be used as proof of identity. The Rehabilitation Division of the Government has also pledged to affix a photograph of the bearer on his or her card by the end of this year. As this is a rather simple thing to do, why has the Government not done anything to persuade the public transport operators to accept this card as proof of identity for people with disabilities? Why does the Government choose to accept the absurd argument that it is hard to distinguish such people? Is the Government permitting these operators to put up crooked arguments and bully people with disabilities? If the Secretary has any intelligence, I would ask him to look around at other countries, like the Mainland and our neighbours in Southeast Asia. They have all introduced this form of fare concessions. Why can Hong Kong not introduce this policy?

Apart from the issue of concessions, the Government has also made some half-hearted attempts to urge institutions to improve their facilities. The Government made it a point in the White Paper on the Rehabilitation Policies and Services published in 1995 to build a barrier-free environment and to enable the transport system to fulfil the needs of people with disabilities so that they can involve in and integrate into the community. Unfortunately, all these objectives are never embodied in government policies. In the past we tried to fight for more low-floor buses and a public address system both inside and outside buses to announce the bus stops. But the progress has been so minimal that it appears no progress has ever been made at all.

What makes people even more furious is that with respect to the removal of barriers, the new facilities show retrogression rather than progress. An obvious example is the West Rail which was commissioned last year. The West Rail is the newest mass transit system in Hong Kong but its design is clearly lagging behind the times for it fails to cater to the needs of people with disabilities. One example is the area in the Tuen Mun Station which is a transfer point for the Light Rail. A lift is built there, but the original ramp in the Light Rail area has been removed. So if the lift breaks down, people with disabilities will be left with no other means of access. What can they do?

The facilities in fact need only to comply with the basic statutory requirements and as long as they do not violate the Disability Discrimination

Ordinance, that will be fine. But the facilities are practically not people-oriented with no consideration being given to determine if the facilities truly meet the needs of people with disabilities. Another example in the West Rail can be found in the Mei Foo Station. The West Rail has removed the access linking up the people living on the hills nearby with the town centre. The company has built instead a tortuous and steep path. This has not only put off the wheelchair-confined but also the able-bodied as well. To avoid walking a long way or the effects of the elements, some people choose to spend \$3.9 to buy a ticket and use the station entrance and exit. If someone has osteoporosis and if he wants to avoid walking for 45 minutes, the only thing he can do is to get into the station by buying a ticket of \$3.9 and use the lift inside. So does this show any real care and concern for the needs of people with disabilities and are they given any convenience in using public means of transport?

These problems have emerged due to the existence of too many loopholes in the guidelines and these public transport operators can do whatever they want. Also, these guidelines are not binding. That is why so many troubles have been caused. Hong Kong can indeed model on Sweden and set up a complaints organization for people with disabilities and that organization should take the initiative to investigate into complaints.

In addition, on the Rehabuses which are especially provided for people with disabilities, each year the improvement made is only limited to replacing the buses. Nothing is done to solve a fundamental problem and that is, these buses are not sufficient in number. The Government has also said that the Rehabus service will be improved and work will be done to make it more convenient for users in that they will not have to book a Rehabus six months in advance. Admittedly, this is a good idea to make things more convenient by obviating the need to make reservations six months in advance. But when there are not enough of these buses, how can any improvement be made? Given the shortage in supply, no matter what arrangements are made, the central question of insufficiency of Rehabuses remains unsolved.

Madam President, to enable people with disabilities to integrate into society, it will not work if only the transport barriers are removed, for the taking of active steps to promote and offer employment opportunities to people with disabilities is more important. This will not only help them financially but also help build their self-confidence. The employment quota system proposed by us in the past was turned down by the business sector and the Government, in much

the same way as the calls for a minimum wage and a maximum number of working hours were rejected earlier. Government officials think that their employment policies are sufficient. These include exemption for people with disabilities in the first round of selection and to set up a fund to support the departments in hiring such people. No matter how high the Government rates itself in its achievements in this respect, an indisputable fact is that, according to surveys conducted by the Census and Statistics Department, only 20% of people with disabilities are engaged in economic activities and only 2% of government employees are people with disabilities. When these people form only 2% of the Government's workforce, is that not insufficient and improper?

Secretary Dr CHOW is the Chairman of the Hong Kong Sports Association for the Physically Handicapped. Does he know anything about the problems which the physically handicapped in Hong Kong are facing? As far as I know, there is one called Mr SO Wah-wai and he was the winner of one gold medal and two silver medals in the Paralympics. In his 23rd birthday this 6 October, he said that his birthday wish was to get more gold medals and a job. He has been hunting for jobs ever since he completed his secondary school studies last year. More than a year has passed and his family members are all very worried. When even a well-known sportsman and someone who perseveres despite obstacles is unable to get a job, how much more difficult will other people with disabilities find when they look for a job? I hope the public, especially the business sector, can really do something more than pay lip service. While we marvel at the perseverance of people with disabilities, let us also give them a break.

The right to work is a basic human right. Unfortunately, in the eyes of the Government, the right to work is only a basic right for the able-bodied. It is not a right for everyone, including people with disabilities. The Government has a misconception in that these people should sit there and wait for assistance. It would be a bonus for them if they can find a job. That is why they should not harbour any extravagant hope. What the Government will do is to protect them against discrimination and enable them to compete fairly. But no consideration is made on their need to be treated fairly like every one else. Therefore, we hope that an employment quota system can be set up so that people with disabilities can find a job easier.

I know that when this idea of an employment quota is brought up, it will be met with strong opposition from the business sector, in much the same irrational

way as the proposals to impose a minimum wage and to regulate the working hours encountered a while ago. But we should bear in mind that many countries are using this quota system to protect people with disabilities, facilitate their integration into society and rise to self-reliance.

Madam President, one last point I wish to make is that even if people with disabilities are given job opportunities, there are still some disabled persons who have to live on public assistance. It is sad that despite the clamours of opposition from the socially disadvantaged, the Government is still bent on slashing the CSSA payments for people with disabilities with effect from 1 October. Some people think that we are just being too generous to people with disabilities at the expense of the public when we oppose the cut in CSSA payments. In response to this, we have said many times that if the social security net is destroyed, the whole society will have to pay for the consequences ultimately.

When the CSSA payments for the elderly and people with disabilities are slashed, those who stand to suffer are not just the recipients. I attended several election forums earlier and found that when CSSA payments are slashed, the recipients' families will also be affected and they will be put under great pressure. So, Madam President, I hope we can give second thoughts to and oppose the reduction in CSSA payments, especially for people with disabilities and the elderly.

Mr LEUNG Yiu-chung moved the following motion: (Translation)

"That, in view of the Government's failure to give effect to the motions passed by this Council in two consecutive years on the transport needs of people with disabilities, thus depriving them of proper assistance and hindering their integration into society and, at the same time, as the Government has been reducing its spending on people with disabilities in recent years, causing them to live in hardship, this Council expresses regret and demands that the Government adopt the following measures to assist people with disabilities:

- (a) pressing public transport operators to offer half-fare concessions to people with disabilities and improve their facilities to cater for the needs of such people;
- (b) improving the Rehabus service;

- (c) taking the lead in introducing an employment quota system in government departments for people with disabilities and then extending it to the private sector; and
- (d) curtailing the implementation of the reduction of Comprehensive Social Security Assistance rates for the elderly and people with disabilities, which has come into effect since 1 October this year."

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

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

PRESIDENT (in Cantonese): I will first call upon Mr Tommy CHEUNG to speak and move his amendment to the motion. Then, I will call upon Mr Alan LEONG to speak and move his amendment to Mr Tommy CHEUNG's amendment. Members may then debate the motion and the amendments. After Members have spoken, I will first put Mr Alan LEONG's amendment to Mr Tommy CHEUNG's amendment to vote. Then, depending on the result of the vote, I will put Mr Tommy CHEUNG's amendment, either in its original form or in the amended form, to vote.

PRESIDENT (in Cantonese): I now call upon Mr Tommy CHEUNG to speak and move his amendment.

MR TOMMY CHEUNG (in Cantonese): Madam President, I move that Mr LEUNG Yiu-chung's motion be amended, as printed on the Agenda.

This is the third motion on assisting people with disabilities proposed in this Council by Mr LEUNG Yiu-chung who has sponsored a relevant motion for

three consecutive years. On the last two occasions, the Liberal Party voted for the motions, showing that the Liberal Party has all along supported the integration of people with disabilities into society. But insofar as this motion today is concerned, Mr LEUNG Yiu-chung has proposed it in a different way from he did in the past and so, we cannot support it. That is why I have proposed an amendment to it.

First of all, I wish to point out that the Hong Kong Government, being the largest employer in Hong Kong, can indeed take the lead to do more in employing people with disabilities, so as to set an example for the private sector. In the Civil Service, about 2% or 3 300-odd of the serving civil servants are people with disabilities, and the Government should be able to absorb more of such people. Besides, among the civil servants who are persons with disabilities, many are engaged in clerical duties or the more elementary level of work. But under the principle of meritocracy, can the Government consider employing more qualified people with disabilities to fill managerial posts, such as Administrative Officers?

However, the Liberal Party does not favour the setting up of a mandatory quota system, for it involves many complicated problems. For example, the quota system may lead to "reverse discrimination" against able-bodied persons, who would then be subject to unfair treatment in seeking employment. Besides, if a quota has to be set, where should the line be drawn in order to be reasonable? Moreover, if this quota system is implemented in private enterprises, large or small, on a mandatory basis, will it stifle the development of free economy and undermine investors' confidence?

Therefore, we agree that the authorities, apart from setting a good example, should make greater efforts to encourage the business sector to voluntarily employ more suitable people with disabilities. The Government can step up education and publicity targeting employers in the private sector to encourage them to take on more people with disabilities. For example, more career expos can be organized for people with disabilities to enable employers to meet with them face to face. Employers who have responded actively to the Government's appeal should be commended and invited to attend seminars to share with other employers their success experience in working with people with disabilities, with a view to encouraging more employers to follow suit.

Both the original motion and Mr Alan LEONG's amendment express regret at the Government's failure to truly improve the transport needs of people

with disabilities and the continued reduction of government spending on people with disabilities. We beg to differ. It is because although the work of the Government in these two aspects is far from comprehensive and is making rather slow progress, the Government has not remained *in situ* and it is not the case that the Government has made no achievement at all. So, I do not see any reason to express regret.

In fact, unlike what is suggested in the original motion, the Government's spending on people with disabilities in recent years has not been reducing. In 2003-04, the Government provided subsidies to the tune of \$5.8 billion to nearly 200 000 people with disabilities, representing an increase of 45% over the \$4 billion provision in 1997-98. On the initiatives taken by various public transport operators to facilitate access by people with disabilities, there has been some improvement indeed. But it is another matter as to whether their initiatives meet the expectations of all people. Other colleagues from the Liberal Party will later speak on how the Government can facilitate the access of people with disabilities to public transport.

Madam President, the original motion calls on the Government to curtail the implementation of the second-phase reduction of the Comprehensive Social Security Assistance (CSSA) rates, which has just come into effect since the first of this month. We take exception to this view. The decision on the second-phase reduction of CSSA rates was made by the Executive Council and endorsed by the Legislative Council. Overturning it hastily would tarnish the image of the SAR Government, giving the impression that the Government is wavering in its policies. Moreover, once this precedent is set, it might arouse calls for review of a range of decisions made by the Legislative Council in the past. For example, should the already endorsed arrangement of cutting the pay of civil servants by 0%, 3% and a further 3% in three years respectively be reconsidered? Should the entire package aiming to eliminate the deficit be overturned and reformulated?

Furthermore, even though the Government has implemented the second phase of the reduction of CSSA rates as scheduled, the reduction is applicable only to the standard rate. The special allowances will not be affected. For instance, in addition to the standard rate of \$2,270, an elderly person living in public rental housing alone without any income can also receive a special monthly allowance to the tune of \$1,200 for rent payment, domestic telephone charges, monthly fee for an emergency alarm bell, and transportation for

travelling to and from government clinics. So, he can actually receive about \$3,500 monthly, and this has not included other special allowances payable to recipients with other special needs, such as an allowance for spectacles, denture and purchase of hearing aids. And if the recipient has continuously received CSSA for more than one year, he can also receive an additional long-term supplement of \$1,425.

We are not saying that this is a large amount of money or the recipients are leading very good lives. I only wish to point out that even though the standard rate under the CSSA is reduced, the special allowances and supplements can still provide the basic protection for the CSSA recipients to meet their basic needs of living.

We firmly believe that divergence on any public policy in the community should be resolved through rational negotiation and dialogue. We cannot be swayed by emotions or even defy the spirit of the rule of law.

Speaking of the rule of law, I must say something on Mr Alan LEONG's amendment to my amendment. His amendment to my amendment is, to put it bluntly, basically an attempt to restore the original motion in new guise. It actually seeks to restore the original motion, for a substantial part of his amendment is copied from the original motion. It is basically old wine in a new bottle, aiming to restore the original motion. The only slight difference, which required an approval by the President, is that he amended the words "curtailing the implementation" in the fourth point to "review", and proposed to add "ensuring that none of these people are rendered unable to maintain a basic standard of living because of the reduction".

The Liberal Party considers that since Mr Alan LEONG, not long after he was elected, agreed with the implementation of the second-phase reduction of CSSA rates as scheduled to uphold the rule of law, it seems that he is reversing his position if he conversely suggests today a review of the reduction. Why can he not, like us, adopt a broader perspective and suggest a review of the entire CSSA system?

The Liberal Party does appreciate the plights faced by CSSA recipients, particularly the elderly and people with disabilities. No one would wish to see a reduction of his own income. We are not asking the Government to cut its

welfare payment for the recipients. We only support the observance of the established mechanism.

In fact, the Government has been caught in serious deficits in recent years. Coupled with such problems as the ageing population and high unemployment rate, public expenditure will only expand incessantly. As a result, the Government will be consistently operating in the red and by then, the Government may be forced to increase tax in order to tap new sources of revenue. Finally, members of the public, particularly those in the lower-middle class who are hard hit by negative equity assets and retrenchment, will suffer. I believe no one would wish to see this happen.

With these remarks, Madam President, I oppose the original motion and the amendment to my amendment.

Mr Tommy CHEUNG moved the following amendment: (Translation)

"To add "full" after "the Government's failure to give"; to delete ", thus depriving them of proper assistance and hindering their integration into society and, at the same time, as the Government has been reducing its spending on people with disabilities in recent years, causing them to live in hardship" after "people with disabilities" and substitute with "and the slow progress in implementing the passed motion"; to delete "expresses regret and" after "this Council"; to add "expeditiously" after "the Government adopt"; to delete "taking the lead in introducing an employment quota system in" after "(c)" and substitute with "encouraging"; to delete "for" after "government departments" and substitute with "to take the lead in employing more"; to delete "and then extending it to" after "people with disabilities" and substitute with "so as to set a positive example for"; to add "and, at the same time, stepping up publicity and education for employers as well as commending employers who take the lead in employing people with disabilities, with a view to creating more job opportunities for such people" after "the private sector"; to delete "curtailing the implementation of the reduction" after "(d)" and substitute with "reviewing the system" and to delete "rates for the elderly and people with disabilities, which has come into effect since 1 October this year" after "Comprehensive Social Security Assistance" and substitute with "so that those with genuine needs are provided with appropriate assistance"."

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

PRESIDENT (in Cantonese): I now call upon Mr Alan LEONG to speak and move his amendment to Mr Tommy CHEUNG's amendment.

MR ALAN LEONG (in Cantonese): Madam President, I move that Mr Tommy CHEUNG's amendment be amended, as printed on Legislative Council Paper No. CB(3)-52/04-05.

I basically agree with Mr LEUNG Yiu-chung's original motion. Even though I seek to amend item (d), I agree that there is *prima facie* evidence to prove that the further reduction of 5.4% which took effect on 1 October has caused great difficulties to the elderly and people with disabilities. I propose to amend this item because the demand for "curtailing the implementation" of the reduction of CSSA rates in Mr LEUNG Yiu-chung's original motion fails to take care of the procedural requirement for the Government to submit to the Finance Committee of this Council a bill to increase the relevant provisions. That is why I have proposed to amend this item. In response to a question raised by Mr Tommy CHEUNG earlier, it is precisely because I respect the spirit of the rule of law that I propose this further amendment. I propose a further amendment to Mr Tommy CHEUNG's amendment because Mr Tommy CHEUNG's amendment has not addressed the pressing need for an immediate re-examination of the reduction of CSSA rates for the elderly and people with disabilities which has come into effect since 1 October this year. Under Mr Tommy CHEUNG's amendment, the CSSA rates for the elderly and people with disabilities, which have been cut by 5.4% since 1 October, are unlikely to be restored to their previous levels in the foreseeable future. This explains why I have to propose a further amendment to Mr Tommy CHEUNG's amendment.

Recently, Madam President, the Administration has repeatedly explained the rationale for cutting the standard rate for elderly CSSA recipients, saying that such reduction is necessary to reflect the accumulated deflation and overestimated deflation. A high-sounding reason, though. But it can hardly put a lid over the boiling sentiments of the people. The social welfare sector,

the affected elderly, and colleagues in the Legislative Council have reacted very strongly to this. They have, one after another, produced statistics and justifications to refute the Government's fallacies, calling on the Government to cease the enforcement of the policy on the reduction of the CSSA rates. Madam President, what they get in return is the Government's cold-shouldering and unsympathetic response. There is much bureaucracy but little sympathy. The Government considered that the reduced rates can sufficiently meet the recipients' needs of living. It even said that there is room for the rates to be further adjusted downward. This shows that the Government and senior officials are virtually living on another planet.

When I went into the community, I saw that CSSA recipients receiving \$2,400 were living in straitened circumstances. Even though they are in deep sorrow, they have no tears to shed and they have no one to turn to for assistance. With a further reduction of the CSSA rates, they are set to face the stark choice of taking either meals or medication. With \$2,270 for their living, the elderly can only meet the basic needs of living. When they fall ill, they certainly do not have the means to choose to consult a private medical practitioner and are forced to queue up for consultation at public hospitals at the crack of dawn. But even if they do so, they still have to pay for the medicine. Speaking of medicine, as they have to pay for it, they will only choose the less expensive ones. Since they do not even have a reasonable choice in medical treatment, how could it be said that their basic needs of living as human beings are properly taken care of?

In the meantime, we insist on the rule of law. Madam President, the rule of law is the cornerstone of the success of Hong Kong. Since the Legislative Council has approved the appropriation of funds, the executive does not have the power to grant CSSA to the elderly at the rate before the 5.4% reduction. Instead, a bill on the relevant provisions must be endorsed by the Legislative Council before this can be done. The one who should initiate this is the Administration. The Administration should immediately, and I stress immediately, submit to the Finance Committee of the Legislative Council a bill on an increase to the provisions, thereby ceasing the reduction of CSSA rates for the elderly through proper channels. This is indeed an unshirkable responsibility of the Government.

Before the re-examination of the reduction is completed, we absolutely cannot just sit by and ignore the needs of the elderly and people with disabilities.

The Government must provide channels and resources to ensure that those elderly whose living has become particularly difficult after the reduction of their CSSA payment are given special treatment. Assistance should be provided to them to help them tide over difficulties before the CSSA rates are restored to their previous levels.

Obviously, the Government's understanding of taking care of the basic needs of living is poles apart from the definition held by the public and the social welfare sector, showing that it is almost shutting itself from the reality. I strongly urge the Government to review the entire CSSA system within this year, including the criteria for calculation, the mechanism of operation and the definitions of various kinds of necessary living expenses, the supporting measures for the social security net, reconsideration of a community-wide retirement protection scheme, medical savings scheme, and matching measures for CSSA payment for the unemployed. Yet, the details can certainly be discussed in due course. But there is an urgent need for the 5.4% reduction which took effect on 1 October to be immediately re-examined.

I fully support items (a) to (c) proposed in Mr LEUNG Yiu-chung's original motion. The integration of people with disabilities into society is not only important to them. It will also benefit the community as a whole. With these remarks, Madam President, I hope Members can support my further amendment to Mr Tommy CHEUNG's amendment to Mr LEUNG Yiu-chung's motion. Thank you.

Mr Alan LEONG moved the following amendment to Mr Tommy CHEUNG's amendment: (Translation)

"To delete "full" after "the Government's failure to give"; to delete "and the slow progress in implementing the passed motion" after "the transport needs of people with disabilities" and substitute with ", thus depriving them of proper assistance and hindering their integration into society and, at the same time, as the Government has been reducing its spending on people with disabilities in recent years, causing them to live in hardship"; to add "expresses regret and" after "this Council"; to delete "encouraging" after "(c)" and substitute with "taking the lead in introducing an employment quota system in"; to delete "to take the lead in employing more" after "government departments" and substitute with "for"; to delete "so as to set a positive example for" after "people with

disabilities" and substitute with "and then extending it to"; to delete "and, at the same time, stepping up publicity and education for employers as well as commending employers who take the lead in employing people with disabilities, with a view to creating more job opportunities for such people" after "the private sector"; to delete "system" after "(d) reviewing the" and substitute with "reduction"; and to delete "so that those with genuine needs are provided with appropriate assistance" after "Comprehensive Social Security Assistance" and substitute with "rates for the elderly and people with disabilities, which has come into effect since 1 October this year, and ensuring that none of these people are rendered unable to maintain a basic standard of living because of the reduction".

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

DR FERNANDO CHEUNG (in Cantonese): Madam President, I am the father of a child with disabilities. My daughter is severely mentally handicapped and wheelchair-bound. That is why when it comes to the motion topic today, the integration of people with disabilities into society, I do have first-hand and personal experience. I am delighted because for the third time in three consecutive years, Mr LEUNG Yiu-chung has once again moved a motion on this very same topic. In the past two years, the motions on the same topic were also passed in the Legislative Council. Unfortunately, however, we can observe that the responses of the Government have been extremely slow and weak, much to our disappointment.

I am a researcher at The Hong Kong Polytechnic University (PolyU). A few months ago, in conjunction with several organizations of disabled people's parents, I conducted a study on the transport difficulties experienced by people with disabilities on their way to follow-up medical consultation. According to the findings, fares are high, and not only this, their journeys on public transport are far from smooth because many public transport systems are totally inconvenient to commuters with disabilities. In my case, I teach in PolyU and live on Hong Kong Island. If I commute to work on public transport, the main means will be buses. If I really take a bus, I will, first, face the problem of

insufficient low-floor buses. Supposing I am a paraplegic on wheelchair, then even if I am so lucky as to catch a low-floor bus of the right route, I will still find myself stranded outside the Cross Harbour Tunnel after alighting, not being able to get to PolyU, because from there, one can access the university only by climbing a very long staircase and then walking past a footbridge. And, even if I turn back and head for Tsimshatsui East, I will still be stranded as there is likewise a very long staircase before me. This is really absurd because at such an important transportation hub outside the Cross Harbour Tunnel where commuters (whether from Kowloon or Hong Kong Island) can interchange to the East Rail, a paraplegic on wheelchair is rendered unable to get to any destination. In other words, the situation may become so absurd that if a wheelchair-bound paraplegic living on Hong Kong Island has to give lessons in PolyU, he must first travel by bus to another place and then take a taxi to the university. We can hence notice the dimensions of the transport problems faced by people with disabilities in this so-called metropolis of Hong Kong in this very 21st century. They often have to switch from one mode of public transport to another several times, which is both time- and money-consuming.

A few years ago, the Government started to advocate the concept of "Transport for All". The essence of this concept seems to be that if the various public transport systems can offer obstacle-free service to people with disabilities, it will not be necessary for the Government to expend any extra resources on the provision of alternative transport service, such as the Rehabus service. We observe that it is precisely due to this concept that there has been a short supply of this type of service. In many cases, the waiting time can be very long. It will be very difficult to book any Rehabus service for the morning peak as well as Mondays and Fridays.

We note that in a recent survey conducted by the Social Science Research Centre of the University of Hong Kong, as many as 15% of the respondents said that they had turned down job offers because Rehabus service could not be arranged to take them to work. The percentage is 15%. And, one third of these respondents said that they had done so for more than three times. This is really infuriating. If we look at the rehabilitation sector, we will see that many people with disabilities can otherwise have job opportunities, but because of the lack of transport arrangements, they have to give up the opportunities of earning their own living.

There are currently 87 Rehabuses in Hong Kong. Nineteen of them are already nine or 10 years of age. Two of them have travelled more than 500 000 km and four others more than 400 000 km. Usually, a bus having done such mileage should have been replaced. But our Government has done very little in response. Many parents therefore find it very difficult to book a Rehabus and grumble about the old age of these buses. When our basic support facilities are unable to cater for the needs of people with disabilities, how can we expect them to integrate into society? How can they be expected to earn their own living?

In the last term of the Legislative Council, Dr LAW Chi-kwong moved a motion on formulating an employment quota system for people with disabilities. His motion was passed unanimously by the Legislative Council. Its proposals were very mild, only requesting the Government to take the lead, with a view to gradually extending the system to the market. Mr LEUNG Yiu-chung's motion today is basically worded in a similar fashion. Therefore, I very much hope that the Government can respond actively to the motion, and that Members will render their support.

Finally, on curtailing the implementation of the reduction of CSSA rates, I must say that I have been raising many arguments against reducing the rates for the elderly and people with disabilities. I will therefore support Mr LEUNG Yiu-chung's motion. Besides, I also agree to the points put forward by Mr Alan LEONG just now. But since his amendment does not mention any immediate curtailing of reduction and any demand for a prompt review, I regret to say that I cannot support his amendment. Madam President, I so submit.

MR TIMOTHY FOK: Madam President, we mark the first real business day of the Legislative Council with a tribute to and a plea for the disabled. I do not think the word "disabled" is right since "courageous" would be better.

Today is also the first Legislative Council day for the new Secretary for Health, Welfare and Food, Dr York CHOW. A couple of weeks ago, I met Dr CHOW, in his capacity as the Vice President of the International Paralympics Committee, in Athens. Hong Kong was well represented both by him and by our team. Our athletes performed very well.

In Athens, I had the honour of giving out some awards, including a gold medal — one of the four gold medals — to our YU Chui-yee. As I looked into the happy eyes of the winner, it dawned on me that she was a true champion and a complete Olympian. Athletes surmount a lot of obstacles to achieve great heights. Chui-yee and her teammates have to do much more to gain an inch since getting out of bed, into the wheelchair and onto the field takes tremendous efforts. They are not disabled. They are far more capable and resolute than all of us. I am humbled by their feats in competition, composure under pressure, and drive in overcoming everyday obstacles — and sometimes discrimination.

The Chief Executive in each of his policy addresses has appealed to our better nature. He always calls upon us to be a caring, compassionate society. We agree with his sentiment and I agree that we must make more than gestures and speeches, for we have to make progress and make better the lives of all. This, in essence, is the purpose of the debate. Yet, our feelings aside, we have to be practical in our actions.

We have before us an elaborate list of proposals in this motion, some requiring considerable structural changes. Instead of rushing the motion through and compelling dramatic actions, we should take a bit of time to assess these adjustments so that, in the end, the "disabled" are served and the results are sensible and feasible. We aspire always to be the most advanced of societies and so we have to adapt — but we should do so within our means and within a logical schedule.

Today, I shall vote for the amendment to the motion requiring changes which are within reason and within our means. The principle is sacred, the pace is adequate. For us, these are our fellow citizens and not children of a lesser God, for they are our equals in status and superiors in determination, if only the rest of us are so noble and able.

Madam President, I support the amendment to the motion.

MR FREDERICK FUNG (in Cantonese): Madam President, people with disabilities, like other citizens in the community, are part of Hong Kong. For this reason, they have the same rights as those of the normal people, and they have the equal opportunities to access all social services. The Government also has the duty to assist their integration into society, thereby bridging the gap

between the disabled and the able-bodied. But when we take an overview of the effectiveness of past work in this area, we will see that there is still plenty of room for improvement.

First of all, transport services are the very first step for people with disabilities to step out of their home to integrate into society. The Hong Kong Association for Democracy and People's Livelihood (ADPL) and I consider that the essence of this motion is to ask the Government to urge public transport operators to provide substantive assistance to people with disabilities. The authorities have stated before that the long-term goal is to enable people with disabilities to access all modes of public transport ultimately, which would obviate the need to provide them with special arrangements. To achieve this goal, however, public transport operators are required to take the initiative to support this idea and make improvement. This is not easy indeed, and no one knows how long we have to wait. Before this goal is truly achieved, I believe the Government, during this transitional period, must provide fare concessions to people with disabilities and improve the existing facilities to facilitate their access. There is a pressing and practical need for these to be done.

Regarding the provision of fare concessions to people with disabilities as a standing measure, many advocates of free economy hold that this will disrupt market operations and they have, therefore, expressed strong reservations about this. However, the ADPL and I consider that many countries around the world have long provided their disabled citizens with transport fare concessions of various types and in varying degrees. But Hong Kong, albeit an international metropolis, is lagging far behind the world trends in many aspects. In Australia, for example, people with disabilities who are aged 16 or above can take all means of public transport for free. Similar fare concession is also provided in the Philippines; and in Brazil, their fare concession is even extended to people accompanying the disabled. In the Mainland, the Law on Protection of the Disabled further stipulates that blind persons may take local buses, trolleybuses, subways and ferries free of charge. Seeing that countries around the world have been so devoted to providing fare concessions to people with disabilities, should Hong Kong not feel ashamed of itself?

On the other hand, the ADPL and I consider it most imperative to improve the existing Rehabus services. Before upgrading the hardware facilities of

various modes of transport, it is all the more pressing to provide immediate relief for people with disabilities in using the Rehabus services. First, despite the provision of additional resources for the acquisition of more buses annually, the current Rehabus services fall far short of the needs of people with disabilities, particularly their needs in employment and living. According to information, only about 5% of people with disabilities can actually use the Rehabus services. This does not mean that their daily transport needs can be met by themselves. In fact, this only reflects the inadequacy of Rehabuses. It is because there are currently less than 100 Rehabuses in service, but there are nearly 270 000 people with disabilities in the territory. Just compare these two numbers and we will know the gross inadequacy of Rehabuses.

Although a pilot scheme was introduced early this year under which no time limits are set for advance bookings of Rehabus services, service users often have to make bookings six months in advance given the large number of users. Under such arrangement, how can people with disabilities integrate into society easily and participate in normal social life?

Besides, while various public transport operators have been implementing improvement works on their hardware with a view to facilitating access to their services by people with disabilities, the result has not been satisfactory so far. For instance, according to the information of the Transport Department, of the 6 357 public buses in the territory, only 27% are equipped with electrical or manually-operated ramps to facilitate access by people with disabilities; and as many as 93% of the Citybus fleet are not equipped with a low platform access. The Administration has all along promoted "Transport for All". But how effective is it? How far has the Government worked? Where are the efforts made by the Government?

In this connection, the ADPL and I think that the authorities can reconsider the pilot dial-a-taxi scheme for people with disabilities implemented earlier. Reference can be made to the past practice of granting subsidies for taxi-owners who were willing to convert their diesel taxis into taxis driven by liquefied petroleum gas. Similar measures can be adopted to provide similar subsidies to owners who are willing to acquire multi-functional taxis with larger cabin equipped with devices for lifting wheelchairs or the wheelchair anchoring system that are up to international standards, thereby encouraging drivers and

trade associations to introduce more vehicles suitable for use by people with disabilities and hence reduce their demands for Rehabus services.

Regarding the amendment of the Liberal Party, the ADPL and I agree with the principle that the Government should take the lead in employing people with disabilities, but we are open-minded as to the specific proposal of implementation. However, we have strong reservations about the deletion of "curtailing the implementation of the reduction of Comprehensive Social Security Assistance (CSSA) rates for the elderly and people with disabilities" in their amendment. We all know that the general public has yet to benefit from the economic recovery. Added to this is that inflation has started to climb. In fact, further reducing the CSSA rates, particularly those for the elderly and people with disabilities, will only add to their burden. We have just seen that the disabled athletes have won many gold medals for us and we have applauded their achievements. But today, we nevertheless ask for a reduction of the CSSA rates for them and a cut in their living expenses. Is this a right thing to do? Is it reasonable? Is it appropriate? The ADPL is disappointed by the amendment of the Liberal Party and will oppose it.

To sum up, people with disabilities, like other citizens in the community, are part of Hong Kong. The Administration and various public transport operators should have the obligation to fulfil their social responsibilities and actively provide support to contribute to the integration of people with disabilities into society, with a view to achieving the policy objective of harmony for all and building up a city of mutual care and support.

Madam President, I so submit.

MR FRED LI (in Cantonese): Madam President, the Democratic Party supports the idea of enhancing the transport fare concessions for people with disabilities and improving the transport facilities for them, so that they can broaden their social circles and socialize normally just like others. According to the statistics of the Census and Statistics Department, the employment rate of people with disabilities is lower than that of the able-bodied, standing at roughly 20%. And, even if people with disabilities do succeed in securing employment, their salaries are lower than the average levels. Many people with disabilities live in the New Territories, and for the sake of easy boarding and alighting, they usually commute by the railways, which charge higher fares. Their transport expenses

are thus usually higher than those of others. Society should offer fare concessions to people with disabilities, so as to give them more opportunities of social exposure.

As a matter of fact, in places such as the Mainland, Taiwan and Australia, fare concessions are already offered to people with disabilities. In the Mainland, under the Law on Protection of the Disabled, blind people can travel by public bus, trolleybus, the subway and ferry in any city for free. This is one of the many welfare benefits for people with disabilities. In Australia, recipients of the disability allowance aged 16 or above may apply for a travel pass entitling them to free rides on all means of public transport. In the Philippines and Brazil, concessions like free rides are available to people with disabilities and their company. Hong Kong should also offer similar concessions to people with disabilities, so that they can integrate into society and enjoy equal participation.

In June this year, together with a group of parents and some mentally handicapped workers, all from a sheltered workshop operated in Kwun Tong by a rehabilitation organization, I met with the Commissioner for Rehabilitation. The Government should understand that the Commissioner for Rehabilitation is in total support of the parents' demand for transport concessions for people with disabilities. What are lacking now are just the co-ordinated and all-out efforts by government departments and bureaux to fight for such concessions for people with disabilities from public organizations.

The Democratic Party also agrees that government departments, public organizations and subvented agencies should take the lead in implementing an employment quota system, with a view to inducing other organizations to formulate policies and procedures on employing people with disabilities, so that these people can be given opportunities to develop their potentials. The Democratic Party also thinks that besides implementing an employment quota system, the Government should also enhance the training and equal education opportunities for people with disabilities, so that they can really give full play to their potentials.

The third point, an issue of great concern to Members, is about the second-phase reduction of CSSA rates for the elderly and people with disabilities, which has come into effect since 1 October this year, and which further reduced the standard rates for these categories of recipients by 5.4%.

The total CSSA caseload as at July 2004 was some 294 000 cases. Of these, cases involving recipients with permanent disabilities or in ill-health numbered some 16 000 and some 22 000 respectively, adding up to a total of roughly 38 000. Since the expenditure patterns of people with disabilities are different from those of able-bodied persons, the reduction of their CSSA rates will certainly affect their life seriously. We should uphold the caring spirit, and the Democratic Party would like to call upon the Government to withhold the reduction of the CSSA rates for the elderly and people with disabilities, allowing inflation in the future to offset the percentage of reduction.

As for the two amendments, the Democratic Party cannot support the one proposed by Mr Tommy CHEUNG because it is obvious that his amendment to point (c) of the original motion just encourages government departments to implement a quota system, stopping short of demanding them to do so. Besides, his amendment to the original point (d), which reads "reviewing the system, so that those with genuine needs are provided with appropriate assistance", sounds very much like a remark made by Director of Social Welfare Paul TANG. It reflects nothing but the position of the Government, failing completely to answer the demand of those elderly and disabled recipients affected by the reduction of CSSA rates since 1 October. It fails completely to address the problem and is thus even less worthy of support.

Regarding Mr Alan LEONG's amendment to Mr Tommy CHEUNG's amendment, I think we should really have some discussions on it, because when we talk about the rule of law, we must not forget that the reduction of CSSA rates for these categories of recipients were actually approved by the Legislative Council in the form of an expenditure head, that is Head 170, in the Appropriation Bill last year (2004-05). It was just mentioned in paragraph 9 on the expenditure of the Social Welfare Department that a sum of \$17.9 billion had been earmarked for the overall expenditure on CSSA payments in 2004-05. The allocation of this \$17.9 billion had taken account of the reduction of CSSA rates for the disabled, those in ill health and the elderly in the second phase of the exercise. This was the reason why the sum of \$17.9 billion was set down in the first place. In other words, if the reduction in the second phase is not implemented as scheduled, the total expenditure will exceed \$17.9 billion. But it is actually very easy to solve this problem, and there are no legal complications at all. Members of the Legislative Council passed the Appropriation Bill, and the sum earmarked has not been used up so far, because it is meant for meeting

CSSA expenditure up to 31 March next year. If, in September, the Executive Council resolved not to reduce the CSSA rates, there would not be any problems. It would not be necessary to implement any reduction. The Government can then come before in the Finance Committee for supplementary appropriation. It is not unusual to apply for supplementary appropriation, and this happens every year because even in normal cases, the Government may still need to approach the Finance Committee for supplementary appropriation due to caseload increases and unforeseen circumstances. Usually, it will approach the Finance Committee around December or January when it finds that the earmarked funding cannot meet CSSA payments.

What seems to be the problem is that if the second-phase reduction is not implemented as scheduled, the sum of \$17.9 billion will not be adequate. But there is still money to cope with the needs in the meantime, so an application for supplementary appropriation to the Finance Committee is all that is required. If better arrangements were made in September, Members of the new Legislative Council can now be consulted on whether they will approve any supplementary appropriation, and whether they will agree to withholding the reduction. Members have already given the green light, so the Government needs not worry about any rejection by the Finance Committee later on. Why is it impossible to do so? The law is not so much a problem here, and no major problems are involved. We in the Democratic Party have studied Mr Alan LEONG's amendment carefully because he suggests a review of the reduction of CSSA rates introduced since 1 October. However, we notice that his position is not clear enough — that is, he has not stated clearly that the reduction should be shelved or withheld. I think there should be such a clear position. For this reason, we cannot support Mr Alan LEONG's amendment. We support the original motion.

MS LI FUNG-YING (in Cantonese): Madam President, in the last term of the Legislative Council, Mr LEUNG Yiu-chung already moved two motions on catering for the transport needs of people with disabilities. In this Legislative Session, he has doggedly moved another motion on this topic, and not only this, he has also incorporated proposals on the employment of people with disabilities and the CSSA policy. This multi-faceted motion should be able to bring forth a much more comprehensive debate on how best people with disabilities can be assisted in their social integration.

However, a much more comprehensive debate does not necessarily guarantee any better solutions. We may, for example, look at the report submitted by the Government to this Council on 8 March this year, a report that describes the so-called follow-up actions on Mr LEUNG's motions. The only thing that the report highlights is that the authorities will maintain contact with public transport operators to encourage them to assist people with disabilities more actively. Even on the Rehabus service, which is rendered by the Social Welfare Department (SWD) itself, the only mention is that the service will be closely monitored. This report simply does not mention any improvement proposals, to speak even less of any specific improvement measures. Therefore, my speech today will repeat the specific measures proposed by me in the last Legislative Session. It is hoped that the Government can take actual actions to put them into practice. In case it cannot do so, I still hope that the relevant reasons can be described in its follow-up report. I do not wish to see another so-called follow-up report in which no concrete actions of the avowed nature are mentioned. Such a practice is even worse than paying mere lip-service to Members.

In the last Legislative Session, Madam President, I supported an enhancement of the Rehabus service, and even now, my position remains the same, because I think that this arrangement can provide more appropriate and satisfactory assistance to people with disabilities in their social integration. If such a service cannot be provided, the Government should consider the provision of subsidy to those people who cannot be offered the service they need, taking into account the cost of each Rehabus trip, so that they can choose other means of public transport. As for the arrangements that public transport operators should make, I propose that the Government should hold discussions with bus companies on the installation of floor meters. That way, a bus driver will be able to record the number of disabled passengers he picks up along the way. And, on the part of bus companies, they should make corresponding adjustments to their requirements on the completion of bus journeys, giving drivers more time per journey and more flexibility, so as to ease their pressure of picking up disabled or wheelchair-bound passengers. Besides, I also propose that the low floor should be installed at the rear gate of a bus. This can facilitate the boarding and alighting of wheelchair-bound passengers without obstructing other passengers and causing any embarrassment and inconvenience.

Madam President, the original motion also proposes to curtail the implementation of the reduction of CSSA rates, which has come into effect since

the first of this month. The question of whether such rates should be reduced has recently led to lots of discussions in society. But what has shocked me is the justification for reducing CSSA rates advanced by an official of the SWD. On 1 October, this SWD official was reported to have justified the further reduction of CSSA rates by saying that the CSSA payment received by a single elderly recipient was already as much as \$3,424, which was 100% higher than the average monthly income of \$1,700 earned by elderly non-CSSA recipients, or the bottom 25% of all income earners in society. But it is really absurd to justify the reduction of CSSA rates by comparing one inhumane treatment or misery with a more inhumane treatment or greater misery, isn't it? Furthermore, it is also most regrettable to see the making of such a comparison by a high-ranking SWD official responsible for looking after the vulnerable members of society. I doubt whether anyone with such a mentality is suitable for a senior post in the SWD.

Some are of the view that Hong Kong is a society upholding the rule of law, and any demand by this Council to curtail the reduction of CSSA rates will run counter to this very spirit. But I look at this matter differently because the Legislative Council has never in fact passed any decision on reducing CSSA rates. What the Legislative Council passed was just the appropriation requests under an annual Budget. If anyone should question the procedural propriety of the demand for curtailing the reduction of CSSA rates, the same doubt must be cast on the procedural rationality of scrutinizing all budget proposals as a package. If we do not consider and discuss the issue from this perspective, and if we simply say that the demand concerned violates the established procedures, then we will be putting the cart before the horse, in which case the rule of law will cease to be a means of upholding justice and degenerate into a tool with which those in power can rule the people at their whim.

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

MR WONG KWOK-HING (in Cantonese): Madam President, in a fair, reasonable and just society, no one should be deprived of opportunities of development socially and economically for reasons of physical disabilities. Social integration, an accessible and open job market and a normal social life are precisely the only ways that can enable people with disabilities to enjoy equal

development opportunities. Regrettably, the relevant policies of the Government have so far failed to bring forth equal employment opportunities and "transport for all", which are essential to the easy integration of people with disabilities into society.

We note that due to various constraints, people with disabilities face many more difficulties than ordinary people in securing employment. According to the statistics of the Selective Placement Division of the Labour Department, a total of 4 309 people with disabilities registered for employment assistance in 2003. In the end, only 2 442 of them, or 56.7% of the total, succeeded in securing employment, and their average monthly income was just \$2,259. All this shows that people with disabilities are faced with a very difficult employment situation. Despite the Disability Discrimination Ordinance, which seeks to protect them against discrimination, people with disabilities are not necessarily able to compete with able-bodied job-seekers in the open market. What is even worse is that the Government has all along paid no attention to improving the employment situation of people with disabilities. For instance, during the SARS outbreak last year, when as much as \$700 million was spent on creating employment opportunities and training posts, no consideration whatsoever was given to people with disabilities. Therefore, I am of the view — I have always been convinced — that an employment quota system is the only means to ensure equal employment opportunities for people with disabilities.

Employment quota systems have had a long history in Europe, America and Asia, where they are adopted by many countries, whether economically advanced or comparatively backward. In the most advanced market economy of the world, the United States, such a system is upheld especially vigorously, as all large-scale private organizations are required to release figures relating to their employment of people with disabilities. In Hong Kong, some argue that an employment quota system will upset market operation, but the experience of foreign countries tells us that such a worry is entirely unwarranted.

During the last term of the Legislative Council, a Member put forward a proposal on such a system, and his motion was subsequently passed. However, what the Government did in response was just to set down an administrative indicator, making a mere gesture to encourage the various departments to employ people with disabilities. Now that the Government has already put in place a "probation scheme" (the Trial Placement cum Mentor Scheme for People with a Disability), why does it refuse to take a further step? If the Government

can take the lead, if it can launch an employment quota system in all its departments, and if it can thus prove to the market that the employment of people with disabilities will not hinder the operation of an organization, it will certainly be praised for doing a truly good deed.

Besides, I also propose the Government to start as soon as possible conducting regular surveys on the employment situation of people with disabilities. Owing to the lack of any statistics on the employment of people with disabilities, the public are unable to gain an accurate understanding of their unemployment situation and pay. This is not conducive to our assessment of how people with disabilities are affected by socio-economic changes and various public policies.

As for the high public transport fares in Hong Kong, they have all along been the central concern of society, and it must also be said that high transport fares do impose an unbearable burden on people with disabilities, whose incomes are lower than those of ordinary people. What is more, the choices of public transport available to people with disabilities are comparatively limited, and they need to interchange very frequently, so their transport expenses are higher than those of the general travelling public.

For all these reasons, I agree that people with disabilities, like children and senior citizens, should also be entitled to half-fare concessions. The prompt implementation of this proposal will be extremely timely, as the Health, Welfare and Food Bureau is now updating the registration card system for people with disabilities. This means that the provision of half-fare concessions to people with disabilities will not lead to any increases in administrative costs. What is more, with such concessions, they will be encouraged to integrate into society more actively and seek jobs in the open market more willingly. Since the concept of "transport for all" is recognized under the Government's rehabilitation policy, I fail to see why it should refuse to support disabled people's entitlement to half-fare concessions. Our discussions should therefore focus on whether or not the Government should adopt the legislative approach as a means of establishing such entitlement to half-fare concessions.

Finally, I wish to point out that since the Hong Kong Federation of Trade Unions has always been concerned about the reasonable protection of the livelihood of the vulnerable members of society, we simply do not support the Government's move to reduce the CSSA rates for the elderly and people with disabilities. The Government must appreciate that the employment situation

and pay of the vulnerable members of society have not yet improved, and that they are at the same time experiencing the plight resulting from rising prices. It must therefore stop the reduction of CSSA rates.

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

MR LEUNG KWOK-HUNG (in Cantonese): Madam President, when I was on my way to this meeting today, I was waylaid by many disabled petitioners who requested me to tell this legislature that they all came from a joint conference dedicated to fighting for the provision of half-fare concessions to people with disabilities. They also told me that this joint conference consisted of 10 to 20 member organizations, but I am not going to name them one by one here. They carried with them a placard which told of the great plight of people with disabilities, urging Members not to be "sloppy" in fighting for half-fare concessions on their behalf. Many people have criticized us of chanting empty slogans in this debate today. But I have discovered that it is the Government which is the loudest in chanting empty slogans — it has been chanting slogans like "Transport for All" but is never capable of any concrete achievements.

In the public housing estate where I live, there used to be a workshop which employed people with disabilities. These workers frequently grumbled to me about their suffering, but I have seen no more of them recently; I just wonder whether their workshop has actually been driven out of existence by all those "slashes" or the system of lump sum grant. I think the central issue in this entire debate should be whether you people are going to treat the unfortunate as human beings, whether you people are going to help them live with dignity. In our society today, where the business sector controls everything and stands in the way of progress, only the rich are human beings, and the poor are definitely not. They all think that since the elderly and the disabled do not have any money for consumption, there is no need to subsidize their transport expenses, that these people are not so productive, are nothing but fusspots, so there should be no Rehabus service for them, nor any "Transport for All" either. All this is the very crux of the problem.

Members are not people with disabilities, so they probably do not appreciate the suffering of those with disabilities. This reminds me of a philosopher, a philosopher named Plato. He initially championed slavery and even advocated the classification of slaves into four ranks. One day, he was

shipwrecked. He was rescued by some pirates who then sold him into slavery. When he finally returned to Athens, his attitude towards slavery had completely changed.

I do not hope that people will change their attitude only when they also suffer disabilities, nor do I hope that people will realize their error and show repentance only when they find themselves totally helpless in their old age. No, there is no need to be another Plato. However, one point must be made clear. The per capita income in Hong Kong is one of the highest in the world, and the Government has been bragging about its provision of social welfare, its various services, claiming that social welfare expenditure represents more than half of the total public expenditure. But has the Government ever told us the proportion occupied by our social welfare spending, or the expenditure on looking after the vulnerable, the disabled and the elderly, in our Gross National Product? Making only one comparison but not any others is just an artifice, something that no man of education should do.

The amendment of Mr Tommy CHEUNG can truly be described as a classic example. A classic example of what? A classic example showing the mentality of always avoiding mention as taboo of those who are superior and in authority. He must be an admirer of Confucius, because in the Spring and Autumn Annals, noted for their sublime words with profound meaning, Confucius also advised people to avoid mention as taboo of those who were superior and in authority. Mr CHEUNG's amendment is very extensive, and all words and expressions that may cause embarrassment to the Government are edited. But these are not meaningful changes; they are just meant to avoid mention as taboo of those who are superior and in authority.

I think points (a), (b) and (c) of the original motion should be implemented, but I also see that there are some controversies surrounding point (d). The main arguments concerning point (d) stem from Mr Alan LEONG's opinion that we should uphold the rule of law and should not alter a decision passed by the last Legislative Council. I take exception to his view. The reason is that the Government resorted to "foul play" and turned the reduction into a financial arrangement under a Budget, thus tricking Members into giving their approval. The lesson we should learn from this is that when scrutinizing the next Budget, we must question the Government on each detail and put up a hard fight in each case. If not, the Government will simply resort to "foul play" and bring Members into disrepute. It is often said that Members belonging to the

democratic camp may paralyse the Government, but still, I think that it is wrong of the Government to resort to "foul play". I am of the view that if a decision is found to be wrong, the executive authorities should take immediate actions to halt its enforcement. This is what is meant by effective governance, the kind of executive-led governance, efficient governance, advocated in the Basic Law and by the Government. Why is it that when it comes to the elderly and people with disabilities, they do not want executive-led government any more?

To put it very simply, I wish to say that the treatment received by the elderly and people with disabilities is the treatment received by all vulnerable members of society. There is one more point, the point about some people's criticism that we are the "unholy alliance". I am a man of very little education, but I still know that the Holy Alliance is a disgraceful term. It was formed by METTERNICH, the Austrian Prime Minister of the time, and other conservatives to stop the spread of the French Revolution. I for one am not interested in forming a Holy Alliance. Just let them do it. The Holy Alliance brings disgrace. Just let them be "holy".

MR ALBERT HO (in Cantonese): Madam President, during the preceding motion debate of this meeting, we wondered what the rating of Hong Kong would be if there was a civil society index. Many people now advocate building Hong Kong into a just and caring community. But just how many of our public policies are capable of achieving this objective?

Honestly speaking, from the motion debates today, including the present one, we can notice that many government policies are far from satisfactory in relation to this objective. In the case of catering for the transport needs of people with disabilities, for example, I can remember that during the relevant motion debate in the last Legislative Session, the Government repeatedly emphasized the building of a barrier-free society. But what statistics did it give us to back up its claim? The Government said that buses with low-floor facilities had been introduced to Hong Kong, and various statistics were given to us: 100 such buses at the beginning, then 200 and eventually some 2 000 at the time of speaking. I suppose Secretary Dr York CHOW will also provide us with the same statistics later on. But I hope he will also tell us the number of buses that have not been equipped with such facilities. The Secretary must bear in mind that what we are talking about are franchised buses running franchised routes.

The former Secretary for Health, Welfare and Food told us last year that the Government would try as much as possible to persuade public transport operators to make the improvements required. But, well, he forgot one point: it is not only a matter of the operators' corporate social responsibility but also an issue involving their legal obligations, their legal obligations under the Disability Discrimination Ordinance. Currently, not too many people are aware that they can in fact instigate a lawsuit. But I believe that in case a lawsuit is really instigated, a reasonable chance of success cannot be ruled out. Honestly, can a people with disability board a bus if it is not fitted with a low-floor? How can a wheelchair-bound person be expected to board such a bus? I hope that the Secretary can really consider the whole matter from this perspective. Many people have made all sorts of computations, questioning us whether such people are really in need of half-fare concessions. They wonder whether their financial situation is really so poor. Let us not talk about money, Madam President, because the important point is that society should offer more encouragement to those in need of our concern, so that they can feel society's care and thus be encouraged to integrate into society. Madam President, money may not be the most important consideration, and what really counts should be our concern. Our treatment of the elderly is a good example. Why do we offer half-fare concessions to the elderly? Why do we offer a "fruit grant" to all those aged 70 or above regardless of their circumstances? The provision of half-fare concessions to people with disabilities is likewise a manifestation of our concern and encouragement. I hope that the authorities can also consider the issue from this perspective, instead of questioning us on whether there is such a need. The authorities have also talked about the technical difficulties involved, saying that it may not be readily possible to distinguish people with disabilities. I find all this even more ridiculous. How to define eligibility? Well, there is already a Paralympics, and the authorities are paying out so much in disability allowance every month. Therefore, the Secretary must not tell us that there are technical problems.

Point (b) of Mr LEUNG Yiu-chung's motion touches upon the employment of people with disabilities. There is much to talk about in connection with this point. In other countries, there is the concept of "affirmative action". In the case of Canada, the concept is called "equality action". In any case, the essence is to avoid or even eradicate possible discriminatory practices by the provision of various concessions. In fact, there are still many arguments in foreign countries. Therefore, in the United States,

people have come up with various forms of affirmative actions, and the approach adopted by the Government is most straightforward: the mere elimination of barriers and the provision of more opportunities through job referrals and the enhancement of information dissemination and training. The ultimate affirmative action is of course the implementation of an employment quota system. In the United States, people may instigate lawsuits because some think that this is in breach of the Fourteenth Amendment, which provides for equal protection under the law. In Hong Kong, people may also argue whether this is in breach of the principle of equal protection under the law. This is precisely the point that makes me think that the amendment concerned should be supported because it does not involve any mandatory legal requirement. As I understand it, the proposed employment quota system is just an indicator which enables the Government to know that we are all striving to achieve the objective. The Government simply must not tell us that its only role is to remove barriers and provide more information and opportunities to people with disabilities. It simply must not say that whether they can then secure any employment should be a problem for themselves. I do not think that this is enough because in actual practice, the results are not satisfactory. I think we should take more affirmative actions of this kind or look at the matter from the perspective of "equality action", so as to genuinely remove discriminatory practices.

What we should tackle are not simply procedures and screening. We hope that there can be an indicator, and such an indicator should be set down in the government policies mentioned in the motion. As we pointed out this morning, it is definitely useful for the Government to set down a minimum wage as a tender condition. I even hope that this can be extended to other public organizations.

Lastly, I understand that the request of Mr LEUNG Yiu-chung's motion to curtail the reduction of CSSA rates introduced since 1 October is meant to urge the Government to take affirmative actions to stop the reduction. This of course involves compliance with certain procedures, such as the submission of papers to the Finance Committee. But, most importantly, is this the policy objective? When people talk about a review, the implication is that there is not a consensus yet. Therefore, I cannot support the respective amendments of Mr Alan LEONG and Mr Tommy CHEUNG. But I will support the original motion. Thank you.

MR TAM YIU-CHUNG (in Cantonese): Madam President, "Superman" actor Christopher REEVE, who has recently passed away, once remarked as a paraplegic that he would not allow his immobility to affect his life. People with disabilities are strong in will-power despite their physical impediments, and their indefatigable spirit of overcoming difficulties and making contribution to society should deserve our admiration. In the recent Paralympics, under the leadership of Dr York CHOW, now the Secretary for Health, Welfare and Food, our disabled athletes achieved very brilliant results and brought much honour to Hong Kong. It is a moral obligation of society to assist people with disabilities in social integration.

One of the main obstacles hindering the social integration of people with disabilities is the problem of transport. It is for this reason that the Democratic Alliance for Betterment of Hong Kong (DAB) has been urging the Government to improve the transport facilities for people with disabilities and provide transport subsidies to them. Unfortunately, the Government has so far failed to make adequate efforts in these respects. In working for its constituents in the districts, the DAB has been receiving frequent complaints from people with disabilities about uneven road surface and the presence of too many kerbs and staircases, which hinder the movements of wheelchairs. There are also complaints about the shortage of low-floor buses and the lack of any stop announcement system on buses. And, the shortage of Rehabus service is also a major problem.

Currently, only the First Ferry and Star Ferry offer half-fare concessions to people with disabilities, and full fares are still charged by other major public transport operators, including the bus companies, the MTR Corporation Limited and the Kowloon-Canton Railway Corporation. These transport operators all flaunt their social concern on the one hand but refuse to offer any genuine help to people with disabilities on the other. As for the Government, it can even be likened to a "toothless tiger", for it has achieved absolutely no progress over the past few years in urging public transport operators to offer fare concessions to people with disabilities.

In respect of the facilities provided by transport operators, the Government has frequently emphasized its efforts of urging bus companies to introduce low-floor buses. But while doing so, it simply ignores other back-up facilities. For example, bus termini are not equipped with wheelchair ramps, and there are no wheelchair position markings at en route stops. Besides, in some cases,

lowered kerbs are raised after maintenance. As long as all these problems are not resolved, it will be impossible to bring forth a barrier-free environment.

In regard to the Rehabus service, we notice that although its daily passenger turnover has been on the increase over the past five years, as many as 5 000 to 6 000 service calls a year are nonetheless not entertained. What is more, many requests for Rehabus service have to be abolished due to long waiting time. Therefore, the Government must increase the number of Rehabuses as soon as possible. In addition, it should also explore the possibility of introducing and developing rehab taxi services as an ultimate solution to the transport problems faced by people with disabilities.

On the provision of employment assistance to people with disabilities, the DAB has all along advocated the enactment of legislation to establish an employment quota system for the disabled, requiring enterprises reaching a specified scale to employ a certain percentage of people with disabilities as workers. To encourage the employment of such workers and support the operation of the quota system, we also advocate the establishment of a fund and some specialized training bodies. It is hoped that the Government can implement all these proposals as soon as possible.

Besides the provision of transport and employment assistance, another important measure required for the social integration of people with disabilities is the protection of their basic living. When the Government reduced the CSSA rates according to deflation rates last year, the DAB repeatedly stated that the CSSA rates for the elderly and people with disabilities should be treated separately because a reduction of some \$100 would already mean a lot to them, given their miserable conditions. Inflation has shown signs of returning to Hong Kong, so any further reduction of their CSSA rates would only add to their already heavy burden. The original motion urges the Government to curtail the implementation of the reduction of CSSA rates for the elderly and people with disabilities, which has come into effect since 1 October this year. The DAB understands that there may be technical difficulties in curtailing the implementation of the reduction immediately. But the DAB also urges the Government to review the mechanism for adjusting CSSA rates as soon as possible and to take active remedial measures such as the provision of *ex gratia* allowance to the elderly and people with disabilities. Besides, we also hope that the Government can carry out studies and establish a satisfactory system of unemployment assistance and retirement protection.

Since the DAB does not wish to see the debate this evening ending up in nothing, we will support the original motion and the two amendments.

MR LEE CHEUK-YAN (in Cantonese): Madam President, as Members have pointed out, this is already the third time that Mr LEUNG Yiu-chung moves a motion on this very same topic. This is indicative of a problem, Madam President, indicative of the Government's inconsistency of words and deeds.

The Government of the Special Administrative Region (SAR), or Mr TUNG for that matter, often highlights the importance of improving the relationship between the executive and the legislature. He frequently stresses his great concern about this problem, but I am convinced that if the SAR Government really wishes to improve the relationship, it must do one thing: it must seriously enforce the motions passed by this legislature. We may take a look at the several related motions passed by the Legislative Council. The first demand of the motion today, the demand for government negotiations with public transport operators on the provision of half-fare concessions, was passed long ago. And, as mentioned by Dr Fernando CHEUNG a moment ago, the idea of an employment quota system, first advocated by Dr LAW Chi-kwong, was also passed by this Council. There was still another motion which was also passed but has not been mentioned today. On 26 February 2003, this Council passed a motion moved by Mr WONG Sing-chi which reads "That this Council opposes cutbacks in welfare benefits for the elderly, the vulnerable and the disabled." At that time, when the President asked those against to raise their hands, no one did so.

If the Government really wishes to improve the relationship between the executive and the legislature, it must, most importantly, enforce the motions passed by the latter. The situation now is very miserable, Madam President, because motions which have been passed are not enforced, and needless to say, those which are not will have no chance of enforcement at all.

The first motion today was not passed, and I do not know whether this second one can be. But, well, the motions passed long ago are not enforced, so what is the point of talking about improving the relationship between the executive and the legislature? Given such a relationship between the executive and the legislature, it is already very fortunate that there are no open conflicts. But is this a healthy phenomenon? Mr TUNG will come here for the Chief

Executive's Question and Answer Session tomorrow, and I am sure..... let me just guess what he will say in his opening remark: "I am so pleased to see you all at the beginning of the new term. I hope that we can all make efforts to improve the relationship between the executive and the legislature." I have already predicted what he will say in opening, so if he does not want to be criticized for speaking parrot fashion, he must amend his script immediately and make sure that he will not speak parrot fashion, as I have so unkindly predicted. If the Government is not prepared to enforce any motions passed by the legislature, what is the point of conducting any motion debates? How can anyone claim that the Government has heard this Council's voices? I am not trying to make things difficult for the Secretary because I know that he has assumed office only very recently. I hope that he will not adhere to the past practices of the Government. But he may be rather helpless because he is after all just part of the Government. If the Government as a whole is not prepared to change, just how much change can he bring about?

Therefore, Madam President, I am really very disappointed. The Government has not been true to its words on the relationship between the executive and the legislature.

Another manifestation of the Government's inconsistency of words and deeds can be found in the oft-repeated emphasis in its policy addresses and elsewhere that wherever there are people, there will be love, and that the vulnerable members of society will be taken care of. If this is really the case, why are all these proposals on looking after the underprivileged not implemented? People with disabilities do need an employment quota system to give them employment opportunities and prospects. Though the economy has turned around, able-bodied employees are still complaining that it is just a jobless recovery because the unemployment rate is still very high. If even the unemployment rate of able-bodied workers is so high, when can we expect people with disabilities to be able to solve their unemployment problem? At this time when the economy starts to recover, it is claimed that there should be sufficient jobs for them, but when the economy was in poor shape, actions were indefinitely deferred on the ground of recession. Actually, this is precisely the right time for actions because as the economy is picking up, better protection can be provided. Why is it impossible to establish an employment quota system, which is already found in many different places? We are not saying that small and medium enterprises must be required to employ one disabled worker in every three employees. Large enterprises can take the lead. The Government

itself has put in place such a system, and it claims that 2% of its posts are reserved for people with disabilities — I hope those who are colour blind are not counted as disabled employees. Some say that the Government also counts the colour blind. But I guess it no longer does so now. Why is it impossible for large enterprises to take the lead? Why is it impossible? I very much hope that people with disabilities can be given a break.

Mr Tommy CHEUNG said a moment ago that more publicity and education were required. Madam President, for how many years have education and publicity been conducted? If they were effective, it would have been possible to implement a quota system long ago. Education has been conducted for decades, and the Selective Placement Division has also existed for decades, but what are the results? When can people with disabilities be given a ray of hope? I hope that the Secretary will not follow the example of Mr TUNG, who always says one thing but does another, who talks so much about looking after the vulnerable but gets nothing done in the end.

Another measure to look after the vulnerable is doubtlessly related to CSSA. I must say that the Government has all along been trying to reduce CSSA rates by fair means or foul. This Council did indicate its objection very clearly. But the Government simply adopted a "bundle" approach in trying to get approval for the reduction of CSSA rates. The reduction proposal and the Budget were bundled up; in this way, since Members could not move any amendment to the Budget, they would have to vote down the entire Budget if they did not approve the reduction. It was lucky that I cast a negative vote at that time. But should the Government adopt such a "bundle" approach? What purpose can this serve? The Budget was as thick as a telephone directory, and given such an approach, even if we just wanted to vote down one single item, the entire legislature would have to veto the whole Budget. What is the point of all this? No one would have wanted us to do something like this. This "bundle" approach of the Government has weakened the monitoring power of the Legislative Council. We will definitely take follow-up actions in the hope of preventing any recurrence of the tactic. But in the meantime, the Government must start working immediately to enable the elderly and people with disabilities to enjoy a reasonable standard of living.

Thank you, Madam President.

MR TONG KA-WAH (in Cantonese): Madam President, Honourable colleagues and Secretary Dr York CHOW, I agree entirely with Mr LEE Cheuk-yan on what he described as the problem marking the relationship between the executive and the legislature.

When he assumed office, Secretary Dr York CHOW vowed that he would pay heed to the needs of the vulnerable. We can still remember this very well, and I hope that he can make some progress in this respect in the current Legislative Session. Whether or not the original motion or the amendments can be passed, I still hope that the Secretary can take active follow-up actions.

To promote the social integration of people with disabilities, the Government should take the lead, and it must do its very best to improve the existing legislation, policies, public facilities, living environment and social security, with a view to reducing the barriers encountered by people with disabilities in their daily life. All sectors of society should be involved, and in particular, public transport operators should be encouraged to make contribution in respect of fares and the facilities they provide. Let us just look at transport fares. Nowadays in Hong Kong, transport fares are much too high for people with disabilities. The Government has been expressing its concern about this all the time. What I must point out is that despite the persistent deflation in recent years, transport fares in general have been on the rise, so even the provision of half-fare concessions can at best help people with disabilities very little indeed.

As mentioned by some Members, if we look at other places in the world, including the Motherland, we will see that such measures have long been put in place. But quite the opposite is the case in Hong Kong, which is so often described by Mr TUNG as a metropolis. It is such a great pity that we have failed completely to attain the expected standards in this regard. When the Secretary holds discussions with public transport operators, he should convince them as much as possible that they should repay society by helping the needy groups. Since senior citizens and students are already offered fare concessions and the number of people with disabilities is far smaller, why is it impossible to give people with disabilities the same treatment?

In regard to employment, according to the Special Topics Report No. 28 of the Government, 39.5% of disabled adults are unemployed. For the purpose of fostering the social integration of people with disabilities, the Government must take the lead, so as to encourage public bodies and private organizations to

play a part. I am sure that besides fostering the social integration of people with disabilities, thus increasing the overall productivity of society and improving their lot, the proper utilization of this source of manpower will help alleviate the financial pressure exerted by social security expenditure.

According to the latest statistics and figures, the total caseload of CSSA was 295 000 as at August. More than 180 000 recipients, or roughly 65% of the total caseload, were senior citizens and people with disabilities. Besides, the number of poor people in Hong Kong has exceeded 1.2 million, as mentioned by many Members in the preceding motion debate. They account for 18% of the total households, representing a rise of nearly 50% against the 11.2% recorded in 1991. And, there are also more than 200 000 households that earn less than \$4,000 monthly. Such a serious wealth gap problem in Hong Kong tells us that CSSA rates cannot and should not be reduced. In this connection, I only wish to say that I do not agree that it violates the rule of law to curtail the reduction of CSSA rates immediately. However, if the Government still clings to the position of not curtailing the reduction immediately, I hope that the Secretary, when giving his reply later on, can at least undertake to carry out a prompt review of the reduction of CSSA rates introduced since 1 October.

I will support the original motion and the amendment of Mr Alan LEONG. Thank you.

MS MIRIAM LAU (in Cantonese): Madam President, for reasons of various impediments, people with disabilities are often unable to get around as freely as the able-bodied. Therefore, the Liberal Party has all along supported the concept of "Transport for All" and the provision of maximum assistance to cater for the transport needs of people with disabilities.

We agree that public transport operators should pay more attention to the needs of people with disabilities. They should improve their facilities as much as possible, with a view to providing greater travelling convenience to people with disabilities. To this end, for example, is it possible for bus companies to introduce more low-floor buses at a greater pace? Likewise, can the two railway corporations also quicken their pace of building platform lifts or installing wheelchair turnstiles at all their stations? I think that, resources

permitting, all these facilities should be provided. We do encourage public transport operators to proceed as quickly as possible.

In regard to the Rebus service, which people with disabilities rely heavily upon, there is doubtless much room for improvement. At the same time, I also wish to point out that a small fleet of just 87 buses is far from adequate to cater for the needs of more than 250 000 people with disabilities in Hong Kong. Even when six more buses are introduced later on, even with the addition of these six buses, the whole Rebus fleet may still be of very little help in fully meeting the transport needs of people with disabilities.

I have been repeatedly urging the Government to conduct another in-depth study on the provision of taxi transport subsidy to people with disabilities. The reason is that when compared with taxis, other means of transport such as buses, the Mass Transit Railway and the Kowloon-Canton Railway are after all not so accessible to people with disabilities, so they will very often choose to travel by taxi. As early as the late 1980s, the Government already launched the Pilot Taxi Voucher Scheme (the Pilot Scheme), under which people with disabilities were offered taxi fare subsidy. However, following the failure of the Pilot Scheme, the Government has never again introduced any other measures to assist people with disabilities in making flexible transport arrangements. This has in fact seriously hindered the social integration of people with disabilities.

Madam President, the provision of taxi fare subsidy to people with disabilities is very common in many developed countries, especially the United Kingdom and Australia. There are many forms of subsidy. The government may pre-set a certain amount, or it may provide fare subsidy up to a certain percentage. Besides the provision of subsidy, codes of service are also drawn up to ensure that taxi drivers will always provide safe and comfortable service to people with disabilities.

As for the Pilot Scheme implemented in Hong Kong years back, there were complaints about the complicated procedures of voucher redemption, so it fell flat because of poor responses from the taxi trade. We think that this is just a technical problem. As long as the Government can improve the administrative procedures, the proposed subsidy will be feasible. The Government should not "trim the toes to suit the shoes" and lightly abandon the scheme because of a minor problem.

We are convinced that the proposed taxi fare subsidy, if properly implemented, will be able to relieve the pressure on the Rehabus service, thus giving the operators more room to improve their existing service. What is more, people with disabilities will thus be enabled to choose a more flexible transport arrangements. And, the proposal may also enable the Government to save resources, giving it greater financial flexibility in helping other vulnerable groups in society.

I remember that in October 2002, when the Legislative Council first debated a motion similar to the one today, Secretary Dr Sarah LIAO described this as a win-win scheme, saying that she supported it very strongly and would consider it very seriously. But after nearly two years, nothing has happened. And, today, a different Bureau Director, Secretary Dr York CHOW, is responsible for replying to the motion. I very much hope that Secretary Dr York CHOW will also see this as a win-win proposal. If the two Secretaries can join hands to materialize this proposal, I am sure that it will certainly be possible to implement a taxi fare subsidy scheme for people with disabilities.

Madam President, I so submit.

MR PATRICK LAU (in Cantonese): Madam President, although motions on catering for the transport needs of people with disabilities were already passed in two consecutive years by the last Legislative Council, not too many people with disabilities in Hong Kong are able to go out frequently. The reason is that our community facilities, whether our transport systems or building designs, are still not very convenient to them, are still unable to satisfy their practical needs.

Besides impairments of the limbs, physical disabilities also include visual and hearing impairments. As early as the mid-1980s, the Hong Kong Society for the Blind and I already introduced into Hong Kong the first tactile guide paths and lifts equipped with braille push buttons and acoustic signals, but the efforts of the Administration to promote these facilities are still unsatisfactory after almost 20 years. They are not yet installed in all public buildings and on all transport systems and pavements. The sight impaired and wheelchair-bound paraplegics thus cannot benefit fully from the assistance of these facilities, with the result that they are still unable to get around freely in busy urban areas.

Madam President, the Government is duty-bound to promote the social integration of people with disabilities. I have consulted my constituents on this topic, and they all agree that the Government should redouble its efforts and devote more resources to further improving the environment and promoting a barrier-free city blueprint. To begin with, after amending the Design Manual — Barrier Free Access, drawn up in 1997 and now under review, the Government should make prompt arrangements to introduce the latest architectural designs in this respect. Under the principle of equal opportunities, besides providing a better living environment to people with disabilities, it must also cater for the practical needs of the elderly, especially those suffering from immobility. The Government should also establish an advisory framework on a barrier-free environment under the Architectural Services Department and the Transport Department, with a view to offering the best advice to architects and project contractors on "barrier-free" designs. In particular, all infrastructure facilities, transport networks and major sea, land and air control points should be fitted with facilities for the convenience of all elders and people with disabilities. Similarly, all MTR and train stations and platforms must also be fitted with such facilities. And, the size of fire escapes specified under the Buildings Ordinance and the relevant code of practice should be enlarged to take account of the needs of the elderly and people with disabilities.

Madam President, the spirit of "facilitating the integration of people with disabilities into society" advocated by the original motion is worth supporting, but I nonetheless do have some reservations about its proposals on implementing an "employment quota system" and "curtailing the implementation of the reduction of Comprehensive Social Security Assistance (CSSA) rates for the elderly and people with disabilities, which has come into effect since 1 October this year". I am of the view that it is already adequate to encourage government departments to take the lead, so it is unnecessary to impose any rigid requirements under an employment quota system. As for the reduction of CSSA rates, I must say that its commencement date was approved by this Council under the proper procedure. Do Members agree that we will be showing disrespect for a decision made by Members of the last Legislative Council, or we may even injure the credibility of the Legislative Council, if we so lightly ask for the curtailing of the reduction? Hence, I cannot support the original motion. The authorities should instead conduct a comprehensive review on the welfare policy and the CSSA Scheme and immediately examine whether there are any other ways to provide assistance and subsidy to those elderly and people with disabilities who are in genuine need.

Madam President, my colleagues in the Alliance and I will support Mr Tommy CHEUNG's amendment. Thank you.

MR HOWARD YOUNG (in Cantonese): Madam President, in the past two years, the Legislative Council held two motion debates on the transport problems of people with disabilities, and Members put forward many proposals on improving the facilities for them. However, the progress of implementing these proposals has been very slow. In 2002, the Government once indicated its intention of introducing a model of specially designed LPG taxis equipped with an electric wheelchair lift and capacity for one wheelchair. But two years has passed, and nothing more has since been heard.

People with disabilities are also members of our society, so they should also enjoy equal opportunities of social participation. But they have all the time remained the most neglected among all social groups.

The Liberal Party supports the concept of "transport for all", which involves the provision of transport facilities to cater as much as possible for the needs of people with disabilities. The provision of a satisfactory package of transport facilities for people with disabilities is another major factor that can promote the employment of people with disabilities. There are currently some 2 000 low-floor buses, but their frequency of service is very low, and those in need are not clear about their schedules, so most disabled people are unable to benefit.

Since public transport services cannot meet their needs, people with disabilities must continue to rely on Rehabuses as their main means of transport. However, there is also the problem of resource constraints, so despite the imminent addition of six buses, the Rehabus service is still inadequate. In one seminar, some people with disabilities complained to us that if they wished to use the Rehabus service, they would have to make a booking several months in advance, or sometimes even half a year in advance. They complained that this had greatly reduced their opportunities of employment, social life and social participation.

High transport fares impose a heavy burden on people with disabilities earning low incomes. With the exception of the ferry companies, all other public transport operators are not proactive enough in the provision of fare

concessions to people with disabilities. This is in marked contrast to many foreign countries, where fare concessions to people with disabilities have long since been offered. In the United Kingdom, for example, a disabled person and his company are both entitled to a fare discount of 50% to 70%. In Canada, the companion is even entitled to a free train ride.

The Government should make active efforts to encourage public transport operators to offer fare concessions to people with disabilities, so as to reduce their transport expenses and ease the pressure exerted on the Rehabus service. Besides, the Government should also make continuous facility improvements to cater for the needs of people with disabilities, so as to encourage them to seek employment, participate in social activities and integrate into society.

Madam President, the social integration of people with disabilities can be discussed from another perspective. Hong Kong is an international tourist destination, and if it is to maintain its status in the minds of foreign visitors, it must upgrade its image and launch initiatives. It must provide services that are unique or better than those of others, with a view to gaining the market lead. If Hong Kong can provide a satisfactory package of facilities for people with disabilities, then apart from fostering the social integration of local disabled persons, it will also attract disabled tourists from other countries. This can help us develop barrier-free tourism, which has hitherto received no attention. The development of the tourism industry as a whole will in turn benefit.

Lastly, I wish to add one point. I am of the view that since a lot of complex technicalities are involved, we should not rashly implement any employment quota system as proposed in Mr LEUNG Yiu-chung's original motion. For this reason, I agree to Mr Tommy CHEUNG's amendment, which proposes that the Government should first encourage its various departments to employ more people with disabilities, stepping up publicity and commending employers who take the lead in employing people with disabilities in the meantime.

Since Hong Kong is a metropolis, the Hong Kong Special Administrative Region Government should redouble its efforts of fostering genuine social harmony and promoting equal development opportunities. The needs of people with disabilities in different aspects and fields should be taken into account. They should be accorded respect and assistance. That way, we will be able to win international recognition and acclaim.

With these remarks, Madam President, I support Mr Tommy CHEUNG's amendment.

MR ALBERT CHAN (in Cantonese): Madam President, our disabled athletes have achieved very brilliant results in the recent Paralympics, bringing international honour to Hong Kong and pride to all its people. However, this cannot change the fact that the treatment received by people with disabilities in our community is very inhumane, unreasonable and unfair, to the extent of bringing disgrace on all Hong Kong people. There are two different sides to the life of people with disabilities in Hong Kong, two entirely different kinds of experiences. On the one hand, due to vigorous government support, some of them are able to achieve excellence in the Paralympics. On the other hand, however, when it comes to their basic living needs such as clothing, food, accommodation and transportation, the Government is so lukewarm in attitude, almost turning a blind eye to all their problems. The Hong Kong Government must be blamed for the shameful treatment received by people with disabilities.

The avowed policy of the Government is to create a barrier-free environment in our city. But if we look around in this so-called metropolis named Hong Kong, we will realize that it is in fact full of all sorts of barriers for people with disabilities. When the International Olympic Committee holds the next Paralympics, it must introduce a steeplechase. I am sure that Hong Kong's disabled athletes will certainly bag all the medals because people with disabilities in Hong Kong are all caught in a steeplechase every day.

Let me say a few words on barriers. They can be tangible or intangible. Intangible barriers are often related to attitudes and policies, as exemplified by discrimination against the disabled in employment. I am not going to speak in detail on this type of barriers, however. Instead, I wish to talk about tangible barriers. Wherever they go in their daily life, people with disabilities in Hong Kong invariably encounter numerous barriers. One simple example is our bus service. In May this year, I asked a question in the Legislative Council on the provision of low-floor buses designed for serving people with disabilities. The reply I received was both shocking and shameful. In the case of the Kowloon Motor Bus, an operator owning a huge fleet, only 36% of its buses were equipped with a low floor. The cross-harbour routes of Citybus were an even more shameful case, as only 8% of the buses were low-floor ones. As for the

Citybus routes going to the airport in Lantau North, only 45% of the buses are fitted with a low floor. And, in the case of the New Lantao Bus Company, the only bus operator on Lantau, only 16% of its buses are equipped with a low floor.

Madam President, if all these problems are not the results of the Government's connivance and favouritism and its indifference to the needs of people with disabilities, then one can only say that the Government must be incapable or ignorant. All these problems should not exist at all, so I hope that the new Secretary can address them squarely. I also know only too well that these problems cannot be tackled by any one single Policy Bureau, and that inter-departmental and inter-bureau co-ordination is required. But the most important point remains that the Government must make sincere efforts to improve the situation and tackle the problems. When transport alone already poses so many barriers to people with disabilities, how can anyone talk about a city free of barriers?

I must also talk about various places in Hong Kong like private housing estates, public housing estates and Home Ownership Scheme courts. I just cannot recall how many times I have written to different developers, the Housing Authority and various management companies, telling them that at the entrances and exits of their shopping arcades, wheelchair ramps are not found in places where they are supposed to be. In response to complaints like this, they will usually reply that a wheelchair ramp is already provided, only that the user must first turn round, say, two more corners before he can see it. Well, people with disabilities are asked to turn round two more corners in the sweltering heat, but they still have the face to say that there is already a wheelchair ramp in the building design, only that its intending user has taken the wrong way! Perhaps, a wheelchair-bound paraplegic should really trek round two more corners, doing a twist of 360 degrees on the way, in order to get to that cramped wheelchair ramp! I really do not know how architects look at all these design problems. The housing estates I am talking about are all newly completed ones, some of which were completed even as recently as two or three years ago. Every time after receiving a complaint from us, they will reply that no actions will be taken, explaining that a wheelchair ramp is already available and ascribing the problem to users who have taken the wrong way.

As for footbridges, most of them are not equipped with any facilities for people with disabilities. The town centre of Tsuen Wan is a busy area, but a

paraplegic who cannot fly like a bird and who still wishes to use the footbridge there will have to fit his wheelchair with a rotor like those seen in James Bond movies, so that his wheelchair can be lifted off ground. If not, he will never be able to get on the footbridge. But as far as I can observe, the Government has no plans to make any improvement.

Madam President, just because of all these barriers, people with disabilities in Hong Kong are unable to go anywhere. But the Hong Kong Government says the contrary, arguing that they can make use of the Rehabus service. Fine, but how about the fees? By no means modest, I must say. On normal days, the rental charge per hour or any part thereof for one to three passengers is \$24, and there are also a \$1.2 per km charge and a service charge of \$5 for each booking. The user is also required to pay parking fees and tunnel tolls where applicable. As for public holidays, the basic charge for one to three passengers is \$96. All is the question of money, and there will be no service for those who do not have the means. Twenty years ago, Madam President, a kaifong whom I knew gave birth to a child. The husband and the wife were both professionals in their thirties. When they saw that their newborn baby was disabled, they immediately applied for emigration to Canada without any hesitation, and they left soon afterwards. At that time, most parents whose children were born in Hong Kong thought that their children would have no future here. Today, 20 years later, I cannot observe any change in this attitude. I certainly do not wish to see the persistence of all these problems 20 years later, when we bring up this topic for discussions again. I hope that the Secretary can implement the concept of a barrier-free city instead of allowing Hong Kong to become a city of barriers. Thank you, Madam President.

DR KWOK KA-KI (in Cantonese): Madam President, maybe, it is pure coincidence, or perhaps, it is really the disposal of God. Today, the first day when a new Secretary, the new Secretary for Health, Welfare and Food, assumes office, he is at once faced with so many motions connected with the vulnerable members of society. Many of the motion topics in this first Council meeting today are about the vulnerable members of society. They cover ways of solving the problems faced by those living on the poverty line or battered by economic recession and also the adoption of various labour policies to assist the vulnerable groups or low-income earners, such as the prescription of maximum working

hours and minimum wages. What is under discussion now is the social integration of people with disabilities, a topic of similar significance.

Mr LEUNG Yiu-chung's motion is on assisting people with disabilities in social integration and on improving the transport and Rehabus service provided to them. I believe that if we are to assist them in social integration, we will need to do much more than simply improving the public transport service or Rehabus service for them. Mr Patrick LAU has already mentioned the difficulties encountered by building professionals in trying to improve building designs and urban planning for people with disabilities. My point is that despite all the discussions on assisting people with disabilities in social integration, there is still a shortage of facilities and policies in society to assist these people.

We often talk about helping people to help themselves. From the replies of Secretary Dr York CHOW to our questions earlier on, I notice that in regard to the poverty problem, the Government does not seem to have many new initiatives and it is just relying on existing measures. But I wish to say to the Secretary that if he really wishes to assist the vulnerable in solving their poverty and employment problems in the long run, he will need to formulate an active and really useful policy for them. Helping them to obtain transport assistance and fare concessions is just a low-order policy. And, as I understand it, motions on all this were already passed by the Legislative Council in the past two Legislative Sessions, only that the Government and public organizations have since taken no concrete actions at all. I am delighted to hear what Secretary Dr York CHOW has said. Since he has already pledged to fulfil his mission on the first day of his office, I very much hope that he can take follow-up actions in the future and carry out the proposals we put forward under the motion today.

Transport fare concessions for people with disabilities are just a low-order demand. In my discussion on this, I wish to single out two organizations from all the public transport operators patronized by most people in Hong Kong, namely, the MTR Corporation Limited and the Kowloon-Canton Railway Corporation. One of them is wholly-owned by the Government, and in the other case, the Government is the major shareholder, but very regrettably, both of them do not provide any assistance whatsoever to people with disabilities. All of us as Legislative Council Members and Hong Kong as an advanced and developed society should all feel ashamed of this. I hope that Secretary Dr York CHOW can hold discussions with these corporations as soon as possible on

the implementation of the proposals in this motion, as the Government either has direct investments in them or can exert influence on them.

I do not wish to spend any more time on the Rehabus service because it is a topic that we have discussed for a very long time without any concrete results. Instead, I would like to say a few words on point (c) in Mr LEUNG Yiu-chung's motion — the implementation of an employment quota system in government departments. Whenever we discuss this topic, the Government (including the Selective Placement Division under the Labour Department) will tell us that over the years, they have conducted a lot of publicity on encouraging employers to take on people with disabilities, plus many discussions. However, I am so sorry to say while we are bragging about the medals won by our disabled athletes in the Paralympics, many disabled athletes and ordinary disabled persons not having a chance to win any Paralympics medals are unable to even find a job. If ours were a perfect world, it would not be necessary to discuss any employment quota system. The business sector would then be right in saying that there is no need to do so, that there are already enough incentives, and that people with disabilities will definitely be employed. If all this were true, there would simply be no need to move this motion today. The need to move this motion actually implies that throughout all these years, neither the business sector nor the Government has put in place any policies to assist people with disabilities. To many people in the business sector, an employment quota system may not sound acceptable in any way. However, if they have any disabled family members or friends, they will feel the necessity and realize that only such a system can genuinely help people with disabilities.

Although the Government may not have the means and has made it clear that it will not curtail the reduction of CSSA rates introduced since 1 October, I still hope that, as proposed in Mr Alan LEONG's amendment, it can review the CSSA rates for people with disabilities and the elderly as soon as possible.

Finally, I reiterate that I will support Mr LEUNG Yiu-chung's original motion and Mr Alan LEONG's amendment. Madam President, I so submit.

MR ALBERT CHENG (in Cantonese): Madam President, I would like to, through the President, say a few words to Secretary Dr CHOW. I would like to welcome Secretary Dr CHOW's debut in this Council. We all know that Secretary Dr CHOW has all along been making great contribution to the sports

activities of people with disabilities in Hong Kong. Although I do not know Secretary Dr CHOW very well (Secretary Dr CHOW is a very famous orthopedist), he had taken care of me in the past. Yet I believe if he were not the Secretary for Health, Welfare and Food, he is more likely to stand on our side to call on Members to pass Mr LEUNG Yiu-chung's motion so as to fight for the rights and interests of people with disabilities. I am not sure and I dare not say that — I just hope that there could be some unexpected events or miracles — I just hope that the Secretary would not let "his buttocks control his brain". I hope he can continue fighting for the rights and interests of people with disabilities even though he is now in such a high position.

Just now I have been listening to speeches delivered by Members in this debate. Regarding Members from the Liberal Party and the "Silly Alliance" — Oh, I am sorry, what alliance, Mr Abraham SHEK? — Oh, the Alliance, they preach something they will never put into practice. They are people with honey words and a dastardly heart, and they have made some shameless comments. I wish to express my deep regret about them. On the one hand, they said they cared a lot about society, cared a lot about the well-being of people with disabilities, fully understanding that their immobility necessitates the provision of special transport arrangements for them; that they had a very heavy burden; that they did face discrimination and obstacles in employment. However, on the other hand, these Members moved some amendments. Just now when we were debating on the subject of minimum wage and maximum working hours, we could see that, Mr Tommy CHEUNG, being an employer, apart from exploiting the able-bodied, also wanted to exploit the disabled. In a fair, just and affluent society, just as the English expressions describe the people, there are "the have's" and "the have not's". There are the rich and the poor. We Chinese often say that a person will start acting in virtuous ways after becoming wealthy. There is also the saying that we should make our contribution to society after having benefited from it. And we also say that what we have taken from society should be spent on society. However, today, Members of the Liberal Party, who stand for the interests of the business sector, or those from the Alliance, when they are among "the have's" today, they still intend to further exploit the underprivileged who need to be taken care of. Sitting in this Chamber with them, I really feel ashamed of myself. Unfortunately, there is no turning back after joining the Legislative Council. Yet, in the next four years, it must be a great pain for me as I have to work with these people who preach something they will never put into practice. However, I will continue striving

to honour the promises I made to my voters in the electioneering campaign and I will continue fighting for the rights and interests of the underprivileged.

Here, may I once again call on those colleagues who oppose us, those Honourable Members who have made contribution to society and also have "gained something", I hope you can serve the community with your own conscience. I support the original motion moved by Mr LEUNG Yiu-chung. In fact, it is no big deal with this original motion. It is really nothing special. It is just a motion that involves some small care for the underprivileged. We all know that, under the present system of the Legislative Council, this is a doomed attempt like asking the tiger for its hide. We know it will not be passed. Although I do not have a crystal ball with me, I can assert that it will not be passed. Yet, we still want to press for it. I hope everyone can vote with their own conscience.

As for the amendments, I will certainly not support Mr Tommy CHEUNG's amendment, nor will I support that of Mr Alan LEONG because I feel that the duty of this Council, that is, the duty of Members of the Legislative Council is to enact laws. If what has been passed by our predecessors or in the former Legislative Council cannot be amended by the present Legislative Council, then this Legislative Council can only be called the "New Legislative Council", because it can only enact some new laws, but cannot amend the existing laws, or those that have been passed or established for a long time. On this point, I disagree. As such, I can only say with regret that I cannot support Mr Alan LEONG's amendment.

With these remarks, I support Mr LEUNG Yiu-chung's motion which carries with it the conscience and righteousness of human beings. Thank you, Madam President.

MS AUDREY EU (in Cantonese): Madam President, the motions on caring for people with disabilities moved by Mr LEUNG Yiu-chung in the previous two years were both passed with a majority vote. I remember that when I spoke on the same topic last time, I mentioned that when I lived in Manhattan, New York 20 years ago, low-floor public buses were already deployed on all routes there, and that I frequently came across wheelchair-bound passengers boarding or alighting such buses. This time around, Mr LEUNG has introduced something extra into his motion, asking the Government to curtail the 5.4% reduction of

CSSA rates implemented since 1 October for the elderly and people with disabilities. This has led to some controversies, and I do not know whether the motion can be passed smoothly.

Madam President, I have always been sceptical about the decision made by the Government two years ago to reduce CSSA payments according to deflation rates. Actually, on 19 February 2003, when I spoke during the motion debate on the then upcoming 2003-04 Budget, I already pointed out the different consumption patterns of CSSA recipients and ordinary people. Since CSSA recipients buy clothes and go out for meals and entertainment less frequently than others, they may not necessarily be able to benefit from deflation. However, despite deflation, the costs of daily necessities such as electricity, transport and supermarket goods have all risen. That is why the reduction of CSSA rates will only spray salt on their wounds.

During its last term, the Legislative Council already reached a consensus on the reduction of CSSA rates for the elderly and people with disabilities. As pointed out by Mr LEE Cheuk-yan earlier, on 26 February 2003, Mr WONG Sing-chi moved a motion on opposing the reduction of welfare benefits for the elderly and people with disabilities. I hope that when Members belonging to the Liberal Party vote on the motion today, they can remember how they voted on Mr WONG Sing-chi's motion. Regrettably, despite the opposition of the Legislative Council and the wider community, the Government has still implemented the two phases of CSSA reduction for the elderly and people with disabilities. The very inclusion of the two phases of reduction in the Appropriation Bills of 2003-04 and 2004-05 is nothing but an "all or nothing" tactic meant entirely to force Members into compliance, for Members wishing to oppose the reduction would first have to vote down the two Budgets in their entirety.

I cannot but say that such a tactic employed by the Government to reduce CSSA rates is just like blackmail, a show of downright disrespect for the Legislative Council. As pointed out by Mr LEE Cheuk-yan previously, the tactic will injure the relationship between the executive and the legislature. And, people are thus worried that the Government may resort to the same tactic when trying to implement other expenditure reduction plans in the future, in which case it will be difficult for the Legislative Council to monitor the use of public money and uphold the public interest. The use of this tactic must therefore be reviewed. The adjustment of CSSA rates involves many important

issues such as public finance, the redistribution of wealth in society and the alleviation of poverty, so the Legislative Council should be entitled to the right of effective scrutiny and a say in the process.

Since the Budgets concerned were already passed by the last Legislative Council, Mr Alan LEONG is understandably worried that it may be constitutionally inappropriate for the Government to issue any administrative directive on resuming funds appropriation or curtailing the reduction of CSSA rates, for this will be tantamount to the executive overriding a decision made by the legislature. That is why he has raised his concern from the legal perspective and moved a corresponding amendment. However, I have explained to him that since Mr LEUNG Yiu-chung's original motion only demands "curtailing the implementation of.....", it does not in any way preclude the adoption of a legitimate means of enforcement. I do not see any fundamental conflicts between his amendment and Mr LEUNG Yiu-chung's original motion. I naturally hope that Members will also render support to Mr Alan LEONG's amendment, but even if it cannot be passed, the acceptability of Mr LEUNG Yiu-chung's motion will not be affected because as long as Members support the motion, it will always be possible to work out some legitimate means and procedures to achieve the just cause.

The elderly and people with disabilities always encounter more difficulties than ordinary people in earning their own living, so they are more dependent on government support. The current monthly standard rate is just \$2,270, which is by no means substantial, and recipients are already very hard up. Many elderly people have to scrimp and save, not daring to consult a doctor even when sick. Whenever any free rice is distributed, elderly people will be seen carrying bags of rice here and there under the scorching sun. As for people with disabilities, it is likewise difficult for able-bodied people to appreciate their hardship. With the return of inflation, their plight may only worsen. If we still consider our society as a just and caring one, we should not target on the most vulnerable members in the community.

In the long run, the Government needs to conduct a comprehensive review of the mechanism for setting CSSA rates. The new Secretary for Health, Welfare and Food, Dr York CHOW, has undertaken to conduct a comprehensive review of the CSSA system and emphasized that instead of lightly adjusting CSSA rates to suit any political purposes, the Government would make sure that such rates are based on the genuine basic needs of the needy. I agree entirely

with the Secretary and wish that he can smoothly accomplish this difficult mission, working out a more reasonable and satisfactory social security system for Hong Kong.

With these remarks, Madam President, I support the amendment of Mr Alan LEONG and Mr LEUNG Yiu-chung's original motion.

DR RAYMOND HO: Madam President, people with disabilities face more difficulties in their daily life than we do. They have difficulties not only in walking, hearing or seeing, but also in extending their social network or even in making a living. Under these circumstances, it is necessary for us to pay more attention to their problems.

From 1985 to 1990, I was a member of the Hong Kong Red Cross Schools Management Committee for the management of five special schools and 11 hospital schools for the physically handicapped children. During that period of time, I made contact with people with physical disabilities and had the opportunity to understand their needs.

In Hong Kong, most public transport facilities are not specially designed for people with disabilities. As a result, people with disabilities are indirectly discouraged to go out and consequently, their social life is negatively affected. This hinders them from integrating into society. To solve this problem, public transport operators are encouraged to improve their existing transport facilities and offer fare concessions to people with disabilities to encourage them to go out more often and establish more contact with other people. On the other hand, Rehabus service should also be improved. For example, they should be made within easier reach of the people in need.

Employment is another problem often faced by many people with disabilities. Generally speaking, they are discriminated against by employers. When hiring a new recruit, many employers are reluctant to select them. In my opinion, people with disabilities also have the capability to carry out their job duties properly with more attention to their work, and are more stable than those people without disabilities. The Government should educate employers with this concept through publicity, and encouragement should be given to employers of the private sector to hire more people with disabilities. Of course, the

Government itself also needs to be a role model by hiring more people with disabilities in order to make its efforts more convincing.

As for Comprehensive Social Security Assistance, a law on the reduction of it has been passed, and because of this, the law should be observed. If the Government wants to relieve the financial problem of the people with disabilities, it should approach the problem by other means, such as creating a properly-designed temporary assistance scheme.

People with disabilities are curbed by their disabilities. I hope the Government would pay more attention to their needs and help them integrate into our society. I believe that, with their wisdom, they can make contributions to the development of Hong Kong. We should value them instead of ignore them.

Madam President, I so submit. Thank you.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, we always stood firmly behind Mr LEUNG Yiu-chung in past Legislative Sessions when he moved motions on the social integration of people with disabilities. We supported him because the measures he proposed had all been discussed extensively in this legislature and the wider community. It is generally acknowledged in society that while people with disabilities do want to integrate into society, they nonetheless face various difficulties in trying to find a job. However, people still think that they should be offered assistance. Having seen how Members received groups and groups of people with disabilities complaining to the Legislative Council, I am convinced that all Members would like to help them integrate into society, in the hope that they can get around in a barrier-free society just like able-bodied people. Many Members have long since reached a general consensus on what measures are required. But most unfortunately, despite all the discussions, all the various proposals are treated totally differently after their submission to the Government.

Madam President, I can remember that last year, that is, in the last Legislative Session of the previous term of the Legislative Council, when we talked with the Government about fare concessions, it virtually shifted all the responsibility to the operators. I was extremely dissatisfied with such an evasion of responsibility. Since we had already reached a consensus, it should

really address the problems seriously when the time for concrete actions came. Later, when we approached the Transport Department, they produced a very long list, giving us an impression that lots of work had been done for people with disabilities. However, upon close examination, we discovered that in many cases, the work was just half done. Such is the Government's attitude of work, an attitude of leaving things only half baked. During all discussions, it invariably expressed sympathy for people with disabilities, agreeing that they ran into many problems resulting from their physical impediments. However, when it came to assisting them in barrier-free social participation, or social integration, it would immediately allude to a great number of issues, one example being financial constraints. Consequently, my feeling is that despite any consensus on the need for actions reached during discussions, things will be totally different when it comes to concrete actions. I very much hope to bring this to the attention of the new Secretary via the President. I understand that the new Secretary is relatively well-versed in this topic. As I have pointed out, we have been discussing this topic for years already, and we have also received many deputations. We are most of the time sympathetic — not just sympathetic, for we do want to give them concrete assistance in social integration. However, we always fail to achieve anything in the end due to one constraint or another. As a result, I very much hope that the first and two proposals in Mr LEUNG Yiu-chung's motion can be put into practice. Honestly, we have been discussing all these proposals for much too long. I only hope that they can be put into practice as soon as possible.

Madam President, Mr LEUNG Yiu-chung's another proposal, the proposal that the Government should take the lead in introducing an employment quota system in its departments for people with disabilities, is again one which we have discussed many times before. We have already reached a consensus on this, and the consensus seems to be growing all the time. But then, what we have eventually received are just some charts from government departments which tell us how many persons with disabilities they have employed. Regrettably, when we look at all these figures, we discover that it is still a far cry from our demand voiced over the years. That is why the Government should start from itself and take the lead in employing more people with disabilities in its departments. As for the exact percentage, it can be fixed following further discussions. The new Secretary is familiar with the plight of people with disabilities, so I hope that he can appreciate their plight more deeply and thus realize the importance of formulating measures to assist them.

I also wish to point out that the Social Affairs Committee under the Hong Kong Federation of Trade Unions opposes the Government's reduction of the CSSA rates for the elderly and people with disabilities. We do realize that we now have to consider all the effects on the Budget, and we agree that such effects must not be ignored. But still we think that since there have been so many arguments and so much opposition from the vulnerable in the course of implementation, the Government should really consider how it can help these people.

Today, some Members have talked about the poverty problem, and they have asked whether the Government can adopt different approaches in dealing with the problems faced by different groups in the community. I think it is really necessary for the new Secretary to consider this. Madam President, during the question time today, I raised my hand but I could not get a chance to ask any supplementary question on the problem of poverty. Actually, I very much want to ask the new Secretary to see for himself how these people are living, how they are suffering. All of them are either elderly citizens or people with disabilities. What are they going to do after the reduction of their CSSA rates? After seeing how these people are living, the new Secretary may think that there should be no reduction at all. Admittedly, factors such as inflation and deflation must be considered, but in view of their hardship, should we treat them more generously? Several times today, I have wanted to tell the new Secretary that when the former Secretary for Health, Welfare and Food, Dr YEOH Eng-kiong, first assumed office, he was invited by members of the Panel on Welfare Services to visit street-sleepers to gain first-hand knowledge of their plight. Dr YEOH subsequently made such a visit together with some members of the Panel. I think it was good for him to get to know the conditions of poor people in this way. When discussing the poverty problem today, the new Secretary said that he would contact the organizations concerned and he was prepared to make similar visits. This is fine, and I hope that he can do so as quickly as possible. I have always thought that giving poor people less money and asking some extremely rich people for more money should be two entirely different matters. To the rich, \$100 or so may just be a negligible sum, but this is already a very large amount to the poor. I am sure that after seeing their miserable conditions, the Secretary will also find it inhumane to reduce their CSSA rates. I hope that the new Secretary can gain an understanding, a proper understanding, of the problems faced by poor people because he is in charge of welfare and health services, which have so much to do people in poverty. I also hope he can thus realize that we are not insatiable in our demands, nor are we

advocating welfarism. Once he has seen their conditions, he will at least agree that protection must be offered to these people.

Madam President, I so submit. Thank you.

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

MR ABRAHAM SHEK (in Cantonese): Madam President, today, I am very happy to be able to hear "Tai Pan" speak again, and better still, he has spoken not only once, but twice. I have been his audience for 10 years, and I thought I would not have the chance to hear him express his views any more. Having been his audience for 10 years, I know what his view on conscience is: If you agree with "Tai Pan", then you have conscience; and those who disagree with "Tai Pan" have no conscience. We, as audience, are already accustomed to this. So, regarding this issue under discussion here, after he has listened to the speeches of our colleagues from the Alliance, he would know that we do speak from our conscience.

MR ABRAHAM SHEK: Madam President, the disabled community accounts for about 5% of our population. As with you and me, they have every right to participate in community affairs. This means contributing to society and leading a normal life. Presently, disabled people in Hong Kong face two problems which severely hinder their full integration: poor accessibility and employment opportunities.

Even though Hong Kong is slowly recovering from economic doldrums, disabled citizens continue to face tough competition for work in the open market. The unemployment rate for the disabled, not surprisingly, has always been very high, and shooting higher. Adding to their woes, rehabilitation services have been decreasing as social service providers are squeezed by shrinking government subsidies. Funding reforms and the Administration's high deficit have not only affected the stability of existing services, but have also made it difficult for service providers to launch new programmes to meet changing needs. All these factors have made life more stressful for the disabled and, by extension, increased the burden of their caretakers and families.

The problems are reflected in the Government's figures on social security. The number of disabled Comprehensive Social Security Assistance (CSSA) recipients in 2004 rose by 12% over the same period of the year preceding, compared to a 2.7% rise in the overall rate. At the same time, transport, training and employment services which can help the disabled find work are under-funded. Unless the Government diverts more resources to improve employment support and shuttle bus services, facilitating the full integration of the disabled into society will just remain a political slogan. More significantly, the Government's financial burden may increase, as inadequate training and physical barriers to accessibility deprive the disabled of a real chance to become self-reliant. As a result, it forces even more of them into the CSSA trap, while those already reliant on welfare payments will find it even harder to climb out of their circumstances.

This is why I think it is imperative that the Government works mutually with welfare service providers to create a consensus on future funding arrangements. When service providers have to constantly worry about unstable funding, services are unlikely to improve or expand substantially. In particular, the Government should not deprive Rehabus users any longer of a flexible booking system, more frequent services and wider route coverage. The transport needs of the disabled, especially those with physical handicaps, were discussed in great detail not once, but twice, in this Council in the last term. The Government's slow response, if not inaction, is a grave disappointment to both the disabled community as well as this Council.

Today's motion specifically asks the Government to encourage bus and train operators to cut fares for the disabled commuters, and introduce new laws to make it compulsory for businesses to set aside a certain number of job vacancies for the disabled. Has the Government done this with its own rail corporation? It has not. So why does it have to ask the bus company to do so? It must take the first step itself. With regard to these demands, it is true that businesses should act responsibly to the community. As responsible "corporate citizens", they should readily respond to public needs, but the Government must do it first. Under no circumstances should they be told by the Government to cut fares or employ a particular worker, both of these should strictly be commercial decisions. I sympathize with their demands, but they must be met by government efforts first. If the Government today gives in to political pressure and introduces such a law, it will risk interfering with the market and will dampen investors' confidence.

The second demand calls for a compulsory job quota system. This would certainly increase the burden of small and medium enterprises which we all know, form the backbone of Hong Kong's business sector. Besides, the employment rights of the disabled workers are already protected under the anti-discrimination laws. The disabled are entitled to the same employment opportunities as anyone else. They are less competitive in the market because they lack sufficient training, education opportunities and transportation access.

The last request of today's motion calls for the Government to curtail the implementation of welfare payment cuts, which came into effect early last week, to the elderly and people with disabilities. I agree that the allowances at their present levels can barely meet the basic needs of the recipients. Further reduction will only make life more miserable for those disabled who rely on these meagre welfare payments. On the other hand, we must respect the law.

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

MISS TAM HEUNG-MAN (in Cantonese): Madam President, I support the motion moved by Mr LEUNG Yiu-chung and the wording of the amendment moved by Mr Alan LEONG to the motion. Many Honourable colleagues have said earlier that they support the motion. I think they have all spoken very well. I did not intend to speak originally as I did not want to repeat what had been said. Moreover, the time now is half past midnight already and normally I would have gone to bed. But as I am a newcomer, I hope to fulfil my duty and be present in the meeting until the very end. I do not want to delay the time Members can go home but I still would like to talk a little bit on the motion.

In any fair and just society, the government there has a responsibility to care for people with disabilities and facilitate their integration into society. We will be disappointed if our Government does not care for such people and so Members have to urge our Government to care for them, or if the Government does not put the motion into practice after its passage.

An Honourable colleague mentioned earlier that these measures were already in place in some foreign countries 20 years ago. I have lived in Britain for some 10 to 20 years. Many of the disabled persons there are looked after by the government there. Many of the roads or other facilities are built or

developed by the government there. Why does Hong Kong not have any of these? Has our Government not fulfilled its duties? Or is it not aware of the problems in this society? I am not sure.

Some Members said earlier that if we put in more resources to look after people with disabilities, some impact will be created. This is the so-called "investment effect". When this happens, foreigners will not come to Hong Kong for investment. I would think that this point may not be too important, that is, I would think that it is unlikely that foreign investors will stop coming to Hong Kong to make investments if the Government here has implemented these measures.

Moreover, on the question of money, as an accountant, I think of all our resources, money is quite sufficient. If we look at what happened last year, we will find that in many cases there was misuse of funds by the Government. One such case was the Harbour Fest. If that sum of money had not been wasted, we could have more resources to care for these people with disabilities. There was a piece of good news yesterday as we heard that the land sales were a big success. Can we not consider using these resources and funds to care for people with disabilities? Can anything be done within the confines of law to stop implementing the reduction in CSSA payments or the disability allowance? I hope that these friends who are physically disabled can be given fair treatment by the Government.

Thank you, Madam President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung, you may speak on the two amendments. You have five minutes.

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, I met Secretary Dr LIAO in the conference room this afternoon and as usual, I asked her, "How is it doing, Secretary?". She was very clever and knew what I meant. She instantly said, "It's all because of them. They still cannot clearly define people

with disabilities and so, no progress has been made. Thank heavens, now that the new Secretary is here." I asked, "Why?" and she said, "Because he can help." I asked, "What is he going to help?" She said, "To help clarify the difference between discrimination against the chronically ill and discrimination against people with disabilities." Then I asked, "Why is it necessary to distinguish between them?" She said, "It is because in so doing, he can clearly find out the number of patients with chronic illness and deal with them separately."

Do Members know the reason for this? In fact, the Secretary told me before that all public transport operators had been worrying that the chronically ill would be taken as people with disabilities, resulting in abuse. So, it is a must to clearly distinguish between people with disabilities and people suffering from chronic diseases. It is also necessary for them to examine the number of the people with chronic illness and calculate the losses to be incurred before considering whether people with disabilities can be granted half-fare concession.

It sounds complicated, but it is actually very easy. Why could she, being a Secretary, not ask the former Secretary for information on the number of the chronically ill in the past two years? Why should she wait until the new Secretary has assumed office before she can obtain such figures? It really beats me.

PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung, you should speak on the two amendments.

MR LEUNG YIU-CHUNG (in Cantonese): I am going to, Madam President. I made the above remarks because I am going to talk about the Liberal Party. Why is it that a Secretary, having spent two years' time, still cannot find out from another Secretary the number of people with chronic illness? Is this indicative of dereliction of duty? In fact, in my motion I only used a word which was described by Mr Albert CHENG as "most gentle", that is, I only used the word "regret". If even the word "regret" has to be deleted, what word should be used? We should actually call for a "stepping down".

As a Secretary, she could not even find out a number as simple as such in two years' time, and she will find it out only when the new Secretary takes office. Should we not express regret at this? I did not mention the "stepping down" of

anybody only because I did not wish to digress into other matters. So, I only used the word "regret". But unfortunately, I must say with great regret that I do regret the deletion of the word "regret" from my motion by the Liberal Party.

Moreover, having listened to the speech of Mr Tommy CHEUNG from the Liberal Party, I must ask: Does he really know what discrimination is? Since there is a need for us to enact anti-discrimination legislation, it shows that discrimination does exist. But there is positive discrimination and negative discrimination. Mr Tommy CHEUNG remarked earlier that putting in place a quota system might constitute reverse discrimination against the able-bodied. Madam President, if that is a valid argument, then it would be unnecessary for us to do anything for people with disabilities. What is the point of building lifts or accesses for people with disabilities? Why do we do so specially for them? Our doing so is some sort of positive discrimination against them, hoping that they can be given some special treatment and special protection. By the same token, this so-called quota system is meant to serve the same purpose, and is based on the same belief, that is, they are considered to be facing difficulties and therefore, it is a must to do so.

As Dr KWOK Ka-ki has said, if our community can accommodate, tolerate and accept people with disabilities in the workplace, it would basically be unnecessary for this motion today to exist. Nor would it be necessary for this quota system to exist. But since that is still not happening today, this motion is therefore necessary. Furthermore, I have only asked the Government to take the lead and extend it to the private sector only afterwards. I did not ask for its immediate implementation in the private sector. I am happy to discuss with Mr CHEUNG on, for example, stipulations about the number of employees hired by a company which shall then oblige it to implement this system first. I do not mind discussing this with him. But please do not immediately rule out this option and allow no room for discussion. That is what I mean. I think this is not going to work. Regarding his deletion of the word "regret", I must say that I do regret it.

Moreover, with regard to CSSA, Mr Fred LI has explained his views very clearly. Under the present circumstances, administrative measures can fully address the problem, for this is neither a legal issue nor one concerning the legal system. Nor does it have anything to do with the rule of law. Today, I only suggested that funds be allocated first to meet the expenditure, and if that is not enough, more funds should be sought. What is the problem? In what way will

it violate the spirit of the rule of law? Do not exaggerate things. Since the rule of law is always neglected insofar as many issues are concerned, any mention of the rule of law now is nothing other than just a pretext.

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, first of all, I must thank Mr LEUNG for proposing this meaningful topic for discussion. Although he said that it was a rehash of an old topic, it is quite new to me, particularly as I had planned to have dinner but now, it turns out that I am going to make it a breakfast.

But first of all, I must clarify one point. My colleagues had originally prepared for me a reply of 22 pages. But I could do it without reading from the script. First, this topic is precisely the reason why I would take up the office of a Bureau Director. I remember that some 10 years ago, I worked in the Rehabilitation Development Co-ordinating Committee, the Transport Access Committee, and the committees for the Green Paper and White Paper on rehabilitation. Perhaps at that time (or even now), my power of expression was not very good and therefore, I could not convince others to take on board some views. However, the objective is very important. We hope that each and every person with disabilities will have the opportunity to lead a normal life, and to participate in society and in all sorts of activities with other people.

Transport is no minor issue. It is a big issue. Particularly in Hong Kong, where there are many old buildings, hills, slopes and narrow roads, it is not easy to carry out work to this end. Although the "design manual" was put into practice in 1997, it is never easy for so many people to do so much work in such a short time. Besides, 20 years ago I already proposed the use of low-floor buses by the bus companies. But it was only in 2001 that the bus operators could purchase such low-floor buses when acquiring new buses. Certainly, if they are required to replace all the buses which can still function, is it cost-effective?

Some Members, in their earlier speeches, appeared to be suggesting that the Government has not done anything at all. But I remember that the Rehabilitation International had once ranked countries all over the world by how "civilized" a country was, and Hong Kong's ranking was very high. We were considered "civilized", so to speak, because of the way we treated persons with disabilities and the services provided to them. So, I hope Members will not

deny the past efforts made by the Government and other non-governmental organizations in rehabilitation.

Back to the several issues raised by Mr LEUNG. Secretary Dr Sarah LIAO had spoken to me, explaining that she had spent a great deal of time talking to all transport service providers and contractors, but a consensus could not necessarily be reached on many issues. I can promise Members that I will join hands with her to negotiate with them in the hope that some progress can be achieved. It is because if people with disabilities can have access to normal modes of transport, their productivity will be enhanced, their work will be smooth, and they can participate in other cultural and recreational activities. That will make the entire community happier and more vibrant.

I reckon that even if they can travel free of charge, not many of them can actually take public transport, because they need company every time they venture out. In this connection, we must have a good strategy, so that other matching facilities will be viable. Two decades ago I already proposed the construction of an escalator along pavements in Central. At that time, a government department spent three years on constructing the escalator, but it was subsequently discovered that the escalator only goes upwards but not downwards, which means that one has to travel in a vehicle in order to go downwards. This basically does not address the problem of access. So, suitable matching facilities are often required, and the relevant departments and bodies have to effect co-ordination to, for example, make sure that the design of every building can meet all the needs. So, I think we must be given some time to do the work. To accomplish this task, we must study afresh the principal target of our actions, particularly as government resources are limited. So, we must particularly target actions at people who have difficulties in going out and participating in social activities.

We have carried out a range of work. For example, all traffic lights on roads will be equipped with audible devices for the blind by the end of the year. Besides, a registration card will be introduced for people with disabilities early next year. On this registration card there will be the photograph of the card holder, and the category of disability needs will also be stated. It should be able to facilitate the provision of various concessions by many service providers for the assistance of people with disabilities. To help people with disabilities is not just a task for the Government. It also requires co-operation from other

organizations in society, be they commercial enterprises or providers of other services. I hope that a proposal can be drawn up expeditiously in this regard.

The second issue concerns the Rehabus. The Rehabus was introduced as a result of the inadequacy of other services. I have to declare an interest, for I have just resigned from the Executive Committee of the Hong Kong Society for Rehabilitation, which is the managing authority overseeing the operation of Rehabus. I can give an undertaking to Members that I will examine the needs of Rehabus, its needs for resources or existing maintenance needs, and a review will be conducted. As far as I know, we plan to replace 10 Rehabuses and launch two additional routes next year. I hope that this problem can be solved gradually. That said, the problem cannot be addressed in a short time. I hope there will be a proposal for gradual implementation and at each phase of implementation, the Legislative Council will be informed of how much resource is to be injected under our plan.

The third problem concerns an employment quota. The Government has broadly set an indicator in this regard. We hope that large-scale companies can follow this practice of the Government and set an indicator too. But if this is made mandatory, there would be considerable problems. I have discussed this with many countries (such as Japan) where a quota is set and legislation is in place. If companies employ disabled workers purely to meet the requirement under a quota system, people with disabilities would very often be discriminated against at work, for they are recruited only to satisfy the quota requirement. Therefore, we must exercise great caution in implementation, and I do not consider mandatory compliance the best method. In Hong Kong, we give companies recognition through various channels (such as retraining), so as to make them understand that employing people with disabilities can show that they are employers who are particularly supportive and caring. I think that ongoing efforts are required in this aspect. But as to whether it should be carried out mandatorily, the decision rests with Members.

As regards the fourth issue, it was also mentioned by me this morning. I have promised the Chief Executive to expeditiously review the nature of the Comprehensive Social Security Assistance (CSSA) Scheme and the mechanism for determination. I do not wish to adopt an across-the-board approach in increasing or reducing the CSSA, for the needs of people with disabilities and those of the elderly are different. If the allowance is reduced across the board, some recipients may not be able to make ends meet; and if it is increased across

the board, some may not really benefit from it. Yesterday, I visited three impoverished families. One lives in a partitioned room, and the whole family has to spend over \$600 monthly on taking bath. If their CSSA allowance is increased, the landlord may hence charge them more. We hope that any increase in the allowances for people with disabilities or the impoverished will truly benefit the recipients, rather than being pocketed by landlords or other middlemen. This does exist in many old age homes. If we increase the CSSA rates, it may eventually benefit operators of old age homes. So, we must be very careful in using the money. I agree that an overall review be conducted and it is necessary to come up with a better proposal. But I think if we entirely disregard other consequences and simply decide not to increase or reduce the rates, I do not consider it a responsible approach. Today is my second day of work. I hope Members can allow room for me to review matters in this regard.

So, I broadly agree with Mr Tommy CHEUNG's amendment, for it gives us room for manoeuvre. I hope Members can trust me and allow me to really do something. I will also give consideration to Mr Alan LEONG's amendment. I now conclude my speech on this motion. Thank you.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment, moved by Mr Alan LEONG to Mr Tommy CHEUNG's amendment, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Alan LEONG rose to claim a division.

PRESIDENT (in Cantonese): Mr Alan LEONG has claimed a division. The division bell will ring for three minutes.

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

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

Functional Constituencies:

Dr Joseph LEE, Dr KWOK Ka-ki, Mr WONG Ting-kwong and Miss TAM Heung-man voted for the amendment.

Dr Raymond HO, Dr LUI Ming-wah, Mr CHEUNG Man-kwong, Mr Bernard CHAN, Mrs Sophie LEUNG, Mr SIN Chung-kai, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Kwok-hing, Mr Daniel LAM, Mr Jeffrey LAM, Dr Fernando CHEUNG, Mr Patrick LAU and Mr KWONG Chi-kin voted against the amendment.

Geographical Constituencies:

Mr CHAN Kam-lam, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Ms Audrey EU, Mr LI Kwok-ying, Mr Alan LEONG, Mr CHEUNG Hok-ming and Mr TONG Ka-wah voted for the amendment.

Mr James TIEN, Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mrs Selina CHOW, Miss CHAN Yuen-han, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Chin-shek, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Mr LEE Wing-tat, Mr LEUNG Kwok-hung and Mr Albert CHENG voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, four were in favour of the amendment and 20 against it; while among the Members returned by geographical constituencies through direct elections, 27 were present, nine were in favour of the amendment and 17 against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negatived.

MS MIRIAM LAU (in Cantonese): Madam President, I move that in the event of further divisions being claimed in respect of the motion "Facilitating the integration of people with disabilities into society" or any amendment thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

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

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(Mr Albert CHENG raised his hand)

PRESIDENT (in Cantonese): Are you against it?

(Mr Albert CHENG nodded)

PRESIDENT (in Cantonese): Does any Member wish to claim a division?

Mr James TIEN rose to claim a division.

PRESIDENT (in Cantonese): Mr James TIEN rose to claim a division. The division bell will ring for three minutes.

PRESIDENT (in Cantonese): Will Members please proceed to vote. Is it true that a Member has not yet voted?

(Three Members only pressed the "Present" button)

PRESIDENT (in Cantonese): Is it true that three Members have decided to indicate their presence only but not to vote? Fine, no problem.

(A reminder from the Clerk to the President)

PRESIDENT (in Cantonese): Members, the Clerk has reminded me that since the votes have to be counted on the number of Members present, if you are present, you must press the "Present" button. But you may also choose to leave.

(A number of Members left the Chamber)

PRESIDENT (in Cantonese): Will the Clerk please check the number of Members. I am sorry that this has to take a while, for we have to check the number of Members again.

PRESIDENT (in Cantonese): If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Dr Raymond HO, Dr LUI Ming-wah, Mr CHEUNG Man-kwong, Mr Bernard CHAN, Mrs Sophie LEUNG, Mr SIN Chung-kai, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Dr Joseph LEE, Mr Daniel LAM, Mr Jeffrey LAM, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr WONG Ting-kwong, Mr Patrick LAU and Miss TAM Heung-man voted for the motion.

Geographical Constituencies:

Mr James TIEN, Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mrs Selina CHOW, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Kong-wah, Ms Emily LAU, Miss CHOY So-yuk, Mr Andrew CHENG, Mr TAM Yiu-chung, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LI Kwok-ying, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr CHEUNG Hok-ming and Mr TONG Ka-wah voted for the motion.

Mr Albert CHENG voted against the motion.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present and 22 were in favour of the motion; while among the Members returned by geographical constituencies through direct elections, 24 were present, 22 were in favour of the motion and one against it. Since the question was agreed by a majority of each of the two groups of Members present, she therefore declared that the motion was carried.

PRESIDENT (in Cantonese): I order that in the event of further divisions being claimed in respect of the motion "Facilitating the integration of people with disabilities into society" or any amendment thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): I now put the question to you and that is: That Mr Tommy CHEUNG's amendment to Mr LEUNG Yiu-chung's motion be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Tommy CHEUNG rose to claim a division.

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

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

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

Functional Constituencies:

Dr Raymond HO, Dr LUI Ming-wah, Mr Bernard CHAN, Mrs Sophie LEUNG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM, Mr WONG Ting-kwong and Mr Patrick LAU voted for the amendment.

Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Ms LI Fung-ying, Mr WONG Kwok-hing, Dr Joseph LEE, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted against the amendment.

Geographical Constituencies:

Mr James TIEN, Mrs Selina CHOW, Mr CHAN Kam-lam, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Mr LI Kwok-ying and Mr CHEUNG Hok-ming voted for the amendment.

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Miss CHAN Yuen-han, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Chin-shek, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr TONG Ka-wah and Mr Albert CHENG voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, 15 were in favour of the amendment and nine against it; while among the Members returned by geographical constituencies through direct elections, 27 were present, eight were in favour of the amendment and 18 against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Members, good news for all of us. Mr LEUNG Yiu-chung will not reply, for he had used up all the 15 minutes of his speaking time when he moved the motion. *(Laughter)*

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr LEUNG Yiu-chung, as set out on the Agenda, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr LEUNG Yiu-chung rose to claim a division.

PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung has claimed a division. The division bell will ring for one minute.

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

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

(A number of Members rose with the intention to leave the Chamber)

PRESIDENT (in Cantonese): Please sit down first. The meeting has not yet ended, though I know you all wish to go home early.

Functional Constituencies:

Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Ms LI Fung-ying, Mr WONG Kwok-hing, Dr Joseph LEE, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr WONG Ting-kwong, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the motion.

Dr Raymond HO, Dr LUI Ming-wah, Mr Bernard CHAN, Mrs Sophie LEUNG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM and Mr Patrick LAU voted against the motion.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Chin-shek, Mr LAU Kong-wah, Ms Emily LAU, Miss CHOY So-yuk, Mr Andrew CHENG, Mr TAM Yiu-chung, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr LI Kwok-ying, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr CHEUNG Hok-ming, Mr TONG Ka-wah and Mr Albert CHENG voted for the motion.

Mr James TIEN and Mrs Selina CHOW voted against the motion.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, 10 were in favour of the motion and 14 against it; while among the Members returned by geographical constituencies through direct elections, 27 were present, 24 were in favour of the motion and two against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the motion was negatived.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 3.00 pm today.

Adjourned accordingly at four minutes to One o'clock in the morning.