

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 10 May 2006

The Council met at Eleven 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.

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

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

THE HONOURABLE MARGARET NG

THE HONOURABLE MRS SELINA CHOW LIANG SHUK-YEE, G.B.S., J.P.

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE CHAN YUEN-HAN, J.P.

THE HONOURABLE BERNARD CHAN, J.P.

THE HONOURABLE CHAN KAM-LAM, S.B.S., 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.M., 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, J.P.

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 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 RONNY 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

MEMBERS ABSENT:

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

THE HONOURABLE MA LIK, G.B.S., J.P.

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE RAFAEL HUI SI-YAN, G.B.S., J.P.

THE CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE MICHAEL SUEN MING-YEUNG, G.B.S., J.P.

SECRETARY FOR HOUSING, PLANNING AND LANDS

PROF THE HONOURABLE ARTHUR LI KWOK-CHEUNG, G.B.S., J.P.

SECRETARY FOR EDUCATION AND MANPOWER

DR THE HONOURABLE PATRICK HO CHI-PING, J.P.

SECRETARY FOR HOME AFFAIRS

THE HONOURABLE STEPHEN IP SHU-KWAN, G.B.S., J.P.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR

THE HONOURABLE FREDERICK MA SI-HANG, J.P.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

THE HONOURABLE STEPHEN LAM SUI-LUNG, J.P.

SECRETARY FOR CONSTITUTIONAL AFFAIRS

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

DR THE HONOURABLE YORK CHOW YAT-NGOK, S.B.S., J.P.
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

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

PRESIDENT (in Cantonese): Clerk, will you please ring the bell to summon Members into the Chamber.

(After the summoning bell had been rung, a number of Members entered the Chamber)

PRESIDENT (in Cantonese): A quorum is now present, the Council meeting starts.

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>
Air Navigation (Hong Kong) Order 1995 (Amendment of Schedule 16) Order 2006	74/2006
Dangerous Goods (Consignment by Air) (Safety) (Amendment) Regulation 2006	75/2006
Dangerous Goods (Consignment by Air) (Safety) Regulations (Amendment of Schedule) Order 2006	76/2006
Dangerous Drugs (Fee Revision) Regulation 2006	77/2006
Antibiotics (Fee Revision) Regulation 2006	78/2006
Pharmacy and Poisons (Pharmacy and Poisons Appeal Tribunal) (Fee Revision) Regulation 2006	79/2006
Quarantine and Prevention of Disease (Scale of Charges) (Charges Revision) Regulation 2006	80/2006
Dentists (Registration and Disciplinary Procedure) (Fee Revision) Regulation 2006	81/2006

Ancillary Dental Workers (Dental Hygienists) (Fee Revision) Regulation 2006	82/2006
Medical Registration (Fee Revision) Regulation 2006 ...	83/2006
Midwives Registration (Fee Reduction) Regulation 2006	84/2006
Nurses (Registration and Disciplinary Procedure) (Fee Revision) Regulation 2006	85/2006
Enrolled Nurses (Enrolment and Disciplinary Procedure) (Fee Revision) Regulation 2006	86/2006
Medical Laboratory Technologists (Registration and Disciplinary Procedure) (Fee Revision) Regulation 2006	87/2006
Occupational Therapists (Registration and Disciplinary Procedure) (Fee Revision) Regulation 2006	88/2006
Radiographers (Registration and Disciplinary Procedure) (Fee Revision) Regulation 2006	89/2006
Optometrists (Registration and Disciplinary Procedure) (Fee Revision) Regulation 2006	90/2006
Physiotherapists (Registration and Disciplinary Procedure) (Fee Revision) Regulation 2006	91/2006
Chiropractors Registration (Fee Revision) Regulation 2006	92/2006
Chinese Medicine Practitioners (Fee Revision) Regulation 2006	93/2006
Chinese Medicine (Fee Revision) Regulation 2006	94/2006
Import and Export (Strategic Commodities) Regulations (Amendment of Schedule 1) Order 2006	95/2006

Other Papers

No. 91 — The Government Minute in response to the Report No. 45 of the Public Accounts Committee dated February 2006

Report of the Bills Committee on Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006

ADDRESSES

PRESIDENT (in Cantonese): Address. The Chief Secretary for Administration will address the Council on "The Government Minute in response to the Report No. 45 of the Public Accounts Committee dated February 2006". Pursuant to Rule 21(6) of the Rules of Procedure, no debate should be conducted on the address of the Chief Secretary for Administration, but I may, at my discretion, allow short questions to be put by Members to him for elucidation.

The Government Minute in response to the Report No. 45 of the Public Accounts Committee dated February 2006

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, laid on the table today is the Government Minute responding to the Report No. 45 (the Report) of the Public Accounts Committee (PAC). The Minute sets out the measures that the Government has taken or is taking on the conclusions and recommendations contained in the Report.

The PAC has selected the Audit Report on development of a site at Sai Wan Ho for detailed examination. Upon tabling of the PAC report on 15 February this year, the Chairman of the PAC has explained the PAC's views on the Sai Wan Ho development. The Administration is grateful for the time and effort that the PAC has devoted to the report. Today, I would like to focus on responding to some of the comments made by the Chairman of the PAC on 15 February.

I trust everyone would agree that land is one of the most valuable resources in Hong Kong. In order to optimize the use of land, the Government firmly believes that it is of the utmost importance to ensure that our development

approval process is fair, effective and transparent. The existing mechanism for handling property development has been practised for some time and its operation is basically sound. In reviewing the Sai Wan Ho case, we and the PAC share a common objective in enhancing the fairness and transparency of the development approval process, whilst not creating undue hurdles for the industry.

The PAC and the Director of Audit have made certain observations and recommendations in a number of important areas, including development density of the site; pre-tender enquiries; site classification, and granting of gross floor area (GFA) exemption and bonus areas. The Government has accepted all the recommendations made by the Director of Audit which were subsequently endorsed by the PAC. Through the concerted efforts of the Planning Department, Lands Department, Buildings Department, Architectural Services Department (ASD) and the Housing, Planning and Lands Bureau (the Bureau), a series of improvement measures have already been implemented to address the recommendations of the PAC and the Director of Audit. I would like to take this opportunity to highlight some of the improvement measures.

First of all, the Government fully recognizes the importance of implementing the planning intention as regards development intensity. In order to meet the community's aspiration for a quality living environment, we have, in conjunction with the Town Planning Board, proactively and progressively taken measures to control building heights and density of developments through stipulation in the statutory town plans. To ensure that proper regard is given to the provision of public facilities, the Planning Department will, before the sale of a site, provide to the relevant government departments an updated assessment on the adequacy of such provision in the concerned district.

In addition, the Government is committed to introducing measures from time to time to further enhance transparency of the procedures for the sale of government land. Heeding the PAC's recommendations, the Government has already put in place a number of improvement measures. For instance, we have revised the relevant internal instructions defining which types of information given to an enquirer in the pre-land sale stage pertaining to the development parameters, such as GFA, car parking requirement and provision of government/institution/community (GIC) facilities, and under what circumstances such information is to be publicized on the government website and in newspapers, thereby ensuring a level playing field. Moreover, regarding

projects which require GIC facilities to be provided by the developers, the ASD will co-ordinate with other departments to ensure that the design requirements of such facilities are feasible and are properly specified in the conditions of sale for reference by potential bidders.

Site classification is another area over which the PAC has expressed concern. In this regard, we have clarified the definition of "street" for site classification purposes under the law by amending the Building (Planning) Regulations. The Buildings Department will also ensure that all relevant departments will be properly consulted in the process of determining site classification. Legal advice will be sought where necessary relating to site classification.

The PAC has also made various observations concerning the granting of GFA exemption and bonus area. We have already taken concrete action to strive for improvement in this area. For instance, the Buildings Department has amended the relevant Practice Note. The Practice Note now states clearly that all public transport terminuses (PTTs) will count for GFA, unless the relevant outline zoning plan (OZP) or a specific planning approval allows the PTT to be exempted from GFA calculation. In processing bonus GFA applications, the relevant departments will proactively engage in discussion with a view to forming a consensus view. Again, we will seek legal advice where necessary.

We appreciate the PAC's recommendation that the Government should review the criteria for deciding whether the maximum GFA of a site should be specified. The Government will actively consider the need to specify the maximum GFA and consult the Legislative Council, the industry, and the concerned professionals and stakeholders before determining the way forward.

The PAC has also stressed the importance for the Building Authority (BA) to consider the factors listed in any applicable Practice Note in his exercise of discretionary powers. Indeed, the BA has issued Practice Notes to the industry on the criteria that the BA will adopt in the exercise of such discretion on various subjects. Internal guidelines on factors to be considered in the exercise of discretion have also been issued to serve as general guidance for relevant officers. I would like to emphasize that the BA and officers authorized by him to exercise such discretion have to act in good faith, follow the law and the criteria promulgated in the Practice Notes and take into account all factors relevant to the issue under consideration in the exercise of discretion. Moreover, the Buildings

Department has taken further steps to enhance transparency by publishing a summary of the matters considered at the Building Committee of the Department, and the decisions made, on the Department's website.

The Government concurs with the PAC on the importance of effective communication and coordination among government departments in handling property development approval and achieving the planning intention. The Bureau, the Planning Department, the Lands Department and the Buildings Department have all along been working closely together in this respect. There are established forums to discuss and resolve inter-departmental issues at various stages of the development process, including the District Lands Conference, BA Conference and District Planning Conference. The departments will consult the Bureau for guidance on issues involving policy implications. At the same time, the Bureau has set up dedicated forums to enhance coordination among the departments, in dealing with both ad hoc and systemic issues. The Government will continue to seek improvements in this area.

Madam President, the Government published the report of the Independent Committee of Inquiry (ICI) on Sai Wan Ho Development yesterday. The ICI was set up in response to public concerns that some issues about the exercise of discretion by the BA may not be clear. In order to further examine whether the exercise of discretion by the former BA in the Sai Wan Ho case has been proper and to identify areas for improvement, the Chief Executive appointed the ICI on 16 November last year to conduct an inquiry. The ICI operated independently. Its terms of reference were to examine, in respect of the Sai Wan Ho site.....

PRESIDENT (in Cantonese): Chief Secretary for Administration, please stop for a moment first.

MR LEE WING-TAT (in Cantonese): It seems that I do not have the draft of the speech of the Chief Secretary for Administration. Since it is impossible for us to recite the content of the speech when seeking elucidation, I do not know what to do.

PRESIDENT (in Cantonese): Chief Secretary for Administration, since the draft which circulated to Members before the meeting does not contain the paragraph you just read, could you arrange to pass the draft of this paragraph to the staff of

the Legislative Council Secretariat by your colleagues? We will make photocopies then as soon as possible so that Members can seek elucidation on the basis of the full text of your speech when necessary.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Yes, Madam President, absolutely no problem, because the next part of my speech has to be drafted more promptly and I did not have sufficient time to provide copies of my speech to Members. For this, I would have to tender my apology to Members. Now I would like to see how to arrange for copies of the speech to be delivered to all Members. Perhaps I pause here until all copies have been distributed, or should I finish the full text first before.....

PRESIDENT (in Cantonese): Now we can do this. Our colleagues will make photocopies of the draft expeditiously downstairs, meanwhile you may continue with your speech, (*laughter*) because I do not want to suspend the meeting just for the purpose of waiting for the photocopies.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Good.

PRESIDENT (in Cantonese): Please speak slowly so that everybody can hear you clearly. (*Laughter*)

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): In that case, I will start again from paragraph 12.....not from the beginning. There is no such necessity. I will repeat paragraph 12 at a speed slower than normal.

Madam President, the Government published Report of the Independent Committee of Inquiry (ICI) on the Sai Wan Ho Development yesterday. The ICI was set up in response to public concerns that some issues about the exercise of discretion by the BA may not be clear. In order to further examine whether the exercise of discretion by the former BA in the Sai Wan Ho case has been proper and to identify areas for improvement, the Chief Executive appointed the ICI on 16 November last year to conduct an inquiry. The ICI operated independently. Its terms of reference were to examine, in respect of the Sai

Wan Ho site, the procedures in approving the site classification, GFA exemption for the PTT and bonus GFA for dedication of the reserved area for public passage, including how and under what circumstances the BA's discretionary powers were exercised, and whether BA's discretionary powers had been exercised properly. The ICI submitted its report to the Government last month with its conclusions and recommendations. The Government accepts the ICI's conclusions and recommendations concerning the exercise of discretion by the BA in the subject development.

Madam President, I have just explained the terms of reference of the ICI. The focus of its inquiry is different from that of the earlier Value for Money Audit by the Director of Audit and the hearings of the PAC. In spite of that, these studies have provided many useful observations and similar recommendations, for instance, in relation to the need to enhance the communications among government departments and examine the issue of specifying maximum GFA in land leases. We have already implemented or will actively consider these recommendations.

The purpose of the Government Minute today is to brief Members on the progress of the Government's follow-up actions on the conclusions and recommendations of the reports of the Director of Audit and the PAC. If Members would like to further discuss and follow up the report of the ICI, the concerned bureau and departments would be happy to make the necessary arrangements.

Madam President, now comes to the last paragraph.

PRESIDENT (in Cantonese): Chief Secretary for Administration, please continue.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): This paragraph is in the original draft of the speech, so it will be alright even if I read a little bit faster.

Finally, I wish to echo the PAC Chairman's remarks that the PAC plays an important role in ensuring value for money in the delivery of public services. The Administration looks forward to receiving the PAC's constructive comments

and wise counsel. As always, we shall respond positively and promptly. Thank you.

PRESIDENT (in Cantonese): Members, I understand that everybody here would like to seek elucidation on many points and I think the best way to do so is to have a copy of the speech in front of you when asking questions. Although photocopies are being made in the most expeditious way and the Chief Secretary for Administration has been co-operatively speaking at the slowest speed, the photocopies are not ready yet. So, I cannot but announce that we have to suspend the meeting until the photocopies are ready for distribution and Members could then seek elucidation. I now suspend the meeting.

11.18 am

Meeting suspended.

11.25 am

Council then resumed.

PRESIDENT (in Cantonese): Members who wish to seek elucidation on the address of the Chief Secretary for Administration please press the button.

MS EMILY LAU (in Cantonese): *President, thank you for distributing the papers to us, especially for the large print on the papers, which is most helpful for us people who suffer from far-sightedness.*

President, in paragraph 12, the Administration mentioned that one of the issues to be examined by the ICI is whether the exercise of discretionary power has been proper. But the Chief Secretary for Administration has not mentioned the Director of Audit and the PAC have come to the conclusion that the improper exercise of discretionary power has resulted in a loss of tens of millions of dollars in public revenue while the developer has earned hundreds of millions of dollars as extra profits. President, although it is said here that the recommendations of

the PAC have all been accepted, I would like the Chief Secretary for Administration to elucidate now that the public can see two conclusions are being reached and realize that the Administration does not accept the criticisms of the Director of Audit and members of the PAC. What does the Administration intend to do? I hope the Administration can clarify is it true that it does not wish to co-operate with the PAC and the Legislative Council anyone in future.

PRESIDENT (in Cantonese): Ms Emily LAU, your question is a very good one. But you are to request for an elucidation from the Chief Secretary for Administration. Now what you ask is not related to any part of his speech. Can you make a connection of the two?

MS EMILY LAU (in Cantonese): *Yes, President. The Chief Secretary just said that it has accepted the ICI's.....he said that one issue to be examined by the ICI is whether the BA has exercised his discretionary powers in a proper manner. He has of course said the exercise was proper and such a conclusion was also announced by the report yesterday. But, President, our PAC does not think so. We deem it grossly dissatisfactory and felt grave dismay. I hope the Chief Secretary can clarify whether he agrees to the PAC's criticisms on the BA in respect of how he handled the issue.*

PRESIDENT (in Cantonese): Ms Emily LAU, perhaps let me give you a suggestion. In paragraph 15, the Chief Secretary for Administration said that he echoed the PAC Chairman's remarks. You may ask the Chief Secretary for Administration to clarify whether the remarks include the sentences you have just said; if so, you may ask him to clarify why he accepts the ICI's remarks as well. What do you think?

MS EMILY LAU (in Cantonese): *Fine. Thank you, President.*

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, I think Ms Emily LAU has perhaps made an overstatement. Now let me explain.

In paragraph 15, I said we echoed the PAC Chairman's remarks — the Chairman's remarks, that is, the speech he made in the Legislative Council on that very same day, have been put down on record. On the issue of the Grand Promenade, the Chairman has stated his recommendations and viewpoints very clearly in his speech. So, regarding the Chairman's speech, we cannot agree more.

Although strictly speaking, this point may have deviated a little from our main issue, but I think I should give a response to Ms LAU instead of evading. In November last year, when the ICI was set up, if Members can recall — the newspapers had also given detailed reports on this and everything certainly all have their records — someone asked whether the work of the ICI and the PAC would contradict with each other, and whether the issue of subordination has been involved. Someone has already put up such a question at that time. We have also given a very clear explanation then. A look at the ICI's terms of reference will find that its most important task is to examine the circumstances and procedures under which the discretion is exercised, as well as whether the power has been exercised properly, apart from many other specific issues to be studied. The ICI's Report is in fact very detailed and has provided justifications for each and every item before coming to the final conclusion.

The PAC has a very long history and a very solid legal basis which will continue to be maintained. The Government has no intention to carry any different views. However, the comments in the PAC Report are mainly expressed from the view of value for money, and that is, when a decision is made, whether that decision will cause the public coffers to suffer a loss. This is the most basic duty and a series of suggestions have been made in this aspect. As I have also mentioned in my speech earlier, we accepted all the suggestions made by the PAC. The question at stake concerns about a person, the former Director, and what his duties are. Now, the ICI has mentioned his duties in the Report, and has disagreed with his decisions in some aspects, holding different opinions particularly those relating to the PTTs, which are, however, not basically different from those of the PAC.

Firstly, Madam President, I would like to emphasize that the ICI and the PAC of the Legislative Council are basically not subordinate to each another because the PAC has very solid legal powers and basis. The Government will certainly continue to tender its respect and has no intention whatsoever to set up an independent committee whenever it disagrees with the PAC's recommendations. Ms LAU may still remember, when we set up the ICI last year, support was received both from the society and public opinions. No

strong objection was raised either because the issue had brought about public concern. This is a very unique case. No one would like to make it a standard practice to set up such an independent committee, as this is virtually meaningless. However, after taking into account the responses of the society and the Legislative Council, we considered that the exercise of discretionary powers in the case should be handled from an independent perspective and thus set up an ICI.

MR JAMES TIEN (in Cantonese): *President, in paragraphs 8 and 10, when the Chief Secretary for Administration mentioned the granting of GFA exemption, he also mentioned that there was the Practice Note. Can the Secretary clarify this point? Developers are now very frightened. Before this incident, many approvals have been made through the exercise of discretion. But after this incident, no more approval has been granted because of fright. In doing so, has the Government made an over-correction of a wrong? Can the Chief Secretary for Administration clarify, in the light of the Practice Note, whether or not the purpose is to restrict the exercise of the discretionary powers as far as possible so that the future guidelines can be clearer?*

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, the first thing I would like to point out is that, according to my understanding, since the publication of the PAC's Report on the Grand Promenade last year, there have not been much difference in the handling of applications concerning the plot ratio or GFA by the relevant government departments, including the Lands Department. Now I have to stress that both the PAC and the ICI have raised a very important point, that is, whether the plot ratio and the GFA should be subject to a ceiling. Since there are many different exemption items, where all exemption items are added together, they will come up to a sum, should this sum be subject to a ceiling? In principle, the Government opines that such a ceiling should be considered. But up till now we have not made a decision yet. I have just said in very clear terms that it is hoped by the end of this year, the department and the bureau concerned can put forward some specific proposals which will then be submitted to the Legislative Council for discussion while the industry will be consulted. Now in our social environment which have to change with time, we must strike a reasonable balance between our living environment and the density, volume and height of the buildings. So, we now have to consider whether a total ceiling should be set. This is a fact. But the issue is still pending as the Legislative Council, other sectors and the professionals have to be consulted.

MR JAMES TIEN (in Cantonese): *Sorry, the Chief Secretary for Administration has not offered elucidation on the current position. I mean what should be done for the time being?*

PRESIDENT (in Cantonese): Mr James TIEN, the statement on which you sought elucidation is in fact in paragraph 8 which said "the Buildings Department has amended the relevant Practice Note." In seeking elucidation, you should in fact ask which part has been amended. As for the consequence, it does not fall within the scope for elucidation.

MR JAMES TIEN (in Cantonese): *I was trying to seek an elucidation from him, but he replied on what would be done after a review. In that case, what should developers do as at present? Now, as such circumstances emerged, certain practices may be implemented in eight or nine months' time after the review. But I hope the Chief Secretary for Administration can clarify what will be done at present.*

PRESIDENT (in Cantonese): Mr James TIEN, you have asked a very good question about what the industry should do. However, this does not falls within the scope for elucidation. It has been laid down clearly in the Rules of Procedure that after a public officer has addressed the Council, Members may put short questions to the public officer for the purpose of elucidation. I have already tried to extend the Rule as far as possible in order to accommodate questions to be put by Members. But since the Rules of Procedure has so provided, I must comply with it. If Members wish to raise further questions in consequence of the address made by the Chief Secretary for Administration instead of mere elucidation, they should do so through other channels or put up a question during Question Time. I hope Members can appreciate that, and I, as President, must act in accordance with the Rules of Procedure.

MR ALBERT HO (in Cantonese): *President, I would actually like to ask more clearly and seek clarification on the last sentence of paragraph 12 which is related to Ms Emily LAU's question just now. It reads, "The Government accepts the ICI's conclusions and recommendations concerning the exercise of discretion by the BA in the subject development." I remember that the report has clearly pointed out that basically, the BA has not made any mistake in the*

exercise of his discretionary powers. On the PTT, even though it considers that a mistake has been made in the decision, the fact that he has consulted the relevant parties and sought legal advice has relieved him from the liabilities. This conclusion is entirely different from that reached by the Audit Commission and the PAC. May I ask whether this paragraph means that the Government has accepted the ICI's recommendations and, if the recommendation contradicts with that reached by the Audit Commission and the PAC, the latter will be not accepted?

President, are you still not clear about what I am trying to seek elucidation? I ask him whether this is what he meant.

PRESIDENT (in Cantonese): This is not an elucidation. If you seek an elucidation, you can ask whether the conclusion and recommendation on the exercise of discretionary powers include the implication that a certain government official has not committed mistakes procedurally. However, you have jumped to another point. May I ask which paragraph of the speech are you referring to when you lastly seek elucidation on the part concerning the PAC just now?

MR ALBERT HO (in Cantonese): *Perhaps let me briefly repeat the part that I wish to seek an elucidation. I ask the Chief Secretary whether the implication of the statement tantamounts to saying that the Government does not agree with the recommendations of the other two (the Audit Commission and the PAC), and so, is this statement exclusive in nature? Does the Chief Secretary mean that?*

PRESIDENT (in Cantonese): In other words, since the statement in the speech means that the Government has accepted the ICI's conclusions and recommendations, does it imply that the Government would not accept the conclusions of the PAC and the Audit Commission? Is that what you mean?

MR ALBERT HO (in Cantonese): *Yes.*

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, basically the answer is, since the objectives of the two studies are

different, I do not exclude the possibility that we consider both are justifiable and acceptable. Why? Because the value for money report said it is the final result that counts. He has exercised discretionary power which caused the PAC to opine that the public coffers might suffer a loss of revenue. But it did not say and also I did not see..... I can of course see the phrases "great dissatisfaction" and "grave dismay", which I have been gravely concerned about, (*laughter*) but now the question is whether abuse of power or ultra vires are involved. The answer is in the negative. Just because there had been such a query, an independent committee of inquiry was set up in order to examine whether mistakes had been made in the exercise of discretion. The independent committee was to examine the issue from this perspective. And relatively speaking, a greater emphasis has been attached to the legal perspective and so such a conclusion has been come up with. From this perspective, it considered that there was nothing wrong in his exercise of discretionary powers. On this point, the Government has all along never considered that there is any justification to render the ICI's Report improper and unacceptable. However, regarding the PAC's main objectives in proposing a series of improvement measures on value for money, we have accepted them in toto.

MR JAMES TO (in Cantonese): *President, in paragraph 8, it reads, "The PAC has also made various observations concerning the granting of GFA exemption and bonus area. We have already taken concrete actions to strive for improvement in this area." Then, examples were cited. Since the Government said that some improvements were sought on this important issue, why did it then finally say that "In processing bonus GFA applications, the relevant departments will proactively engage in discussion with a view to forming a consensus view"? What I wish to seek an elucidation on is, the Government talked about improvements imply that the Government had not discussed the issue proactively or try to reach consensus proactively in the past, and now it is proactively reaching out for consensus? What actually have been improved? Nothing is different from the past.*

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, both the Reports of the PAC and the ICI have mentioned the issues of communication and co-ordination. The Government accepts that the

departments can be more effective in communication and exchange of information and the Bureau should take the initiative and play a more proactive role in co-ordination. These are the major context for improvement which are totally related to procedural co-ordination among various departments so that when the final decision is made, it can fully reflect the concerns of the relevant departments (mainly three departments), and their opinions regarding how the aspirations of the industry and society should be responded to. This is a way to concentrate more effectively on the focus. And it is mainly concerned with procedures. Regarding the concrete improvements, they are mainly described in paragraph 9 instead of paragraph 8. Concerning paragraph 9, in March this year, Secretary Michael SUEN has already briefed Members on our current intention on another occasion in the Legislative Council.

MR RONNY TONG (in Cantonese): *President, in paragraph 15, the Chief Secretary for Administration states that the Government looks forward to receiving constructive comments and wise counsel and will respond positively and promptly. May I ask the Chief Secretary for Administration, as the ICI pointed out that Mr LEUNG Chin-man has been wrong in exercising his discretionary power while the PAC expressed dismay regarding the exercise of discretionary power by LEUNG Chin-man, how will the Government respond positively to these two comments?*

PRESIDENT (in Cantonese): Mr RONNY TONG, I am afraid that this is not a request for clarification.

MR RONNY TONG (in Cantonese): *I would like the Chief Secretary for Administration to clarify his remark in paragraph 15 that the Government will respond positively and promptly. I can ask the Chief Secretary for Administration what are all the positive and prompt responses, but I hope he would now focus on what the positive responses of the Government have been in respect of the exercise of discretionary power.*

If the President thinks that I should say so, I can ask the Chief Secretary for Administration to state all the positive responses. There would not be any problem either.

PRESIDENT (in Cantonese): Do you mean to ask the Chief Secretary for Administration to further clarify whether or not the "positive response" that he said the Government would make to the PAC covers the issue you have just asked?

MR RONNY TONG (in Cantonese): *President, you may put it this way. But I wish the Chief Secretary for Administration to list out all the positive responses.*

PRESIDENT (in Cantonese): Do you want him to list out all the positive responses?

MR RONNY TONG (in Cantonese): *How to respond positively?*

PRESIDENT (in Cantonese): How to respond positively? I think this is left for the Chief Secretary for Administration to decide. However, you requested the Chief Secretary for Administration to clarify "positive response", and this is surely something pending clarification. Please sit down first.

MR RONNY TONG (in Cantonese): *President, I just hope that he can give a shorter reply, as I have only focused on two points. However, if he would like to state all the responses, this will also do.*

PRESIDENT (in Cantonese): How the reply would be is left to the Chief Secretary for Administration to decide. Will the Chief Secretary for Administration please make further clarification?

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, in respect of this issue, I can offer clarification from two levels. The first clarification is that, since paragraph 15 is the last paragraph of my address, it is a conclusion made as objectives in a general sense. Similarly, just as Ms Emily LAU asked me earlier about my views on the PAC of the Legislative Council, I expressed what I wish to say from the perspective of principles. In

other words, for unconstructive comments and valueless counsel, surely I will not make any positive response. That is to say, these are basically matters of principle.

Alright, coming to Mr Ronny TONG's earlier question, at present, in respect of the exercise of discretionary power, the ICI Report pointed out that the issue has been thoroughly examined and the conclusion has found the exercise to be proper, except for one point which is related to a certain statutory provision. It is indicated in the Report that his exercise of discretionary power on the basis of that statutory provision is somehow open to question. Regarding this point, the Government has taken positive follow-up actions. If Mr TONG later wants to examine, from a professional point of view, the legal advice we have obtained and to find out in what way it is different from the present legal opinion put forth by the ICI, we are most willing to do so. For the Secretary for Justice has conducted internal study regarding this point and has invited veteran Senior Counsels from outside to examine this legal opinion, and both opinions consider that there is no problem with the legal basis on which the incumbent Director of Buildings has based in the exercise of his discretionary power. There were some slight controversies on this point and there is a difference of opinion here. In respect of this legal opinion, I can provide it to Members for reference any time.

MR RONNY TONG (in Cantonese): *He has not answered what would constructive comments include.*

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, I believe I would have nothing more to add. The main point is that, no matter it is the Legislative Council PAC Report No. 45 or the proposals of the ICI, we considered that they are all wise and constructive, so we will accept every one of the proposals and follow up positively. This is the present condition.

MR LEE WING-TAT (in Cantonese): *President, in paragraph 13 of the address, the Chief Secretary stated that "for instance, in relation to the need to enhance the communication among government departments and examine the issue of specifying maximum GFA in land leases. We have already implemented or will actively consider these recommendations." President, I wish to seek*

elucidation from the Chief Secretary that for the so-called "already implemented" or "actively consider", does it mean that such recommendations would include those of the PAC that on the basis of public interests, the BA should not be given excessive discretionary power, instead the maximum GFA in each site should be specified or "set explicitly" in order to deter the public from having the impression that whatever the Government does would only be beneficial to the developers without any concern for the public interests? May I ask whether the term "actively consider" indicated that the Government will actively consider this recommendation put forward by the PAC?

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, my simple answer is "yes". In the other parts of my address just now, I have also mentioned that the ASD has already set up a dedicated team to examine these issues. In fact, as early as one or two months ago, I have already related this matter to Members that it would take about a year before all of the reviews and amendments could be completed. However, at present, in view of the comments of the PAC and the ICI, it is learnt that the Bureau has instructed the ASD to accomplish this task by the end of the year and then put forth a new recommendation.

We do not seek to limit the exercise of discretionary power by legal means because we think that legally, it is appropriate to do so. The important thing is that in the exercise of discretionary power, one has not only to carry out stringent monitoring, but has also to look into what the result will be. I am of the view that right now, some of the comments should be taken into consideration, that is, in exercising discretionary power for granting exemptions, there may not be any problem with each individual exemption, but once these exemptions are added together, they will affect the overall density and bulk of the development and in turn contradict the original planning intention. This is a very important point that should be taken into consideration. Hence, in reply to Mr LEE's question, the simple answer is "yes". By the end of this year, we will have a new recommendation tabled to the Legislative Council and for public consultation.

MR LEE WING-TAT (in Cantonese): *President, I mentioned two phrases just now, one is "already implemented" and the other is "actively consider", and they are in fact different in meaning. Thus, I wish to ask the Chief Secretary for Administration that when he answered "yes", which phrase was he replying to?*

Was it to the phrase "already implemented" or to "actively consider"? This is actually what I have asked. Is the answer given by the Chief Secretary just now directing towards the meaning of "already implemented"?

PRESIDENT (in Cantonese): Mr LEE Wing-tat, the reason that the Chief Secretary for Administration only replied to the part of your question relating to "active" is that this point was mentioned in the last bit when you raised your question, despite the fact that at the beginning of your question, you have asked about "implement"

MR LEE WING-TAT (in Cantonese): *It is the term "implement".*

PRESIDENT (in Cantonese): Therefore, if Members can be more specific and concise in asking question, the officials will not make mistakes in their reply. Chief Secretary for Administration, do you have anything to add?

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, in fact, certain matters have been gradually implemented. For example, the maximum GFA has been added into draft town plans, and the Planning Department, the Bureau and the Town Planning Board will maintain this same liaison and co-operation when considering the inclusion of a maximum GFA in new plans. The parties concerned have been following this practice all along and will continue to do so.

With regard to certain situations where there is no such need to set a maximum GFA in the plans, nor it is required in the land leases, then do we need to include the maximum GFA? In this regard, the only answer I can give Mr LEE is that we will actively consider whether there is such a need and evaluate the pros and cons, because if planning-wise, there is no such a need, do we still have to consider whether we need to maximize the use of land so as not to incur loss to public coffers? I believe Members are very concerned about public coffers; otherwise, the PAC would not have made so many comments in the Value-for-Money audit report. As far as I know, the Secretary for Housing, Planning and Lands, Mr Michael SUEN, has in the past, already explained to

Members the meaning of "balance". Thus, there is no need for me to reiterate in detail.

MR ALAN LEONG (in Cantonese): *President, I wish to seek an elucidation from the Chief Secretary on the last sentence of paragraph 13 which states that "we have already implemented or will actively consider these recommendations". It is mentioned in paragraph 22 of the ICI Report that there is a need to review the legislation. I wish to know whether the recommendation of reviewing the legislation belongs to the category of "have implemented" or "actively considered"?*

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, if I review the stance mentioned in paragraph 13, it is about the relationship between the Value-for-Money audit and the work of the PAC. I have counted in the Value-for-Money audit report that there are 21 recommendations, all of which are the ones that will be implemented, and said that they will be actively considered, for such are the recommendations of the PAC. With regard to the recommendations of the ICI, our stance is somewhat different. We will take into consideration some of the recommendations, as we consider that they should be actively examined and implemented. However, there are also some recommendations which we do not agree to. For instance, a point raised just now has mentioned that one of the bases for the exercise of discretion is section 23 of the Buildings Ordinance. As we hold a different legal point of view, we thus have a different view to this point. Therefore, paragraph 13 refers mainly to the recommendations of the PAC of the Legislative Council and not that of the ICI.

MR ALBERT CHAN (in Cantonese): *President, I wish to seek an elucidation from the Chief Secretary on the last part of paragraph 12 which states that "the Government accepts the ICI's conclusions and recommendations concerning the exercise of discretion by the BA in the subject development." My focus is on the part relating to "conclusions". As the ICI was appointed after the release of the Value-for-Money audit report by the Director of Audit, will the Chief Secretary clarify whether or not the Government already has a clear stance when it appointed the ICI, in such a way that the ICI has been instructed implicitly or explicitly to arrive at such conclusions which the Government would ultimately accept?*

PRESIDENT (in Cantonese): I am sorry, Mr Albert CHAN, perhaps as I have not heard it clearly, I do not quite understand what was the elucidation you were seeking. Can you repeat it?

MR ALBERT CHAN (in Cantonese): *President, ultimately you might not have regarded my question as seeking an elucidation from the Chief Secretary. I understand that there is a possibility that you would rule this as not an elucidation. I only wish the Chief Secretary to make an elucidation if he has an opportunity to do so. However, my logical deduction just now is that the Government only set up the ICI after the Audit Commission has released its report and the final conclusions made by the ICI has been accepted by the Government. I wish to seek an elucidation from the Chief Secretary that as the Audit Commission has already released its report and there were a lot of criticisms and recommendations concerning the setting up of the ICI, and there were a lot of conclusions as well, did the Government explicitly or implicitly indicate to the ICI when setting it up that some conclusions had already been reached at the senior level within the Government, which were ultimately adopted by the ICI and hence accepted by the Government? He can choose not to answer and the President can also rule that this is not an elucidation.* (Laughter)

PRESIDENT (in Cantonese): Thank you, Mr Albert CHAN, for your understanding. Next, Mr LEUNG Kwok-hung.

MR LEUNG KWOK-HUNG (in Cantonese): *President, the Chief Secretary said the functions of the ICI are different from that of the Audit Commission or the PAC, one of which is to examine, under the principle of value-for-money, whether Mr LEUNG Chin-man, who was the Director of Buildings at the time, had incurred any loss to public coffers. The conclusion is yes. At present, the latest report of the ICI stated that it was proper for him to exercise discretionary power, in other words, he did not abuse his power. Just now, he also explained the meaning of abuse of power, that is, if one is exercising his statutory power, it is not an abuse of power. May I seek an elucidation from the Chief Secretary on his understanding of abuse of power? I am of the view that an abuse of power means that one is obviously aware of such a power and exercises it recklessly, thereby incurring loss to others or enabling certain people to gain benefits.*

This is known as an abuse of power, or what we commonly call it as "slipping through legal loopholes". As such, I wish to seek an elucidation from the Chief Secretary that in saying there was no abuse of power, did he mean that at that time Mr LEUNG Chin-man did not exercise the power that he should not have? But when he exercised the power, it was improper for him to do so because there was no upper limit.....this is indeed very complicated.....and as there was no upper limit set at that time, the developers were given all the favours. In my very shallow understanding of the Chinese language, this is what is meant by "lan-quan" (abuse of power) and in my very shallow understanding of the English language, this is an "abuse of power". In other words, you have this power.....let me cite an example.....I am afraid that you may make a ruling.....for example, a police officer.....

PRESIDENT (in Cantonese): Mr LEUNG, I think you do not need to cite examples as I have already heard your request for elucidation very clearly. Please sit down first and let me make a ruling.

I am of the view that, just as Mr LEUNG has said himself, his question is rather complicated and cannot be regarded as an elucidation. However, I believe Mr LEUNG will have the opportunity to follow up this question in other meetings.

MR LEUNG KWOK-HUNG (in Cantonese): *President, in fact, I have reasons for this. Please let me continue for one more minute.*

PRESIDENT (in Cantonese): I have already given you more than one minute, but you may continue asking questions.

MR LEUNG KWOK-HUNG (in Cantonese): *I understand. I understand. There is a meaning for this. Since the Chief Secretary is an official representing the Government, if he got the meaning of "an abuse of power" wrong in public, it would be a disgrace. I am only helping him to clearly explain the meaning of "an abuse of power". In fact, we can find in university textbooks that absolute power creates absolute corruption. If he does not make an elucidation, could you ask him to make an elucidation? After all, I am just helping him.*

PRESIDENT (in Cantonese): I rule that this question is not an elucidation. Originally, I have hoped to let more Members ask questions, but I have to draw a line here, because the Chief Secretary has only 15 minutes for his statement, but Members have used 39 minutes for seeking elucidations. I hope Members can raise these questions again on other occasions which, I believe, Members would not be subjected to such strict restrictions as they are now when seeking elucidations.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Measures to Segregate Live Poultry from Customers

1. **MR VINCENT FANG** (in Cantonese): *To prevent human affection of avian influenza, the Government has implemented a number of measures over the past two years to segregate live poultry from customers. Such measures include redesigning live chicken stalls in several markets to completely segregate live chickens from customers with full-height glass panels. The Administration has recently indicated that it is actively considering the establishment of a central slaughtering plant for live chickens to forbid retail sale of live chickens. In this connection, will the Government inform this Council:*

- (a) *of the number of markets in which the Government originally planned to install segregation devices, the number of markets in which installation has been completed and the average amount of investment in each market, the number and locations of markets in which installation works have not begun, the amount of provisions for such purposes, and whether installation will commence as originally planned;*
- (b) *whether it has assessed if the segregation devices have achieved the goals of minimizing the contact between people and live poultry and reducing the risk of an outbreak of avian influenza; and*
- (c) *if the above goals have been achieved, whether the Government will consider allowing stalls with segregation devices to continue*

operation after the implementation of central slaughtering for live chickens; if not, how the Government will dispose of the devices?

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

- (a) To minimize the exposure of the community to live poultry at the retail end, the Government originally planned to provide new poultry stalls in three markets, namely Yue Wan Market in Chai Wan, Tai Kok Tsui Market in Mong Kok and San Hui Market in Tuen Mun. Four new poultry stalls in Yue Wan Market and two in Tai Kok Tsui Market were completed for use. The capital costs were about \$4.67 million and \$2.85 million respectively. Five new poultry stalls are under construction in San Hui Market at an estimated cost of about \$4.59 million.
- (b) Segregation of poultry from customers at the retail level is one of the options recommended in the Team Clean Report to reduce contact between humans and live poultry. The Report has pointed out that this option of "human-poultry segregation" at the retail level will not fully address the root of the avian flu problem. Public health risks remain in the daily transportation of a great number of live chickens to retailers in densely populated urban areas. In addition, this option does not address contact between poultry trade workers and live poultry.

In the "Prevention of Avian Influenza: Consultation on Long Term Direction to Minimize the Risk of Human Infection" document published in April 2004, the Government has made clear that the installation of "human-poultry segregation" facilities in public markets (including new poultry stalls) is only a medium-term improvement measure in the interim before the implementation of central slaughtering.

All in all, the installation of "human-poultry segregation" facilities at the retail level cannot eliminate contact between humans and live poultry during transportation or operation of retail stalls. As such, it is not a long-term strategy in the Government's plan. Recent

studies have shown that chickens have the possibility of contracting avian flu virus without developing any symptoms. This situation has increased the risk of selling live poultry at retail outlets. Therefore, the Government considers that poultry slaughtering activities should no longer be scattered at the retail end in the various districts in Hong Kong.

- (c) On 11 April 2006, the Government indicated at the Legislative Council Panel on Food Safety and Environmental Hygiene that upon the operation of the proposed poultry slaughtering plant in 2009, the sale of live poultry in retail outlets would be banned. We have no plan to retain retail outlets with installation of "human-chicken segregation" facilities by that time.

Upon the ban of retail sale of live poultry, live poultry retailers may switch to sell chilled and/or frozen poultry. The Food and Environmental Hygiene Department (FEHD) will consider applications for endorsement to sell chilled and/or frozen poultry. As regards poultry trade workers, some of them may remain in their jobs should their employers choose to restructure their business under the new business environment. For those who become unemployed, the Labour Department will accord priority to assisting them in finding alternative employment.

MR VINCENT FANG (in Cantonese): *President, the Secretary said in the main reply that the Government had spent two separate sums of over \$4 million and over \$2 million to implement human-poultry segregation, and another \$4.59 million would be spent. At present, the Government's thinking is that central slaughtering will be introduced in the future. After the introduction of central slaughtering in 2009, will the Government come up with some other new measures again? Will the completed facilities be wasted by 2009?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, our present view is that on the one hand, the central slaughtering proposal proposed by us can deal with the risks posed by avian flu to Hong Kong in the long run, while on the other, it can also ensure the supply of

fresh chickens to Hong Kong. Therefore, in this regard, I believe it is possible that the measure will continue. We have no intention of retaining the live poultry stalls, no matter what sort of works have been done. I have also explained clearly just now that such a design cannot prevent a large number of live chickens from being transported to crowded markets, nor can poultry trade workers avoid coming into contact with live poultry, that is, they cannot be prevented from being exposed to the risk of coming into contact with live chickens. Therefore, in this regard, it is our plan that this kind of chicken stalls should no longer exist after 2009.

MR JEFFREY LAM (in Cantonese): *The Secretary said in the main reply that there are some risks associated with the transportation of live chickens. May I ask the Secretary if he will consider adopting better measures, for example, to use completely insulated vehicles or those with air-conditioning facilities to transport live chickens, so as to prevent members of the public from coming into direct contact with live chickens? Will such measures be considered?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, the views of experts are that if we use insulated vehicles or those with air-conditioning facilities to transport chickens, the chickens will get sick very easily. In this way, even more sick chickens will enter the market and people cannot tell if a chicken has caught a cold or avian flu. As a result, more preventive measures will have to be taken and even greater risks will be created. Therefore, we believe the most important thing is to segregate the source of chickens as far as possible in the future, that is, to make the distance of transporting chickens to the slaughtering plant as short as possible. This is precisely the main reason for our hoping to identify a site for a slaughtering plant in the North District. Insofar as markets are concerned, as long as it is necessary to deliver chickens to the markets, the chickens will more or less come into contact with the crowds in markets and there are thus certain risks. I believe that at present, there is no other design that can reduce such risks.

MR WONG YUNG-KAN (in Cantonese): *In part (b) of the main reply, it is said that in order to reduce the risk of avian flu, measures including the existing one are adopted. However, I think that some issues have not been clearly sorted out.*

The Government proposes to centralize the slaughter of live poultry in future, however, at present, there are chicken stalls fitted with human-poultry segregation facilities as well as chicken stalls selling chickens in the conventional way. Concerning these three methods of sale, may I ask the Secretary if the Government has carried out assessments to determine which method bears the greatest risk of spreading the avian flu? The Secretary loves to say that everything is done for the sake of reducing contact between humans and chickens, however, if 20 000 chickens are concentrated in a central slaughtering plant, has the Secretary ever considered the fact that the people there will have even more chances of coming into contact with chickens than other people and how great the resultant risks will be?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I believe Mr WONG Yung-kan has a very clear idea about this. He has looked at the designs of many slaughtering plants and he should be aware that in advanced slaughtering plants nowadays, the duration that humans have to come into contact with chickens is very short. Often, workers only have to hang chickens onto the machine and after that, there is no need to touch the chickens anymore. Therefore, this method is completely different from the way chickens are slaughtered in markets. I believe that at present, it takes five minutes for even the most efficient slaughterer to slaughter one chicken. He is in such close contact with the chicken that the risk must be fairly great. For this reason, we believe the point is not whether such a way of slaughtering chickens can be retained, but that the present way of slaughtering chickens should not be maintained in future. Therefore, we consider that the proposal of central slaughtering can enhance the safety of the public as well as members of the trade significantly.

MR TOMMY CHEUNG (in Cantonese): *I regret to say that I totally disagree with the policy on live chickens adopted by the Secretary, and I think it is a shambles. However, today's subject is not this policy on live chickens which is a mess, therefore, President, I will now ask the following supplementary. Since the Secretary kept saying in his main reply that no human-poultry segregation facilities would be provided in future, that the present policy was an established one and that it had been decided that central slaughtering would be introduced in 2009, may I ask the Secretary if he will really explore with the trade what*

compensation will be offered to stall owners, and workers for that matter, under this policy requiring them to cease their business operations for good? Should the Secretary deal with this matter appropriately and properly, so that no one will say that he intends to "dry up" the trade?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese):

Madam President, over the past few months, we have had discussions with the trade many times. In July last year, we proposed a Voluntary Surrender Scheme under which members of the trade can decide if they want to cease their business operations before August this year. This Voluntary Surrender Scheme also reflects clearly the compensation that the trade needs. I also wish to point out that this Voluntary Surrender Scheme has secured the support of the Legislative Council and the Finance Committee before implementation. Therefore, we have launched the Scheme in the hope that members of the trade can consider if they want to continue to work in this trade in the next three years. We will contact the trade from time to time to understand the problems they are facing. We understand that the imposition of a limit on the poultry to be imported into Hong Kong and the adjustments in other areas have impacted on them to some extent. Therefore, we will continue to communicate closely with them in this regard to understand the problems they are facing. I myself, the Bureau or the FEHD will all continue to keep in touch with the trade.

MR TOMMY CHEUNG (in Cantonese): *President, the Secretary has not answered my supplementary. What was proposed in the past was a voluntary scheme but these people are now required to cease their business operations for good and this will deny them their means of living for the rest of their lives, so the compensation involved should not be the same as that under the voluntary scheme. Under the voluntary scheme, there are the options of continuing to operate their businesses or otherwise, however, under the proposal put forward by the Secretary, in future, the situation will be one in which no business operation will be allowed even if someone wants to continue with the operation. In view of this, insofar as compensation is concerned, is it not time that discussions be held with the trade? The Secretary did not give a reply in this regard.*

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

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I wish to stress again that there are three more years to go before the implementation of the proposal in 2009, and the future proposal has to be approved by the Legislative Council before it can be implemented. Therefore, one can say that there is still quite a lot of time for making preparations in this area. I have already said that we will get in touch with the trade to understand their views. Of course, if the Legislative Council decides in the future that the compensation can be adjusted, we will examine this actively.

MR WONG KWOK-HING (in Cantonese): *The Secretary said in the main reply that the Labour Department will accord priority to assisting unemployed workers in finding employment. In fact, when the Government halted the importation of live chickens some time ago, this move caused several thousand workers to become unemployed or underemployed, but they were not compensated by the Government. In view of this, may I ask the Secretary via the President how the Government can ensure that workers in the poultry trade, who will soon become unemployed, will still retain their means of living? If it will not be possible for them to keep their means of living, how can it be ensured that they will be reasonably compensated? I hope the Secretary can give me a reply.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I have said that our present Voluntary Surrender Scheme was approved by the Legislative Council last year. If workers working as chicken slaughterers decide not to seek continued employment in the trade, they will receive a certain amount of compensation. Therefore, in this regard, the Scheme is still in operation. I think Members should not be too worried about this or be concerned that workers will not be compensated in the event that business operations have to cease. Of course, I have also said that three years later, if all chicken stalls have to close down, the workers concerned have to seek employment in other trades. In that event, together with the Labour Department, we will consider how to assist them.

MR WONG KWOK-HING (in Cantonese): *President, before the Secretary gave me a reply, I had pointed out that there was a previous instance of failure.*

Now the Government is again saying that compensation will be offered. However, in view of the previous failure, how can the Secretary ensure that workers will really receive compensation rather than fake compensation? This part has not been answered.

PRESIDENT (in Cantonese): In the supplementary you put just now, you did not talk about fake compensation; you only talked about compensation.
(Laughter)

MR WONG KWOK-HING (in Cantonese): *Indeed, you can put it that way. Could the Secretary answer how he can ensure that workers will be really compensated?*

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

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I do not think it necessary to add anything. If the workers formerly employed in this trade, as mentioned by Mr WONG Kwok-hing, have already ceased their operations, they should have got the compensation by now.

DR KWOK KA-KI (in Cantonese): *In his main reply, the Secretary said that central slaughtering would be implemented. May I ask the Secretary whether, apart from the stalls in the Tai Kok Tsui Market, Yue Wan Market and San Hui Market, the Government will commit more resources to building more poultry stalls of this kind in the short term? If it will, what are the reasons?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, we think that the present new design can only partially segregate customers and chickens. However, the most important thing is that it cannot eliminate the contacts between slaughterers and chickens, nor can the chickens be prevented from coming into contact with passers-by and other

customers in the market when the chickens are being transported to markets. In view of this, we do not think it necessary to commit more resources to this area. I have to stress that the Government believes that the most important thing is to prevent the outbreak of avian flu. At present, all chickens are vaccinated, and the vaccines are effective. Therefore, this is the most important aspect. If we can maintain the effectiveness of this measure, it will not be necessary to put in place other measures in the next three years.

PRESIDENT (in Cantonese): Last supplementary.

MISS TAM HEUNG-MAN (in Cantonese): *I would like the Administration to explain a little bit. Part (c) of the main reply says that the poultry slaughtering plant will come into operation in 2009 and "the sale of live poultry in retail outlets would be banned. We have no plan to retain retail outlets with installation of 'human-chicken segregation' facilities by that time". However, part (a) of the main reply says that new poultry stalls will continue to be constructed and it also mentions the five stalls under construction in San Hui Market and the cost of construction. Since the Secretary's long-term plan is to implement central slaughtering of live chickens, if the construction of these new facilities continues, does he not think that the projects concerned will result in misuse of public resources?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, first, I have to state clearly that be it the planning, construction or tendering of the several stalls in San Hui Market, they were all carried out before the decision to introduce central slaughtering was made in April. As a result, these facilities are now near completion. Moreover, this market has also been refurbished and it has been converted into an air-conditioned market. Therefore, we believe this item should be completed. As regards other places, we consider that no more public funds should be wasted on any such works.

PRESIDENT (in Cantonese): Second question.

Review on Early Childhood Education Policy

2. **DR YEUNG SUM** (in Cantonese): *Madam President, it has been reported that the Education and Manpower Bureau is conducting a comprehensive review on the policy on Early Childhood Education (ECE). In this connection, will the Government inform this Council:*

- (a) *of the details and completion date of the review; and*
- (b) *whether it will fully subsidize ECE and introduce measures to upgrade the qualifications of kindergarten teachers; if it will, of the details, the annual expenditure involved in subsidizing ECE and the annual number of kindergarten teachers whose pay will be fully subsidized; if not, the reasons for that?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese):
Madam President,

- (a) Recently, the review on pre-primary education has drawn much attention and given rise to a lot of speculations. Therefore, I would like to take this opportunity to brief Members of the details.

Pre-primary education lays the foundation for lifelong learning and all-round development. It is also a key learning stage in addition to the nine-year basic education. For this reason, although pre-primary education is privately run, the Government has a policy to ensure its quality and healthy development. The policy on pre-primary education was first announced in the White Paper on "Primary Education and Pre-primary Services" released in 1981. In the ensuing years, new policy initiatives have been introduced to further enhance the quality of pre-primary education, including:

- to raise the entry requirements of kindergarten teachers, requiring all new kindergarten teachers to possess the Qualified Kindergarten Teacher (QKT) qualification;
- to gradually increase the percentage of QKTs from 40% in 1997 to 100% in the 2004-05 school year;

- to raise the qualification of newly appointed kindergarten principals to Certificate in Early Childhood Education (CECE), and require that all serving principals have to complete the same qualification by the 2005-06 school year;
- to improve the teacher to pupil ratio from 1:20 and 1:30 for nursery and kindergarten classes in 1997 to 1:15 for all levels;
- to establish a set of performance indicators for child development, to promote effective self-evaluation for schools and their continuing improvement, and to carry out school inspections for quality assurance purposes; and
- to consolidate ECE services, including the harmonization of teacher qualifications for kindergartens and child care centres (CCCs) and their operation guidelines, and so on.

We are pleased to see that, with the concerted efforts of the government and the sector over the past years, these policy initiatives have been implemented, and that the qualifications of teachers and the operation standard of pre-primary education have significantly improved. This year, the Education and Manpower Bureau decided to initiate a review on pre-primary education to chart the way forward.

The main focus of this review includes setting long-term policy targets, upgrading teacher qualifications and their remuneration, developing a quality assurance mechanism and reviewing the mode of subsidy and the use of resources. Pre-primary education does not only mean formal school education. The healthy development of our children also requires other supporting measures. Therefore, in the review we will also look into other aspects such as parent education, interface with primary education, teaching and learning of English as the second language and school-based support. We hope to formulate comprehensive and forward-looking proposals for pre-primary education.

Increasing resources alone cannot enhance the quality of education. We have to take into account the proper use of public money and

consider the impact of new policies in the longer term, and we need to understand our limitations and difficulties, in order to develop the right proposals. Now let me set out some of the issues that we need to consider, in terms of teacher training and the mode of subsidy.

(i) Teacher training and remuneration

In the past, we had gradually trained up a pool of teachers with QKT qualifications and principals with CECE qualifications. We intend to further upgrade teachers' qualifications to certificate level, and we fully understand that it is a global trend for degree holders specialized in ECE to take up posts of kindergarten principals or teachers.

However, as we work towards raising teachers' qualifications, we have to be pragmatic about the local situation. Although at present principals and teachers have already obtained CECE and QKT qualifications respectively, about 7 200 serving local teachers (around 74% of the total teacher population) and about 540 principals (around 60% of the total principal population) have completed education at Secondary Five level or below. Although we encourage lifelong learning, we know that if we are to set a mandatory timeline for all serving principals and teachers to obtain higher qualifications, there will undoubtedly be pressure on our teachers and this will in turn affect the quality of teaching. On the other hand, if teachers are free to pursue professional training, will they have the motivation to do so? Should we enhance pre-service training and should we make in-service training more diverse and flexible?

As regards the supporting measures, if the salary of kindergarten teachers is to be raised to a level comparable to that of primary school teachers, there may be a corresponding increase in school expenditure and in parents' contribution. We therefore hope that the sector can understand the implications of the various measures as they put forth their proposals.

(ii) Mode of subsidy and use of resources

There are currently 1 062 privately-run kindergartens, about 70% of which are non-profit-making and the other 30% are private independent ones. There are kindergartens with less than 10 students while some have more than 1 800. Their tuition fees also vary, from around \$400 to nearly \$5,800 per instalment. The performance of kindergartens also varies. In the circumstances, we have to be objective and prudent in contemplating full or partial subvention, lest public money is spent without actually raising the quality of pre-primary education.

Even if we are to provide additional subsidies, we have to set priorities. Should we put improving school facilities in the first place, or enhancing teacher training, or assisting parents by granting them fee remission? Should the additional subsidy be given to all, so as to satisfy everybody, or should it be given only to eligible schools fulfilling specific criteria? Furthermore, will the amounts of money meet the expectation of the sector? With the additional subsidies, will the schools be prepared to accept a highly transparent monitoring and accountability system? What impact will the new measures have on the existing financial assistance schemes? We need to take all these into consideration.

We are now collecting views from different stakeholders, including front-line staff, tertiary institutions providing teacher training, pre-primary service providers and parents, with a view to finalizing the proposals in mid-2007.

- (b) As regards part (b) of the question, as mentioned above, we have just started the review on pre-primary education. We have not finalized our proposals, and different proposals and supporting measures may carry different resource implications.

In fact, the Government has been allocating over \$1.3 billion each year to subsidize pre-primary education. In 2005-06, the estimated expenditure on the Kindergarten and Child Care Centre Fee

Remission Scheme is around \$900 million. The Government also reimburses non-profit-making kindergartens of rent, rates and government rent and the estimated expenditure is around \$200 million in 2005-06. In addition, the Kindergarten and Child Care Centre Subsidy Scheme provides direct subsidies to non-profit-making kindergartens so that they may appoint 100% QKTs without increasing their tuition fees substantially. The estimated expenditure in this regard is around \$200 million in 2005-06.

The current review will, amongst other things, look into the mode and use of subsidy. When considering the different proposals, we will try to make full use of the available resources. No matter how, the government policy on financial assistance will always ensure that no student is deprived of pre-primary education because of the lack of means.

DR YEUNG SUM (in Cantonese): *Madam President, I have to thank the Secretary for providing so much information regarding this question, and I earnestly hope that the relevant review will be completed by the middle of next year.*

Madam President, part of my main question has not been answered by the Secretary, for the information requested can only be provided by the Government. I asked about the amount of funding involved if fully subsidized pre-primary education is to be provided in Hong Kong. Madam President, though the Secretary sidestepped my question by saying that different approaches require different funding proposals, I hope the Secretary can still give us an answer, so that members of the public may know how much will be incurred if fully subsidized pre-primary education is introduced in Hong Kong.

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, if fully subsidized pre-primary education is introduced, that means costs on teachers, school fees and government rent will all be included, and the amount involved will thus be colossal. At present, expenditure in this respect has already reached \$1.3 billion. Merely for the sake of computation, it

is estimated that at least another billion of dollars or more will be incurred. We are thus unable to come up with an accurate figure on this at this stage.

DR YEUNG SUM (in Cantonese): *Madam President, if the Secretary cannot give the figure for the time being, will he give us an answer in writing later?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): The problem is not whether we can work out that figure or not, but rather how that should be calculated. Regarding subsidies on tuition fees, just as I have said, some schools are charging only \$400 while some are charging \$5,800. If the subsidy rate is set at \$5,800, will we still offer this \$5,800 subsidy to those paying tuition fees at \$400? However, if those paying \$400 tuition fees will receive \$400 in subsidy while those paying \$5,800 will receive \$5,800, will it be fair? It is thus very difficult to work out the amount.

MR JASPER TSANG (in Cantonese): *President, the Secretary has set out the many problems that may arise from the introduction of fully subsidized ECE, including problems related to varied quality and marked differences in tuition fees of privately-run kindergartens mentioned just now. May I ask the Secretary, in the review, whether he has taken into account that when free primary and junior secondary education was introduced by the Government in the '70s, there were also a large number of privately-run schools of varied quality and great differences in tuition fees? Has the Government drawn reference from this precedent? Has it considered simply including ECE in the scope of free education, addressing the aforesaid problems with the approach it once used to deal with the problem in Primary One to Secondary Three education? If this option has not been considered, what are the reasons?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): For the time being, we have not considered the approach adopted some 30 years ago. Since the aspirations of society and expectations of parents have changed, and society has also changed, the approach used 30 years ago may not necessarily be applicable to the situation in the 21st century.

MR CHEUNG MAN-KWONG (in Cantonese): *President, one of the keys in the subvention of kindergarten is the upgrading of teachers' qualifications. The Government has to ensure that kindergarten teachers, after obtaining the qualification of certificated teachers, will correspondingly receive the pay of a certificated teacher in the interest of retaining talents. Will the Government consider providing subsidy according to the number or proportion of certificated kindergarten teachers employed by a kindergarten in future? For this can on the one hand encourage kindergartens to employ more certificated kindergarten teachers, and on the other prevent kindergartens from charging additional tuition fees to parents.*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): We are now conducting studies in this respect, and I am considering different approaches, for I think that the quality of teachers is of the utmost importance. As I have mentioned earlier, although, at the moment, 74% of all the serving kindergarten teachers are fully qualified kindergarten teachers, they have only completed education at Secondary Five level or below. We should therefore identify ways to upgrade them and provide assistance to them, but we should at the same time be aware of not exerting too much pressure on them. We thus have to strike a balance.

DR JOSEPH LEE (in Cantonese): *In the main reply, the Secretary states that the Government has a policy to ensure the quality and development of ECE. But since I cannot find out from the main reply how the policy of the Government can ensure the quality and development of ECE, I have to ask the Secretary about this. The Government drew up the existing policy in view of the varying teachers' qualifications and tuition fees at present, so what long-term policy does the Government have to ensure that ECE teachers must reach degree level? The second point is on the facilities and design of academic subjects of ECE, in what way can the Government ensure that good quality can be maintained and what is the direction of development?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Our policy is to define the content of our policies according to the prevailing situation. For since the release of the White Paper in 1981, which was 25 or 26 years ago, no review has been conducted, though the direction set out in the

White Paper at the time has been realized in phases. Therefore, I think it is now the right time for us to act proactively, carefully examining the level of qualifications we consider our teachers should attain in future and the possibility of achieving that. If it is proposed that all teachers should possess a degree or doctorate to be qualified to teach in kindergartens, I believe this target could unlikely be achieved in the next few decades. We thus have to take into account various circumstances and the actual situation in Hong Kong, examining how we can cope with it so that subsidy can be provided on the one hand and quality of education can be enhanced on the other.

PRESIDENT (in Cantonese): Dr Joseph LEE, has your supplementary question not been answered?

DR JOSEPH LEE (in Cantonese): *Madam President, the Secretary has not answered my supplementary question. Actually, I wanted to ask the Secretary what the policy objectives are. I am referring to the actual policy objectives relating to teachers' qualifications, course design and kindergarten facilities. The Secretary has not given an answer in this respect.*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): The policy objectives are indeed very simple. We aim to assist every child, so that they will enjoy learning and know how to learn, and feel happy going to school. We will help them to get ready and become biliterate and trilingual, so that they will not encounter any problem when they are promoted to primary schools and Secondary One. Our objectives are as simple as that.

MS EMILY LAU (in Cantonese): *President, in the main reply, the Secretary mentions that the Government fully understands that it is a global trend for holders of degree or higher academic qualification (that includes doctorate level) to take up posts of kindergarten teachers. However, when the Secretary answered Dr Joseph LEE's supplementary question earlier on, he said that if we were to require all kindergarten teachers to be doctorate holders, it would be unable to achieve in the next few decades. Nonetheless, this is the aspirations of parents. The Secretary said earlier that time has changed, some 30 years have lapsed, and parents nowadays really want to have more doctorate holders*

to teach in kindergartens, and they do hope that subsidy for this can be provided. If this means an annual expenditure of \$3 billion, I believe a majority of the public will support it.

President, may I thus ask the Secretary, despite the many difficulties before us, will there be a way to subsidize schools that requires them to employ graduate teachers to fill any new vacancy? Such an arrangement may also encourage more people to further their studies, for they know this will be conducive to their career development. And so, could this proposal be put into practice as soon as possible?

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): The reason we conduct a review of this policy is to consider the long-term proposals, examining what should be done and how the quality of teachers can be upgraded. However, if we announce tomorrow that anyone without a degree can no longer teach in kindergartens, then at least 74% of the serving teachers will be immediately out of work. We do not want to do that, we have to address the issue properly step by step.

MS EMILY LAU (in Cantonese): *President, you know that the Secretary has distorted the meaning of my supplementary question. This is meaningless. I am saying that when there is a new vacancy, or whenever a vacancy arises and needs to be filled, it should be filled by degree holders — but, of course, the Government has to encourage serving teachers to upgrade their qualifications, which is a move I will surely support. If so, it will not cause drainage of non-doctorate teachers and can keep them employed. However, whenever a new vacancy arises, it should be filled by degree holders. Will it be possible to start doing so from now on?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): This can be considered. And the reason for conducting the present review is to consider different opinions and examine how the issue can be addressed. However, some people may say, if new vacancies must be filled by degree graduates, the school concerned may be short of one teacher when it fails to recruit one. Could we allow a school to go without one teacher? At present, school teachers already possess very good qualifications and every 15 pupils are taken care of by a teacher. In some of the schools, just as I have said earlier,

there may only be 10 pupils, so if a teacher vacancy arises and the school fails to recruit the required teacher, the school will have no teachers, am I right?

MR ABRAHAM SHEK (in Cantonese): *President, I strongly support the Government to review ECE, but I cannot find out from the main reply whether or not the Government will address the problems faced by disabled children or children with learning difficulties in the present review. For if these children can have a good, prompt and early start and are provided with a good foundation, they will be able to grow favourably in society.*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): I have to thank Mr SHEK for raising this supplementary question. I think during my remaining term which is another year or so, I have to carry out two major tasks. The first one is on ECE and the second one is on special education. Therefore, we are now conducting a review of special education to study how assistance can be provided to all children. However, I think this issue has to be handled separately. The two issues should not be addressed together, for there is a specific way to subsidize special education.

DR FERNANDO CHEUNG (in Cantonese): *In an earlier reply to Dr YEUNG Sum's question about the funding required for subsidized ECE, the Secretary said that he was not sure about this and the amount involved could hardly be worked out. However, in last June, we had in fact had a motion debate on the subject, and the Secretary stated at that time that if subsidy was to be provided for the three-year ECE, it would incurred around \$1.1 billion, and that in view of the prevailing tight finance, the Government could not afford it. Today, our financial position has improved substantially and is running a surplus. May I thus ask the Secretary whether he will reconsider fully subsidizing ECE, as he has so revealed on the eve of the announcement of the Budget?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): This is the reason for us taking the initiative to conduct the present review.

DR FERNANDO CHEUNG (in Cantonese): *Will the Secretary give us a timetable, that is, when will the formal review be completed?*

PRESIDENT (in Cantonese): Dr Fernando CHEUNG, is it part of the supplementary question you raised earlier? Did you mention the timetable earlier in your supplementary question?

DR FERNANDO CHEUNG (in Cantonese): *Yes, I did. That is on the entire review and the timetable.*

PRESIDENT (in Cantonese): Did you really mention it? *(Laughter)*

DR FERNANDO CHEUNG (in Cantonese): *For my question was about the review.*

PRESIDENT (in Cantonese): Honestly, I asked you because I did not remember. If so, I will give the "benefit of doubt" to you. *(Laughter)* Please be seated.

DR FERNANDO CHEUNG (in Cantonese): *Alright, thank you, President.*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, I remember he did not ask about that. *(Laughter)* However, I am most willing to answer this supplementary question of his even though he did not ask that in his earlier question. We hope that the review will be completed by the middle of 2007.

PRESIDENT (in Cantonese): We have spent more than 21 minutes on this question. Last supplementary question.

MISS CHAN YUEN-HAN (in Cantonese): *I am looking forward to the good news in 2007.*

I would like to tell the Secretary, as he mentioned that consultation with relevant parties was now underway when he answered Dr YEUNG Sum's question, I worry that by 2007, the Government will not be able to get a desirable outcome. I would like to ask the Government, since the provision of free education is already a global trend and is indeed the obligation of a government, and that 12-year free education is now provided in Macao, why Hong Kong as a more advanced economic region still lags behind in this respect. Actually, is the Government inclined to consider development in this direction so as to catch up with the global trend, for this will enable the Government to take a step forward upon the completion of the review, preparing to provide three-year free pre-primary education in Hong Kong?

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): In the present review, we will study every aspect. However, I think the example of Macao cited by Miss CHAN is not at all appropriate. For there are only 11 000 children in Macao, but the number of children studying in kindergartens in Hong Kong now stands at 150 000, and thus the scale involved is entirely different. Therefore, Miss CHAN cannot ask why Macao can do that but we cannot. I think the scale involved is different. Regarding Miss CHAN's opinion that a review should be conducted of various aspects to examine ways to provide subsidy and to decide whether subsidy can be given to all and whether everyone can receive free education, we will definitely take these views into account. However, most importantly, a point which I have to stress is that whatever we do, it should be done for the good of our children. Our objective is not to please everybody, but to identify ways to let our children benefit more from learning and teaching, and to upgrade the quality of education.

PRESIDENT (in Cantonese): Third question.

Congestion at Lok Ma Chau Control Point

3. **MR TAM YIU-CHUNG** (in Cantonese): *President, some members of the public have reflected to me that as the number of people crossing the boundary via the Lok Ma Chau (LMC) Control Point has been increasing, the Control Point and Huanggang Port have become very crowded. In this connection, will the Government inform this Council:*

- (a) *of the respective daily average numbers of Hong Kong residents and overseas travellers crossing the boundary via Lo Wu (LW) Terminal and the LMC Control Point in the past year, and the respective increases in numbers over the preceding year;*
- (b) *of the projected percentage increase in the daily average number of passengers crossing the boundary via the LMC Control Point after the commissioning of the Long Valley spur line of the Kowloon-Canton Railway (KCR); and*
- (c) *whether it plans to ease the congestion at the LMC Control Point, including reducing the fare for travelling to and from LW Terminal along the East Rail, so as to encourage passengers who originally intend to cross the boundary via the LMC Control Point to switch to LW Terminal; if so, of the details of the plan; if not, the reasons for that?*

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

- (a) According to passenger statistics kept by the Immigration Department (ImmD), the LW Control Point and the LMC Control Point both recorded increases in daily passenger throughput last year, with more significant growth recorded for the latter.

At the LW Control Point, the daily average passenger throughput was about 249 000 in 2005. Among these, about 209 000 were Hong Kong residents and 40 000 were visitors. Compared with 2004, the overall passenger throughput increased by about 1.6%.

At the LMC Control Point, the daily average passenger throughput was about 122 000 in 2005. Among these, about 101 000 were Hong Kong residents and 21 000 were visitors. Compared with 2004, the overall passenger throughput increased by about 17.3%.

Passenger statistics of the two control points are set out at Annex that I provided to Members.

- (b) Upon commissioning of the Sheung Shui to LMC Spur Line of the KCR East Rail, the crossing there will be able to handle up to 150 000 passengers per day. We expect that at least 20% of the passengers who cross the boundary via the LMC Control Point will switch to use the LMC Spur Line. This will help alleviate congestions at the LMC Control Point.
- (c) We have been very concerned about the problem of increasing congestion at the LMC Control Point. Apart from strengthening communication and co-operation with the relevant Shenzhen authorities, improving the hardware facilities of the control point, streamlining clearance procedures and exercising flexibility in the deployment of manpower, we have been making good use of technology to ensure smoother immigration clearance.

In order to further enhance the handling capacity of the LMC Control Point, the ImmD has recently installed 20 e-channels there to facilitate immigration clearance for Hong Kong residents on a round-the-clock basis. Moreover, during peak periods, the ImmD will consider adopting a "dual-facing counters unidirectional application" mode. In other words, manpower will be strengthened to enable counter staff to work back to back at the same set of dual-facing counters simultaneously to speed up the clearance of passengers in the dominant direction.

The Government has been encouraging public transport operators, including the Kowloon-Canton Railway Corporation (KCRC), to actively consider offering fare concessions to passengers. In determining fares, the KCRC has taken into consideration relevant factors, including market competition, financial position of the corporation, economic conditions and public acceptability. The KCRC has indicated that so far it has no plan to adjust the East Rail's LW fare, but the Corporation has launched a series of promotions, such as the KCRC Tourist Pass Combo, and concessionary schemes for passengers going to Ocean Park, Hong Kong Disneyland or Macao, so as to attract more cross-boundary passengers to travel via LW by the East Rail.

Cross-boundary Passenger Statistics
at the LW Control Point and the LMC Control Point

	<i>LW</i>	<i>LMC</i>
<i>2004</i>	<i>Daily average passenger throughput</i>	<i>Daily average passenger throughput</i>
Hong Kong residents	206 060	86 789
Visitors	38 947	17 356
Total	245 007	104 145
<i>2005</i>	<i>Daily average passenger throughput</i>	<i>Daily average passenger throughput</i>
Hong Kong residents	208 824	101 561
Visitors	39 997	20 646
Total	248 821	122 207
<i>Comparison between 2004 and 2005</i>	<i>Percentage increase</i>	<i>Percentage increase</i>
Hong Kong residents	+1.34%	+17.02%
Visitors	+2.70%	+18.96%
Overall	+1.56%	+17.34%

MR TAM YIU-CHUNG (in Cantonese): *President, I learned that the LMC Control Point was originally designed for a passenger throughput of only 80 000, but the passenger throughput has now reached more than 120 000, representing an increase of nearly 20%, which is fairly drastic.*

The Secretary said just now that it is expected the LMC Spur Line upon completion will be able to divert 20% of the passengers who cross the boundary. However, in fact, even if 20% of the passengers are diverted, it will still be impossible to cope with the increase, so how can the purpose of easing the congestion be achieved? Is it necessary to find more ways to attract more passengers from the LMC Control Point to use the LMC Spur Line?

SECRETARY FOR SECURITY (in Cantonese): Madam President, I have to correct Mr TAM's figures. The figures quoted by him are probably the design passenger capacity in the past. In the past two years, some expansions of the hardware facilities were carried out and recently, 20 e-channels (that is, automated passenger clearance channels) have been added. After such improvements, our present daily handling capacity can reach a throughput of 140 000, whereas the average daily throughput at present is only more than 120 000. Of course, during the peak periods in festive seasons, passenger throughput can exceed 140 000 and a throughput of 150 000 was also recorded before.

In view of this, if 20% of the these 122 000 passengers can be channelled to the LMC Spur Line in the future, the pressure on the LMC Control Point will be eased significantly.

MR CHIM PUI-CHUNG (in Cantonese): *President, we learn from the Secretary's reply that each year, over 135 million persons pass through these two control points and this testifies to their importance to immigration control in Hong Kong.*

My supplementary is: What measures has the Government put in place to prevent congestion at these two control points, which is so serious that when one reaches the LW Bridge, one can already smell the odours wafting in the air? Does the Secretary understand this situation of overcrowding? What are the specific measures designed to prevent the occurrence of congestion or accidents?

PRESIDENT (in Cantonese): Are you talking about the LW Bridge?

MR CHIM PUI-CHUNG (in Cantonese): *Congestion is mentioned here and that is why I ask the Government if it has any plan to improve the congestion now and the environment.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, I thank Mr CHIM for the question. In fact, we have long been very concerned about the problem of passenger movement at the LW Control Point and LMC Control

Point. Therefore, a few years ago, we built some improvement facilities at these two control points, including the expansion of hardware facilities, so we have already expanded the LW Control Point. As regards the LMC Control Point, if Members have ever used it in the past few years, they will find that be it the access roads for trucks and private cars or the number of counters handling passengers, their numbers have been increased substantially. In addition, two years ago, we introduced the automated passenger clearance system. All these facilities are designed to ease the pressure on these two control points.

Of course, in the long run, for the sake of the long-term development of Shenzhen and Hong Kong or the Mainland and Hong Kong, it is really necessary to increase the number of control points and this is precisely what we are now working on. For example, the LMC Spur Line, which I have mentioned, and the Shenzhen-Hong Kong Western Corridor to be commissioned next year will all serve to expand our passenger handling capacity.

After carrying out a great deal of work in the past few years, we have shortened the waiting time for passengers crossing the boundary, both at LW or LMC. According to the information on hand and taking January to March this year as an example, although the passenger throughput at the LMC Control Point has increased by more than 12%, we could still fulfil our performance pledge. Insofar as the LMC Control Point is concerned, 98% of the passengers could complete the immigration procedures within 30 minutes. At the LW Control Point, we have established 104 e-channels, so the fulfillment of the performance pledges relating to it even exceeds those relating to the LMC Control Point.

MS MIRIAM LAU (in Cantonese): *On improving the congestion at control points, I know that in around February this year, the Shenzhen and Hong Kong Governments have reached an agreement to jointly study the establishment of a new port at Liantang. May I know when the relevant study will be completed? Since the congestion at various control points is increasingly serious, will the Government expedite this study, so as to put in place a new port as soon as possible to ease the congestion?*

PRESIDENT (in Cantonese): Ms Miriam LAU, can you tell me why you asked about a new port in your supplementary?

MS MIRIAM LAU (in Cantonese): *Just now, the Secretary has also mentioned the Shenzhen-Hong Kong Western Corridor and the LMC Spur Line, which are designed to ease the congestion at the existing control points. These facilities will come into service in the future, so I asked the Secretary about the new facilities to be provided as the next step. Therefore, President, this is also relevant to the congestion at the control points.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, it is true that Shenzhen and Hong Kong have established a group to discuss the opening of a new port at Liantang. Insofar as the SAR Government is concerned, colleagues in the Environment, Transport and Works Bureau are in charge of this. Perhaps I will discuss with them on going back. When I get an answer — as far as I know, there is no timetable for now, however, concerning the details, please allow me to give a reply to Ms LAU in writing. (Appendix I)

MR SIN CHUNG-KAI (in Cantonese): *President, I wish to ask a question about part (b) of the main reply. It says that "This will help alleviate congestions at the LMC Control Point". Sometimes, it takes some time before the congestion can be eased and when it is impossible to ease the congestion, is it possible to sooth the emotions of passengers waiting to cross the boundary? For example, since I know that during peak seasons, some passengers travelling to Hong Kong under the Individual Visit Scheme have to wait for several hours to clear the control points — and I have also asked about this before — will the Government install televisions in the waiting hall to broadcast video footages promoting the sightseeing spots in Hong Kong, so as to sooth their emotions? This method is also effective in soothing emotions. I wonder if the Secretary will consider installing such facilities in the waiting hall.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, it is also our goal to provide a more comfortable environment to passengers crossing the boundary. This is not just confined to passengers travelling under the Individual Visit Scheme. I believe that when members of the public pass the control points, they also hope that there can be a comfortable environment. At present, we also play some light music. As regards Mr SIN Chung-kai's suggestion, I will examine with my colleagues in charge of the control points to

see if such installations as televisions can be placed in the light of the actual circumstances, so that members of the public can feel more comfortable while waiting. Certainly, we hope that members of the public would not have to wait for several hours — although I cannot totally rule out such a possibility. As far as I know, most passengers crossing the boundary can complete the immigration procedures within half an hour, or even within 15 minutes.

MR HOWARD YOUNG (in Cantonese): *President, the reason that this question was asked and the focus of the Secretary's reply is to take the pressure off the LMC Control Point, reduce its throughput and encourage more passengers to use the East Rail, however, the Secretary has talked about the Disneyland, Macao, and so on, in his reply.*

May I ask the Secretary if he can think more broadly when considering ways to ease the congestion? The Secretary should not just consider how to shift the crowds to the East Rail. If road transport can be added to the picture and passengers are encouraged to head for Long Valley, the distance of the airport and Disneyland from there will be even shorter. Will this move not be even more effective in easing the pressure on the LMC Control Point? However, maybe he has to discuss with the Secretary for the Environment, Transport and Works before he can give a reply.

PRESIDENT (in Cantonese): Have you finished asking your question? Secretary for Security, please reply.

SECRETARY FOR SECURITY (in Cantonese): Concerning Mr Howard YOUNG's suggestion, we will explore it with colleagues in other government departments back in the office to see if some proposals can be made in this regard.

MR LAU KONG-WAH (in Cantonese): *President, during the holidays, I also went to look at the new measures and in fact, they are quite innovative. However, at the end of the day, the space there is limited and there is even no room left for the installation of additional e-channels. Regarding Sha Tau Kok, the number of passengers crossing the boundary there is only 1% and this is a*

very low figure. Has consideration ever been given to strengthening the facilities there so that some tour groups can be channelled to Sha Tau Kok to cross the boundary there, so as to ease the burden on the LMC Control Point?

SECRETARY FOR SECURITY (in Cantonese): Madam President, Mr LAU Kong-wah has just been to the LMC Control point to look at the facilities there and found that the facilities there are limited. I suppose he has also been to Sha Tau Kok. I think the facilities at Sha Tau Kok and those at the LMC Control Point are worlds apart. At present, there are 50 counters handling inbound and outbound passengers at the LMC Control Point but at Sha Tau Kok, there are probably only eight to 10 counters. In addition, the road leading to Sha Tau Kok is only a dual carriageway, that is, there is only one lane in each direction, so the handling capacity there is not very great. If we encourage a large number of tour groups to use it, first, it will probably be decided by market forces and they will probably consider which will be the faster and more convenient way to enter Hong Kong. Second, it depends on how congested it is at the control points. Of course, for now, we will consider any measure that can ease the congestion at the LMC Control Point or spreading passenger throughputs more evenly.

MR TAM YIU-CHUNG (in Cantonese): *President, one of the main reasons that local or mainland residents love to use the LMC Control Point is that the fares are cheap. It probably costs them only a few dollars to cross the boundary and the fare difference for taking the train, which amounts to more than \$30, is quite significant. If the issue of fares cannot be sorted out, I believe that even when the option of the LMC Spur Line is available, its attractiveness will probably be just as limited. Should the Security Bureau and other departments not seriously consider how to solve the problem of channelling passengers from the angle of fares?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, I have already told Members in the main reply that after consideration, so far the KCRC has no plan to adjust the fare. Mr TAM pointed out that since cross-boundary coach services are available at the LMC Control Point and there is a great difference between the fares of cross-boundary coaches and that of the train, passengers, in particular, those travelling under the Individual Visit Scheme,

consider it more economical to take cross-boundary coaches, so cross-boundary coaches attract a lot of visitors travelling under the Individual Visit Scheme. After the completion of the rail link, for example, the LMC Spur Line, is it possible to lower the train fares somewhat to attract passengers to use them? I will relay this to Secretary Dr Sarah LIAO.

PRESIDENT (in Cantonese): We have spent more than 17 minutes on this supplementary. Last supplementary.

MISS TAM HEUNG-MAN (in Cantonese): *In the reply given by the Administration just now, it was said that the Administration will communicate with the relevant authorities in Shenzhen. This is a very good practice. I have also been to Shenzhen and found it to be very congested over there. When the Administration communicates with the relevant authorities, has it ever considered suggesting to the Shenzhen side to carry out an expansion to increase its handling capacity? I know that there are now many e-channels already and I have also used them, however, it is still necessary to wait for 20 minutes to half an hour before one can cross the boundary. If an expansion is carried out to provide more space, the handling capacity can then be increased.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, Miss TAM Heung-man has pointed out a very crucial issue and, that is, if we want passenger movement to be smooth, it will not do if we rely solely on the measures taken by the control points on one side, rather, there must be co-ordination between the control points on both sides. In this regard, our land control point management maintains very good daily communication with the corresponding units on the other side. If it is very congested on one side or it is impossible for one side to handle the crowds, they can use the telephone hotline to get in touch with us immediately.

The question raised by Miss TAM Heung-man just now is whether it is possible to carry out an expansion in the long run. In this regard, as far as LMC is concerned, my understanding is that at present, at LMC — which is the Huanggang Port on their side — there is indeed a plan to expand the Huanggang Port. At present, there a site called Che Gang Cheng to the south of the

Huanggang Port, which is at present vacant. They intend to use a storey there solely as an entry control point. When this plan is completed, their passenger handling capacity will be raised significantly.

PRESIDENT (in Cantonese): Fourth question.

Compensation by Housing Department to Factory Buildings Tenants Affected by Clearance

4. **MR WONG KWOK-HING** (in Cantonese): *President, regarding the compensation and assistance provided by the Housing Department (HD) to factory buildings tenants affected by its clearance programmes, will the Government inform this Council:*

- (a) *of the reasons for offering ex gratia allowances to factory tenants and the method for calculating the allowances; how this calculation method compares with those adopted by the Kowloon-Canton Railway Corporation (KCRC) and the Urban Renewal Authority (URA), and whether the HD will conduct a review with reference to the results of the comparison;*
- (b) *of the criteria adopted by the HD for determining whether it will assist factory tenants in re-establishing their businesses elsewhere, and why the HD has not rendered any assistance to some tenants of Tai Wo Hau Factory Estate, which will be demolished soon; and*
- (c) *whether it knows the number of workers currently employed by the tenants of Tai Wo Hau Factory Estate, and the anticipated numbers of workers who will continue to be employed and who will become unemployed after the factory tenants' vacation, and whether the allowances offered by the HD to factory tenants cover the cost of severance payments?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): President, my reply to the three parts of the main question is as follows:

- (a) The reason of the Housing Authority (HA) offering *ex gratia* allowances to factory tenants affected by clearance is to minimize the impact of clearance on them and to meet part of the costs for removal of business. In calculating the amount of *ex gratia* allowance, the HA takes into account the expenses incurred by tenants as a result of relocation upon clearance, such as removal costs, fitting-out costs, stamp duty, and so on. As tenants who acquired their tenancy in old factory estates in early years were endowed with the right of assignment, this factor has also been taken into consideration in determining the rate of *ex gratia* allowance. The established mechanism outlined above has been in use since 1990, and was applied to clearance of seven factory estates.

The nature, objective and target group of land resumption operations undertaken by various organizations are different. Direct comparison of their payment packages is hence inappropriate. Unlike other factory tenants, tenants of the HA's old factory estates enjoy the right to assign their tenancy. This unique aspect of their tenancy is reflected in the amount of *ex gratia* allowances offered to them. We have no intention to adopt other calculation methods.

- (b) The HA provides *ex gratia* allowances to tenants and operators and gives them 18 months' advance notice prior to clearance. As there are vacant units in other factory estates under the HA, they can also bid for suitable units through restricted and open tender exercises. Since announcement of the clearance of Tai Wo Hau Factory Estate, four restricted tender exercises and six open tender exercises had been held, respectively providing a total of 78 and 226 sets of factory units for bidding.
- (c) Factory tenants are not required to report the number of their employees to the HA. Hence, we do not have such information on hand. Nonetheless, through routine visits and patrols, we note that there are not many employed workers on site.

Tenants are given sufficient advance notice prior to clearance. If tenants decide to wind up their business, they must make the necessary long service and severance payments to their employees

in accordance with the Employment Ordinance. These expenses are not covered by the *ex gratia* allowance granted by the HA.

MR WONG KWOK-HING (in Cantonese): *President, my main question asked how the Government would provide assistance to the affected factory tenants, and the Secretary said in part (b) of the main question that there would be 18 months' advance notice. The clearance exercise is just five months away from now, but according to the complaints lodged with me by the factory tenants, a label factory with a ceiling height of 14 ft was not provided with choices of vacant units until yesterday, and those factory tenants operating on ground floor with heavy-duty machinery still are not provided with any vacant unit for them to choose from even now; another factory tenant engaging in the making of coffins has employed 20-odd workers, but the Government has not provided any unit to this tenant either. May I ask the Secretary through you, President, how the Government will assist these factory tenants to re-establish their business?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): President, I hope Members will understand that we have already granted *ex gratia* allowances to them as compensation, and that the *ex gratia* allowances are provided to help them ride out the relatively difficult time. In fact, we have no moral obligation or duty or actual responsibility to help them relocate their business, but as I said clearly in part (b) of the main reply, tenants are given with *ex gratia* allowances and 18 months' advance notice. Meanwhile, if vacant units are available in other factory buildings, they can bid for these units through restricted and open tender exercises. In this regard, they can bid for the units according to their respective needs.

However, we must bear in mind that these are their own businesses and in Hong Kong, other than these factory buildings managed by the HD, there are also many factory buildings. In this connection, according to the information on hand, there are private factory buildings in the district which can provide suitable units for them to carry on their business.

MR WONG KWOK-HING (in Cantonese): *President, the Secretary has not answered my supplementary question. With regard to the example that I have just cited concerning a factory tenant engaging in the making of coffins, what will*

the Government do to rehouse this tenant? The Secretary has not answered my question. All he needs to do is to give a response on this case cited by me.

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

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): President, I do not have much to add. Let me reiterate this again. The Member asked how we would assist the relevant factory tenant to re-establish his business. I wish to emphasize that we will provide assistance to this tenant. We will do everything we can, such as granting an *ex gratia* allowance to him, and if there is any suitable measure of assistance, we will certainly extend it to him. But according to the information available, there are similar factory units in the same district suitable for this type of business.

MR KWONG CHI-KIN (in Cantonese): *President, Mr WONG Kwok-hing has been following up this case. He told me earlier that over 100 factory tenants have not yet moved out and this is apparently because government compensation is inadequate. If compensation is adequate, they will certainly move out and then continue with their operation.*

I was greatly shocked by the Secretary's reply earlier. He said that it is not the duty of the Government to arrange for the rehousing of these factory tenants. If he was talking about legal responsibilities, I would not argue with him, but the Secretary also said that they had no moral obligation to rehouse these tenants and this, I think, is hardly acceptable. These tenants have long been operating there but now the Government wants to clear up the place and it certainly has the moral obligation to.....

PRESIDENT (in Cantonese): Mr KWONG, what is your supplementary question?

MR KWONG CHI-KIN (in Cantonese): *I am going to ask my supplementary. I was just making an introduction first.*

The Government certainly has a moral obligation to arrange for their relocation. The supplementary question that I would like to ask is: As 100-odd factory tenants have not yet been rehoused, what active measures will the Government take to assist these 100-odd factory tenants, so as to enable them to continue with their operation?

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):

President, when I mentioned moral obligation earlier, I was responding to the Member's question about what we would do or what actions we would take for their direct rehousing. In respect of their relocation, it does not mean that they must be rehoused in our factory units. If other suitable commercial units can be identified, that can also be a way of relocation. In fact, this *ex gratia* allowance mainly serves to enable the factory tenants to do what they wish to do in the outside market. They do not necessarily have to be rehoused in our units, and it does not mean that their relocation must be arranged by us. When I mentioned moral obligation, so to speak, I was referring to whether we have the moral obligation to arrange for the factory tenants to relocate in factory buildings under the HD.

MISS CHAN YUEN-HAN (in Cantonese): *President, I am very angry. The HD's clearance operations at factory buildings are notorious. Now that it is you who want to pull down their buildings. Had it not been you who want to demolish them, the tenants could have been able to continue their operation. The Secretary said that the buildings belong to the Government, but why did the Government build these resettlement factory buildings for them in the first place? It was because of the emergence of cottage factories back in those days, and the Government wished to help them improve their situation, so that they could join the manufacturing industry. But today, the Government is making these unsympathetic remarks. Honestly, if you did not propose the clearance exercise, they would not need to relocate their operation, and this coffin-making factory could continue with its operation. But now, you are asking them to move out and find suitable units on their own. How will these small tenants be able to do so?*

I am sorry, President, I am a bit hot under the collar. I wish to follow up his reply to Mr WONG Kwok-hing's.....

PRESIDENT (in Cantonese): Miss CHAN, I must remind you that according to the rule of the Question Time, Members cannot express their own opinions, and they could only ask questions.

MISS CHAN YUEN-HAN (in Cantonese): *President, I am sorry, for I think if I do not get it off my chest, it might do greater harm to my health. President, thank you.*

I think the Secretary's reply to part (a) of the main question asked by Mr WONG Kwok-hing was of a very low standard. Mr WONG Kwok-hing cited two examples. One is the clearance of Wah Kei Industrial Building by the KCRC which provided a special package of compensation. Another is the compensation package now provided by the URA. But the package offered by the HA is greatly different from those packages. Such being the case, the Government should identify ways to assist the relocation of these factory tenants, so that they can continue with their operation. This can help the employers, and in effect, help the workers too.

However, the worst thing is that the factory tenants, in the course of their removal, even have problem in making severance payments to their workers. The situation is already this serious. So, I very much hope that the Secretary can address this issue. The Wah Kei Industrial Building incident made.....

PRESIDENT (in Cantonese): Miss CHAN, what is your supplementary question?

MISS CHAN YUEN-HAN (in Cantonese): *My supplementary question is: Will the HD identify ways to assist factory tenants to continue with their operation, so as not to cause even more workers to become unemployed? I would like to ask the Secretary this: Regarding the compensation for the clearance of this factory building, can he provide some commercial compensation as appropriate to the tenants?*

President, the Tung Tau Cottage Area is also a property of the HD, and officials handled the case with flexibility at that time. Regarding the

compensation for the clearance of factories there, we had asked officials whether they had conducted a commercial process and they said they did and that the factory tenants were granted commercial compensation at a higher rate. May I ask whether the Government is willing to adopt this flexible approach? We do not wish to see the attitude taken by the Secretary just now. I think his attitude will only be offensive.

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):

President, in fact, as I already said in my main reply, we do agree that factory tenants of our factory buildings are different from other factory tenants because they enjoy the right of assignment. This right of assignment is already factored into the calculation of the *ex gratia* allowance. Had there not been this special factor, their compensation would not be this higher than that for others. We did take into account this "right of assignment" factor. In my main reply, I already explained clearly why a comparison could not be drawn with other compensation packages. It is because the nature is different, as our factory tenants have the right of assignment while others do not.

As for the case of Wah Kei Industrial Building, as it is a private building and many factory tenants even have ownership of the building, different factors were therefore taken into consideration. It is meaningless to compare only the amount of compensation, and I have already made this very clear in my main reply. Besides, we must look at the facts clearly. Insofar as the Tai Wo Hau Factory Building is concerned, we actually introduced a voluntary scheme in 2000 for factory tenants to move out on their own. The *ex gratia* payment offered by us then was less than the present amount, but half of the factory tenants moved out on their own or wound up their business or relocated their operation elsewhere after receiving the compensation. This is proof that the amount of compensation offered by us is adequate. Certainly, as Members can see, the compensation that we are offering to the factory tenants is not a small amount.

On the other hand, with regard to the case mentioned by Mr WONG earlier, that is, the case of the tenant engaging in funeral service, if he cannot continue to operate in our factory buildings because of restrictions in the current legislation, as I said earlier and according to the information with us now, there are units suitable for the operation of this trade in other commercial buildings in the same district where he can continue to operate his business.

MISS CHAN YUEN-HAN (in Cantonese): *The Secretary has not answered my.....*

PRESIDENT (in Cantonese): Please rise to ask your question.

MISS CHAN YUEN-HAN (in Cantonese): *I am sorry, President. The Secretary has not answered my supplementary question. Just now I cited two examples. One is the clearance of Wah Kei Industrial Building by the KCRC and the other concerns the URA. In fact, compensation was offered not only to the owners, but also to the tenants who could subsequently continue to survive. This is the main point that I was trying to nail.*

Sorry, President. I very much hope that the Secretary can give me an answer. What I am saying is that you have now adopted a very rigid policy without providing any assistance to help them ride out the hard times.

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): President, I did not answer Miss CHAN's supplementary question direct because I do not wish to give the impression that we are looking down upon other people. Just now I have again confirmed with my colleagues that the compensation offered to the factory tenants is actually higher than that in other cases.

MR LEUNG YIU-CHUNG (in Cantonese): *President, in fact, what the Secretary said is correct. The compensation given to tenants of Wah Kei Industrial Building was not very satisfactory. That is why the tenants are still fighting for it, just that the Government has ignored them.*

President, my supplementary question is: The Secretary said in part (b) of the main reply that apart from the ex gratia allowance, there is also restricted tender and so, the compensation provided is not bad. The ex gratia allowance and restricted tender mentioned by the Secretary in this paragraph have actually existed for over 10 years or 20 years, which is a long time. Can I ask whether he will review afresh this mechanism for compensation? President, given the continued drop in the number of factory buildings, the situation of tendering is

set to become even less desirable than it is now, but on the other hand, there is no newly completed factory building and even if other shop spaces are available, they are already managed by The Link Management, rather than the HD. Under such circumstances, is it necessary to conduct in the long term another review again to examine how a more reasonable and fairer compensation package can be drawn up, whether in terms of the allowance or the tender exercise?

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):

President, I am very grateful to Mr LEUNG for the opinion he has just put forward. He did state a fact and that is, the number of these factories is indeed decreasing. So is the number of factory units available for bidding by factory tenants. So, with regard to the question asked by Mr LEUNG, we will conduct a review in due course to ascertain whether it is necessary to adopt new ways of thinking in handling problems that we will face in future.

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

MR HOWARD YOUNG (in Cantonese): *President, in the latter part of part (b) of the main reply, the Secretary said that some 300 sets of factory units have been provided for restricted tendering. I would like to know the response to the tender for these units or the successful rate, so to speak. Does the Government have these statistics to tell us whether the problem is due to a shortage of supply or surplus supply over the demand, so that we can more easily target actions at the problem that they are facing now?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):

President, I have just asked my colleagues about this, and we do not have the information on hand. Please allow us to answer this supplementary question in writing after the meeting. (Appendix II)

PRESIDENT (in Cantonese): Fifth question.

Personalized Vehicle Registration Marks Scheme

5. **MR JEFFREY LAM** (in Cantonese): *President, applications for registration marks under the Personalized Vehicle Registration Marks (PVRM) Scheme introduced by the Government were closed on 2 May this year. In this connection, will the Government inform this Council:*

- (a) *of the total number of applications received and, among them, the number of applications which did not meet the requirements and the reasons for that;*
- (b) *among the applications received, of the number of those whose combinations of marks include the names of persons or companies and the details of such combinations; and*
- (c) *whether the number of applications to reserve unassigned vehicle registration marks (UVRMs) has reduced after the introduction of the above Scheme; and whether the Scheme has affected the revenue from the existing auctions of vehicle registration marks (VRMs), together with the respective numbers of applications for UVRMs and amounts of revenue from auctions of VRMs in the first four months of this year and in the same period last year?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President,

- (a) The first round of applications for the PVRM Scheme was closed on 2 May. We have received over 1 500 applications. The Transport Department (TD) will arrange selection of 1 000 applications by lot later this month. Selected applications will then be examined to see whether the basic combination requirements have been met. At this juncture, we are unable to provide detailed information on applications that fail to comply with the requirements. So far, the TD preliminarily found that about 50 applications failed to meet the basic combination requirements. The main reason is those PVRMs applied duplicate existing VRMs.

- (b) Applications of first round are being processed, and applications have not yet been categorized. Detailed information on the number of PVRM combinations consisting of personal names and company names would therefore only be available at a later stage. However, the TD's initial observation revealed that the majority of the applications were submitted on an individual basis, amongst these applications, some applicants used their surnames or names in their PVRMs.
- (c) Persons interested in the existing ordinary and special VRMs may make an application to the TD at any time for reservation of a VRM for auction. Therefore, the number of such applications varies from several dozens to over a hundred a week. For instance, the weekly average number of applications received by the TD for the first four months in 2005 was 87, whereas that from January to April 2006 was 77, both were at similar levels.

Regarding the proceeds from auctions, they vary from auction to auction, depending on the popularity of the ordinary and special VRMs put up for auction. For instance, for January to April 2005, the proceeds varied from \$2.59 million to \$13.49 million per auction, with gross proceeds of \$31,975,000. The gross proceeds for the first four months of 2006 were \$21,535,000.

The above figures include proceeds from Lunar New Year auctions which could be fluctuating greatly. For example, the auction proceeds in 1990 were only \$900,000, whereas the auction proceeds for 2005 and 2006 were \$13.49 million and \$4.93 million respectively. If Lunar New Year auctions are excluded, the gross proceeds from auctions for the first four months of 2005 and 2006 are \$18,488,000 and \$16.61 million respectively.

Besides, the Administration has undertaken to set aside an amount equivalent to the estimated net proceeds from the sale of PVRMs in the next five years to fund poverty alleviation initiatives.

MR JEFFREY LAM (in Cantonese): *President, the Secretary mentioned in part (c) of the main reply that the figures of auctions of VRMs show that the proceeds*

from the auctions in the first four months of this year have dropped by approximately 33% over the corresponding period last year. If we look back at the current PVRM Scheme, we will see that only some 1 500 applications have been received. Judging from this, the concurrent implementation of two separate Schemes for VRM auctions will probably result in competition between them. May I ask the Secretary what measures will be taken to boost the attractiveness of the two Schemes so that the coffers will be boosted rather than reduced?

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): First of all, the two auctions are slightly different by nature. As Members are aware, the new auction is intended to encourage the public to be more creative in including their favourite names or the names of their idols in their VRMs. This is slightly different from the way ordinary auctions are conducted at present. However, the figures do not imply that the old Scheme is becoming less attractive because of the introduction of the new one, as it really depends on whether any VRMs favoured by the public are put up for auction. It is therefore difficult to make any comparison. I think the two Schemes are attractive in their own way.

As regards the PVRM Scheme, what measures can be taken to boost the coffers? A lot of efforts have been made in this respect. Insofar as publicity is concerned, President, extensive publicity has been carried out in newspapers and through the radio. I wonder if Honourable Members have read this pamphlet. Copies of this pamphlet are now distributed through various District Offices to enhance public knowledge of the Scheme. Despite the fact that the Scheme is newly launched, 1 500 applications have been received in the first round. In my opinion, the response is pretty good. As we pointed out in the Bills Committee, the TD plans to process approximately 3 000 applications annually. As all the proceeds will be used for funding charity and poverty alleviation initiatives, we certainly hope the two Schemes can achieve great success to boost our coffers, thereby enabling us to perform our charity and poverty alleviation work better.

DR LUI MING-WAH (in Cantonese): *President, I wish to raise a question in relation to part (a) of the main reply. I wonder if the Government has stipulated the number of PVRMs. If not, why did the Government not examine all of the 1 500 applications received to see if the basic requirements have been met?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I will answer Dr LUI's supplementary question. Upon receipt of the applications, the first step is to draw lots and then arrange the order of the applications; the third step is to examine whether the basic requirements have been met; the fourth step is examination of the applications by a Vetting Committee. The Vetting Committee comprises approximately 40 non-official members from various sectors, including the education and legal sectors. In addition, representatives from the Hong Kong Police Force, Home Affairs Department and TD will jointly examine the PVRMs, and PVRMs considered not problematic will then be put up for auction.

I trust Members will understand that the procedure and administration work involved is quite complicated if more than 1 000 PVRMs are put up for auction in one batch. Therefore, the TD's practice is to put up 250 PVRMs for auction on each occasion. It will be more convenient to, for instance, put up 1 000 PVRMs for auction in four batches. Let me provide Members with some information. For instance, the TD has planned to put up some PVRMs for auction several months later in around September, upon completion of its selection procedures, or upon completion of its selection and vetting procedures in around May or June. It is also planned that another round of applications will be invited in September. It is therefore very difficult for all the applications to be processed in one go. As manpower and administrative arrangements have to be made properly, the applications have to be processed in batches.

DR LUI MING-WAH (in Cantonese): *The Secretary has not answered my question. He merely mentioned the procedures and formalities in his reply. My supplementary question was: Given that 1 500 applications have been received, why did the Government examine only 1 000 applications instead of all of them?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, this is not the case. There is a little misunderstanding here. Sorry, Dr LUI, what I meant is all the applications received will be examined. It is only that 1 000 applications will first be selected by lot for examination. Each of the 1 500 applications will be examined.

MR DANIEL LAM (in Cantonese): *President, I would like to ask the Secretary this question: Is an appeal mechanism in place to examine an application should the applicant find the result unsatisfactory?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, under the existing mechanism, upon receipt of applications, the Vetting Committee will examine if the PVRMs meet our requirements. Our requirements are indeed very simple. In addition to a proper format (the PVRMs must not duplicate existing VRMs), we will consider such factors as whether the PVRMs are indecent, or whether they contain such letters as "AM", for "AM" are registration marks specifically reserved for government vehicles. In addition, there are several points already mentioned by me during the resumption of the Second Reading of the Bill. For instance, a proposed PVRM must not be confusing for the purposes of law enforcement, have a connotation offensive to good taste or decency, or refer to any triad title or nomenclature. Under such circumstances, those PVRMs will not be processed further and put up for auction. The Vetting Committee does not allow for appeal. After an application has been rejected, the applicant cannot appeal to any committee. For this reason, the Vetting Committee will examine the applications very carefully. The joint examination of the applications by 40 non-official members and the government colleagues I mentioned earlier seeks to achieve impartiality and fairness.

MRS SELINA CHOW (in Cantonese): *President, in the last part of the main reply, the Secretary said that the net proceeds from the sale of PVRMs will be used for funding poverty alleviation initiatives. I believe Members greatly support the Government doing this too. The question raised by Dr LUI Ming-wah earlier and the one I am going to ask are directly relevant to this matter: Why is it impossible to maximize the net proceeds? What I mean is the Government should boost the proceeds by awarding the applicants their preferred PVRMs after eliminating failed applications from the 1 500 applications. Furthermore, can the Secretary tell us what other expenses will have to be deducted to arrive at the net proceeds?*

PRESIDENT (in Cantonese): Mrs Selina CHOW, it seems that you have asked two supplementaries.

MRS SELINA CHOW (in Cantonese): *No, Madam President, what I said is all related to proceeds indeed.*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, as pointed out in my reply to the question raised by Dr LUI Ming-wah just now, it is not that the number of PVRMs processed is capped at 1 000. Instead, administrative problems are involved. As far as I understand it, upon the receipt of 1 500 applications by the TD (for instance, 1 500 applications have been received in this round), 1 000 applications will first be selected by lot to be put up for auction in several batches (250 applications in each batch). Members who have participated in auctions of VRMs should be aware that the auctions can be very time-consuming — a whole morning is required for the PVRMs to be auctioned one after another. Under the current system, auctions will be held separately in the morning and the afternoon. Therefore, administrative arrangements have to be made for several auctions to be held separately. Please do not misunderstand that only 1 000 applications will be processed. The processing of applications will continue. Only that the administrative arrangements make it necessary for PVRMs to be auctioned in several batches. Hence, the proceeds will remain unaffected. Nevertheless, some applicants might have to wait for a period of time before their PVRMs are put up for auction, and a time gap will thus arise. Yet, it does not mean that the Government will stop processing the applications once the 1 000 quota is met. The processing of applications will continue. The TD estimates that 3 000 applications can be processed annually.

Our estimate is that proceeds for the first year might reach \$700 million or so. However, this is merely an estimate, and the actual amount of proceeds might fluctuate greatly. As bidding for certain PVRMs could be fierce, it is possible for bidding prices to go far beyond the reserve price of \$5,000. Therefore, the results are unknown. The administrative fees were estimated by us at that time to be below \$10 million. If the gross proceeds reach \$70 million, at least \$60 million will be put aside for poverty alleviation initiatives. Furthermore, the Financial Secretary has announced that the amount set aside in the coming five years will be equivalent to the estimated net proceeds from the sale of PVRMs. In other words, even if the target is not met, government subsidy will be provided. As such, the amount of funds set aside for poverty alleviation initiatives will remain not affected.

MISS CHOY SO-YUK (in Cantonese): *President, may I ask the Secretary whether the Government will consider allowing the inclusion of Chinese characters (such as "馬時 1", "立法會主席好") in PVRMs after a period of time? I believe the PVRM Scheme might become even more attractive and more PVRMs, such as "劉江華好", will thus be sold by auction.*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, Miss CHOY SO-yuk's idea is very creative. I believe the Scheme will be reviewed one year after implementation, and the result will then be examined. Miss CHOY's creative idea may also be included in the review. Of course, her proposal, if implemented, might give rise to numerous problems, such as law-enforcement problems I am thinking of at the moment. For years, numerals and letters have been used in VRMs all through the years. As regards whether Chinese characters can be used, I am no expert and I will therefore not give any comment.

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

MR LAU KONG-WAH (in Cantonese): *President, since the implementation of the Scheme, some very brilliant ideas have been coming up. However, the PVRMs have to be put up for auction, and the creators of the ideas may not succeed in getting back their own PVRMs, which may end up going to someone else. Their creativity will somehow be stolen by someone. The Government seems to have mentioned that prizes will be awarded to the creative people should their bidding for their PVRMs be unsuccessful. Has the Government really considered this?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I understand that a colleague from the TD was asked during an interview in a radio programme a similar question by the host of the programme. The colleague readily accepted the good advice by saying that "the proposal could be considered". I believe this point can be considered one year later. However, I guess it is difficult to set an objective standard for creativity. Whether it is a competition or an award scheme, more consideration is warranted

before a more realistic decision can be made. Just as I answered the supplementary raised by Miss CHOY So-yuk earlier, the proposal will be taken into joint consideration in the review to be conducted one year later.

PRESIDENT (in Cantonese): Last oral question.

Employment Situation for Low-skilled Women

6. **MR FREDERICK FUNG** (in Cantonese): *President, it is learnt that the British Government attaches great importance to women's rights and interests and is determined to eradicate women's poverty, as demonstrated by its adoption of the recommendations made by the Women and Work Commission, which included the recruitment of low-skilled women to work in trades and industries with skill shortages and the provision of the relevant skill training for them, with some 10 000 women expected to benefit as a result. In this connection, will the Government inform this Council:*

- (a) *of the current number of low-skilled women in the local labour force, with a breakdown by their age, district of residence and family income;*
- (b) *of the trades and industries currently experiencing skill shortages, the skills required for the relevant job vacancies, and the training needed for new recruits; whether it will consider following the above practices in Britain; if not, of the reasons for that; and*
- (c) *whether the Women's Commission (WoC) has conducted studies on improving the employment situation for low-skilled women and made recommendations in this regard; if it has not, how the Administration will look into this subject in conjunction with the WoC, so that the WoC can fulfil its role as a central mechanism to promote women's rights and interests?*

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

- (a) According to the General Household Survey of the labour force conducted by the Census and Statistics Department during May to August 2005, some 224 000 women (representing 16% of the female labour force) were engaged in elementary occupations.

Of these, 43% were aged 40 to 49, 37% were aged 50 to 59, and 12% were aged 30 to 39.

In respect of districts of residence, they mainly lived in Kwun Tong (representing 10% of the total), Kwai Tsing (10%), Yuen Long (8%), Tuen Mun (8%), Sha Tin (8%), Wong Tai Sin (7%) and Eastern (7%).

As regards household income, about 47% were from households with monthly income of \$10,000 to less than \$20,000; 25% were from households with monthly income of less than \$10,000; while another 19% were from households with monthly income of \$20,000 to less than \$30,000.

- (b) According to the Quarterly Survey of Employment and Vacancies conducted by the Census and Statistics Department in December 2005, the retail, import and export trade, restaurants and business services sectors had the largest number of vacancies, recording a total of some 18 000 vacancies. The skills required for these vacancies vary depending on the business nature and circumstances of individual employers. In general, technicians are required to possess the relevant skills, knowledge or recognized qualifications. For example, electricians and plumbers are required to obtain the relevant certificate. Employees in the service industry need to have good skills in customer service, language and communication.

On training and employment, the Government has launched various measures to enhance the competitiveness and employability of employees with low skills or education attainments. The Education and Manpower Bureau launched the \$400 million Skills Upgrading Scheme in September 2001 to provide targeted skills upgrading training to in-service workers of various industries. The Scheme now covers 23 industries and has benefited about 150 000 in-service workers since its inception. About half of the trainees

benefited were female and female trainee participation rates were over 70% in industries such as clothing and textile, import/export, retail, beauty care and elderly care.

To better prepare our workforce for our knowledge-based economy, the Government launched the Continuing Education Fund with a provision of \$5 billion in June 2002 to provide financial subsidies to eligible applicants aged 18 to 60 to pursue continuing education. Of the 273 000 applications received so far, 58% were from women.

To assist unemployed workers who would like to take on new or enhanced skills so that they can adapt to changes in the economic environment, the Employees Retraining Board (ERB) offers them a variety of full-time and part-time retraining courses. During 2005-06, the ERB provided a total of 140 courses and over 106 000 training places. Since the launch of ERB courses in 1992, about 76% of the retrainees are women.

- (c) The WoC has not conducted any specific studies on the subject of improving the employment situation for low-skilled women. However, as the central mechanism on women issues, the WoC has been playing a strategic role in enabling women to fully realize their due status, rights and opportunities in all aspects of life. It promotes the adoption of gender mainstreaming by the Government to take the perspectives and needs of both genders into account when formulating policies and programmes, so as to remove the systemic barriers and to create an enabling environment for the development of women. It also strives to empower women and, through public education, change the mindset of the public to remove the gender bias and stereotypes that affect women's development. The WoC will, from the overall and strategic level, review government policies and measures that have an impact on women, and will make suggestions for improvements and follow-up with bureaux and departments concerned.

MR FREDERICK FUNG (in Cantonese): *President, according to the main reply, with respect to the problem of poverty and unemployment of women, first,*

the Government does not have any department specifically tasked with handling the problem; second, there is no attempt to match job vacancies with the unemployment situation. According to a study on the problem of poverty among women by the Legislative Council Subcommittee to Study the Subject of Combating Poverty, and information from the Census and Statistics Department, the problem of women in poverty is becoming more and more serious. May I ask the Government if any consideration has been given to having the problem of women in poverty and unemployment taken up and handled by a specific department or the WoC and thereby carry out some thematic studies?

PRESIDENT (in Cantonese): Which Director of Bureau would like to take this question? Secretary for Economic Development and Labour.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Madam President, let me try to answer this question on employment.

I would like to point out that there is no gender distinction in our policies. For anyone who is unemployed, we would try our best to offer assistance and in an all-round manner. Mr Frederick FUNG could see in the main reply that there is no special treatment given to women or men. To all people who need a job, we would offer various kinds of courses or skills upgrading programmes, such as those run by the Vocational Training Council (VTC) and the ERB, and so on. There is no attempt to target specifically at women.

I think Mr FUNG would know that if we just look at the unemployment rate for women, it is in fact much lower than that of men. But we would not classify things this way. As I have mentioned in the main reply, we would design different courses to meet the needs of the unemployed.

MR FREDERICK FUNG (in Cantonese): *President, the Secretary has not answered the question of whether a specific department or the WoC would be tasked with the handling of this problem.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, perhaps let me talk about the duties of the WoC. The main

reply states that the WoC has been playing a strategic role and it hopes to adopt an interdepartmental and cross-bureau model to set up a mechanism in gender mainstreaming to enable women to fully realize their due status, rights and opportunities in all aspects of life. In this respect and from time to time, we would look into various problems faced by women, such as employment, poverty, and so on. These problems were discussed during the past few years and we would invite the relevant bureaus and departments to discuss the relevant policies and courses of action to be taken.

Currently the WoC has a certain number of duties but it is not an executive body. It is a commission which co-ordinates some strategies. So in this regard, I would think that there is a sufficient mechanism to deal with these problems.

PRESIDENT (in Cantonese): There are altogether 10 Members waiting for their turn to ask questions. Will Members raising supplementary questions please be concise.

MRS SOPHIE LEUNG (in Cantonese): *The first part of the main question mentions some work currently done by the British Government such as "the recruitment of low-skilled women to work in trades and industries with skill shortages and the provision of the relevant skill training for them". May I ask the Secretary whether similar work is being done in Hong Kong? Does the ERB, for example, engage in such work?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I am very grateful to Mrs LEUNG for the question. Actually, I would like to point out that of course Britain has its own way of handling the problem and about 10 000 people would benefit from the scheme. For Hong Kong, we need not follow everything practised in Britain. We should design some courses for the unemployed, taking into account the special conditions in Hong Kong and depending on their needs. I have mentioned earlier that the Skills Upgrading Scheme now covers 23 industries and has benefited about 150 000 workers since its inception. About half of the trainees benefited were female and these trainees are in such industries as clothing and textile, import/export, retail, beauty care and elderly care. These courses are more

suitable for female trainees and female trainee participation rates are over 70% in these courses.

In other words, in Hong Kong apart from the Skills Upgrading Scheme and the some 140 courses offered by the ERB, there are programmes offered by the VTC and the Labour Department. The latter offers the Re-employment Training Programme for the Middle-aged and Special Incentive Allowance Scheme for local domestic helpers. Actually we have many different schemes to meet the needs of women in this respect. We think all this should be a better approach.

MR LEUNG KWOK-HUNG (in Cantonese): *The main reply has mentioned the number of women in great detail. In the second paragraph it is stated that 224 000 women are unskilled workers. Age distribution is also mentioned. However, I would like to raise one point. Has the Director of Bureau heard about the information I am going to tell him? According to the findings of a detailed survey conducted by an academic institution, women workers with a monthly income of less than \$5,000 have risen from 156 000 in 2001 to 224 000 in 2005, representing an increase of 30%. As for those earning less than \$3,000, the rate of increase is even greater, that is, 38%, from 62 000 people in 2001 to 101 000 people in 2005.....*

PRESIDENT (in Cantonese): Sorry, Mr LEUNG, please come to your supplementary question direct.

MR LEUNG KWOK-HUNG (in Cantonese): *Now this is the question. I wish to ask the Director of Bureau whether or not he is aware of this situation. I have not finished reading out the information yet. Among those unskilled workers, the median wage for men is \$7,500 while the median wage for women is only \$3,900. In other words, this is only 40% of the wage for male workers and this number of the unemployed.....*

PRESIDENT (in Cantonese): Mr LEUNG, you have spent more than one minute asking your supplementary question; there are still eight Members waiting for their turn to ask questions.

MR LEUNG KWOK-HUNG (in Cantonese): *I would like to ask the Secretary whether or not he is aware of this situation and what methods there are to reduce the number of poor female workers. The Secretary has just said that irrespective of whether it is male or female, there is only one figure for the unemployed. I think if the Secretary or the Government still sticks to this mentality and pays no attention as to whether those out of work are male or female, there will never be any solution to the problem of women in poverty and unemployment. I would like to ask the Secretary to tell the President and then relay this to me.*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I would like to thank Mr LEUNG for citing the figures. However, I would like to say that the people whom we should help should not be distinguished by their sex. It does not matter if the persons out of work are male or female, and if ever they need to look for a job, we can design some courses for them according to their needs or we can offer them some special measures to cater for their needs, like the Special Incentive Allowance Scheme for local domestic helpers and the Re-employment Training Programme for the Middle-aged which I have just talked about. I think this would be the best practice.

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

MR LEUNG KWOK-HUNG (in Cantonese): *No, the Secretary has not answered my supplementary question.*

PRESIDENT (in Cantonese): Which part of it is not answered? Please repeat the part which has not been answered.

MR LEUNG KWOK-HUNG (in Cantonese): *I would like to ask the Secretary whether or not he would change the way statistics are compiled to show the number of poor women workers, women with a low income or women out of work. But the Secretary has said that government policy will not distinguish the male*

from the female. Therefore, the Secretary has not answered this question. Would the Secretary do this in future?

PRESIDENT (in Cantonese): It is because you have not put it too clearly. Now I know what you are asking.

MR LEUNG KWOK-HUNG (in Cantonese): *President, I am sorry. I am sorry.*

PRESIDENT (in Cantonese): All right, please sit down.

MR LEUNG KWOK-HUNG (in Cantonese): *Sorry, that is because I have a different intelligence quotient from yours. (Laughter)*

PRESIDENT (in Cantonese): Secretary for Economic Development and Labour, do you have anything to add?

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Madam President, it is not that we do not care about gender differences, only that we should help people irrespective of their gender. Actually, the Census and Statistics Department has a lot of data on this. As Mr LEUNG has shown, we are also very concerned about women problems. We have information on wages and occupations which Mr LEUNG has talked about. However, the most important thing is they should be helped in any case. I have talked about how they can be helped just now.

MR LEE CHEUK-YAN (in Cantonese): *With respect to the reply given just now by Secretary Stephen IP, I hope Secretary Dr York CHOW could make some comment for there seems to be nothing from the angle of gender mainstreaming. There is nothing on gender mainstreaming, regardless of what the Secretary has said about gender distinction or they will help people irrespective of their gender.*

President, I think that the issue of women in poverty is actually like an orphan whom no one cares about, not even the Commission on Poverty. In part (c) of the main reply the Secretary mentions that the WoC has not conducted any specific studies on the subject of improving the employment situation for low-skilled women. There is nothing done despite the existence of a mechanism.

President, may I ask Dr CHOW whether or not the WoC will undertake any studies on women in poverty or there will be any interdepartmental co-ordination so that the situation of women in poverty can be improved?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I would like to clarify that the functions of the WoC are in devising strategies, not in conducting researches. It will monitor the work or the performance of other departments or bureaux in this respect. As I have just said, for the past few years, actually it was in 2001 that a detailed study on the issue of employment among women was undertaken. At that time, the Education and Manpower Bureau and the Labour Department were invited to give an account of work in this respect. Therefore, we think that even though the WoC is not an organization undertaking such work, we will make use of its present role to monitor the other departments. In this regard, I do not think there is any deficiency in work, resulting in any poor women not being given enough care and attention.

With respect to women workers, this is of course the responsibility of Secretary Stephen IP. In terms of training, the Education and Manpower Bureau has the responsibility. In terms of welfare, my Bureau is in charge of many relevant areas. We have therefore three major areas of work: first, to educate the community on the special needs of women; second, to elevate the status and enhance the abilities of women; and third, with respect to gender mainstreaming, we will promote the adoption of policies with such a point of view by all the departments and to encourage the business sector and the employers to move in this direction. These are the three major directions we have in mind.

MR LEE CHEUK-YAN (in Cantonese): *Irrespective of whether the WoC is in charge of strategies or research, will it do something on women in poverty?*

PRESIDENT (in Cantonese): Which Director of Bureau would like to answer this question? Is there anything to add?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): As I have pointed out just now, there are many causes to women in poverty, including education or their ability to help themselves. These are also related to care and attention in employment and welfare. So the WoC will look into these issues.

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

MR LEUNG YIU-CHUNG (in Cantonese): *To address the problem of women in poverty, the first thing that should be addressed is the difficulties they face in looking for a job. Many women have told us that when they look for a job, they would be refused for the reason that they are too old. But when they want to enrol at skill upgrading courses, they are told that they are too young and their applications are not entertained. The ERB, for example, does not accept applications from people below the age of 30. In this regard, will the Government consider doing something to solve this age problem in employment and skills upgrading or retraining?*

PRESIDENT (in Cantonese): Which Secretary would like to take this question? Secretary for Economic Development and Labour.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I would like to thank Mr LEUNG Yiu-chung for this question. We are glad to help women in looking for a job, irrespective of their age. With respect to the question raised just now, I think I need to go back and examine it. Mr LEUNG Yiu-chung has talked about age restrictions when applying for courses run by the ERB or in other courses, I think I need to go back to examine what the situation is like and look into it. I agree that women should be helped in whatever way possible. For those women who find it hard to get a job because of their age, we would need to offer more assistance. In this regard, I will be happy to study with the relevant bureau.

On the unemployment situation, I wish to stress once again that in comparison, the unemployment figures for women are actually far lower than those for men. In any case, if they are in any need, we will be most obliged to help. This applies to the problems raised by Mr LEUNG Yiu-chung earlier. I will go back and follow up with the relevant Policy Bureau.

PRESIDENT (in Cantonese): Oral questions end here.

WRITTEN ANSWERS TO QUESTIONS

Access Facilities at MTR Stations

7. **MR JAMES TO** (in Chinese): *President, some persons with disabilities have told me that the access facilities provided at the entrances and exits of Mass Transit Railway (MTR) stations are not convenient for wheelchair-bound persons. Some pregnant, infirm or disabled persons who are not wheelchair-bound have also told me that there is often inconvenience and even danger to them in entering and leaving MTR stations as there are inadequate access facilities for them. In this connection, will the Government inform this Council:*

- (a) *whether it knows the measures adopted by the MTR Corporation Limited (MTRCL) to help pregnant, infirm or disabled persons who are not wheelchair-bound and ensure their safety in entering and leaving the stations; and*
- (b) *as some MTR stations have not yet been installed with lifts that link up the station premises with the walkways outside, whether the authorities have urged the MTRCL to install such facilities to facilitate wheelchair-bound persons and others in need to enter and leave the stations; if they have, of the details, and whether the MTRCL has any plan in this regard; if it has such plan, of the details and timetable; if it has not, whether the authorities plan to set up a committee to study and follow up the issues relating to the improvement of access facilities of the MTR system, with a view to facilitating the infirm and others in need to enter and leave the stations?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Chinese): President, all stations of the MTR have at least one barrier-free access with exit which can be used by persons with disabilities. These exits are equipped with either one or several facilities like wheelchair aids, stair lifts, passenger lifts or ramps to enable disabled passengers to access the stations independently or under the assistance of station staff. Moreover, staircases with nosing of steps in high colour contrast with adjacent surface and directional signs installed at all exits, as well as handrails provided at most of the exits, could assist passengers to access the stations. When situation requires, the MTRCL would implement crowd control measures at station exits to ensure the order thereof and the safety of exit users.

Due to geographical and station structural constraints, it is technically infeasible to install lifts at all MTR stations to connect station concourse and the ground level. Nonetheless, the MTRCL's objective is to provide barrier-free accesses which can be used by disabled passengers independently at all MTR stations. To this end, the MTRCL has invested over \$400 million in the improvement of station and train facilities, including the retrofitting of ramps and stair lifts at station exits, and will further invest \$100 million in the following five years to enable disabled persons to access the stations more conveniently.

The MTRCL has all along been liaising closely with disabled groups to gauge comments on MTR service. The Corporation also incorporated additional facilities in the railway system with a view to adding convenience to disabled passengers. The MTRCL will continue to strive to further improving station facilities for the benefit of those in need.

Higher Education

8. **MR CHEUNG MAN-KWONG** (in Chinese): *President, regarding higher education, will the Government inform this Council of the following from the 2000-01 academic year to the present:*

- (a) *the numbers of places in the following categories provided respectively by institutions funded by the University Grants Committee (UGC), the Vocational Training Council (VTC) and other higher education institutions:*

- (i) *degree-level programmes;*
 - (ii) *sub-degree programmes, with a breakdown by those at associate degree (AD), higher diploma, professional diploma, diploma and below levels, as well as their respective percentages;*
 - (iii) *two-year and three-year programmes below the degree level, as well as the ratio between these two categories; and*
 - (iv) *programmes at pre-associate degree (pre-AD) level (including foundation diploma courses), as well as the ratio between the numbers of places at this level and those at AD level, as well as the changes in such numbers each year;*
- (b) *the respective numbers of entrants who were Hong Kong Advanced Level Examination certificate holders, Project Yi Jin graduates, Secondary Five school-leavers, or mature students, admitted to each of the above category of programmes each year and their respective percentages; and*
- (c) *the respective annual numbers of Secondary Five and Secondary Seven school-leavers who left Hong Kong for further studies?*

SECRETARY FOR EDUCATION AND MANPOWER (in Chinese):
President,

(a) and (b)

The number of student places for full-time degree, sub-degree and pre-AD programmes provided by the institutions funded by the UGC, the VTC and other higher education institutions from the 2000-01 academic year onwards are at Annex A. The actual intake figures in respect of these programmes, broken down by the main admission qualifications attained by the entrants, from the 2000-01 academic year onwards are at Annex B. The number of places for

sub-degree programmes, broken down by three broad types of programmes, are at Annex C. In a free market, the level and type of provision are determined by the institutions in response to demand. The Government does not differentiate between different types of sub-degree programmes in the provision of subsidy or support, and not all of the programmes offered in the market have received government support.

The total number of places provided under the two-year and three-year programmes at the sub-degree level from the 2000-01 academic year onwards and the ratio between the two categories are given below:

<i>Duration</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06</i>
2-year	N/A	6 030 (54.5%)	8 277 (58.0%)	10 186 (58.3%)	13 106 (62.2%)	15 167 (63.3%)
3-year	N/A	5 035 (45.5%)	5 989 (42.0%)	7 281 (41.7%)	7 955 (37.8%)	8 788 (36.7%)

The number of places provided at the pre-AD level (including foundation courses) and the AD/sub-degree level, the ratio between them as well as the annual change of these places, from the 2000-01 academic year onwards are given below:

<i>Level of study</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06</i>
pre-AD	N.A.	909 (6.9%)	1 102 (6.8%)	1 428 (7.3%)	2 021 (7.8%)	4 140 (12.8%)
Annual change	N.A.	N.A.	(+21.2%)	(+29.6%)	(+41.5%)	(+105%)
AD/sub-degree	9 397	12 250 (93.1%)	15 161 (93.2%)	18 131 (92.7%)	23 732 (92.2%)	28 104 (87.2%)
Annual change	N.A.	(+30.4%)	(+23.8%)	(+19.6%)	(+30.9%)	(+18.4%)

- (c) According to a survey conducted by the UGC in 2001, it is estimated that about 4 500 students left Hong Kong for further overseas studies annually. The Government is now conducting a survey targeted at the 2004-05 school graduates.

Annex A

No. of Student Places⁽¹⁾ of Full-time Pre-AD⁽²⁾, Sub-degree⁽³⁾ and Undergraduate Programmes, 2000-01 to 2005-06

Level of Study	Higher Education Institutions	Duration	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06 ⁽⁴⁾
			No. %	No. %	No. %	No. %	No. %	No. %
Under-graduate	UGC-funded Institutions		14 500 (60.4%)	14 500 (51.8%)	14 500 (46.3%)	14 500 (41.3%)	14 500 (34.3%)	14 500 (29.4%)
	VTC		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Other Higher Education Institutions		101 (0.4%)	327 (1.2%)	580 (1.9%)	1 044 (3.0%)	2 006 (4.7%)	2 650 (5.4%)
Sub-total of Undergraduate			14 601 (60.8%)	14 827 (53.0%)	15 080 (48.1%)	15 544 (44.3%)	16 506 (39.1%)	17 150 (34.7%)
Sub-degree	UGC-funded Institutions	2-year	2 295 (9.6%)	3 702 (13.2%)	3 943 (12.6%)	3 834 (10.9%)	3 639 (8.6%)	3 162 (6.4%)
		3-year	1 667 (6.9%)	464 (1.7%)	324 (1.0%)	324 (0.9%)	404 (1.0%)	280 (0.6%)
		Others ⁽⁵⁾	108 (0.5%)	75 (0.3%)	75 (0.2%)	60 (0.2%)	120 (0.3%)	101 (0.2%)
		Sub-total	4 070 (17.0%)	4 241 (15.2%)	4 342 (13.9%)	4 218 (12.0%)	4 163 (9.9%)	3 543 (7.2%)
	VTC ⁽⁶⁾	2-year	-	-	380 (1.2%)	520 (1.5%)	360 (0.9%)	213 (0.4%)
		3-year	2 824 (11.8%)	2 938 (10.5%)	3 760 (12.0%)	4 750 (13.5%)	4 830 (11.4%)	4 914 (9.9%)
		Others ⁽⁷⁾	-	-	-	-	-	213 (0.4%)
		Sub-total	2 824 (11.8%)	2 938 (10.5%)	4 140 (13.2%)	5 270 (15.0%)	5 190 (12.3%)	5 340 (10.8%)
	Other Higher Education Institutions	2-year	N.A.	2 328 (8.3%)	3 954 (12.6%)	5 832 (16.6%)	9 107 (21.6%)	11 792 (23.9%)
		3-year	N.A.	1 633 (5.8%)	1 905 (6.1%)	2 207 (6.3%)	2 721 (6.4%)	3 594 (7.3%)
		Others ⁽⁸⁾	N.A.	1 110 (4.0%)	820 (2.6%)	604 (1.7%)	2 551 (6.0%)	3 835 (7.8%)
		Sub-total	2 503 (10.4%)	5 071 (18.1%)	6 679 (21.3%)	8 643 (24.6%)	14 379 (34.0%)	19 221 (38.9%)
Sub-total of Sub-degree			9 397 (39.2%)	12 250 (43.8%)	15 161 (48.4%)	18 131 (51.7%)	23 732 (56.2%)	28 104 (56.9%)
Pre-AD	Higher Education Institutions	1-year	N.A.	909 (3.2%)	1 102 (3.5%)	1 428 (4.1%)	2 021 (4.8%)	4 140 (8.4%)
Sub-total of Pre-AD			N.A.	909 (3.2%)	1 102 (3.5%)	1 428 (4.1%)	2 021 (4.8%)	4 140 (8.4%)
Total			23 998 (100.0%)	27 986 (100.0%)	31 343 (100.0%)	35 103 (100.0%)	42 259 (100.0%)	49 394 (100.0%)

Notes:

- (1) UGC-funded programmes are calculated on full-time-equivalent-basis, while other programmes are based on headcount.
 - (2) "Pre-AD" includes "Foundation Diploma" and "Pre-AD" programmes.
 - (3) "Sub-degree" includes "AD", "Higher Diploma", "Honours Diploma" and "Professional Diploma" programmes.
 - (4) 2005-06 figures are based on Institution's returns in early 2006.
 - (5) Including 1-year programmes.
 - (6) Including Publicly-funded programmes only.
 - (7) Including 4-year "Higher Diploma" programmes.
 - (8) Including 1-year "Higher Diploma" and 4-year "Higher Diploma" and "Honours Diploma" programmes.
 - (9) Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the tables.
- N.A.: Not available.

Annex B

Main Admission Qualification⁽¹⁾⁽²⁾ of Full-time Pre-AD⁽³⁾, Sub-degree⁽⁴⁾ and Undergraduate Programmes, 2000-01 to 2004-05⁽⁵⁾

Level of Study	Higher Education Institutions	Admission Qualification	2000-01		2001-02		2002-03		2003-04		2004-05	
			No.	%	No.	%	No.	%	No.	%	No.	%
Under-graduate	UGC-funded Institutions	HKCEE	-		-		242	(0.8%)	427	(1.2%)	426	(1.0%)
		HKALE	13 397	(55.8%)	13 401	(47.6%)	13 046	(40.8%)	12 320	(35.3%)	11 667	(27.1%)
		Others ⁽⁶⁾	1 036	(4.3%)	1 174	(4.2%)	1 541	(4.8%)	1 892	(5.4%)	2 635	(6.1%)
	Sub-total		14 433	(60.1%)	14 575	(51.8%)	14 829	(46.3%)	14 639	(42.0%)	14 728	(34.2%)
	VTC	HKCEE	-		-		-		-		-	
		HKALE	-		-		-		-		-	
		Others	-		-		-		-		-	
	Sub-total		-		-		-		-		-	
	Other Higher Education Institutions	HKCEE	-		-		-		-		-	
		HKALE	8	(0.0%)	290	(1.0%)	434	(1.4%)	880	(2.5%)	928	(2.2%)
		Others ⁽⁷⁾	96	(0.4%)	85	(0.3%)	278	(0.9%)	265	(0.8%)	525	(1.2%)
	Sub-total		104	(0.4%)	375	(1.3%)	712	(2.2%)	1 145	(3.3%)	1 453	(3.4%)
Sub-total of Undergraduate			14 537	(60.6%)	14 950	(53.1%)	15 541	(48.6%)	15 784	(45.2%)	16 181	(37.6%)
Sub-degree	UGC-funded Institutions	HKCEE	214	(0.9%)	310	(1.1%)	191	(0.6%)	183	(0.5%)	144	(0.3%)
		HKALE	3 227	(13.4%)	3 697	(13.1%)	4 071	(12.7%)	4 160	(11.9%)	3 699	(8.6%)
		Others ⁽⁶⁾	437	(1.8%)	349	(1.2%)	509	(1.6%)	481	(1.4%)	444	(1.0%)
	Sub-total		3 878	(16.2%)	4 356	(15.5%)	4 771	(14.9%)	4 824	(13.8%)	4 287	(10.0%)
	VTC ⁽⁸⁾	HKCEE	2 918	(12.2%)	3 238	(11.5%)	4 249	(13.3%)	5 272	(15.1%)	5 080	(11.8%)
		HKALE	-		-		560	(1.8%)	659	(1.9%)	419	(1.0%)
		Others	-		-		-		-		-	
	Sub-total		2 918	(12.2%)	3 238	(11.5%)	4 809	(15.0%)	5 931	(17.0%)	5 499	(12.8%)
	Other Higher Education Institutions	HKCEE	N.A.		1 051	(3.7%)	1 138	(3.6%)	1 173	(3.4%)	1 431	(3.3%)
		HKALE	N.A.		1 930	(6.9%)	2 596	(8.1%)	3 713	(10.6%)	6 779	(15.7%)
		Others ⁽⁹⁾	N.A.		1 713	(6.1%)	2 459	(7.7%)	2 215	(6.3%)	6 908	(16.0%)
	Sub-total		2 671	(11.1%)	4 694	(16.7%)	6 193	(19.4%)	7 101	(20.4%)	15 118	(35.1%)
Sub-total of Sub-degree			9 467	(39.4%)	12 288	(43.7%)	15 773	(49.3%)	17 856	(51.2%)	24 904	(57.8%)
Pre-AD	Higher Education Institutions	HKCEE	N.A.		646	(2.3%)	483	(1.5%)	782	(2.2%)	1 471	(3.4%)
		Others ⁽⁹⁾	N.A.		246	(0.9%)	199	(0.6%)	467	(1.3%)	515	(1.2%)
Sub-total of Pre-AD			N.A.		892	(3.2%)	682	(2.1%)	1 249	(3.6%)	1 986	(4.6%)
Total			24 004	(100.0%)	28 130	(100.0%)	31 996	(100.0%)	34 889	(100.0%)	43 071	(100.0%)

Notes:

- (1) This is the highest relevant academic qualification possessed by a new intake on the basis of which his/her admission is decided.
 - (2) UGC-funded programmes are calculated on full-time-equivalent-basis, while other programmes are based on headcount.
 - (3) "Pre-AD" includes "Foundation Diploma" and "Pre-AD" programmes.
 - (4) "Sub-degree" includes "AD", "Higher Diploma", "Honours Diploma" and "Professional Diploma" programmes.
 - (5) Figures for 2005-06 are not yet available.
 - (6) Including General Certificate of Education/General Certificate of Secondary Education, Ordinary Diploma/Certificate, AD/Higher Diploma/Certificate or equivalent qualification, and so on.
 - (7) Including completion of Certificate/Diploma, mature applicants or equivalent qualification, and so on.
 - (8) Including Publicly-funded programmes only.
 - (9) Including completion of Certificate/Diploma, Project Yi Jin, mature applicants or equivalent qualification, and so on.
 - (10) Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the tables.
- N.A.: Not available.

Annex C

No. of Student Places⁽¹⁾ of Full-time Sub-degree⁽²⁾ Programmes, 2000-01 to 2005-06

Higher Education Institutions	Programme Type	2000-01		2001-02		2002-03		2003-04		2004-05		2005-06 ⁽³⁾	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
UGC-funded Institutions ⁽⁴⁾		4 070	(43.3%)	4 241	(34.6%)	4 342	(28.6%)	4 218	(23.3%)	4 163	(17.5%)	3 543	(12.6%)
VTC ⁽⁵⁾	Higher Diploma	2 824	(30.1%)	2 938	(24.0%)	4 140	(27.3%)	5 270	(29.1%)	5 190	(21.9%)	5 340	(19.0%)
Other Higher Education Institutions	AD	940	(10.0%)	2 242	(18.3%)	3 812	(25.1%)	5 354	(29.5%)	7 805	(32.9%)	10 652	(37.9%)
	Higher Diploma	450	(4.8%)	2 036	(16.6%)	2 198	(14.5%)	2 730	(15.1%)	6 391	(26.9%)	8 482	(30.2%)
	Others ⁽⁶⁾	1 113	(11.8%)	793	(6.5%)	669	(4.4%)	559	(3.1%)	183	(0.8%)	87	(0.3%)
Sub-total		2 503	(26.6%)	5 071	(41.4%)	6 679	(44.1%)	8 643	(47.7%)	14 379	(60.6%)	19 221	(68.4%)
Total		9 397	(100.0%)	12 250	(100.0%)	15 161	(100.0%)	18 131	(100.0%)	23 732	(100.0%)	28 104	(100.0%)

Notes:

- (1) UGC-funded programmes are calculated on full-time-equivalent-basis, while other programmes are based on headcount.
- (2) "Sub-degree" includes "AD", "Higher Diploma", "Honours Diploma" and "Professional Diploma" programmes.
- (3) 2005-06 figures are based on Institution's returns in early 2006.
- (4) No breakdown of programme type in UGC-funded institutions.
- (5) Including Publicly-funded programmes only.
- (6) "Others" includes "Honours Diploma" and "Professional Diploma", and so on.
- (7) Owing to rounding, there may be a slight discrepancy between the sum of individual items and the total as shown in the tables.

Higher Education Division
Date: 8 May 2006

Child and Juvenile Delinquency in Hong Kong

9. **MS AUDREY EU** (in Chinese): *President, regarding child and juvenile delinquency in Hong Kong, will the Government inform this Council:*

- (a) *of the respective numbers of juveniles aged between 10 and 14 who were arrested, prosecuted and convicted since 2002, together with a breakdown by their age (in five age groups) and the category of offences allegedly committed by them;*
- (b) *of the details of the additional support services provided by the authorities to enable the rehabilitation of unruly children below the age of 10 after the minimum age of criminal liability has been raised to 10; and*
- (c) *whether the authorities plan to raise the minimum age of criminal liability to 12 or 14 years of age; if they have, of the details and the timetable of the plan; if not, the reasons for that?*

SECRETARY FOR SECURITY (in Chinese): President,

- (a) The number of juveniles aged between 10 and 14 who were arrested, prosecuted and convicted, with breakdown by their age (in five age groups) and the category of offences allegedly committed, in 2002 to 2005 is set out at Annex.
- (b) Since raising the minimum age of criminal responsibility from seven to 10 in July 2003, the Government has enhanced the support measures for unruly children below the age of 10. The details are as follows:
 - (i) *Extension of the service of the Juvenile Protection Section (JPS) aftercare service to unruly children below the age of 10*

The JPS of the police arranges visits to the residence of juveniles who have been cautioned under the Police Superintendents' Discretion Scheme. The purpose of the visits is to ensure that the juveniles under caution do not lapse into crime or become associated with undesirable characters again. If juveniles in this category are deemed to be in need of support services, the police will, with parental consent, refer them to the Social Welfare Department (SWD). Under special circumstances, non-consensual referral of the information on these juveniles' to the SWD may also be made for follow-up. Such referral mechanism has been extended to children below the age of 10 since September 2004.

- (ii) *Enhanced referral mechanism between the police and the SWD/Education and Manpower Bureau (the Bureau)*

From 1 July 2003, the police have enhanced their referral mechanism with the SWD/Bureau for unruly children and juveniles. Under this mechanism, District Social Welfare Officers of the SWD and inspectors of the Non-attendance Cases Team and the Education Psychology Service (Professional Support) Section of the Bureau act as contact point at the district level to take up police referrals that require direct and prompt follow-up. The mechanism is currently working well.

(iii) *Provision of Youth Information Services Leaflet*

Since July 2003, the police have enhanced the accessibility of professional support services for unruly children and youngsters who have come to the police's attention by providing them and their parents with a Youth Information Services Leaflet. The leaflet contains useful information on a wide range of services provided by both government departments and non-governmental organizations (NGOs). Such services include counselling for those with emotional problems, advice on education and career opportunities, and assistance for those with drug-related problems.

In September 2004, the contents of the leaflet were further enriched to include website addresses of major NGOs targeted at serving the youths. Apart from Chinese and English, the leaflet is available in other languages to cater for the needs of ethnic minorities.

- (c) The Administration has followed the recommendation in the report of the Law Reform Commission (LRC) on "The Age of Criminal Responsibility in Hong Kong" published in 2000 and raised the minimum age of criminal responsibility from seven to 10 years of age. The LRC arrived at its recommendation after thorough consideration of responses to public consultations, the findings of a telephone survey as well as the minimum ages adopted in overseas jurisdictions. The recommendation was implemented in 2003.

In practice, children aged under 14 who are arrested on criminal charges are mostly dealt with under the Police Superintendents' Discretion Scheme, rather than being subject to the full force of the criminal justice system. And the common law presumption of *doli incapax* for children aged from 10 to below 14 provides adequate protection for children within that age range, as the burden of proof of criminal intent is on the prosecution. Moreover, the standard of proof that the prosecution must adduce in such cases is high. It must be proven beyond reasonable doubt that not only was there *actus reus* with *mens rea*, but also that the child knew that the particular act was not merely naughty or mischievous, but seriously wrong. In view of the above, the Administration does not plan to further raise the criminal age of responsibility for the time being.

The number of juveniles aged between 10 and 14 who were arrested, prosecuted and convicted from 2002 to 2005, (with breakdown in five age groups) and the category of offences allegedly committed by them

<i>Offences</i>	<i>2002</i>																	
	<i>Numbers arrested</i>						<i>Numbers prosecuted</i>						<i>Numbers convicted</i>					
	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>
Shop Theft	129	238	267	437	352	1 423	1	7	14	24	29	75	0	0	3	13	16	32
Miscellaneous Thefts	17	34	97	187	250	585	4	9	30	72	98	213	1	4	11	44	63	123
Serious Assault	4	13	33	128	187	365	0	1	7	43	54	105	0	0	2	29	31	62
Robbery	2	12	33	116	148	311	0	2	12	56	80	150	0	0	6	29	53	88
Unlawful Society Offences	0	0	2	20	62	84	0	0	0	6	16	22	0	0	0	4	6	10
Serious Narcotics Offences	0	0	0	5	19	24	0	1	0	1	12	14	0	1	0	1	11	13
Other Offences ^{Note 1}	19	36	81	231	384	751	3	10	20	95	194	322	1	7	12	57	140	217
Total Number ^{Note 2}	171	333	513	1 124	1 402	3 543	7	26	78	274	452	837	1	10	32	162	303	508

^{Note 1} Other offences include arson, criminal intimidation, burglary, criminal damage, disorder/fighting in public place, indecent assault, possession of offensive weapon, murder and manslaughter, unlawful sexual intercourse, and so on.

^{Note 2} Since the individuals concerned may be prosecuted/convicted in respect of more than one type of offences at the same time, the total number of persons prosecuted/convicted is not the sum of the individual figure for different types of offences.

Offences	2003																	
	Numbers arrested						Numbers prosecuted						Numbers convicted					
	Aged 10	Aged 11	Aged 12	Aged 13	Aged 14	Total	Aged 10	Aged 11	Aged 12	Aged 13	Aged 14	Total	Aged 10	Aged 11	Aged 12	Aged 13	Aged 14	Total
Shop Theft	142	171	207	306	385	1 211	3	7	13	32	54	109	0	1	4	21	42	68
Miscellaneous Thefts	23	50	109	194	256	632	0	3	18	40	76	137	0	1	4	30	49	84
Serious Assault	3	7	43	106	198	357	0	0	15	29	62	106	0	0	9	21	43	73
Robbery	2	3	33	67	120	225	0	1	21	39	73	134	0	0	12	27	57	96
Unlawful Society Offences	0	0	5	22	52	79	0	0	1	3	7	11	0	0	1	2	3	6
Serious Narcotics Offences	0	0	1	2	13	16	0	0	0	2	4	6	0	0	0	0	2	2
Other Offences ^{Note 1}	18	32	104	257	462	873	2	7	21	77	111	218	0	6	16	47	77	146
Total Number ^{Note 2}	188	263	502	954	1 486	3 393	5	18	80	205	357	665	0	8	42	138	256	444

^{Note 1} Other offences include arson, criminal intimidation, burglary, criminal damage, disorder/fighting in public place, indecent assault, possession of offensive weapon, murder and manslaughter, unlawful sexual intercourse, and so on.

^{Note 2} Since the individuals concerned may be prosecuted/convicted in respect of more than one type of offences at the same time, the total number of persons prosecuted/convicted is not the sum of the individual figure for different types of offences.

<i>Offences</i>	<i>2004</i>																	
	<i>Numbers arrested</i>						<i>Numbers prosecuted</i>						<i>Numbers convicted</i>					
	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>
Shop Theft	155	182	235	313	311	1 196	1	7	16	38	49	111	0	3	6	19	34	62
Miscellaneous Thefts	28	54	107	211	273	673	0	10	19	61	81	171	0	8	10	43	61	122
Serious Assault	7	11	33	92	189	332	0	0	8	30	71	109	0	0	7	19	47	73
Robbery	1	10	21	74	116	222	0	3	8	29	61	101	0	0	4	23	55	82
Unlawful Society Offences	0	0	3	26	55	84	0	0	2	9	32	43	0	0	1	4	18	23
Serious Narcotics Offences	0	0	0	2	7	9	0	0	0	0	5	5	0	0	0	0	5	5
Other Offences ^{Note 1}	28	35	111	243	420	837	0	5	12	58	148	223	0	1	9	36	105	151
Total Number ^{Note 2}	219	292	510	961	1 371	3 353	1	25	63	204	409	702	0	12	36	130	303	481

^{Note 1} Other offences include arson, criminal intimidation, burglary, criminal damage, disorder/fighting in public place, indecent assault, possession of offensive weapon, murder and manslaughter, unlawful sexual intercourse, and so on.

^{Note 2} Since the individuals concerned may be prosecuted/convicted in respect of more than one type of offences at the same time, the total number of persons prosecuted/convicted is not the sum of the individual figure for different types of offences.

<i>Offences</i>	<i>2005</i>																	
	<i>Numbers arrested</i>						<i>Numbers prosecuted</i>						<i>Numbers convicted</i>					
	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>	<i>Aged 10</i>	<i>Aged 11</i>	<i>Aged 12</i>	<i>Aged 13</i>	<i>Aged 14</i>	<i>Total</i>
Shop Theft	117	159	209	323	312	1 120	3	9	23	41	45	121	1	1	10	22	35	69
Miscellaneous Thefts	29	59	142	228	300	758	1	2	25	55	84	167	0	2	10	43	64	119
Serious Assault	9	20	42	122	153	346	0	3	8	33	64	108	0	1	4	19	46	70
Robbery	2	8	22	44	61	137	3	3	10	22	29	67	2	1	6	14	20	43
Unlawful Society Offences	0	0	1	15	47	63	0	0	1	6	19	26	0	0	1	3	8	12
Serious Narcotics Offences	0	0	1	8	11	20	0	0	0	2	2	4	0	0	0	2	2	4
Other Offences ^{Note 1}	26	42	103	251	371	793	1	4	16	64	141	226	0	0	4	37	80	121
Total Number ^{Note 2}	183	288	520	991	1 255	3 237	7	20	74	207	351	659	3	4	31	128	239	405

^{Note 1} Other offences include arson, criminal intimidation, burglary, criminal damage, disorder/fighting in public place, indecent assault, possession of offensive weapon, murder and manslaughter, unlawful sexual intercourse, and so on.

^{Note 2} Since the individuals concerned may be prosecuted/convicted in respect of more than one type of offences at the same time, the total number of persons prosecuted/convicted is not the sum of the individual figure for different types of offences.

Shops Making Unauthorized Alterations

10. **DR FERNANDO CHEUNG** (in Chinese): *President, it has been reported that earlier a wheelchair-bound person went to a restaurant in a shopping arcade to have meal there. Three tables of the restaurant were near its entrance and were accessible without going up or down the stairs, while the other tables were located either on a platform or at the basement. As the three tables had been taken by other customers at the time, the family members of the wheelchair-bound person suggested seating the person with the wheelchair at other tables. However, the manager of the restaurant did not accept the suggestion on the ground that damage to the marble riser had to be avoided. The wheelchair-bound person and his family members therefore had to wait for one of the three tables. On the other hand, in answering media enquiries about the incident, the Buildings Department (BD) said that the platform was suspected to be an illegal structure. In this connection, will the Government inform this Council:*

- (a) *of the number of shops (including restaurants) inspected by the BD in the past 10 years to ensure that there were no illegal structures obstructing access by the disabled, and the number of inspected shops which have been prosecuted by the BD; and*
- (b) *whether the existing legislation have provisions forbidding shops (including restaurants) after occupation from making unauthorized alterations to their facilities in order to ensure that the disabled can have access to the shops?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese): President, firstly, with regard to the case quoted in the question, the BD has issued an order on 3 April 2006 to the owner of the restaurant concerned requiring removal of the unauthorized raised platform within 60 days.

My reply to the two parts of the question is as follows:

- (a) Since 1997, the BD has been taking the initiative to inspect a number of large shopping arcades/commercial buildings and remind building owners and management companies that they should not arbitrarily alter the required facilities provided for the disabled with

a view to ensuring that such facilities remain available for use by the disabled after completion of the buildings. Where irregularities are found, the BD will issue advisory letters to the owners or management companies concerned asking them to rectify the situation. In the case of unco-operative owners or management companies, the BD will serve statutory orders under the Buildings Ordinance (BO) and will, according to the irregularities identified in individual cases, take follow up action by instigating prosecution against offenders. The cases will be followed up by the BD until the irregularities have been rectified.

In the initial period of inspection, the BD has set a target of selecting five shopping arcades/commercial buildings for inspection annually based on the flow of visitors and number of irregularities found in such buildings. Subsequently, the BD raised its target to inspect 15 such buildings annually. For the past 10 years, 66 shopping arcades/commercial buildings have been inspected. Irregularities were found in some of the facilities designated for use by the disabled in these buildings, and a total of 66 advisory letters have been issued to seek rectification.

The majority of owners or management companies have rectified the irregularities upon receipt of the BD's advice. For those who have not responded positively, the BD has served orders under the BO requiring them to carry out improvement works. The BD has issued a total of 26 orders, out of which 17 orders have been complied with, upon completion of the improvement works in accordance with the BD's requirements, by the relevant owners. The BD is making arrangements for prosecution action against the owners concerned in respect of the other nine non-compliance cases.

- (b) To ensure that equal opportunities are provided for persons with a disability to facilitate their full integration into the community, the Disability Discrimination Ordinance (DDO) stipulates that it is unlawful to discriminate against or harass persons for reasons of their disabilities. The scope of protection under the DDO also covers the provision of access to premises for the disabled. The Equal Opportunities Commission (EOC) is the statutory body charged with the responsibility of implementing the DDO. Anyone

who considers that his or her rights as stipulated by the DDO have been infringed may turn to the EOC for assistance.

Moreover, under the BO, the removal of building facilities designated for use by the disabled, or erection of structures obstructing the use of such facilities without approval of the Building Authority are regarded as unauthorized building works (UBWs). Where such UBWs are identified, the BD will issue statutory orders against the owners concerned under section 24 of the BO, requiring the owners concerned to rectify the irregularities found.

From 18 April 2006 onwards, applicants for food business licences have to submit to the licensing authority certificates confirming that their premises are free of UBWs, including UBWs related to facilities designated for the disabled. This will ensure that all facilities designated for the disabled as required to be provided by the law will not be illegally altered after the buildings are completed. Regarding applications for other licences, the BD will ascertain during inspections whether there is unauthorized alteration to facilities designated for the disabled in the premises. Where irregularities are found, the BD will request the applicants or owners concerned to carry out rectification works and instigate prosecution.

Medical Discount Cards

11. **MR HOWARD YOUNG** (in Chinese): *President, in recent years, many health maintenance companies are selling medical discount cards over the telephone, claiming that medical practitioners in various districts of the territory have participated in the relevant schemes, and that by paying just a few hundred dollars, the subscribers will enjoy free body check and medical consultations at designated clinics at low charges. In this connection, will the Government inform this Council:*

- (a) *whether it knows the number of health maintenance companies now offering medical discount cards, and the total number of such subscribers;*

- (b) *of the means by which the public can verify the claims made by these companies or lodge complaints;*
- (c) *of the measures to monitor the sale of medical discount cards and the operation of the relevant schemes; and*
- (d) *whether it will step up consumer education in this regard?*

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

President, medical discount cards are one of the many prepaid products available in the market. They are provided as a health care intermediary service and are not necessarily issued by health maintenance organizations. Currently, apart from legislation that protects the general rights of consumers, there is no specific legislation that regulates such prepaid medical discount cards and the sale practice of this kind of products. The detailed reply is as follows:

- (a) The Department of Health (DH) has not conducted any market research on the sale of medical discount cards and is unable to provide the relevant figures.
- (b) As stated above, like buyers of other prepaid consumer products, subscribers of medical discount cards are under the protection of legislation that protects the general consumer rights. If subscribers are dissatisfied with medical discount cards in any consumer-rights aspects (such as sale practice), they may lodge a complaint with the Consumer Council. For cases involving financial disputes, consumers may take legal action to settle the disputes, depending on the circumstances of individual cases. Where members of the public consider that a health care professional has breached the professional conduct while providing health care services under medical discount cards, they may lodge a complaint with the Medical Council of Hong Kong (MCHK) or other relevant health care professional regulatory bodies. In addition, for cases where private hospitals are involved, subscribers may lodge a complaint with the relevant registration authority, that is, the DH.
- (c) Medical discount cards are a type of prepaid consumer product. Currently, there is no specific legislation that regulates the sale practice of medical discount cards or other discount cards and the

operation of the schemes. Nevertheless, the service standards of various health care professions are subject to regulation: mechanisms are in place to effectively ensure the service standards of various health care professions and hence safeguard the health and rights of patients.

As for medical practitioners, the provision of medical services is primarily a professional relationship between medical practitioners and their patients. The licensing requirements and conduct of medical practitioners are subject to regulation by the MCHK. In view of developments in the private medical service market in recent years, the MCHK has stipulated in its Professional Code and Conduct that medical practitioners participating in the "contract medicine" or "managed care" schemes should ensure that their professional standard of practice would not be affected. Medical practitioners are under professional obligation to exercise careful scrutiny and judgement of the relevant medical contracts and schemes to ensure that they are ethical and in the best interests of patients. They should not enter into any commercial prepaid capitation schemes that are incompatible with a high standard of medical practice. Such schemes are no excuse for substandard service.

- (d) In our understanding, the Consumer Council has made continuous efforts in educating the public about consumption of prepaid services (including that of medical services). For example, the Consumer Council has published articles in its *Choice* magazine, informing consumers the merits and disadvantages of subscribing to prepaid services, and reminding consumers to consider carefully various factors before subscribing to any prepaid services (such as their practical need) and to pay attention to the restrictions and conditions of the services, and so on. We support the Consumer Council to continue their efforts in this respect.

CSSA Fraud Cases

12. **MR ABRAHAM SHEK** (in Chinese): *President, it has been reported that up to January this year, the number of Comprehensive Social Security Assistance*

(CSSA) fraud cases in the 2005-06 fiscal year substantially increased by almost 20% as compared to the figure in the same period of last year, and the amount involved was \$40 million. The Social Welfare Department (SWD) has indicated that the increase in the number of cases is mainly attributable to the public's initiative in reporting fraud cases and the Government's enhanced publicity efforts. In this connection, will the Government inform this Council:

- (a) among the 3 800-odd CSSA fraud cases handled by the authorities last year, of the respective numbers of cases disclosed through reporting by the public and cross-checking by the SWD;*
- (b) as persons defrauding CSSA payments can be identified by the SWD, upon receipt of reports of fraud cases, through data matching with other government departments and public organizations (such as the Land Registry, Companies Registry, Transport Department and Hospital Authority, and so on), whether the SWD will consider incorporating the data-matching mechanism into its cross-checking exercise on CSSA applicants, so as to reduce the number of fraud cases; if so, of the details; if not, the reasons for that; and*
- (c) whether it has assessed if the SWD's manpower and experience are inadequate for investigating CSSA fraud cases, hence necessitating the secondment of police officers from the Commercial Crime Bureau of the Hong Kong Police Force to the SWD to assist in its investigation work, as well as the appointment of four retired police officers as fraud investigation advisers this year; if it has, of the assessment results; if not, the reasons for that?*

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

- (a) In 2005-06, the Fraud Investigation Teams (FITs) of the SWD have, upon investigation, substantiated 764 instead of 3 800 CSSA fraud cases.

In the previous financial year, the SWD received a total of 5 492 reports of suspected fraud cases. Among them, 4 912 were reported by the public whereas the remaining 580 involving

suspected fraudulent act of applicants were referred to the FITs for in-depth investigations by the front-line staff of the Social Security Field Units.

- (b) CSSA Scheme aims to help people suffering from financial hardship to meet their basic needs. On the one hand, the SWD needs to ensure that public resources are effectively utilized through a strict vetting process; on the other hand, the Department also needs to provide appropriate and timely financial assistance to those in genuine need under the Scheme. As such, the SWD may not be able to render timely assistance to those in genuine financial hardship if it needs to first cross-check the data of the applicants with other relevant government departments before authorizing CSSA payment.

Nevertheless, the SWD conducts regular data matching with other government departments and relevant organizations (including the Land Registry, Companies Registry, Transport Department, Labour Department, Immigration Department, Employees Retraining Board, The Treasury, Student Financial Assistance Agency, Hospital Authority, Correctional Services Department and Education and Manpower Bureau) to verify the accuracy of the data provided by the applicants and take appropriate follow-up actions when necessary.

In 2005-06, the SWD followed up a total of 14 239 cases after the completion of regular data matching process. Among them, 4 164 cases were found to have contained erroneous data provided by the applicants and action had to be taken to recover the overpayment from the applicants. Furthermore, a small number of suspected fraud cases had been referred to the FITs for follow-up.

- (c) To step up efforts in combating CSSA fraud cases, a Police Superintendent from the Commercial Crime Bureau of the Hong Kong Police Force was seconded to the SWD as its adviser from July 2004 to March 2005. The adviser was mainly responsible for making recommendations on the prevention of fraud and abuse cases, thereby enhancing further co-operation between the SWD and the police on the investigation and streamlining the investigation and

referral procedures of suspected fraud cases. The Police Superintendent had recommended, among others, the appointment of retired police officers to capitalize on their extensive working experience in helping to improve the investigation mechanism.

Currently, there are 120 Social Security grade officers in the Special Investigation Section of the SWD specializing in the prevention and investigation of CSSA fraud and abuse cases. In 2006-07, the SWD will appoint four retired police officers at the inspectorate rank as fraud investigation advisers to assist in handling difficult cases and making further efforts to combat CSSA fraud cases.

Mandatory Building Inspection Scheme

13. **DR RAYMOND HO** (in Chinese): *President, in view of the ageing of buildings in Hong Kong, the Government plans to implement the Mandatory Building Inspection Scheme (MBIS) to require owners of private buildings aged 30 years or above to engage qualified inspectors to inspect their buildings every seven years and to undertake the necessary repair works specified by the inspectors. In this connection, will the Government inform this Council:*

- (a) *of the annual number of jobs expected to be created upon the implementation of the MBIS; and*
- (b) *whether it has assessed if the unemployed construction workers can benefit from the implementation of the MBIS, and whether it will provide subsidy for those construction workers who intend to engage in building maintenance work to take retraining courses?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese): President, my answer to the two parts of the question is as follows:

- (a) The public consultation on mandatory building inspection ended in mid-March 2006. We have received more than 350 written submissions. The views received point to a general community consensus on the policy direction of mandating owners to inspect their buildings. It is also generally agreed that owners should bear the necessary cost of building repair. The public also made many

constructive suggestions on the implementation details of the proposed MBIS. We are now consolidating and analysing the views received in formulating the basis to take forward the MBIS. Since the finalized implementation details (including target buildings and inspection cycle, and so on) will affect our assessment on the number of additional job opportunities in the relevant industries arising from the implementation of the proposed MBIS, we are not in a position to provide the assessment at this stage. That said, we believe that the implementation of the proposed MBIS will certainly increase the demand for building maintenance services, resulting in more job opportunities for the building maintenance and related industries.

- (b) As the MBIS is expected to create job opportunities for the building maintenance industry, we believe that the implementation of the Scheme will help improve the employment situation in the relevant industries.

Construction workers who wish to be engaged in building repair works can take the on-the-job training courses tailor-made for the building repair and renovation industry under the Skills Upgrading Scheme. To enhance the participation in this Scheme, the Government will subsidize 70% of the course fees, while the remaining 30% will be shared between the trainees and their employers. Since the launch of the abovementioned courses in March 2003, a series of skills upgrading courses have been organized. The areas covered include carpentry, plastering works, plumbing and sanitary fitments, painting works, marble works, working procedures and safety knowledge about the removal of unauthorized building works, practical guidelines for sub-contractors/self-employed workers, drainage works, plans for fitting-out works, and so on. These courses are open to construction workers who wish to be engaged in the building repair and renovation industry.

Moreover, the Employees Retraining Board has also been offering retraining courses on building maintenance and renovation to the unemployed who wish to join the industry. These placement-tied courses are free-of-charge and retraining allowances are provided for the trainees.

Bill Payment Services of Hongkong Post

14. **MR SIN CHUNG-KAI** (in Chinese): *President, at present, members of the public can settle at post offices bills issued by some of the public utility companies and government departments. It is learnt that when the due dates of such bills are approaching, in particular when the due dates of various bills are rather close to one another, and at certain small post offices, people need to wait for a long time to have their bills settled. In this regard, will the Government inform this Council:*

- (a) *of the number of bills handled by Hongkong Post each month and the annual gross profits derived from bill payment services in the past three years;*
- (b) *of the respective current numbers of counter staff responsible for bill payment services and other services in each post office;*
- (c) *whether it has conducted any survey on the longest waiting time acceptable to members of the public when they pay their bills and, based on the findings, review the appropriateness of the relevant service pledges (that is, to serve 98% of customers within 25 and 10 minutes during peak hours/periods and other hours respectively); if it has, of the findings of the survey and review; if not, whether it will conduct such a survey and review; and*
- (d) *of the measures Hongkong Post will adopt to reduce the waiting time for making payment, such as discussing with the public utility companies and government departments concerned the spreading out of the due dates of their regular bills and increasing the numbers of counters and staff providing such services?*

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

- (a) Hongkong Post introduced the PayThruPost (PTP) payment service to maximize the utilization of the existing resources of the post

office network and provide additional service. In the past three years, the number of bills handled each month ranged from 1.41 million to 2.63 million. All the revenue of the PTP service has been used to cover the extra cost in providing the service as well as to share the operating cost of maintaining the postal counter services.

- (b) Currently, 131 post offices provide the PTP service. The total number of their counter staff is 754. Most of the counter staff provide both postal and PTP services. Moreover, during the peak periods for government rates payment, that is, January, April, July and October, an additional 75 staff members are deployed to individual post offices with a higher demand for the service to maintain the service quality.
- (c) Hongkong Post conducts surveys on customers' satisfaction levels on its services and reviews its performance pledges from time to time. In March/April of both 2004 and 2005, Hongkong Post conducted a "Customer Perception Survey". In the two surveys, in respect of the PTP service, the average satisfaction levels of the customers interviewed were 7.81 points and 7.86 points out of a 10-point scale and their average waiting time was 9.95 minutes and 9.47 minutes respectively. Moreover, a "Counter Service Mystery Shopper Survey" was conducted in September of the two years and the percentages of "mystery shoppers" who rated the PTP service as either "satisfactory" or "very satisfactory" were 90% and 87%.
- (d) Since the launch of the PTP service in 2000, Hongkong Post has implemented a number of measures to reduce the waiting time for the service. They include:
 - (i) increasing the manpower of post offices with a higher demand for the PTP service and deploying additional staff to help out during the peak periods;
 - (ii) during the busiest period for government rates payment, that is, every Monday and the last week of January, April, July

and October, extending the office hour by half an hour for those post offices with a higher demand for the service;

- (iii) flexible deployment of staff members to provide postal and the PTP services in individual post offices according to customer service demand; and
- (iv) displaying notices in individual post offices to inform customers of their respective peak periods.

Nursing Manpower

15. **DR JOSEPH LEE** (in Chinese): *President, will the Government inform this Council of:*

- (a) *the number of nurses, mode of appointment and number of nurse vacancies in the Department of Health (DH), as well as the number of new recruits in each of the past five years;*
- (b) *the existing manpower distribution of nurses of the DH in its various service areas;*
- (c) *the details of nurses currently appointed by the DH on contract terms and the relevant contract periods, and whether the DH will consider recruiting nurses on permanent terms of appointment; if it will, of the details; if not, the reasons for that; and*
- (d) *the estimated nursing manpower required by the DH in the coming three years?*

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

- (a) The number of registered nurses (nurses), mode of their appointment and number of vacancies in the DH in each of the past five years are tabulated as follows:

<i>As at</i>	<i>Number of nurses on Non-Civil Service Contract (NCSC) terms</i>	<i>Number of nurses on civil service terms</i>	<i>Number of vacancies of permanent civil service posts (excluding temporary posts)</i>
1 April 2002	72	1 115	23
1 April 2003	99	1 106	28
1 April 2004	58	1 012	-3 (Note 1)
1 April 2005	81	942	3
1 April 2006	73	923	13

(Note1): As three civil servant nurses were on pre-retirement leave then, the DH opened three posts outside the establishment until their leave ended.

No nurses have been recruited on civil service terms by the DH in the past five years. The numbers of nurses recruited on NCSC terms by the DH in the past five years are tabulated as follows:

<i>Year</i>	<i>Number of new recruits</i>
2001	38
2002	159 (Note 2)
2003	17
2004	22
2005	15

(Note2): The number of recruits increased because the wastage rate was higher in this year.

- (b) As at 1 April 2006, the manpower distribution of nurses of the DH in various service areas is as follows:

	<i>Service Areas</i>			
	<i>Centre for Health Protection^(Note 3)</i>	<i>Specialty services^(Note 4)</i>	<i>Family and elderly health services</i>	<i>Public health nursing, port health, and so on</i>
Number of nurses on civil service terms	253	241	406	23
Number of nurses on NCSC terms	20	12	39	2

(Note3): Including social hygiene service, tuberculosis and chest service, and diagnosis and treatment of AIDS.

(Note4): Specialty services include student health service, child assessment service and family clinics.

- (c) As at 1 April 2006, the DH employs 73 contract nurses, whose contract periods do not exceed 24 months. Their monthly salaries are between \$17,145 and \$22,990. This is in line with the market salary levels.

In 2003, the Administration introduced the Second Voluntary Retirement (VR) Scheme and imposed a five-year open recruitment freeze on the grades included in the Scheme. The nursing grade is one of the VR grades. In April this year, the Civil Service Bureau (the Bureau) submitted a paper to the Legislative Council Panel on Public Service to inform Members that approval had been granted by the Executive Council to moderate the five-year open recruitment freeze arrangement for VR grades so as to allow, under very exceptional circumstances, a very limited number of VR grades to conduct open recruitment before the expiry of the freeze. The Bureau is working out the arrangements. Once we have received the relevant details, we will consider if there are justifications for applying for resumption of open recruitment for the nursing grade.

- (d) The DH expects to recruit 32 nurses in the next three years to fill existing vacancies in the permanent civil service nursing posts and expected vacancies due to natural wastage in the next three years, as well as to meet the need of short-term projects.

Non-civil Service Contract Staff

16. **MR LEUNG YIU-CHUNG** (in Chinese): *President, regarding Non-Civil Service Contract (NCSC) staff, will the Government inform this Council:*

- (a) *of the respective numbers of NCSC staff and civil servants, and provide a comparison of the remuneration and fringe benefits for NCSC staff with those for their civil servants, broken down by the groupings in the form appended below:*

<i>Departments employing NCSC staff</i>	<i>Grade</i>	<i>Current number of NCSC staff</i>	<i>Current number of civil servants</i>	<i>Comparison of the average starting salaries and fringe benefits for NCSC staff with those for civil servants</i>	<i>Comparison of the average salaries and fringe benefits for NCSC staff after five years of service with those for civil servants after five years of service</i>
<i>Department A</i>	<i>Grade 1</i>				
	<i>Grade 2</i>				
<i>Department B</i>	<i>Grade 1</i>				
	<i>Grade 2</i>				

- (b) *as the Civil Service Bureau (the Bureau) is reviewing the situation of NCSC staff with the relevant departments, whether consultation meetings will be arranged for these staff or the representatives of their staff unions to reflect their views; if so, of the detailed arrangements for such consultation meetings; if not, the reasons for that?*

SECRETARY FOR THE CIVIL SERVICE (in Chinese): President, the NCSC Staff Scheme, introduced in 1999, aims to provide Heads of Bureaux, Departments and Offices (hereafter shortened as "HoDs") with a flexible means to employ staff on fixed term contracts outside the civil service establishment to meet service needs which are short-term or part-time, or subject to market fluctuations, or where the mode of delivery of the service is under review. HoDs have full discretion to decide on the appropriate employment packages for their NCSC staff, subject to the two guiding principles that the terms and conditions for engaging NCSC staff should be no less favourable than those provided for under the Employment Ordinance and no more favourable than those provided to civil servants in comparable civil service ranks or ranks of comparable level of responsibilities. The remuneration offered to NCSC staff is an all-inclusive pay package determined by HoDs having regard to various factors, including the employment market, the recruitment situation for the type

of jobs concerned, the pay offered to civil service recruits to comparable civil service ranks, and so on.

With regard to the specific questions raised by Member, the Administration's replies are as follows:

- (a) Given the nature of the NCSC Scheme and the need to maintain its flexibility, the Bureau, as a matter of policy, is not involved in departments' employment of NCSC staff. In line with this policy, the Bureau does not centrally keep detailed information on the employment of NCSC staff in individual departments. For overall monitoring of the NCSC Scheme, we collect from departments general information such as the number of NCSC staff employed, the range of salaries, contract duration, and so on, as at end June and end December each year. We have been providing the collated information to the Legislative Council Panel on Public Service. Detailed information regarding the terms of employment and job duties of different NCSC staff is however not collected. Furthermore, there is no classification of NCSC staff by "NCSC grades" as they are employed outside the civil service establishment to meet time-limited or part-time service. It is therefore not possible to compare the terms of employment of different "NCSC grades" with those of civil servants.

As at 31 December 2005, there were 15 687 full-time NCSC staff employed in 68 bureaux/departments/offices. The number of NCSC staff and civil servants employed by each bureau/department, and the monthly salary range of the NCSC staff employed are set out at Annex.

- (b) The purpose of the special review of the NCSC staff situation is to obtain a better understanding of the implementation of the NCSC Scheme in departments and their manpower requirements. Where it could be established that civil servants instead of NCSC staff should be employed to meet specific service needs, we would discuss and devise feasible measures with the concerned heads of department while ensuring that the size of the overall civil service establishment would remain under control. Given the scale of the review and the undertaking to complete it in six months, it would

not be possible for the Bureau to meet NCSC staff or the staff unions of individual bureaux/departments. However, NCSC staff and staff unions are welcome to reflect their views to the departmental management, or forward their views direct to the Bureau. Their comments would be taken into account when we consider the appropriate way forward for managing the employment of NCSC staff.

Annex

Salary Range of NCSC Staff
(position as at 31 December 2005)

<i>Bureau/Department/Office</i>	<i>Total No. of NCSC Staff</i>	<i>Breakdown of No. of NCSC staff by salary range</i>					<i>No. of civil servants</i>
		<i>\$30,000 and above</i>	<i>\$16,000 – < \$30,000</i>	<i>\$8,000 – < \$16,000</i>	<i>\$5,000 – < \$8,000</i>	<i>Others (Note 1)</i>	
1 Agriculture, Fisheries and Conservation Department	505	2	12	221	270	0	1 816
2 Architectural Services Department	21	15	1	5	0	0	1 720
3 Audit Commission	6	6	0	0	0	0	177
4 Auxiliary Medical Service	1	0	0	1	0	0	95
5 Buildings Department	800	139	137	385	139	0	839
6 Census and Statistics Department	143	7	11	87	38	0	1 199
7 Chief Executive's Office	4	0	0	4	0	0	91
8 Chief Secretary and Financial Secretary's Office	221	14	15	183	9	0	494
9 Civil Aviation Department	17	4	2	8	3	0	650
10 Civil Engineering and Development Department	178	26	43	105	4	0	1 663
11 Civil Service Bureau	11	5	4	2	0	0	586
12 Commerce, Industry and Technology Bureau	8	3	3	2	0	0	149
13 Companies Registry	28	1	0	14	13	0	287
14 Constitutional Affairs Bureau	2	0	0	2	0	0	43
15 Correctional Services Department	12	1	1	2	8	0	6 517
16 Customs and Excise Department	82	1	2	50	29	0	4 834

<i>Bureau/Department/Office</i>	<i>Total No. of NCSC Staff</i>	<i>Breakdown of No. of NCSC staff by salary range</i>					<i>No. of civil servants</i>
		<i>\$30,000 and above</i>	<i>\$16,000 – < \$30,000</i>	<i>\$8,000 – < \$16,000</i>	<i>\$5,000 – < \$8,000</i>	<i>Others (Note 1)</i>	
17 Department of Health	1 060	103	206	489	260	2	4 746
18 Department of Justice	63	25	1	16	21	0	997
19 Drainage Services Department	208	19	47	142	0	0	1 831
20 Economic Development and Labour Bureau	18	5	5	8	0	0	130
21 Education and Manpower Bureau	1 339	127	167	468	577	0	5 740
22 Electrical and Mechanical Services Department	1 036	30	126	712	168	0	3 867
23 Environment, Transport and Works Bureau	12	2	2	8	0	0	305
24 Environmental Protection Department	145	3	9	63	69	1	1 609
25 Financial Services and the Treasury Bureau	10	2	6	1	1	0	320
26 Fire Services Department	44	5	16	18	2	3	9 135
27 Food and Environmental Hygiene Department	1 006	5	36	690	275	0	10 357
28 Government Flying Service	8	1	1	6	0	0	210
29 Government Laboratory	68	0	25	43	0	0	356
30 Government Logistics Department	73	0	0	30	43	0	683
31 Government Property Agency	7	1	3	3	0	0	211
32 Health, Welfare and Food Bureau	29	4	15	8	2	0	146
33 Highways Department	221	46	29	146	0	0	1 887
34 Home Affairs Bureau	47	9	18	13	7	0	181
35 Home Affairs Department	352	6	10	226	110	0	1 627
36 Hong Kong Observatory	15	0	1	14	0	0	282
37 Hong Kong Police Force	178	53	17	88	20	0	31 389
38 Housing, Planning and Lands Bureau	5	1	2	2	0	0	92
39 Immigration Department	177	1	32	4	140	0	5 924
40 Information Services Department	36	14	15	6	1	0	397

<i>Bureau/Department/Office</i>	<i>Total No. of NCSC Staff</i>	<i>Breakdown of No. of NCSC staff by salary range</i>					<i>No. of civil servants</i>
		<i>\$30,000 and above</i>	<i>\$16,000 – < \$30,000</i>	<i>\$8,000 – < \$16,000</i>	<i>\$5,000 – < \$8,000</i>	<i>Others (Note 1)</i>	
41 Inland Revenue Department	168	0	0	80	88	0	2 779
42 Innovation and Technology Commission	27	16	6	3	1	1	164
43 Intellectual Property Department	32	12	7	8	4	1	75
44 Invest Hong Kong	51	43	4	3	1	0	34
45 Judiciary	139	5	20	108	6	0	1 305
46 Labour Department	224	2	6	110	106	0	1 651
47 Land Registry	110	9	5	22	74	0	462
48 Lands Department	249	33	29	135	52	0	3 255
49 Legal Aid Department	13	4	0	9	0	0	519
50 Leisure and Cultural Services Department	1 995	40	302	1 256	202	195	6 928
51 Marine Department	39	4	8	21	6	0	1 381
52 Office of Government Chief Information Officer	30	4	2	5	19	0	562
53 Office of the Telecommunications Authority	72	10	9	50	3	0	221
54 Official Receiver's Office	28	4	1	12	11	0	225
55 Planning Department	28	4	15	8	1	0	741
56 Post Office	1 952	26	19	560	802	545	5 350
57 Radio Television Hong Kong	222	38	66	106	12	0	498
58 Rating and Valuation Department	94	3	7	29	55	0	840
59 Registration and Electoral Office	55	5	7	21	22	0	108
60 Security Bureau	22	1	1	17	3	0	166
61 Social Welfare Department	936	6	24	586	299	21	4 737
62 Student Financial Assistance Agency	393	3	53	52	285	0	192
63 Television and Entertainment Licensing Authority	45	3	1	32	9	0	151
64 Trade and Industry Department	54	18	6	30	0	0	515
65 Transport Department	173	17	8	51	96	1	1 185
66 Treasury	77	33	32	10	2	0	497

Bureau/Department/Office	Total No. of NCSC Staff	Breakdown of No. of NCSC staff by salary range					No. of civil servants
		\$30,000 and above	\$16,000 – < \$30,000	\$8,000 – < \$16,000	\$5,000 – < \$8,000	Others (Note 1)	
67 University Grants Committee Secretariat	15	2	3	6	4	0	50
68 Water Supplies Department	248	7	24	196	21	0	4 450
Total	15 687	1 038	1 685	7 801	4 393	770	142 623 (Note 2)

Notes:

- For the salary range of "Others", it includes (A) 213 Trainees/Youth Ambassadors under youth job creation programmes; and (B) 557 NCSC staff paid on hourly rate according to the hours of work done. For staff in group (A), their monthly salary is below \$5,000. For staff in group (B), they are paid on an hourly rate and hence their monthly salary varies depending on the hours of work done.
- As at 31 December 2005, there was a total number of 162 533 civil servants in all government departments (including those seconded/posted to subvented/publicly-funded bodies, Judges and Judicial Officers, ICAC officers and locally engaged staff working in Hong Kong Economic and Trade Offices). The number of civil servants in those 68 bureaux/departments/offices which had employed NCSC staff was 142 623.

Improper Use of "Medical Practitioner" Title

17. **DR KWOK KA-KI** (in Chinese): *President, an organization placed an advertisement in the newspaper earlier on and claimed that some of its members possess the qualification of "homeopathy practitioner recognized in the United Kingdom". Another organization also placed advertisements in local publications targeted at Filipinos, claiming that its medical professionals can provide treatment of skin diseases and beauty services. However, I have learnt that the persons mentioned in the above advertisements are not medical practitioners registered in Hong Kong. In this connection, will the Government inform this Council:*

- of the number of investigations conducted by the authorities in each of the past five years regarding suspected contravention of section 28 of the Medical Registration Ordinance (the Ordinance) in relation to "Unlawful use of title etc. and practice without registration" and, among the prosecutions instituted, the number of convictions and the penalties imposed;*
- whether it plans to amend the legislation to tighten control on the use of the title of "medical practitioner" by any persons to indicate or imply their possession of the relevant medical professional qualifications; and*

- (c) *whether it will launch publicity targeted at the general public or ethnic minorities, in order to prevent them from being misled by the information in advertisements involving improper use of the title of "medical practitioner" and seeking treatment from the persons concerned, thereby suffering from bodily injury?*

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

- (a) Upon receipt of cases concerning "unlawful use of title and practice without registration" which are suspected to be in contravention of section 28 of the Ordinance, the Department of Health (DH) would refer such cases to the Hong Kong Police Force for investigation and follow-up actions. According to the records of the Medical Council of Hong Kong (MCHK) and DH, a total of 110 cases of suspected illegal medical practice have been referred to the police in the past five years. Out of these cases, as the DH's data reveal, one person has been convicted of an offence under section 28 of the Ordinance and sentenced to two months' imprisonment, suspended for three years, and fined \$5,000. Another person has been convicted of an offence under section 28 of the Ordinance and illegal possession of Part I poisons and antibiotics and sentenced to four months' imprisonment, suspended for three years, and fined \$10,000. Prosecutions under other legislation such as the Medical Clinics Ordinance and the Dangerous Drugs Ordinance have also been instituted by the police in other cases in light of the individual circumstances.
- (b) At present, it is stipulated in the Ordinance that only medical practitioners registered with the MCHK may use the title of "registered medical practitioner". Under the Ordinance, a person commits an offence if he/she wilfully or falsely pretends to be registered as a medical practitioner in Hong Kong, or wilfully or falsely takes or uses any name, title, addition or description implying that he/she is a registered medical practitioner in Hong Kong.

We consider the relevant legal provisions adequate in protecting the public and therefore have no plan to amend the legislation at this stage.

- (c) At present, the DH, through various means including publicity on enforcement actions, advises the general public to use legal medical services. For the ethnic minorities in Hong Kong, the DH has produced information sheets in different languages on various public health topics which are of concern to them and distributed the information sheets to them through various channels. The DH also plans to make use of these channels to promote the message of using legal medical services among the minority communities. The address of a website known as the Hong Kong Doctors Homepage, developed and maintained by Hong Kong Medical Association, is published in a guidebook entitled *Your Guide to Services in Hong Kong* produced by the Race Relations Unit of the Home Affairs Bureau (the Bureau). The website contains information of registered doctors practising in Hong Kong for the reference of those who need such information. This guidebook is available in eight languages (including Tagalog). Members of the public may obtain free copies at the Bureau, District Offices, Labour Department, relevant consulates and community organizations. The guidebook is also enclosed in the information kits distributed to non-Chinese new arrivals at the Hong Kong International Airport. In addition, the DH will consider raising the minority communities' awareness of Hong Kong's health care system and providing them with more information about general health through the publications currently produced by the Bureau specifically for them.

Illegal Placing of Metal Cages for Collecting Used Clothes

18. **MR ALBERT CHAN** (in Chinese): *President, recently, I have received complaints from members of the public that many metal cages were placed illegally in public places for collecting used clothes, posing a hazard to the environmental hygiene of the community. They have also pointed out that under the Land (Miscellaneous Provisions) Ordinance, the Lands Department (LandsD) can confiscate such cages three days after posting a notice for clearance of the cages concerned. However, the owners of the cages have usually moved them*

elsewhere before the LandsD takes the clearance action. In this connection, will the Government inform this Council:

- (a) of the number of complaints received in each of the past three years about the illegal placing of such cages, and the number of cages confiscated as well as their locations;*
- (b) whether currently there are any measures to prevent an increasing number of metal cages being illegally placed in public places for collecting used clothes; if so, of the details of the measures; if not, the reasons for that; and*
- (c) whether the LandsD will consider enhancing its co-operation with the Food and Environmental Hygiene Department (FEHD) by arranging for the latter to confiscate cages illegally placed in public places for collecting used clothes; if so, of the details; if not, the reasons for that?*

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

- (a) In 2003 and 2004, the LandsD received a total of 26 complaints about collection activities of used clothes. In 2005, the number of complaints rose to 2 598. Notices were put up by the LandsD under the Land (Miscellaneous Provisions) Ordinance on 2 551 metal cages, requiring the owners to remove the cages within 24 hours or the cages in question would be confiscated. As most of the cages had been removed before deadline, only 657 cages were confiscated. The breakdown of complaints by district in 2005 is as follows:

<i>District Lands Office</i>	<i>Number of complaints</i>	<i>Number of notices put up</i>	<i>Number of cages confiscated</i>
Hong Kong East	827	343	164
Hong Kong West and South	207	360	41
Kowloon East	359	232	123
Kowloon West	617	648	180

<i>District Lands Office</i>	<i>Number of complaints</i>	<i>Number of notices put up</i>	<i>Number of cages confiscated</i>
Islands	0	0	0
North	52	58	9
Sai Kung	66	57	25
Sha Tin	136	143	51
Tuen Mun	20	46	9
Tai Po	105	136	7
Tsuen Wan and Kwai Tsing	159	178	23
Yuen Long	50	350	25
Total	2 598	2 551	657

- (b) To address the problem of environmental nuisance caused by the casual placing of metal cages and to release more manpower for enforcement actions against unauthorized placing of collection cages on streets, the LandsD introduced the "Designated Spots Scheme for Placing Used Clothes Collection Cages". According to the Scheme, the LandsD will only accept and approve applications submitted by non-profit-making or charitable organizations. If any member of the public suspected that used clothes are collected for money-making purpose, he/she may report the suspected fraud to the police. The police, on receipt of such reports, will determine if the case is one with a criminal element on its own merits and take appropriate actions accordingly. On the other hand, to ensure the effective implementation of the Scheme, District Lands Offices across the territory have stepped up inspection of local black spots and taken control actions against non-compliant or unauthorized placing of collection cages.
- (c) Joint actions are taken on a frequent basis by the LandsD and the relevant departments, including the FEHD, the Hong Kong Police Force, the Home Affairs Department, and so on, to address non-compliant or unauthorized placing of collection cages. Moreover, the Government has set up an inter-departmental group to look for ways to eradicate the problems of used clothes collection cages on streets and the environmental nuisance and street obstruction so caused.

Pollutants Emitted by Vehicles

19. **MISS CHOY SO-YUK** (in Chinese): *President, will the Government inform this Council of the respective daily total amounts of various pollutants emitted by vehicles in Hong Kong at present, together with breakdowns by the emission standard to which these vehicles meet and the class of vehicle, as well as the respective percentages of such amounts against the relevant total amounts of pollutants emitted?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS
(in Chinese): President, the 2005 vehicle emissions inventory is under compilation. Based on the 2004 inventory, we have tabulated in Tables 1 to 4 the respective daily vehicular emissions (including particulate matters, nitrogen oxides, carbon monoxide and volatile organic compounds) according to emission standards and classes of vehicles. Since the Euro IV emission standards began to take effect in 2006, the tables do not include the emission figures for Euro IV vehicles.

Table 1

Daily Emission of Particulate Matters by Motor Vehicles in 2004

[illegible]

Table 2

Daily Emission of Nitrogen Oxides by Motor Vehicles in 2004

[illegible]

Table 3

Daily Emission of Carbon Monoxide by Motor Vehicles in 2004

[illegible]

Table 4

Daily Emission of Volatile Organic Compounds by Motor Vehicles in 2004

	<i>Pre-Euro Model</i>		<i>Euro I Model</i>		<i>Euro II Model</i>		<i>Euro III Model</i>	
	<i>Daily Emission (kg)</i>	<i>Percentage of Total Emission (%)</i>	<i>Daily Emission (kg)</i>	<i>Percentage of Total Emission (%)</i>	<i>Daily Emission (kg)</i>	<i>Percentage of Total Emission (%)</i>	<i>Daily Emission (kg)</i>	<i>Percentage of Total Emission (%)</i>
Franchised Buses	110	1	40	< 1	130	1	30	< 1
Coaches (including Private Buses)	100	< 1	100	1	140	1	70	< 1
Light Goods Vehicles	800	4	320	2	370	2	150	1
Medium/Heavy Goods Vehicles	1 810	9	450	2	590	3	250	1
Public Light Buses	150	1	60	< 1	40	< 1	60	< 1
Taxis	N.A.	N.A.	N.A.	N.A.	3 440	18	80	< 1
Private Cars	5 570	29	940	5	740	4	350	2
Others (for example, Motorcycles, Private Light Buses)	980	5	1 490	8	20	< 1	< 10	< 1
Daily Total Emission (kg)	19 370							

Standards for Classification of Obscene Articles

20. **MR LAU KONG-WAH** (in Chinese): *President, regarding the classification of articles under the Control of Obscene and Indecent Articles Ordinance (Cap. 390) (the Ordinance) by the Obscene Articles Tribunal (Tribunal), will the Government inform this Council of:*

- (a) *the standards used by Tribunal for classification of articles, and whether these standards are based on the relevant international standards; if not, the reasons for that;*
- (b) *the specific procedure currently adopted by Tribunal in classifying articles, and the measures in place to ensure that the composition of the Tribunal is broadly representative; and*
- (c) *the number of appeals to Tribunal against its classification in each of the past three years and, among such appeals, the number of those allowed?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Chinese): President, according to the Ordinance, a Tribunal of the Judiciary has exclusive jurisdiction to determine for the purposes of the Ordinance whether any article is obscene or indecent; and any matter that is publicly displayed is indecent.

The author, printer, manufacturer, publisher, importer, distributor or owner of the copyright of any article or any person who commissions the design, production or publication of any article may, by application in the prescribed form, submit that article to a Tribunal for classification. In addition, the Secretary for Justice and any public officer authorized in that regard by the Chief Secretary for Administration, including relevant officers of the Television and Entertainment Licensing Authority (TELA), may, by application in the prescribed form, submit any article to a Tribunal for classification. A Tribunal does not solicit any articles for classification.

A Tribunal shall make an interim classification in respect of any article submitted to it. Where a Tribunal makes an interim classification in respect of an article, any person who submitted, or would have been entitled to submit, the article may request a Tribunal to review that interim classification at a full hearing if he is not satisfied with that interim classification. For example, if the TELA has submitted an article suspected of breaching the Ordinance for classification by a Tribunal and considers the interim classification inappropriate, it may request a Tribunal to review that interim classification at a full hearing. In the past month, the TELA requested review of the interim classifications of the covers of three weekly entertainment magazines into Class I, that is, neither obscene nor indecent.

The question relates to the work of the Tribunals of the Judiciary. We have consulted the Judiciary on the following reply.

- (a) In classifying an article, a Tribunal is required by section 10 of the Ordinance, to have regard to:
 - (i) the standards of morality, decency and propriety that are generally accepted by reasonable members of the community;

- (ii) the dominant overall effect of an article or matter;
 - (iii) the persons, classes of persons, or age groups intended or likely to be targeted by an article's publication;
 - (iv) in the case of matter publicly displayed, the location of such display and the persons, classes of persons, or age groups likely to view it; and
 - (v) whether the article or matter has an honest purpose or whether instead it seeks to disguise unacceptable material.
- (b) The procedure for classifying articles by a Tribunal is set out in sections 13 and 14 of the Ordinance.

A Tribunal consists of the presiding magistrate and normally two adjudicators selected randomly by computer from the panel of adjudicators. The panel currently has about 300 adjudicators who come from many walks of life.

- (c) The Tribunals conducted 10 reviews under section 15 of the Ordinance of their interim classifications in 2003, four reviews in 2004, and eight reviews in 2005. In all such reviews, the Tribunals confirmed their interim classifications.

In 2003, there was one case of reconsideration under section 17 of the Ordinance by a Tribunal of its interim classification. The Tribunal confirmed its decision. In 2004, there was one case of reconsideration and the Tribunal altered its interim classification from Class II (indecent) to Class I (neither obscene nor indecent). There was no request for reconsideration in 2005.

A party may appeal on a point of law to the Court of First Instance of the High Court against the decision of a Tribunal. In the past three years, there was one appeal each in the years 2003 and 2004. The appeal lodged in 2003 is still in progress and the one in 2004 has been adjourned *sine die*.

BILLS**Second Reading of Bills****Resumption of Second Reading Debate on Bills**

PRESIDENT (in Cantonese): Bill. We now resume the Second Reading debate on the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006.

CHIEF EXECUTIVE ELECTION AND LEGISLATIVE COUNCIL ELECTION (MISCELLANEOUS AMENDMENTS) BILL 2006**Resumption of debate on Second Reading which was moved on 8 March 2006**

PRESIDENT (in Cantonese): Mr Howard YOUNG, Chairman of the Bills Committee on the above Bill, will now address the Council on the Committee's Report on the Bill.

MR HOWARD YOUNG (in Cantonese): Madam President, I speak in the capacity of the Chairman of the Bills Committee on Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 (the Bills Committee).

The Bills Committee has held six meetings with the Administration after its formation on 10 March 2006, and received views from 17 organizations and individuals on the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 (the Bill). The deliberations of the Bills Committee have already been explained in detail in the Report, and I will only highlight a number of points in it today.

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

The Bills Committee has discussed in detail an amendment to the Bill, which provides that if only one Chief Executive candidate is validly nominated,

the election proceedings shall continue. Under the proposed electoral arrangements, the Election Committee (EC) members, when voting, may indicate in the ballot papers either to "support" or "not support" the sole candidate. The sole candidate shall be returned at the election if the number of "support votes" he obtains constitutes more than half of the total number of valid votes cast. If the number of "support votes" obtained by the candidate falls short of more than half of the total valid votes cast, the proceedings will be repeated until a candidate is returned.

Some members have suggested that arrangements should be made to ensure "finality" to the electoral process. For instance, if the same candidate is the only candidate at the close of the new round of nominations, he shall be elected *ipso facto*. The Administration has advised that it will not be appropriate to provide for arrangements to ensure "finality" to the electoral process. A proposal to allow a sole candidate to be returned *ipso facto* will not be consistent with the Administration's policy.

The Bills Committee has also discussed whether, in the absence of a "finality" provision, a Chief Executive could be elected in time to fill a vacancy if the number of "support votes" obtained by a sole Chief Executive candidate falls short of the required votes on successive occasions. Under Article 53 para 2 of the Basic Law, a new Chief Executive shall be selected within six months, and the Chief Executive Election Ordinance also provides a formula for the fixing of the polling date.

Citing the 2007 Chief Executive election as an example, the Administration has said that polling will be held on 25 March 2007. Assuming that there is only one validly nominated candidate, and that he is unable to obtain the requisite number of "support votes", two further rounds of election can be held before the expiry of the term of the incumbent Chief Executive on 30 June 2007. In the event that there is only one validly nominated candidate and the sole candidate is unable to receive the requisite number of "support votes" in each of the three rounds of election, the electoral process will continue after 1 July 2007. Taking account of the requirement under Article 53 of the Basic Law, four more rounds of election can be held during the six-month period between 1 July 2007 and 31 December 2007. As a total of seven rounds of election could be held before 31 December 2007, it is unlikely that a Chief Executive could not be returned through a polling process.

Members have also expressed concern about the transitional arrangements in relation to the appointment of Acting Chief Executive, Principal Officials and Members of the Executive Council in the event that a new term Chief Executive is not elected before 30 June 2007.

The Administration has explained that in the event that a new term Chief Executive is not elected by 30 June 2007, in accordance with Article 53 of the Basic Law, the duties of the Chief Executive shall be temporarily assumed by the Chief Secretary for Administration, the Financial Secretary or the Secretary of Justice in this order of precedence. As for Principal Officials, a Principal Official, once appointed, will remain as a Principal Official even after the expiry of the term of office of the Chief Executive who nominated him for appointment, unless and until he is removed from office by the Central People's Government. Besides, although the employment contract signed between the Government and Principal Officials will expire on 30 June 2007, the contract period could be extended to a date when a new term Chief Executive assumes office. As for Members of the Executive Council, the Acting Chief Executive may appoint the incumbent Members to continue to serve until a new term Chief Executive assumes office.

The Bills Committee has also discussed a number of other proposals made in the Bill as follows:

- (1) a new Chief Executive returned in a by-election may only serve one more term after expiry of the remainder term;
- (2) if a vacancy arises during the six months before a new term Chief Executive is to be elected, no Chief Executive by-election will be held;
- (3) the term of office of the EC will commence on 1 February in the year the Chief Executive's term of office expires; and
- (4) only an individual who remains a member of the District Council, a Hong Kong member of the National Committee of the Chinese People's Political Consultative Conference, or the Chairman, a Vice-Chairman or Councillor of the Heung Yee Kuk may continue to be a member of the relevant EC subsector.

These proposals, which serve to address some of the legal issues and concerns raised by Members before, are supported by the Bills Committee.

Deputy President, the Bills Committee has discussed in detail some other issues. Some members have called on the Government to abolish the requirement that the Chief Executive cannot have any political affiliation. They consider that the requirement is not stipulated in the Basic Law and will impede the development of political parties. Given that Principal Officials under the accountability system and Members of the Executive Council can have political affiliation, it is unreasonable that the Chief Executive cannot be a member of a political party. A Chief Executive with political affiliation will be conducive to the development of political parties and would have the support of Members of the Legislative Council of the same political party, resulting in smoother governance.

The position of the Administration is that the existing requirement should be maintained as there is no clear mainstream view among different sectors of the community to change the *status quo*. The Administration has also advised members that the series of measures taken by the Government, including providing financial assistance to candidates standing in the Legislative Council and District Council elections and enabling people with political aspirations to join the Government to pursue a political career, will facilitate the development of political parties and groom political talents for Hong Kong's further constitutional development.

Some members consider that although the Standing Committee of the National People's Congress (NPCSC) had ruled out the implementation of universal suffrage for the 2007 Chief Executive election, the Administration should enhance democratic representation by broadening the electorate base of the EC to include all registered voters. The proposal, which could be implemented by way of local legislation, would not contravene the Basic Law as well as the Interpretation and Decision made by the NPCSC in April 2004.

The Administration has advised that the Task Force had proposed in its Fifth Report a package of proposals to increase democratic representation in the Chief Executive election, but the package of proposals did not have the required two-thirds majority support of all Members of the Legislative Council. The Administration had made it clear at the time that in accordance with the Interpretation made by the NPCSC on 6 April 2004, if no amendment was made

to the method for selecting the Chief Executive, the provisions in Annex I to the Basic Law would still be applicable. Under such circumstances, the 2007 Chief Executive election will be held on the basis of the existing arrangements and that is, the electorate base will remain unchanged.

Another issue discussed by the Bills Committee is the number of subscribers required for nominating candidates for the office of the Chief Executive. Some members consider that the Chief Executive Election Ordinance should be amended to introduce an upper limit on the number of subscribers, and that this amendment would not contravene the Basic Law. They have pointed out that in both the 2002 and 2005 Chief Executive elections, the Chief Executives were elected uncontested, as the candidates concerned had the support of the leadership of the Central Authorities and secured nominations from more than 700 subscribers, thus making it impossible for other candidates to obtain the required number of subscribers to contest the election. Given the small electorate of the EC and the requirement for the names of the subscribers to be made public, it is very difficult for aspiring persons to contest the election if an upper limit is not set on the number of subscribers. These members consider that a contested election will induce candidates to organize or take part in election forums, thereby enhancing the transparency and atmosphere of the election. They have also pointed out that the threshold of requiring candidates to secure nominations from not less than 100 EC members (12.5% of the electorate size) is indeed too high by world standard.

Moreover, some members do not agree that an upper limit on the number of subscribers will have a bearing on the number of candidates standing in an election. In their view, any person who is acceptable to EC members should be able to obtain the required number of subscribers to be nominated as a candidate.

The Administration has advised that Annex I to the Basic Law does not contain any provision on an upper limit on the number of subscribers a candidate may have. While the Administration can examine the feasibility of introducing such a requirement through local legislation, its policy is not to impose this requirement.

Deputy President, some Members had given notice to move amendments in relation to political affiliation of the Chief Executive and an upper limit on the number of subscribers. The amendments were ruled by the President of the Legislative Council as outside the ambit of the Bill.

In response to the views of the Bills Committee, the Administration will propose some minor or technical amendments later on. The Bills Committee supports these amendments, and members also support the resumption of the Second Reading debate of the Bill.

Deputy President, this is all I wish to report on behalf of the Bills Committee. Now, I will express my views and position as well as those of the Liberal Party on the Bill.

Deputy President, the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006, of which the Second Reading debate is resumed and Third Reading will be conducted today, mainly seeks to perfect the method for the 2007 election to return the new term Chief Executive. It consists of technical amendments made by the Government with regard to the election of the Chief Executive after the mainstream proposal on constitutional reform had been negated in December last year, which subsequently forced constitutional development to come to a standstill.

Although the Liberal Party is greatly disappointed by the voting down of the mainstream proposal on constitutional reform then, we still hope that even though development has remained stagnant, we should fight for as much room as possible for making improvements to the arrangements for the Chief Executive election, in order to enhance his representativeness and acceptability to the public.

Therefore, the Liberal Party supports the various proposals in the Bill to improve the electoral methods, such as the proposals mentioned by me earlier. Another example is that the Bill provides for the electoral proceedings when there is only one candidate. The provision precludes the candidate from being elected *ipso factor* as the sole candidate is required to obtain "support votes" from more than half of the votes cast in order to be considered as elected, or else the electoral process will continue. Furthermore, the Bill has clarified, among other things, the number of consecutive terms that a new Chief Executive returned in a by-election may serve in the remainder term. I believe these measures are conducive to removing uncertainties in the electoral system and hence increase the level of public acceptance of the election

However, as I have said earlier, we hope to fight for more room for making improvements to the Chief Executive election. In this connection, Mr

James TIEN had, on behalf of the Liberal Party, proposed to repeal the provision on "winning candidate to declare he is not a member of political party" in section 31 of the Chief Executive Election Ordinance. The reasons were already explained for many times in the panel and extensively reported by the media. So, I am not going to repeat them here. The President of the Legislative Council has ruled that this amendment is not consistent with the Rules of Procedure, which means that we cannot propose the amendment. While we are disappointed with this decision of the President and feel helpless about it, we will respect and accept this ruling. To show respect to the President's decision, I will not repeat the arguments here.

Moreover, the Liberal Party had first planned to propose another amendment to broaden the electorate base of EC subsectors, so as to enhance the representativeness of EC members. Much to our regret, as this would involve the amendment of dozens and even over a hundred provisions and hence require enormous commitment in terms of manpower and resources, and coupled with the fact that some important information is only accessible by the Government, it is impossible for the Liberal Party, with the resources of one party alone, to complete the drafting of the amendment within a short timeframe.

Under our original proposal, we suggested that in the EC subsector election, the votes which we commonly refer to as "corporate votes" be changed to "director votes" or "management votes". It means that companies eligible to become electors will have their votes cast by the management instead. In fact, a similar approach was adopted in the Legislative Council (Electoral Provisions) (Amendment) Ordinance back in 1994. It was provided that a certain number of directors of a company could vote, and as far as I remember, up to six directors could vote in the election. We consider that the voters can be the representatives of the management, which means that they can be directors, or representatives appointed by the board. We think that since the Government considers public expectation for a broadened EC electorate base reasonable, consideration should be given to whether amendments can be introduced in this respect as soon as possible. Most importantly, this arrangement is not meant to conduct a complete overhaul of the electoral system, for the votes will still represent the management of the company without jeopardizing the intended meaning of functional constituencies while at the same time achieving the objective of broadening the electorate base.

Therefore, I think even if it is impossible for the Government to further propose an amendment to this Ordinance on the Chief Executive election, in order to appropriately broaden the electorate base of the EC, we still hope that the Government can actively consider improving and broadening the electorate base of the functional constituencies of the Legislative Council as well as that of the Chief Executive election in this direction, so that our constitutional system can be taken forward in a gradual and orderly manner in accordance with the Basic Law and the decision of the NPCSC, rather than coming to a complete standstill.

Deputy President, I so submit.

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

DR YEUNG SUM (in Cantonese): Deputy President, I speak to oppose the resumption of Second Reading of the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 (the Bill). Deputy President, the Government merely proposed to introduce in the Bill provisions to provide for a mechanism of "confidence vote", the term of a Chief Executive returned in a by-election, voter qualifications in respect of the subsector electorates of the Election Committee (EC) and individual functional constituency electorates of the Legislative Council, and technical amendments to reflect changes in the names of organizations or those which have ceased to exist. However, it has not introduced any amendment to broaden the electorate base. Also, the proposal of imposing a cap on the number of "confidence votes" as suggested by Members was considered beyond the scope of the Bill. The entire amendment is in fact a Bill to suppress democratic participation which fails to address the public aspiration for a democratic and liberal system. I find this most regrettable.

The Bill provides for the electoral arrangements for the Chief Executive election in 2007 and the Legislative Council election in 2008. Although the NPCSC has ruled out the dual elections by universal suffrage in 2007 and 2008, it does not follow that the SAR Government can sit back and do nothing to increase the pace of our democratization. We should broaden our electorate base by way of local legislation, such as abolishing the corporate votes in the EC subsectors and the Legislative Council functional constituencies and replacing them by "one person, one vote". These are within the scope of the NPCSC decision.

In the following, I would like to talk about the views of the Democratic Party on four aspects: firstly, the broadening of electorate base; secondly, the "confidence votes" obtained by the Chief Executive; thirdly, an upper limit on subscribers; and fourthly, political affiliation of the Chief Executive.

The first thing is to broaden the electorate base. The 800 members of the EC charged with selecting the Chief Executive are mostly returned by 30-odd subsectors through corporate votes and group votes in addition to individual votes. The Government should substantially broaden the electorate base of these subsectors, so that the representative of the sector is returned by "one person, one vote", thereby enhancing public participation.

The insurance sector, for instance, adopts corporate votes at present. In 2004, the number of registered voters was only 161. In other words, 12 EC members were returned by 100-odd people. The Government can consider extending the electorate base to all insurance licensees, to include insurance agents and practitioners as eligible voters, so as to push up the number of voters to almost 50 000. This is a prominent example.

Secondly, I wish to talk about the Democratic Party's view on "confidence votes". The Bill proposes to introduce "confidence votes" to provide that if only one Chief Executive candidate is validly nominated, the election proceedings must still continue. To address the issue of candidate elected *ipso facto*, a candidate must obtain more than half of the total number of valid votes cast to be elected. While it is considered a more progressive approach, the Government has yet to deal with the fundamental issue of having only one valid nomination.

In the 2002 Chief Executive election, as TUNG Chee-hwa had the support of the Central Authorities, he alone secured 714 EC members as subscribers for nomination and was elected *ipso facto* for obtaining 90% of the nominations. In the by-election conducted in 2005, with the support from the Central Authorities, Donald TSANG also obtained 674 nominations and 36 expressions of support. As he monopolized over 80% of the nominations, he was elected *ipso facto* and it was impossible for other candidates to obtain 100 nominations. As a result, the public could see no election forums, nor different candidates debating their policy objectives and platforms to find out which one of them was more popular. Given a small-circle election of an extremely narrow electorate base, the

previous two so-called Chief Executive elections were in fact a predetermined political farce. It was indeed very absurd.

Even if the election of a candidate *ipso facto* is cancelled, the monopolization of nomination is still allowed. There may be several rounds of elections — the Secretary said that it could be as many as seven — with no candidates preferred by the Hong Kong people being returned. Notwithstanding this, the situation where there is competition, election forum and alternative is still absent.

I then talk about the Democratic Party's opinions on an upper limit on the number of subscribers. Under the existing law, candidates are required to secure nominations from not less than 100 EC members to be validly nominated. However, as candidates are allowed to obstruct other candidates from obtaining 100 valid nominations by means of securing most of the nominations, the situation is most undesirable. We have to put an end to the situation where candidates monopolize subscribers for nomination, allowing other candidates to take part in the election. Through election forums, voters can make a choice among several candidates.

We think the Government should put a cap on the number of subscribers, such as 25% of the electorate size, requiring candidates to obtain no more than 200 nominations from the 800 EC members. As a result, there will still be room for other candidates to secure 100 valid nominations, thus enhancing the competition of the election. The Basic Law only provides for the lower limit of the number of subscribers, it does not contain any provision on an upper limit. Thus, our proposal is in line with the Basic Law.

We have moved an amendment that in the event of a candidate failing to obtain more than half of the valid votes, thereby necessitating the reopening of the electoral process, to impose an upper limit of 200 nominations for the elections conducted thereafter, so as to allow more chances for other candidates to be validly nominated. As a matter of fact, if there is only one candidate running in the first round of polling, as the electoral process has to be reopened in a tight schedule of 42 days, the cap is thus of paramount importance in preventing the nomination from being monopolized again. If there is more than one candidate, the EC members can have more choices. Unfortunately, the proposed amendment has been ruled out by the President for going beyond the scope of the Bill. We deeply hope that the Government can fully understand

our discussion on that occasion and conduct a review of the relevant issue, so that the Government can initiate an amendment to the relevant legislation to add an upper limit, thereby enhancing the competition of the Chief Executive election.

The fourth issue is concerned with the political affiliation of the Chief Executive. Under section 31 of the current legislation, once elected as the Chief Executive, a candidate is required to withdraw from the political party of which he is a member. This requirement is not only a discrimination against political parties, but also a restriction on their development. In democratic countries and places around the world, their leaders returned in democratic elections do very often have political affiliation or alliance. They formulate political platforms through participation in the political party or alliance. As a result of getting the support of the majority from district elections through campaigning, they can honour their policy pledges with the credibility and mandate, thereby achieving effective governance.

The Basic Law does not stipulate that the Chief Executive cannot have any political background, why does the SAR Government have to put in this hurdle to restrict political parties to become the ruling party? Is this the idea of the Central Authorities? Or is it because the SAR Government is afraid that members of political parties may be appointed as the Chief Executive?

Though the Chief Executive himself cannot have political background, he can appoint political party members as Principal Officials or Executive Council Members. Also, Legislative Council Members can be members of political parties. What logic is there in this constitutional arrangement?

In the last review of the Chief Executive election legislation, the Government relaxed the restriction on political party members in running in the Chief Executive election by allowing them to taking part. It is a right direction. The Government also indicated that it would reconsider the necessity for candidates to withdraw from their political parties accordingly. Unfortunately, the Secretary said later that no amendment would be made.

We think a progressive approach should be adopted. In the course of reviewing the Chief Executive Election Ordinance this time, the Government should remove the restriction whereby the Chief Executive elect must relinquish his political party membership. By allowing the Chief Executive elect to work together with his political party, he can also honour his undertakings and duties

in the name of his political party, with a view to encouraging the development of party politics and removing the hurdles for political parties to become the ruling party.

In consideration of the political reality, the Chief Executive indeed needs the support of majority parties or alliances in the Legislative Council to implement his policy initiatives. The Chief Executive's previous remarks about the affinity theory, his leading his accountability officials to stand on stage hand in hand with a particular party in showing support for his political reform package, attending the opening ceremony of Member's office of certain parties and sending Secretaries to attend a meeting of a political party core, reflect the need for the Chief Executive to solicit support from political parties for effective governance. This is the political reality.

To suit the scope of the Bill, we did try to propose an amendment to make failure to meet the requirement under section 31(1) of the Ordinance (that is, a Chief Executive candidate, if elected, shall declare that he is not a member of any political party and that he undertakes not to become a member of any political party) not a ground for legal challenges in respect of the election. Unfortunately, the amendment has been ruled out by the President for going beyond the scope of the Bill.

During the scrutiny of the Bill, most Members supported removing the restriction on political affiliation. Deputy President, the Liberal Party did also propose an amendment to delete the entire section 31 of the Ordinance. Just now, Mr Howard YOUNG explained the amendment in details on behalf of the Liberal Party. Yet, it has also been ruled out by the President as going beyond the scope of the Bill. We earnestly hope that the Government will revisit this issue in future. As there is still time before the next Chief Executive election, the Government should have enough time for putting forward another amendment. If the Government can take the initiative to propose an amendment, the proposal of removing the restriction on political affiliation will stand a chance of passing as we do not have to subject it to separate voting. If political parties have the chance of becoming the ruling party, the development of party politics will be promoted.

Deputy President, I also wish to response to some frequently raised issues relating to universal suffrage. Among them, some people argue that if universal suffrage is implemented in Hong Kong, it will lead to a welfare society, which is detrimental to the economy of Hong Kong. The issue has also

been discussed by the Commission on Strategic Development. However, in all countries around the world, including France, the United States, the United Kingdom, Germany and Japan, their governments are basically returned by universal suffrage, yet the welfare system in these countries has not adversely affected their economic development. If we look at Northern Europe, Finland, for example, has proved to have achieved high growth with welfarism, showing that the welfare system is not necessarily related to economic development.

Besides, it is interesting that many consortia in Hong Kong have in fact major investments in these advanced democratic countries. Apparently, they are not worried that their economic interests will be affected by universal suffrage. It also proves that there is no absolute relationship between universal suffrage and economic investment.

A democratized community takes on board public opinions, respects human rights, upholds the rule of law and freedom, all these edges will be more conducive to the stability and healthy growth of the community and attracting more investments, thereby facilitating the sustainable development of a free economy.

Lastly, I wish to mention a recent remark made by Mr XU Chongde. He said that if universal suffrage is introduced in Hong Kong, the only chance is to elect a patriot. Deputy President, this kind of mindset is in fact a prominent manifestation of the communist culture and thinking of one-party dictatorship. The new style governance of Mr HU and Mr WEN puts emphasis on the rule of law and people-oriented principle. Unfortunately, it has yet to implement an effective political reform and, most disappointingly, it has ruled out the possibility of allowing the SAR Government to take a step ahead in democracy, deferring the democratic process of the Hong Kong SAR and the Mainland as a whole. I feel most sorry about this.

Deputy President, I so submit.

MR LI KWOK-YING (in Cantonese): Deputy President, in the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 (the Bill), the Government proposes a number of amendments in regard to arrangements for the Chief Executive and Legislative Council elections. The Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) supports them.

We must understand that, no matter what the amendment is, it must follow one basic principle, that is we must act in accordance with the Basic Law. In other words, if there is no change in the method for electing the Chief Executive and the Legislative Council as stipulated in the Annex to the Basic Law, the elections should be conducted in accordance with the current practice. Since the constitutional reform package was not endorsed, there is very little room for amendments in the Bill.

During the course of scrutinizing the Bill, members had different views in regard to introducing a voting mechanism to preventing a candidate from being elected *ipso facto*. Some members worried that we might not be able to have the Chief Executive returned within the statutory timeframe, thereby resulting in a political vacuum. However, the DAB is of the view that, even if there is only one candidate, the relevant polling procedure should proceed, and enough support votes should be secured by a successful candidate. This procedure can not only allay public worries about the Chief Executive being elected *ipso facto*, but also further enhance the credibility of the Chief Executive.

The upper limit of nominations in a Chief Executive election is another concern of members. Some members believed that there should be an upper limit of nominations in a Chief Executive election, lest candidates may force Election Committee (EC) members to make public their preference when striving to obtain more nominations. However, to nominate one's preferred candidate is a legitimate and reasonable act in itself. Furthermore, EC members can also have a better understanding of the candidate himself and his political platform. As EC members are wise enough to exercise their nomination and voting rights, it is thus not necessary to impose any restriction.

As a matter of fact, the scope of amendment in the Bill is limited, and the amendments are technical in nature. That is why the Bills Committee could complete the discussion and scrutiny of the Bill within a short period of time. However, at second thought, why could the examination of the Bill be so smooth and the scope of amendment so concise? The reason is the Fifth Report of the Constitutional Development Task Force (the Fifth Report) published by the Government last year was rejected by some Legislative Council Members, making it impossible to bring about changes to the methods for electing the Chief Executive in 2007 and Members of the Legislative Council in 2008. In other words, our constitutional development has to maintain the *status quo* and is kept away from any development in democracy for the time being.

All along, it has been my strong belief that the political reform package voted down last year could bring about a better and more democratic development in our constitutional regime. It was because the package did inject more democratic elements. For example, the electorate base of the EC is broadened to allow District Council (DC) members to take part in the Chief Executive election. Besides, to ensure the package to be passed, the Government planned to reduce the number of appointed DC seats with the target of abolishing all appointed seats in 2016. These reform measures would not only bring a new direction for development in district administration, but also help to nurture political talents at the district level, facilitating the development of political parties. This proposal could have brought more democratic elements to our constitutional development, unfortunately, it was voted down by some colleagues in the Legislative Council.

As a matter of fact, the reform package provided a good opportunity of further democratization, and this is not only my opinion, it has the general support from the public. The Hong Kong Transition Project of the Baptist University of Hong Kong has conducted a survey, comparing the public views since the voting down of the reform package over the past six months. The outcome was, almost half of the respondents held that the Government should introduce the proposal to the Legislative Council again, and that the Legislative Council should endorse it. Furthermore, when the reform package was freshly voted down last year, some members of the public opined that the Chief Executive should bear the most responsibility. However, the result of the survey showed that the majority of respondents believed that the pan-democrats should shoulder most or part of the responsibilities. It shows that most people have recognized that the reform package did have positive effect on constitutional development. While it is impossible for the Legislative Council to overhaul the methods for electing the Chief Executive and Legislative Council Members other than some minor amendments to the Bill, no wonder the public puts the blame on the pan-democrats.

Given that the political reform package has already been aborted, it is useless and meaningless to apportion blame. On the contrary, instead of disregarding the public expectations on the Legislative Council, we should strive to improve the relationship between the executive and the legislature, so that policies that are beneficial to livelihood can be passed in the Legislative Council as early as possible in future without undue delay.

As regards the relationship between the executive and the legislature, recently some Members suggested that the Chief Executive should be allowed to have political affiliation, so that the Chief Executive's colleagues in the same party can give support to his policy proposals. However, when the Fifth Report was issued last year, an opinion poll revealed that 70% of the public did not accept the proposal of allowing the Chief Executive to have political affiliation. Since the mainstream public opinion opposed the proposal, as representatives of the public, Legislative Council Members should listen to their views.

Deputy President, it is an indisputable fact that the reform package has been voted down, our first and foremost task is to amend the relevant legislation as soon as possible, so as to enable the Chief Executive election in 2007 and the Legislative Council election in 2008 to be conducted smoothly. I strongly hope that colleagues can genuinely take into consideration the public wish and aspiration, and vote in support of passing the Bill and not let down the public again.

With these remarks, Deputy President, I support the passing of the Bill.

MS MARGARET NG: Madam Deputy, this debate marks a lost opportunity. Had the voice of the people been heard instead of trampled, had their rights to universal suffrage for the election of the Chief Executive and the Legislative Council been respected, today we would be passing a bill to give Hong Kong people the right to choose their own Chief Executive under the Basic Law. It would have been such an electric moment in China's history that time will seem to stand still. We would have been so proud. It would have fulfilled the other half of the destiny marked out for us nearly nine years ago, upon midnight between 30 June and 1 July 1997: Not only will the rule of law prevail in this corner of Chinese soil, but also democracy, which is its twin.

Instead, this afternoon, we look at a travesty of a bill on the Chief Executive election to be held next year. The utmost it has to offer in advancing democracy is to introduce confidence voting when there is only one candidate. Not only is the Bill timid in introducing any real progress. It is fearful of leaving any opening for Members to introduce amendments which might go beyond that small change. The long title of the Bill and the Explanatory Memorandum are so drafted as to preclude any meaningful amendment. They are also drafted in such a clumsy and heavy-handed way that they appear quite pathetic. Really, the Government should be ashamed of itself, and its shame taints us all.

Madam Deputy, I said this is a great lost opportunity. When this Council defeated the Government's political reform package last December, the pan-democrats were attacked for rejecting an opportunity to make progress, merely because the reform proposed did not go far enough. This is a malicious lie, of course. But never mind. What needs to be pointed out is that, the power to amend the package was not in the hands of the pan-democrats. This afternoon, the control of this Bill is in the Government's hands. If the Chief Executive was sincere about democracy, he could have taken this opportunity to bring about a measure of it. He could have put into the Bill an upper limit of nominators, so as to encourage more candidates to be nominated. He could have enlarged the electoral base of the Election Committee in a variety of ways, including abolishing corporate votes and replacing them with real, human being voters. He could have removed the requirement for the candidate elected to be Chief Executive to sever his political party affiliation. It would have been more honest for a Chief Executive to admit his true affiliation. It would have removed the stigma on political parties. It would have been more consistent with the rhetoric of encouraging the development of mature political parties which are supposed to be a prerequisite for universal suffrage.

Had the Bill proposed these changes, I guarantee the proposals would have received no less a degree of public support as the so-called reform package did. Very likely far greater support.

Had the Bill proposed these changes, then Dr the Honourable YEUNG Sum and the Honourable James TIEN would not have the need of resorting to amendment which they knew stood a risk of being ruled against on the ground that they are outside the scope of the Bill. And why are these perfectly reasonable amendments outside the scope of the Bill? Because the Bill was deliberately drafted to preclude amendments, however reasonable and meritorious.

This does not only make Mr TSANG's professed fervour for democracy hypocritical, but such devices are also unworthy of any self-respecting government. To support such a bill would go against every fibre of anyone who believes in constitutionalism and fair play.

Civic Party has thought long and scrupulously whether we should just abstain from voting rather than oppose the Bill. We had earlier asked the Government to consider a "confidence vote" even when there is only one candidate. The Government has agreed and provided for it in this Bill. But

this cannot be the only factor we consider. We have to look at the Bill in the round. It is obvious that without broadening the electoral base, without an upper limit of nominators — indeed without any other meaningful change to the present system, the confidence vote by itself will be little more than mere formality and as such hardly meaningful at all. From the way the Government has constructed and restricted the scope of the Bill, the introduction of the confidence vote is obviously meant to be of minimal effect. That is why the Government is unconcerned about the worries expressed by members in the Bills Committee that the confidence voting system as proposed can mean no candidate is elected within the statutory timeframe. The Government knows only too well that nothing of the sort will happen. If some 715 electors of the Election Committee have publicly nominated the chosen one, they will be just as keen to cast their confidence vote for him.

Madam Deputy, I feel very sorry for the Hong Kong SAR Government. Not yet 10 years old, it already has every ounce of spirit and self-respect driven out of it. This Bill is a testimony of that sad state. I have no hesitation to vote against it. Thank you.

MR ALBERT HO (in Cantonese): The tabling of the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 (the Bill) is regarded as a report card after the SAR Government has been established for almost a decade. I strongly believe that this report card will not only shame those in authority, but also the people of Hong Kong.

When the Joint Declaration was promulgated, Hong Kong people had great expectations of the establishment of democracy. During the transitional period of more than a decade, many people participated enthusiastically to build up a representative government that was taking root in Hong Kong gradually, striving for drawing up a Basic Law with democratic elements. We met a number of failures, but we have never given up, nor have we felt frustrated and disappointed. However, the implementation of the Basic Law after the reunification did make a lot of us feel very sorry.

(THE PRESIDENT resumed the Chair)

In 2000, major political parties and groupings in Hong Kong, on a rare opportunity, came to a political consensus, expecting that the Chief Executive

and the Legislative Council could be returned by universal suffrage in 2007 and 2008 respectively, in order that the ultimate goal of establishing a democratic system as stipulated in the Basic Law could be fulfilled. At that time, the consensus was manifested in the platforms of the DAB, the Liberal Party, the Democratic Party and various other parties and groupings. I did not see any opposition from the community, even among the pro-China bodies, nor any objection by the Government and Beijing. We have been earnestly striving for and marching towards this objective. Unfortunately, time changed and all of a sudden, there was an abrupt turn in the political circumstances. Last year, the theory of patriotism gave rise to a serious political movement, in which many democracy fighters were subject to severe attacks. The interpretation of the Basic Law by the NPCSC that followed denied Hong Kong people the opportunity of fighting for universal suffrage in 2007 and 2008, trapping us today in a difficult position.

Madam President, I agree very much with the remarks made by Ms Margaret NG just now. We really hope that we can support here today unanimously, passionately and happily the enactment of a law on a system which is able to materialize our political wish, preference and consensus. Unfortunately, this is not the case. The Bill today brings great disappointment to Hong Kong people. Last year, when we voted against the Fifth Report of the Constitutional Development Task Force, we had to make a choice where there was no choice at all and that is, we had to express in a clear and unequivocal manner our continuous aspiration for universal suffrage under a democracy. We must express this way. We absolutely cannot accept the political reform package put forward last year, for under that proposal we would be, little by little, led astray, not knowing when the plan and arrangement of universal suffrage could come true.

Last year, we made a decision which we do not regret today. As such, for consideration of principle, we can only vote against this Bill to declare our principles, stance and convictions. Madam President, the Bill proposes an amendment to introduce a "confidence vote" even in a small circle election. It looks like a minor improvement, and changes to the electorates are also proposed. Insofar as the present system is concerned, do we really have to oppose the Bill? From that angle, maybe we should not. However, Madam President, we feel that we must unequivocally register our stance in the resumption of Second Reading to show that we do not regret vetoing the political reform package proposed in the Fifth Report last year. We feel that our message and aspiration expressed last year were absolutely essential and that we would stand by it.

Madam President, we are going to vote on this Bill today. Many people would say that after the Bill is passed, Hong Kong people should calm down and prepare for the elections in 2007 and 2008. Some people even think that we should not have any more political arguments and leave everything to the Central Authorities. Many friends have even told us that it is not meaningful to do anything more to this small circle election. For no matter there is a confidence vote or otherwise, the result is already clear when the nomination is made. As long as the Central Authorities make an indication on the next Chief Executive, even the most popular candidate would not be able to secure 100 votes, just as LEE Wing-tat, our party chairman did. The consequence is, even Donald TSANG would face the same scenario of losing trust. As such, many people said that it would not be meaningful to continue the discussion. I agree with this view as it is realistic.

Though I have said so much today, I still wish to persist on one point, that is, no matter how much pressure is exerted by Beijing, we will continue to take part in campaigns fighting for universal suffrage, including the 1 July march this year. We will exert our utmost.

During the deliberations on this Bill, a conference was held in Beijing by Mr ZHU Yucheng, Head of Institute of Hong Kong and Macao Affairs under the State Council's Development Research Center. The funny thing is, though the conference was related to Hong Kong, politicians in Hong Kong, including academics, were not invited to express views. Those who were invited to attend were all mainland guardians of the Basic Law. It happened about a month ago. Why a conference was held at that time to send out a series of messages considered having negative impact on the democratic development in Hong Kong? Many people held that it was meant to further suppress the democratic aspirations of the Hong Kong people, and also to suppress the will or desire of the public in taking part in the 1 July march. It even sought to tell us that it does not make any difference to oppose the Bill today. In fact, their sending out of these messages was good, for it afforded us more opportunities to debate on these issues, revealing their distortions of many ideas and basic knowledge in politics.

While the Bill's Second Reading is resumed today, I would like to take this opportunity to briefly response to views put forward by those guardians at the conference. Firstly, XU Zhongde asked us to guarantee that a patriot would be returned by universal suffrage. In fact, if he has read the collection of essays by DENG Xiaoping, he would know that DENG always said that most Hong Kong

people loved their country and Hong Kong. If most Hong Kong people love their country and Hong Kong, then it follows that the candidate returned in an election by universal suffrage must be someone who also loves his country and Hong Kong. Perhaps Mr XU is of the opinion that Mr DENG's view is outdated, that the people in Hong Kong no long love their country and Hong Kong. Is it what he means, or does he have another definition of loving the country and Hong Kong, such as it must include loving the party, the leader, the President, and so on? He should make this point clear. In fact, can we guarantee those people appointed under an undemocratic system are good? We can find this out from the system in the Mainland. No matter how powerful the Communist Party is in launching revolutions, in the end there was the Gang of Four. LIU Xiaoli, who had been a patriotic State President, was accused as a national traitor, public enemy overnight. Were these the product of their system? To a few points raised by WANG Zhenmin, I would like to say something. He laid down six conditions. The first one is a consensus on universal suffrage must be reached in the community as a whole. In fact, as I said in 2000, all sectors and political parties had sincerely expressed their aspirations for universal suffrage in 2007 and 2008 in a liberal atmosphere where they were not subject to any pressure. It was consistent with the results of an opinion survey conducted in 2004 to 2005. If you say that there is no such consensus in Hong Kong, it is a lie. Only that when pressure was exerted by the Central Authorities, the consensus was smashed. I have no more to say on this. If the Central Authorities really respect Hong Kong people's consensus, "one country, two systems" and "high degree of autonomy", they should respect the consensus reached in 2000, according us the due recognition. As such, the first condition is met by us in reality.

The second reason is related to economy, universal suffrage is in fact part and parcel of democracy. If we look at the development of capitalism in overseas countries, the most advanced countries are those implementing democracy and universal suffrage. Apart from protecting people's basic human rights and freedom, civil society and the free-flow of information, property rights and a free market are also assured in these democratic countries. All these are essential to a capitalistic system and history will bear this out.

The third is on the legal aspect. They hoped that we could first enact legislation as required by Article 23 of the Basic Law and perfect the law governing political party development. I will first talk about the legislation on Article 23 of the Basic Law. In fact, we and most democratic parties do not

object to legislation on that Article, we only ask that there should be a law complying with the standard set down by the International Covenant on Human Rights. As regards how much power we want to confer on the Government, it all depends on whether it is a democratic government. If it is a democratic government, we are prepared to trust it more, but if it is a government returned by a small circle, it will be very difficult for us to give it more trust.

The fourth condition is about civic and national education. I totally agree with the opinion on this aspect, only such education must be carried out extensively. However, implementation is the best education. It is only when we have universal suffrage with everybody participating as a citizen could we build up our civic-mindedness and identification. It would be meaningful for someone to be patriotic only on that basis. Our responsibility as a citizen is manifested through implementation and participation.

The fifth condition is about life and the issue of whether there is any confrontation in political culture. I only want to point out that Hong Kong is a plural society. The openness, accountability and transparency that we are talking about are not malicious confrontation. I hope this could be understood by all of us and also WANG Zhenmin. The sixth condition is that he hoped Hong Kong as a society could meet the conditions for universal suffrage. As a matter of fact, our community is pluralistic, and this culture has been built up for years.

Thank you.

MR RONNY TONG (in Cantonese): President, Ms Margaret NG remarked just now that the debate on this election Bill marked a lost opportunity. What this Bill can give us is far greater than the loss we have to suffer. Hong Kong people have not only lost an opportunity but also suffered a frustrating setback.

When I was present earlier on, I heard Mr LI Kwok-ying say that when the democratic camp vetoed the constitutional reform package in December last year, Hong Kong lost a good opportunity of constitutional reform. I must say a few words in response here. The constitutional reform package proposed last year sought only to perpetuate the unfair system of functional sectors, instead of aiming to abolish this unfair arrangement. Therefore, strictly speaking, we did not lose anything. The only thing we lost was just an opportunity of improving the political system.

The SAR Government has put forward this Bill with the obvious intention of introducing some progressive improvements to the Chief Executive election. But a perusal of its contents will show that all the changes are even less than piecemeal, being nothing but mere trivialities. Frankly speaking, the amendment of the Chief Executive Election Ordinance can actually give us an opportunity to increase the credibility of the Chief Executive. Three points must be raised for discussion in this connection.

First, do we need to strike a suitable balance between the election of the Chief Executive and the development of political parties? The development of political parties is a very significant impetus for the democratic development of Hong Kong. This legislature was indeed divided on the issue of constitutional reform in December, but today, when discussing the Chief Executive Election Ordinance, most Members are nonetheless in support of abolishing the unreasonable requirement barring the Chief Executive from having any political affiliation. This restriction is unique to Hong Kong and cannot be found anywhere else in the whole world. It limits the credibility of the Chief Executive in Hong Kong and prevents the participation of candidates with backgrounds commanding the confidence of Hong Kong people. The Government's resolute opposition to the amendments put forward by Members will only increase Hong Kong people's indifference to the Chief Executive election, eventually adding to the instability of society and creating more social conflicts. However, why does the Government refuse to abolish the restriction? During the scrutiny of the Bill, Members devoted huge amounts of time to discussions on this issue. But I never heard any sound justifications. The only justification put forward by the Government was that an opinion poll conducted during the consultation period had indicated that Hong Kong people did not support the Chief Executive's involvement in party politics. This leads us to the credibility of opinion polls. We already discussed this issue many times last year, so I am not going to dwell on it any further today. But I still wish to point out that a government with a sense of responsibility should realize that if a candidate in the Chief Executive election has the support of a political party, people will have more confidence in his concepts of governance and backgrounds, and this will greatly enhance his credibility. Therefore, any attempt to oppose the amendment on the basis of the opinion poll will run completely counter to all logic. And, most importantly, the majority of Members in this legislature are already prepared to support the amendment. Does the Government think that a majority support in this Council should count less than an opinion poll it made up? If yes, what is the point of forming the

Legislative Council? The Government may actually do all its decision-making simply by conducting an opinion poll every day. All of us can then pack and return to our original trades. The Government's opposition to this amendment on political affiliation is therefore very heartbreaking.

Second, what can we do in order to prevent recurrence of the unfortunate event in which a sole candidate is elected *ipso facto* in the Chief Executive election? The Government proposes to introduce confidence voting. In this regard, I believe Members will know how ridiculous the outcome will be — if the Chief Executive can obtain the same number of nominations as in the previous two elections, with the result that no one else can run in the election, the vicious cycle will go on running for ever, and we may even fail to have enough time to elect a legally admissible Chief Executive. Why should we still do so in that case? Actually, the simplest way of preventing anyone from monopolizing the nomination for candidature in the Chief Executive election is to impose a ceiling on the number of nominations. It is only by setting such a ceiling that we can ensure the participation of more than one candidate. When it comes to this, however, the Government is shrewd enough to avoid talking about opinion polls. An opinion poll, a recent opinion poll, as Members can recall, indicates that 80% of the respondents actually hoped that there could be more than one candidate to compete for the post of Chief Executive. Why is the Government unwilling to introduce any amendment in this regard?

Third, this Bill proposes to adjust the number of Election Committee members for the Chief Executive election. But what is so ludicrous about the proposed adjustment is that only a number of companies are added to the electorate. The greatest wish of Hong Kong people now is the conversion of certain company votes into individual votes. But the Government has never paid any heed to this. And, not only this, it now even tries to worsen the situation by adding more companies to the electorate. How can such an adjustment be called improvement at all? The present political system is already so unfair and unbalanced, but the Government still tries to increase its unfairness and imbalance. How can we, as Members, render our support?

Please excuse me for saying so, but I must say that the Government has acted like a coward in this regard. It has resorted to the unfairness of the system, knowing clearly that it will be very difficult for Members' amendment to get the President's clearance. President, I am not questioning your decision — but please allow me to say that I do sympathize with your situation. You do not

have any alternatives because this is our rule. The rule is marked by an inherent imbalance, with the result that despite Members' majority support and even the majority support of Hong Kong, there is nonetheless no possibility of putting forward any amendments. How can the people of Hong Kong have any confidence in such a system? But the Government is precisely trying to take advantage of this system, opposing whatever amendments moved by Members. The President must take such opposition into account.

However, the President's ruling cannot possibly restrict the Government in practical politics. Why? The Government may amend the Long Title or even put forward another Bill. No one can actually prevent the Government from putting forward another Bill tomorrow to answer the people's demands, or the demands of the majority of Members. Why is it impossible to do so? If Members cannot put forward any Bills to introduce amendments, who should shoulder such responsibility? If Members cannot do so, who else should? This is a constitutional duty. This is not only a political duty, but also a constitutional one. This is a duty that cannot be shirked. One simply should not try to laugh off the matter after hearing the ruling of the President, saying that nothing more can be done. This is a highly irresponsible attitude.

President, I think the attitude and approach adopted by the Government in the handling of this Bill are extremely distressing. Although the Bill is not marked by any serious problems or unacceptable contents, I nonetheless cannot accept it for all the reasons mentioned above and also because of the Government's attitude and approach of ignoring the people's aspiration. I have therefore decided to cast a negative vote. Thank you, President.

MR LEE CHEUK-YAN (in Cantonese): I shall vote against the Bill on behalf of the Hong Kong Confederation of Trade Unions. Why? The Government may well talk about its proposal on confidence voting and ask, "What is so wrong with confidence voting?" Why do we want to cast a negative vote? The main reason is that although the Bill proposes to introduce confidence voting in the Chief Executive election, the whole election itself will remain bogus. I think this electoral system is really an insult to the people of Hong Kong.

When did the outrage of Hong Kong people reach its height? As far as I can remember, it was the time when Mr TUNG was elected for another term as the Chief Executive. At that time, all in Hong Kong said that Mr TUNG was

not good for the job, but the Election Committee (EC) said the opposite. The reason for this was very simple. EC members were not supposed to have any independent thinking. Once they heard the "whistle", they must all nominate the person specified. When the person was Mr TUNG, they must nominate him. When the person was Mr TSANG, they must nominate him.

The people of Hong Kong found that the election had nothing whatsoever to do with them, for their strong discontent with the candidate was completely ignored. The availability of options is central to any democratic system, but Hong Kong people have never been offered any options at all. It is often claimed that Hong Kong upholds capitalism and the free market, and that people are offered choices in consumption. But in politics, Hong Kong people have never been offered any options. Those 800 people are in total control. In 2000, their control led to the nomination of Mr TUNG. Then, the "whistle" was blown, and Mr TUNG had to step down. Later on, the "whistle" was blown once again, and they had to nominate Mr TSANG. Such was the situation. They have never been had any independent thinking.

Can confidence voting help? I think the amendment proposed in the Bill will turn the Legislative Council into something like a dresser for the dead. But we refuse to be one. When a person is already dead, what is the point of using any make-up to make him look nice? The whole system is obviously farcical, so what is the point of applying any make-up, of introducing confidence voting to make people think that options are available? There are no options in practice, but they still talk about the holding of discussions and expression of confidence. Honestly speaking, if EC members really have any independent thinking, they simply do not need to do anything like this. Why must they do this? All is because EC members must make their nominations public after the blowing of the "whistle". That way, the large number of nominations that goes to the specified candidate may come to light, so the whole thing may appear a bit more convincing if EC members are allowed to keep their names confidential and cast secret votes on whether they have any confidence in the candidate. That way, EC members will have a chance to vote and to exercise their electoral right instead of merely exercising their nomination right. But I find this very ridiculous.

If EC members are truly accountable to the people, the only thing they need to do is to say openly that they do not want to make any nominations. If a member does not have any confidence in the candidate, he or she should not

make any nomination in the very first place. But the ridiculous thing is that all these people do not dare to tell others that they do not want to make any nominations. And, since they have already made their nominations, they may each cast a secret vote to indicate their confidence or otherwise. This system will produce another negative effect. I have already discussed the first negative effect. Actually, it is perhaps not necessary to introduce any confidence voting. The reason is that if EC members have any independent thinking, they do not have to act in such a secretive manner. They only need to say openly that they do not approve of the candidate and will not make any nominations. In this way, they do not have to be so secretive, do not have to cast any secret votes of confidence or no confidence after making their nominations. The proposed arrangement can offer them an occasion of expression. But if they are truly independent in the very first place, such an occasion will be unnecessary. This is the first point.

The second point is about a problem, a problem that will produce a negative effect. The proposal will, to a certain extent, enhance the power of the small circle of 800 EC members under the electoral system. Why? To begin with, their power of nomination can already enable them to do a round of bargaining before everything. They can say, "No, you must promise me this and that. If not, I will not nominate you." In this way, they do the first round of bargaining. If confidence voting is really introduced, they will have a chance to do one more round of bargaining. This is indeed terrible. One more round of bargaining will certainly make the situation even worse. After the first round, they will of course proceed to make their nominations. But when the time of confidence voting comes, Mr TSANG will have to approach them humbly for a second time. Sometimes, I really pity Mr TSANG. He is capable enough, so he can actually run in an election by universal suffrage. Why should he implore the support of those 800 people? I really pity him. Therefore, if universal suffrage can be implemented as early as possible, no one will have to suffer such indignity. When he implores them, he has to talk about the affinity difference, telling them that they are his close allies. He has to turn up at any "camps" or "go to any beds" upon invitation. How can we allow something like this to happen?

The current proposal will give them an opportunity to do one more round of bargaining. Some political parties may use the opportunity to "stir up mischief" one more time. We will not do so because he knows very clearly that we will not agree with or support him. We will not "stir up mischief". The

democratic camp has already been labelled the opposition, so it is useless for it to "stir up mischief". No one will believe that we agree with him. But the "whistle" camp, that is, all those political parties and groupings that will fall in line at hearing the "whistle", may always "stir up mischief". Though they must fall in line at hearing the "whistle", it is still necessary to convince them in one way or another. This gives them one more chance to do a round of bargaining.

In this way, this electoral college under the electoral system will degenerate into an organization of extortion with the Chief Executive as the target. They will not extort benefits for the people of Hong Kong. If this is indeed their objective, they should make public all their political ideas and policies. But I do not know how many "under-table deals" are found behind all these extortions. These deals may have nothing to do with any policy matters. Maybe, they want to be ministers but are not appointed. Or, very few of them can become political assistants, so they ask for more opportunities. With confidence voting, they will have one more opportunity to extort more benefits. This will be one of the effects produced by confidence voting. It looks as if confidence voting can enable them to voice their views while maintaining the confidentiality of their identities, but this will in fact give them one more opportunity to extort benefits. With two rounds of extortion, the election will turn even worse.

In view of all this, President, I must say that it is meaningless to introduce confidence voting. It is pointless to beautify a dead body and make a fake look like the real thing. What we want is a genuine election, not a so-called election with known results. XU Chongde was in a way correct in saying that if we could always ensure the election of a patriot, universal suffrage could be implemented immediately. XU Chongde said that everyone would be happy with such a system. But the happiest man should be Stanley HO. He is cocksure about our inability to secure 100 nominations. But he thinks that Mr TSANG will certainly get more than 700. I suppose he will even invite bets later on. But I do not think anyone will dare to bet him any money. This is fine enough, though, because people will realize that gambling is all about deception and losing. People must not bet him any money this time around, because they will surely lose. Mr HO is right in saying that the result is already known by all, entirely controlled by the banker. The banker will surely win. Therefore, Mr Stanley HO can certainly invite bets without any worry, for no one will be bold enough to challenge him.

But is this desirable? It is the Chief Executive election, a very solemn matter, but it has degenerated into an opportunity of extortion and an event for betting. And, everyone actually knows the result beforehand, so it is entirely meaningless. We therefore think that the Bill is unable to solve the most fundamental problem — the credibility of the Chief Executive. Nor can the Bill answer a very strong aspiration of Hong Kong people — the desire for genuine elections. The Bill has not proposed any notable changes at all. For example, it has not touched upon how the electorate of the EC can be expanded and whether the distribution of EC membership is justifiable. Nothing about these issues is mentioned, and there are just some piecemeal amendments, such as the addition of some companies. I do not know whether these companies have already closed down, but I just do not care. These are the only amendments, amendments that cannot in any way increase the credibility of the election.

Therefore, President, I do find this Bill on the Chief Executive election very disappointing. What I find even more disappointing is that contrary to our expectation, nothing is said on allowing the Chief Executive to have political affiliation. I really cannot see how political talents can be nurtured. If the Chief Executive is not allowed to have any political affiliation, I must ask two questions. First, as I have just asked, how can we nurture any political talents? The Chief Executive is not allowed to have any political affiliation. Second, how is the Chief Executive going to "hand out benefits"? What is meant by "handing out benefits"? The elected leader of the government is supposed to hand out benefits to members of the ruling party. But then, the Chief Executive does not belong to any political party. When this is the case, how can there be any affinity differences? Why should there be closer ties with certain people? What are the justifications for maintaining closer ties with certain people? If the Chief Executive does not belong to any political party, how can he "hand out benefits"? If the political affiliation of the Chief Executive is clear to all, we will have nothing to say because he is the leader of the Government. But all is so ambiguous now.

President, it is really not worthwhile to discuss and debate this Bill in the Legislative Council. There is simply no genuine progress at all. Confidence voting will easily lead to extortion. President, we refuse to be a dresser for the dead. Thank you, President.

MR ALAN LEONG (in Cantonese): Madam President, at the end of last year, the Government submitted to the Legislative Council two resolutions on

amending Annex I and Annex II to the Basic Law, with a view to implementing the recommendations of the Constitutional Development Task Force. Twenty-four Members, including me and others belonging to the Civic Party and the pan-democratic camp, all cast a negative vote, thus leading to the non-passage of these two government resolutions. Even before we voted on these two resolutions, I consistently maintained that I would vote against them. I explained that since the direction of the resolutions was wrong from the very beginning, I would vote against them, in the hope that the Government could return to the right track, formulate serious planning for our constitutional development and move in the direction of universal suffrage. Such is also what we expect of the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 submitted by the Government.

Madam President, even at the risk of verbosity, I must reiterate that the Government is duty-bound to explore all possibilities within the framework of the "26 April Decision" made by the National People's Congress, so as to ensure that our political system can become fairer and more open and make genuine progress towards the full implementation of universal suffrage. Since the presence of numerous obstacles makes it extremely difficult or almost impossible for Members to move any private Members' bills, and also because of the constraint imposed by the National People's Congress through its interpretation of the Basic Law, the Government is the only one who has the initiative of proposing any major constitutional reforms. Only the SAR Government has the power to put forward reform proposals. It is only when it does so that the public can give their responses. The SAR Government should then collate the responses received and identify a consensus. But since the announcement of the Fifth Report (the Fifth Report) of the Constitutional Development Task Force, the Government has adopted an attitude that runs counter to the requirement mentioned above. Last year, the Government warned that if the constitutional reform package could not be passed, it would not put forward any other new packages for public discussion. It seemed to be saying, "If the Legislative Council refuses to let us take this one-foot step leading to nowhere, we will not be interested in moving forward even an inch, or a fraction of an inch, however focused the direction is." Madam President, when it comes to the Bill today, we once hoped that the Government could still take this opportunity to move forward an inch, or a fraction of an inch, in the direction of bringing forth universal suffrage and equal elections. But in the end, no clear direction or substantial progress can be found in it. The Government's position remains just the same — take it or leave it. There is no room for bargaining and compromise through interaction.

As a matter of fact, during the scrutiny of the Bill in the Bills Committee, even pro-government political parties also put forward a number of sensible proposals that merited discussions. All these proposals could enable us to take a step forward in the direction of universal suffrage. One example was the removal of the restriction on the Chief Executive's political affiliation. Madam President, we often hear government officials grumble in this Chamber or before journalists' microphones that instead of putting forward any constructive ideas, members of political parties will only find fault with and criticize others. But I hope Secretary Stephen LAM can take a look at the countries and places with economic conditions and education standards comparable to ours. Can he find any places where members of political parties are barred from competing for the leadership of local and central governments? Can he find any places where political parties are as totally powerless as their Hong Kong counterparts in turning their political platforms into actual policies of governance?

Madam President, another area in which the pan-democratic camp and some pro-government political parties can come to an agreement is the expansion of the electorate for the industrial and commercial sectors in the Election Committee. This proves that there are not necessarily any fundamental differences in belief between the pan-democratic camp and the political parties in the governing coalition. Only some sort of bargaining over numbers and pace is required. However, the SAR Government, with all its avowed intention of promoting democratic development, simply refuses to seize this opportunity to advance concrete proposals and facilitate the forging of a consensus among different political parties and groupings.

Madam President, the tepid attitude of the Government is of course very frustrating and disappointing, but even more so is the strong likelihood that we may, for a third time, witness a Chief Executive election marked by the absence of any competition. Worse still, the credibility of the successful candidate in the 2007 election may even be the lowest in our history. The Government is adamantly opposed to setting a nomination ceiling, so nominations shall remain *de facto* open ballots. The required number of confidence votes in the event of a sole candidate shall be determined strictly according to the number of valid ballots. This means that as the number of blank ballots increases, the required number of confidence votes will instead go down. In the future, we may well see the election of a Chief Executive despite the presence of more than 400 blank ballots. This will definitely be a weird scene, but it is nonetheless allowed under the system.

Madam President, having listened to all the discussions in this Chamber and outside of it since the announcement of the Fifth Report, I cannot help worrying about the future development of Hong Kong. Both the Government and society as a whole agree and know clearly that the present political system cannot remain unchanged forever. All agree that sooner or later, universal suffrage must be introduced for the Chief Executive and Legislative Council elections. If the Government can faithfully relay this consensus of Hong Kong people to the Central Authorities and specify a reasonable timeframe for the full implementation of universal suffrage, our society will be able to start making preparations with such a timeframe in mind. That way, we can all work with one heart to bring the democratization of Hong Kong to successful completion.

As long as the Government fails to specify such a timeframe for discussion by society, all amendments to the methods for returning the Chief Executive and the Legislative Council are bound to be reduced to piecemeal changes, or acts of changing for the sake of changing. Society as a whole will forever be taking small steps instead of any significant strides towards universal suffrage. In that case, constitutional development will definitely remain an issue causing periodical social disputes and internal depletion in Hong Kong. Meanwhile, our political system will remain stagnant, which is not conducive to our efforts of solving the various governance problems resulting from such deep-rooted conflicts as the wealth gap and economic restructuring.

Madam President, I earnestly hope that this will be the last time that this Council and I have to hold any aimless discussions on constitutional reform. Madam President, with these remarks, I oppose the Second Reading of the Bill.

DR KWOK KA-KI (in Cantonese): President, this occasion today should have been very significant because we have to discuss the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006, and the Chief Executive Election will be held just next year.

Why are there so few people in the Chamber now? Why is it that even journalists are not so interested in covering this? If Members have read the newspapers of the past few days, they will notice that very few journalists are interested in covering the Bill being examined by the Legislative Council today, in marked contrast to what happened on 4 December last year. Why? The answer is that people are totally disillusioned. Hong Kong people now realize

that the Government has been saying one thing and doing another. Before 4 December, it announced the Fifth Report, which contained a pseudo-democratic package to answer the demand for universal suffrage. Arguments were made up and many public relation efforts were launched. There were also various fabricated provisions. All this was backed up by a public opinion offensive. In brief, many tactics were employed to force the Legislative Council to accept the "democratic" reform package. But it still failed in the end. On 4 December, hundreds and thousands of people took to the streets to tell the Government that they did not want such a package. It was a glorious day for the people of Hong Kong, a day when they boldly come forward to tell the Government and the Central Authorities not to fool them anymore.

I do not know how sincere the "bold words" of the Chief Executive are. When the constitutional reform package failed to get any support in December last year, he vowed that he wanted to see the successful implementation of universal suffrage in Hong Kong in his remaining years. Having said so, he must honour his promise. I do not know how long his term of office will be. But perhaps, he himself may know, President, because the result of the election will be a forgone conclusion. The "guardians" of the Basic Law, old and new, have all made it clear that there can be only one type of elections in Hong Kong — those with known results. This will apply whether we are looking at coterie elections or the implementation of universal suffrage in the future. In that case, how can there be any prospects for Hong Kong?

Secretary, you talk about constitutional reform, about putting forward various reform packages. But can you tell me in what ways these packages can achieve the ultimate aim of universal suffrage in our constitutional development?

The elections in 2007 and 2008 should have been the best opportunities of enabling Hong Kong to achieve universal suffrage. Unfortunately, however, with the interpretation of the Basic Law by the National People's Congress on 26 April two years ago, all hopes of implementing universal suffrage were formally extinguished for the first time. But does this mean that nothing more can be done? Does this mean that the Government can totally dislodge its responsibility? Of course not.

The reason is that the people do have various expectations of the new Chief Executive, the new Government of the Special Administrative Region

(SAR) and even the new political situation. But what have we seen so far? What results have been achieved? Which package, which amendment and which approach can draw Hong Kong closer to universal suffrage? That no one cares about all these packages is only natural, and the people's indifference to them is equally understandable, because all the elections currently under discussion are coterie elections. The only thing being done is just to make the "small circle" a bit bigger. However, President, even the demand for a "bigger circle" has been rejected. Even with the consent of the industrial and commercial sectors, the demand for an expansion of the electorate has still been rejected. All the obstacles and restrictions are just meant to achieve one objective — the holding of elections with known results.

Just name any internationally recognized indicators, indicators of economic freedom, education levels of the population and the cognition of people, and we will see that Hong Kong is invariably ranked higher than many places in Asia and even the whole world. But how will others look upon the people of Hong Kong now? Others will say, "They are not good enough. They do not know how to exercise the right of voting. How can they be qualified for universal suffrage?" Even if universal suffrage is implemented, some people will still say, "With universal suffrage, they will elect candidates who do not love the country and Hong Kong." I frankly fail to understand why they can be so full of foresight. Do they have a crystal ball which can tell them that once there is universal suffrage, we will surely elect candidates who do not love the country and Hong Kong? The point is that if one does not love the country and Hong Kong, one will never run in any elections. Why should one do so in the first place? People took to the streets on 4 December when it was still very hot. And, they have been doing the same on 1 July every year. Why? Isn't it better for them to reserve capitals for stock speculation? Property prices and stock prices are all soaring. The Government and real estate developers are once again working together, so all is so well now. Stock speculation is certainly better than wasting one's time in this Chamber because no one is actually listening. But why have so many Members still condemned this and that? The only reason is that they all want good prospects for Hong Kong.

When there are no political prospects, no prospects of political development, a government will never try to improve its governance. We already had two Chief Executive elections. But what kind of Chief Executive was returned by these elections? A candidate with no popularity and public support, whose policies were recognized by no one, could still obtain more than

700 votes in the coterie election, much beyond the understanding of all. But such a system can still exist, and it may even be adopted for the election of a new Chief Executive next year and beyond. The only reason is that the Government simply turns a blind eye to it. How can we help Hong Kong take a step forward?

President, if I were the Secretary, I would be ashamed of myself, because all the work that has been done over the years is totally unacceptable from all perspectives. Hong Kong is definitely an advanced and developed society enjoying complete economic freedom. Such a political system should not be, and does not deserve to be, its reward.

Members say that we should not spend so much time on the discussion today because a package like this is simply valueless. But I still want to say that the Government really owes the people of Hong Kong a great deal. It really owes Hong Kong people a great deal, particularly in respect of constitutional reform and the past two elections. And, the people of Hong Kong have been very tolerant. Time and again after 1997, they took to the streets very peacefully for just one purpose — the early implementation of universal suffrage. Whenever necessary, they took to the streets peacefully. It was very hot or the weather was very poor, but in spite of all the hardships, they still took to the streets. One may say that their action was aimless, or one may even criticize that there was simply no point to do so because the Government still treated them in the same way. But still, they wanted to take to the streets. What have they got in return? The Government has only put forward a package like this, even rejecting a proposal that can do nothing more than just offering very minimal prospects to the political development of Hong Kong — permitting members of political parties to run in the election.

I cannot understand why the Government should treat all these people in this way, because we can also find pro-government political parties among them. These political parties are the "allies" of the Government, so it should want them to develop well, right? I hope that a ruling coalition — consisting of the DAB and the Liberal Party — can be formed in the future and its members can join hands to look for a Chief Executive. I do not mind their doing so. As long as this can enable Hong Kong and our political development to take one step forward, I think we should let them go ahead. However, there are restrictions even in this respect. I know that they are sometimes "constrained" and cannot even "utter a word". They must support the Government and cast positive votes all the time. This is their sore and I do not think that I should pity them.

However, is it fair to treat these people like this? Everyone knows that all outcomes will be predetermined under such a system. But why are members of pro-government political parties still prevented from running in the election? It is because they hope that there will never be universal suffrage in Hong Kong. And, even if universal suffrage is really implemented, as pointed out by a new "guardian" of the Basic Law, the elect must be a known and predetermined elect. But this will not be an election; it can only be called rigging. So, please do not give others a laughing stock like this. Hong Kong is a highly modernized society, and the overall intelligence of its people is very high. But then, when it comes to elections and the political system, all people will treat us as infants, as not up to the mark. Why are Hong Kong people despised in this way? Why are they despised even by their own government?

I feel very sad because the people of Hong Kong are deprived of the prospect of universal suffrage. And, no one knows when they will have the chance to elect the Chief Executive and the Legislative Council by universal suffrage. Hong Kong people deserve better. They do not deserve a government with such composition. All this lets Hong Kong people down.

I do not know whether the Government will listen to my words. But judging from the indications and behaviour of the Government and the Secretary all along, I guess it is more likely that they will not.

President, like me, most people — including those in the pan-democratic camp — cannot accept such amendments to the electoral system. The only thing acceptable to us is a popular election geared towards universal suffrage, based on the equal participation of all Hong Kong people. This means the election of the Chief Executive and all Members of the Legislative Council by "one person, one vote".

With these remarks, I oppose the amendment. Thank you, President.

MISS TAM HEUNG-MAN (in Cantonese): Madam President, the constitutional development of Hong Kong has not been brought up for discussion in this Chamber for several months after the discussion held at the end of last year. Today, the Bill on the Chief Executive Election submitted by the Government lets us conduct another debate on the constitutional development of Hong Kong.

The democratization of Hong Kong's political system and the full implementation of universal suffrage are the common aspirations of Hong Kong people. Therefore, we should not miss any opportunity that can enable the political system of Hong Kong to move in the direction of greater democracy. Admittedly, we may seek to achieve our purpose by amending the Basic Law or its Annexes. But we may also promote the democratization of Hong Kong by way of local legislation. If the authorities are really sincere about promoting the democratic development of Hong Kong, they should answer the people's aspirations for democracy through the enactment of local legislation.

However, throughout the process of amending the legislation on the Chief Executive election and the Legislative Council election, we have failed to see any sincerity on the part of the authorities in promoting the democratic development of Hong Kong through the enactment of local legislation. The requirement on confidence voting in the event of a sole candidate is already the most significant of all proposed amendments. Before a sole candidate can be formally elected, he or she must receive a number of confidence votes amounting to half of all valid ballots. However, strictly speaking, this proposal cannot ensure the development of Hong Kong's political system.

The only purpose of the authorities' proposal on confidence voting is to ensure that a sole candidate is supported by the majority of the 800 Election Committee (EC) members. It is hoped that this can in turn ensure the quality of the elect to a certain extent. But this arrangement cannot markedly increase the people's participation in the election, nor can it enhance the nurturing of political talents. In announcing the constitutional reform package, the authorities claimed that Hong Kong could proceed further with democratization only when there were increased public participation and enough political talents. Now, what can the package put forward by the Government achieve in these two respects? Whether the authorities are sincere about promoting the democratic development of Hong Kong is all too obvious.

Besides, during the scrutiny of the Bill, many Members of various political affiliations also put forward a proposal, requesting the authorities to introduce an amendment allowing the Chief Executive to have political affiliation. This proposal will definitely be conducive to the nurturing of political talents in the future. In other words, it will be helpful to the political development of Hong Kong in the direction of universal suffrage. What is more, the proposal is also

in keeping with the Basic Law. I find the authorities' refusal to accept the proposal most regrettable.

The Basic Law does not require the Chief Executive to be politically neutral, nor does it bar the Chief Executive from having any political affiliation. It is furthermore not at all realistic for any local legislation to forbid the Chief Executive to have any political affiliation. The reason is that the post of Chief Executive is an accountability post and the Chief Executive must also get the support of political parties in the course of governance. If the Chief Executive is forbidden to have political affiliation, he may be plunged into a very passive position in his work. In that case, how can the authorities speak of strong governance?

The authorities frequently talk about the importance of nurturing political talents. But since they have refused to accept this proposal of Members, particularly those Members belonging to political parties on more friendly terms with the Government, we cannot help suspecting that the authorities are not true to their word. The reason is that the authorities have completely ignored the point that allowing the Chief Executive to have political affiliation is very important to political party development. They have also overlooked the importance of political party development to the nurturing of political talents. If the Chief Executive has political affiliation, he or she will naturally identify suitable people in his political party for the formation of his governing team. And, in order to ensure their availability of political talents who can take up the task of running Hong Kong at any time, political parties must provide the necessary training to their members.

Moreover, at present, those who aspire to carving a career in politics have no incentive to join any political parties. The reason is that political parties can never run Hong Kong, no matter how well they have been doing and how wonderful their policy proposals are. This explains why people find it pointless to join political parties. Therefore, the existing system has strangled the development of political parties. Political parties are the ideal grounds for nurturing political talents, so if the authorities stifle the sound development of political parties, how can anyone believe that they are sincere about training up more political talents? And, later on, the authorities may once again talk about the shortage of political talents and continue to delay the implementation of universal suffrage. In the end, our political system will simply mark time. I think no one would like to see such a situation.

Madam President, the legislative amendments put forward by the authorities are mostly technical in nature. The proposed system of confidence voting is at best better than nothing, for it cannot serve any practical purposes. The voting result on the Bill today will not in any way affect the current situation of our political development. But we are disappointed most by the authorities' refusal to grasp this opportunity and promote the further democratization of Hong Kong. For this reason, I really cannot vote for this Bill. I hope that in the future, the authorities can strive to promote the democratization of Hong Kong by utilizing better opportunities of enactment of local legislation.

With these remarks, I oppose the resumption of Second Reading of the Bill. Thank you, Madam President.

MR LEE WING-TAT (in Cantonese): President, every single minute, I cannot forget a certain remark made by State President HU Jintao during his recent visit to the United States. When he met with journalists, he commented that in the course of its modernization, China must also need democratization. Actually, over the years, such a view has been expressed over and over again in our country. I can remember that during my university days, the then Premier ZHOU Enlai advocated the four modernizations. The Gang of Four criticized him for flaunting "three hemlocks". One of the "hemlocks" was modernization, the modernization of technologies, national defence and others. Actually, all these matters have been discussed in our country for decades, which is why I hope that after making such a remark this time around, President HU Jintao can really foster the parallel development of modernization and democratization.

Honestly, I very much hope to see such development in our country. By now, no one will have any more doubts about the economic development unfolding in our country, and for quite some time to come, there will still be rapid growth. Everyone knows that following the completion of economic development, our compatriots in the Mainland will start to put forward requests concerning the management of our country. In fact, such requests have already started to emerge, either through peaceful means or in the form of clashes. According to reports published in the Mainland, every year, there are as many as several dozen thousand clashes between the masses and local authorities, ranging from cases of default in wage payment to abuses of power by government officials.

There is one reason for my mentioning all these points — I believe that while talking about economic development and democracy, the State must also be thinking about this point. I of course do not know what they will do, but I also think that this is a problem that no local and State leaders can dodge. They may dodge the problem today or this year, but obviously, they cannot do so forever. Once the nationals of a country are able to have their own powers, they will naturally put forward reasonable demands. This is only natural.

The case of Hong Kong is just the same. This problem has been discussed in Hong Kong for at least 20 years since the negotiations on the Joint Declaration. But our progress has been extremely slow. Sometimes, progress is even held up. On several occasions, when I had talks with the incumbent Chief Executive, Mr Donald TSANG (who was then the Chief Secretary for Administration), I told him that our society was beset with several conflicts (or major problems). Over the past decade or so, our society has been beset with these problems, but we have still failed to find any solutions. The first problem is collusion between business and the Government, which has come under frequent criticisms. Even though there is no concrete policy, people still feel strongly that this is the case. Secretary for Security, you are not going to make a denial, right? Even when universities conduct surveys and ask people whether they think there is any collusion between the Hong Kong Government and real estate developers, the respondents will invariably answer in the affirmative. The second major problem is the ever widening wealth gap. I do not think that I need to dwell on this anymore. The third problem is the finalization of our political development, an issue that has been discussed for more than 20 years.

I once told Mr Donald TSANG that unless Hong Kong people stop cherishing any aspiration to democratic development, unless all the democrats pass away (It really does not matter even if we do pass away because there are still the younger generations and they will not pass away all at the same time), these problems will not disappear. One may employ a stalling tactic, but for how long can one do so? The Government may think that the situation is good now — the economy is in pretty good shape, the unemployment rate is going down, people are willing to spend money, the stock market is fine, the property market is alright and wages have started to go up slightly. I agree that the economy has improved, the unemployment rate has dropped and there are signs of prosperity all around. I also agree that to a certain extent, the people's grievances against the Government have decreased. This is also a reason for

the Chief Executive's high popularity. However, I must point out that one should not thus think that the issue of democratization can be delayed forever. The course of political development is unpredictable and cannot be forecast. The economy is subject to cyclical fluctuations and will not boom forever. We do agree that things are indeed beginning to get better after six to seven years of recession, but does this mean that good times will last forever? No one can tell.

I therefore hope that the Government can realize that if we employ a stalling approach to political development, we will only suffer the ill consequences of our own deed. When we finally want to do something after losing our valuable time, there may be little we can do. This in fact leads me to my second point. Just now, I heard Mr LI Kwok-ying say that strong support for the package announced by the Government in October last year was expressed in a certain opinion poll. I am not going to talk about this opinion poll. But when it comes to the long-standing core values of Hong Kong people, I can say that various opinion polls have repeatedly indicated that 55% to 60% of Hong Kong people have actually been standing firmly by the early implementation of universal suffrage. These polls were not conducted by us, but by many universities. I therefore hope that political parties can all base their remarks on actual survey findings. In that case, there will be no more disputes. If the State had gauged public opinions in Hong Kong on the basis of these opinion polls, if our Chief Executive had really intended to achieve strong governance for the people and make his decisions according to public opinions, then the problem would have been solved a long time ago.

The problem is still outstanding because our Government has not taken forward our political development according to the public opinions. Last year, when we debated the issue of constitutional reform, all of those who decided to oppose the constitutional reform package were clearly aware of the result. They knew that the people would think that they had failed to get the best. The people are all very pragmatic. They want things that are tangible and attainable.

However, our reason for opposition was very clear. We were aware that in case a certain package would lead the political development of Hong Kong astray in the long run, we must make the difficult decision of vetoing the package despite any feeling that it might still enable us to take a small step forward (But perhaps, we really cannot take even a small step). Members should realize that our decision was meant to deliver a message, the message that the demand of Hong Kong people and the Hong Kong democratic camp for universal suffrage is

not merely about any short-term development over one or two years. If they had really thought that way, it would not have been necessary to discuss the problem for more than 20 years.

Some may think that the democratic camp is much too adamant in upholding their principle. But they should note that the opinions expressed during the debate last year already made allowance and room for further negotiations. Only that the Central Government and the SAR Government never wanted any negotiations. When I talked about a timeframe, I already refrained from demanding the implementation of universal suffrage in 2007 and 2008. I suppose this could already allow room for negotiations. Regrettably, however, the decision made by the National People's Congress in 2004 and the package announced by the SAR Government last year both do not leave any room for pro-democracy Hong Kong people and the democratic camp to work out a package acceptable to all. I hope that this will not repeat itself several years later because to the people of Hong Kong, this is not a responsible act at all.

President, I now wish to say a few words on the conditions for introducing universal suffrage mentioned two to three weeks ago by Mr WANG Zhenmin, one of the "guardians" of the Basic Law who has recently got a promotion. Naturally, I understand that we should not regard Mr WANG's remarks as representing the official position of the Central Government. But, as Members all know, the political realities are that very often, the opinions expressed by the "guardians" of the Basic Law will be accepted by the Central Government, whether they have been instructed or hinted to do so, or whether they are just flying the balloon. All of us are sensible ordinary people. All of us are reasonable people, so when some academics and legal experts mention these six conditions, we should all examine them to see if they are appropriate. I will be deeply worried if these six conditions are also the views of leaders in the Central Government.

The first condition is that politically speaking, there must be a consensus in society and such a consensus must be approved of by the Central Authorities. Do the various social sectors approve of the implementation of universal suffrage? Such a principle is already given recognition in the Basic Law. I therefore find this condition a bit strange. The reason is that if the importance of universal suffrage is not recognized in principle, it will be hard to explain why the Basic Law provides that the Chief Executive and all Legislative Council Members shall ultimately be returned by democratic elections.

Regarding the second condition, I must say that it is the least acceptable one. The condition is that the implementation of universal suffrage must be able to benefit the development of Hong Kong's capitalistic economy, and that there must first be the assurance of no economic decline. Factors conducive to economic development are many. For example, we may seek to facilitate the dissemination of information, or strive for a fairer market mechanism, or put in place more safeguards for the rule of law. All these are reasonable. But what systems — let us not focus solely on democratic systems, President — can possibly enable Prof WANG Zhenmin to assure others that there will be no economic decline? When I thought about this condition, I scratched my head many times, failing completely to understand his reasoning (I have as a result shed lots of hair). I think an academic will certainly be despised by others if he says something like this because the whole argument is totally untenable. No one will believe him and no one will think that this can be done. Which kinds of "isms" — communism, socialism, authoritarianism or even the capitalism practised in developed countries and the family-based capitalism found in Southeast Asian countries — can ensure that there will be no economic decline? I simply fail to understand why an associate professor and dean should have advanced such an unreasonable argument. I also do not understand why not many people seem to have criticized him in any strong ways.

I hope that Prof WANG can give us an assurance. Can he establish for us a system that can guarantee an annual growth rate of 5%. Let us not talk about the more difficult guarantee of no decline. This is just a very normal growth rate. But can he do so? It is therefore very clear to all that this condition is totally unreasonable, aiming only at delaying the implementation of universal suffrage. I think that by suggesting all these unreasonable conditions, the "guardians" of the Basic Law will only destroy their authority totally (if any, I must say).

The third condition is that we must first complete the enactment of legislation to implement Article 23 of the Basic Law and, perhaps, a political party law as well. I do not understand how this can be related to democracy and democratization. The Basic Law provides that we must enact local legislation on national security. This can be discussed, of course. But should this be made a precondition? There is no such requirement in the Basic Law. Nor have I heard of any explanation on why this must be fulfilled as a precondition. Personally, I think that a democratic political system, a democratic political system, and also adequate participation of the people will always give us the

reasonable conditions required for the enactment of any laws, including those on national security. And, such a system will also enable us to monitor the implementation of these laws.

The fourth condition is that there must first be adequate nationalistic education. I agree that we should all get to know more about our country through education. But such education must be different from what often causes us worries — indoctrination, or the spoon-feeding of viewpoints. A university classmate of mine now teaches social sciences in university. He once told me a very interesting example. He said that many young people from the Mainland had come to study in Hong Kong. He added that this was something desirable because exchanges could be facilitated. Whenever political topics were discussed during classes of social sciences, he said, local lecturers would not focus only on explaining the theories concerned. They would supplement that theories could be looked at and interpreted from various perspectives, even as many as three or four perspectives. During several lectures, my friend noticed that the first question asked by those young people from the Mainland was invariably about the teacher's personal viewpoint. He said that this was the usual way in which they began asking questions. Why? He explained that the learning process which many young people in the Mainland were used to did not require complete independent thinking. They were supplied with references, and all they had to do was just to read the information over and over again and then draw conclusions after some thinking. Very often, standard answers were provided by the State, institutions, professors and lecturers. Is that the kind of nationalistic education Prof WANG referred to (assuming that he was talking about education)?

President, I wish to add one point, a point about his fifth condition, that is, a political culture marked by exhortation instead of confrontations. We can notice from the development of Western democracies that there is a concept known as pluralism which denotes an awareness of dissenting political views. In a Western parliament, there will be a ruling party and also an opposition party. These two political parties are opposed to each other and bitter arguments are not uncommon. This is in fact the essence of democracy. Of course, I certainly do not mean that the essence of democracy is about brawling and throwing shoes at people. Rather, the essence of democracy should be about the conduct of heated arguments on various issues. I do not know whether this was what Prof WANG meant, whether it was the problem that prompted him to talk about a non-confrontational political culture. I do not think that this is necessary. The

important thing is for everyone to state the facts and put forward sensible arguments.

President, this Bill contains many technical amendments. Many Members have offered their advice, so I am not going to make any repetition here. But I must still say that it is really not necessary to incorporate into these technical amendments so many obstacles relating to political affiliation and nomination ceiling. Therefore, President, I cannot support the resumption of Second Reading of the Bill.

Thank you.

MR LEUNG YIU-CHUNG (in Cantonese): President, in the interim since the start of discussions on the constitutional reform package last year and today's debate on the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006, I have heard many accusations and criticisms. Some people have kept questioning us why we do not treasure the constitutional reform initiatives proposed by the Government of the Special Administrative Region (SAR) since its establishment. They claim that with all the constitutional reform initiatives put in place after 1997, our political system has shown continuous improvement, in marked contrast to the political system under the British Hong Kong Administration, so they wonder why we have still tried to put up delay and opposition, and why we do not treasure and attach importance to all these initiatives. To say the least, they argue, the establishment of the SAR Government has been followed by the adoption of direct elections for half of the seats in the Legislative Council. More importantly, the Chief Executive is no longer preordained but is selected by an Election Committee instead. They maintain that the situation is better than before, as there is at least an electoral process. They therefore question us why we do not show any appreciation and seek to achieve the ultimate aim of universal suffrage under the principle of gradual and orderly progress set down in the Basic Law.

President, I do not think that it is quite so meaningful to make such a comparison. Why? Because if people make such a comparison, I can also ask them a number of questions in return. Before 1997, all District Board members, to say the least, were elected by universal suffrage. What is the situation now? It has regressed, right? More importantly, before 1997, there were at least two

Municipal Councils. People could elect their representatives, and these representatives could have direct involvement in the management of district affairs. Was this not even more democratic? Therefore, if any such comparison is to be made, I do not think that our critics will necessarily be totally victorious.

However, in a way, it may still be meaningful for us to look deeper into the problem. What was found before 1997 was a colonial administration, and as a Hong Kong resident, I did not expect anything from the colonial overlord, nor did I hold any expectations either. The reason was that the colonial administrators would never consider how they could fulfil the aspirations of Hong Kong people.

However, President, things should be different after the reunification in 1997. I think given the major objectives laid down in the Basic Law, there should be fundamental changes to our mindsets. President, why do I say so? The reason is that according to the Basic Law, while seeking to strengthen "one country, two systems", we must, more importantly, also pay heed to "Hong Kong people ruling Hong Kong " and "a high degree of autonomy". One question that follows concerns how our constitutional reform can realize the objectives of "Hong Kong people ruling Hong Kong " and "a high degree of autonomy". President, it is now nearly 10 years after the reunification, but with much regret, I must ask, "What have we seen so far? Have we truly materialized the objectives of 'Hong Kong people ruling Hong Kong' and 'a high degree of autonomy'?"

I agree that no Member in this Chamber now is opposed to democracy. But what type of democracy should be regarded as the most desirable? I think if Members agree to pass this Bill today, they will in fact be showing their preference for some specific types of democratic elections, such as "birdcage" democratic elections. They will be showing their preference for this type of elections. What are "birdcage" democratic elections? As we all know, the Chief Executive election is restricted to the 800 members of the Election Committee, meaning that only certain people are qualified to vote. This is what is meant by "birdcage".

"Birdcage" democratic elections aside, there are also farcical elections. The Bill today no doubt looks very satisfactory because it provides that even when there is just one candidate, he or she will not be elected *ipso facto*. An election must still be held. Confidence voting is after all not so bad; at least it

does look that way. But, President, an election like this is nothing but a farcical election, a drama written, acted and directed by one single group of people, because the same group of people, the people kept inside the "birdcage" that I mentioned just now, will make nominations and vote. That being the case, we can well predict how the whole drama will unfold. Yes, I think it is in a way true to say that the Chief Executive is not preordained, and that our leader is no longer a Governor appointed by Britain. But in terms of objective effect, the whole thing is not much different from preordaining a Chief Executive. After all, when there is already a specified choice, who else will still dare to run in the election? Even if anyone dares to do so, he or she will just become an also-ran, an embellishment. The result is actually known to all beforehand. Therefore, if we support the Bill today, we will in fact be opting for a farcical election. This I cannot accept. I also think that if I opt for such an electoral system, I will be indirectly saying "yes" to the system of preordaining. This I cannot accept.

Since the discussion on constitutional reform last year, the Government, various organizations and many people have been criticizing us for looking at the issue from such a very narrow perspective. They maintain that we should first allow the constitutional reform package to give us something concrete and then seek further quality improvement. But, President, I do not think that we should proceed so slowly. We do not want to look first at quantity and seek quality improvement later. We want to start right from quality. We hold that our emphasis on quality is not just meant to satisfy the democratic ideal of some people. Rather, we hope that our emphasis on quality will not only bring forth a sound electoral system but also promote the political, economic and cultural progress of society as a whole. Elections, especially those based on popular and equal participation, can achieve all these effects.

Just now, Mr LEE Wing-tat quoted WANG Zhenmin as saying that only an electoral system which can ensure no economic decline can be regarded as desirable. I wish to ask Secretary Stephen LAM this question: Were the economic conditions in the past few years (Let us not talk about this year) satisfactory? If we buy WANG Zhenmin's viewpoint, then we must abolish the electoral system adopted in the past few years because they failed to bring forth good economic conditions. The economic conditions in the past few years were poor, very poor. President, I am not talking about you. I am talking about the economic conditions in the past few years. Should we abolish all these electoral systems because economic conditions were poor? Naturally yes, because they made the economic conditions so very poor, right?

Therefore, I do think that WANG was right. The only question is which system should be considered sound. We do not have to ensure that a system is always good. What we want is just sound development. This is the most important point. As a matter fact, democratic elections based on universal suffrage can already ensure sound development. This is our wish and what we want to explore. Why do we think that there will be sound development? It is because with democratic elections based on universal suffrage, the successful elect will at least have to face the public, offer explanations and accept public monitoring. This is the most important point. The system we wish to have carries two features: monitoring and accountability. All is so simple. If a successful elect subsequently fails to perform well, we may vote him or her out of office next time. This is the most important matter.

However, with the existence of "birdcage" elections, the problem will remain. In the first five years after the reunification, the economy was in poor shape, but the same person could still be elected for the second time. This was a situation caused by "birdcage politics". But I think if we really want to tread a path of healthy elections, we must all reconsider what kinds of people are suitable for acting as our leader or leadership. To sum up, the Bill will only perpetuate the undemocratic "birdcage" elections adopted since the reunification in 1997. Therefore, it is very difficult for us accept the Bill.

What is more, the most important thing is that if we accept and endorse such an approach, we will in fact be telling everybody that we condone this bad electoral system. This is the most serious problem for this will impede our progress on the road to sound democracy. Therefore, I think they had better withdraw this Bill. If not, the Neighbourhood and Worker's Service Centre will certainly object to it. President, I so submit.

MR LEUNG KWOK-HUNG (in Cantonese): The Ordinance on the Chief Executive election is a very significant piece of legislation, right? It tells Hong Kong people how their leader is selected. According to the Basic Law, of course this leader possesses very great power. He is executive-led, as we are frequently lectured by officials.

Two days ago, I had just been lectured. That person said that he was executive-led, so he could not make any commitment to me easily. That person was Secretary Prof Arthur LI. At that time, we told him if he intended to "cull

secondary schools", could he make the process transparent and have the proposal tabled to the Legislative Council for consultation. He said that should be fine, no problem. Dr YEUNG Sum then said, if so, let us make a gentleman's agreement, that is, before securing the approval of the Legislative Council panel, they could not implement anything abruptly. However, Secretary Prof LI was really shrewd. He frequently plays the game of Sudoku, and that explains why his mind always turns so quickly. He said he could not do that, as it was stipulated by law, that is, they were executive-led, so he could not make any commitment to us. What he meant was the Legislative Council was nothing more than their rubber-stamp; he can use it if he likes, and he can just leave it there if he does not feel like using it. Maybe "the Grandpa" has given him an imperial seal, and he can press the imperial seal onto us with all his strength and crush us into bloody messes. If not, we are just a rubber-stamp. Why should I say so?

When we were discussing the election ordinance, what are the most significant changes that we wish to make? They are the Annexes I and II. In fact, they had already been changed but the changes were not made in the way that we would like. The changes were made according to a certain person's preference. With regard to the original constitutional reform, it is about how the two elections in 2007 and 2008 should be conducted. A proposal should first be passed in the Legislative Council by a two-thirds majority, then it shall be passed to the Chief Executive who will then submit it to the Central Authorities for appending a seal on it. The process runs from the rubber-stamp to the imperial seal, or *vice versa*, that is, from the imperial seal to the rubber-stamp. It does not matter. Why should it be changed? In fact, they had cheated us, thus leading to the situation of last year in which the pan-democracy camp was accused of blocking the progress of the world.

If the pan-democracy camp can put forward a motion to advocate a proposal with a timetable, a roadmap or a direct request for implementing universal suffrage in 2007 and 2008; if we put forward a motion, then they have to vote on our motion; and if they vote against our motion, then everyone can see clearly who is against this proposal. Now after the amendments, the NPCSC's rubber-stamp plus an imperial seal, that is with the stamping of such a half-hard-and-half-soft hybrid, the concepts are secretly swapped, thus leading to the pan-democracy camp being accused of abandoning some good stuff. In fact, we have something better to offer to Hong Kong people. At least 25 people would say, "Can you please implement universal suffrage in 2007 and

2008?" If so, some people would have to take a stance to vote against the request made by these people, and to make it clear that they do not want it. Therefore, the change of a word or the most vicious point about "the Interpretation of the Basic Law made on 26 April" lies here. Before the amendments were made, the practice adopted was to have the amendments written explicitly in a way of accommodating them, but the accommodating effort eventually enabled the seemingly kind dictators to say that they had some good stuff for everyone. But what kind of good stuff can they offer actually?

According to Article 68 of the Basic Law, President, let me quote, "The method for forming the Legislative Council shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the election of all the members of the Legislative Council by universal suffrage". I feel that we should implement universal suffrage as soon as possible, but "the wicked people have their wicked tricks". Fine, Article 68 has been enacted, but what is meant by "gradual and orderly progress"? What is the definition of "gradual and orderly progress"? It should mean that the number of Members returned by functional constituencies or coterie elections should become gradually fewer, whereas those returned by geographical direct elections should be increasingly more — that is what we call "gradual and orderly progress". But now regarding the provisions presented by Donald TSANG (he should be condemned), he said what had been stipulated by the NPCSC could not be altered. For it has been explicitly stipulated that the numbers of functional constituencies seats and geographical directly elected seats should each be 50% and none of them can be increased. Please tell me, if we do it this way, how can we achieve "gradual and orderly progress"? This is simple logic readily understandable to even the most uneducated grass-roots people in our neighbourhood such as the housewives in Ngau Tau Kok. But it has been twisted in this Council and there are so many people who insisted on saying that this is "gradual and orderly progress".

Honourable colleagues, the same thing happens when you borrow money from loan sharks. When you have made repayments, the amount of debt should become less, and there is no reason that after making repayment for a long time they still say that you have only repaid 50% of the debt. This is very simple logic. Therefore, on this issue, in the Chief Executive election Bill under discussion today, it has actually reflected a problem, that is, the election method in the election Bill can in fact be applied flexibly with reference to the places and

the persons concerned. Regarding the flexibility with reference to the persons concerned, it is like this: Our former Chief Executive, Mr TUNG Chee-hwa, suddenly resigned because he suffered from a leg pain. So when Mr TSANG assumed office, the controversy of "two years or five years" emerged, causing quite a fuss in Hong Kong. Everyone has heard of the controversy of "two years or five years", right? The common law principle is, the more clearly written provision will prevail over the less clearly written one. Then according to this principle, the "two years" or "five years" dispute should have been clear enough. Even the former Secretary for Justice, Ms Elsie LEUNG, had said that it should be five years, not two. Then we have again the interpretation of the Basic Law by Beijing. This time Donald TSANG went to Beijing in person to raise it with them. Eventually, it was said that it was not so, and then the whole Council also said that it was not so — only the pan-democracy camp insisted it should be so, but others said that it was not so. Therefore, from my own point of view, on this issue, our discussion on this issue today is in fact just ceremonial — just like the ceremony performed by the family members of the deceased in a funeral: Three bows and family members bow in return to express their thanks. In fact, many people attend the funeral without any strong feelings about the deceased. An employer may not have the time to attend the funeral, so he sends one of his subordinates to attend it and perform the bowing ceremony on his behalf, and the family members then bow in return. This is what we are doing today.

Two days ago, we had a meal together with some members of the Foreign Affairs Committee of the British Parliament. One of the Honourable colleagues said that democracy would not be possible in Hong Kong if it was not endorsed by Beijing. MA Ying-jeou is elected in Taiwan, I said, would Beijing have the courage to tell this person that, for the sake of the reunification, everything can be reverted to the old state? It cannot. That is why MA Ying-jeou could tell them, as long as the 4 June incident is not vindicated, no talks on reunification would be held. Today, when our discussion touches briefly on the 4 June incident, we would be criticized. Martin LEE has rung the "soul summoning bell" for 14 times, and he has already been questioned whether he intended to play havoc.

Can the "Big Guys" always have their way? Does it mean that someone with strong muscles can do whatever he likes? Does it mean that the regime that has a stronger army can always call the shots? Our Taiwanese compatriots could say openly: Sorry, we cannot change it. We have already held the

election. You may address me as the leader or the President. Anyway, we feel that it was no good for you to kill the people in the 4 June incident. If you want to hold talks with me on reunification, please first tell me whether the 4 June incident has been vindicated.

At that time, a British official said, "Do you want bullshit?", meaning that I should stop discussing Taiwan. I told him then — this time I am just quoting the conversation — (Do you want to listen to bullshit?) If you want to listen to bullshit, then please listen to it. Actually, I am just trying to highlight the remark made by the Honourable colleague who had attended the occasion: "Without the endorsement of Beijing, Hong Kong cannot have any democracy."

We also know that, in 2000 — I had also contested in the election of that year, in which you, Mrs FAN, did not — every candidate said universal suffrage should be implemented in 2007 and 2008. Everyone grasped the opportunity to say that. The candidates in the 2004 election should have said the same thing as well, Mrs FAN. But unfortunately, the NPC promulgated an interpretation of the Basic Law on 26 April of that year. So all the candidates had to change their stance — just like the disciple who denied knowing Jesus three times, saying that he was not my teacher and I was not his disciple — they changed their stance immediately to say that universal suffrage could not be implemented in 2007 and 2008. The most tragic part of it was: Some people even claimed that it was not that Beijing had changed, only that Hong Kong people had become more stupid. There was already popular support for implementing universal suffrage in 2007 and 2008 in 2000, but now the situation has changed after the lapse of six years, is it really true that Hong Kong people have become more stupid? Does it make any sense? Without the mass march by the people in 2003, the public opinions could not have been expressed so well. Therefore, what these people had said was entirely (in my opinion) bullshit. That British gentleman was very surprised when he heard me speaking in such a vulgar manner. However, after some time, he whispered into my ear to tell me what he thought of that Member's remark, "It's crap. It's bullshit."

Honourable colleagues, President, what is the problem we are discussing? The problem lies in the fact that democracy, that we have been striving for, is at the mercy of Beijing. I would like to ask some people, including (I name them) the Liberal Party, the DAB, the Hong Kong Progressive Alliance (HKPA) and the Hong Kong Federation of Trade Unions (FTU) — but the HKPA is no long in

existence — they also represent part of the public opinions. They tell Hong Kong people that it all depends on the public opinions to determine whether democracy should be implemented in Hong Kong. Beijing would listen to public opinions. However, they made a U-turn and changed their stance. Then public opinions become non-existent. They are like assisting the wicked to commit the atrocities. When Beijing sneezes, they will catch a cold or influenza. So Beijing says, right, all of you have changed except the pan-democracy camp. Since all of you have changed now, there is really no consensus.

Honourable colleagues, the consensus in the past was forged for cheating some votes. Today, the absence of a consensus was also for the sake of some votes. Mrs FAN — President — what is the difference between these votes? In the Legislative Council elections held in 2000 and 2004, these people have to cheat several million voters of their votes, whereas what they have to cheat now are the votes of 800 people. That is why two different stances have emerged. It is because if you want to get the votes from these 800 people, you must make "the Grandpa" aware of the presence of you, "the obedient grandson". In other words, they have to be belonging to the same category. Only in this way can they do the job and continue staying in their present positions. Therefore, this explains why some people can act in a haphazard manner today, superceding their yesterday's versions by today's versions without feeling the least sense of guilt. Therefore, if a foreigner also thinks that some remarks were "crap and bullshit", I think today I am really duty-bound to tell the Member who made that remark what had happened. Who was that Member? His name is Mr Jasper TSANG.

Martin LEE had also told us a joke. He asked, "What does DAB stand for?" DAB seems to refer to a brand of German beer. No — I thought Martin LEE was talking about beers — he said it stood for "democracy according to Beijing", which refers to democracy granted by Beijing. Honourable colleagues, this is the truth. Although Beijing is very fierce and formidable, we have the conscience, and we must talk about our issues openly. If we can talk about such issues openly without making any U-turns, then it will be a case of everyone saying that universal suffrage should be implemented in 2007 and 2008, and Beijing is the only party that does not say so. If so, we would have actually helped Hong Kong people because at least the rape victim will not be described as the willing party who has initiated it. And on the other hand, you are already part of the public opinions.

It was just a few months ago that we discussed the "birdcage proposal". At that time, a lot of people said that if the pan-democracy camp voted down the proposal, then we would end up having nothing at all, and that we should assume full responsibility for that. I now tell our Honourable colleagues, including those from the DAB and the Liberal Party: Do you think that you have no responsibility at all in fighting for what we want from Beijing? You think that by accusing the pan-democracy camp of voting down the proposal, thus Beijing refused to grant us democracy and then you have no responsibility to fight for this at all? If so, why do you have to attend the meeting in this Chamber? Maybe you can just ask LI Gang to attend the meeting here and he can once and for all dictate everything to us. Or perhaps you might find LI Gang not senior enough, then you can ask that gentleman to come over.....What is his name? "Old Master QIAO"? Ask "Old Master QIAO" to come to this Council if he has the time, so that he can act on behalf of all the different generations of his disciples and announce everything once and for all.

I would like to tell LI Gang and QIAO Xiaoyang — Mr LI and Mr QIAO — you must be very careful because your disciples are used to selling their souls to win your favour. So, one day, they will betray you too. All Honourable colleagues have the dream of becoming the ruling party. I can tell you, under the rule of the Communist Party, whoever has the chance to become the ruling party will face the worst persecution. This theory has proved to be always true. There may not be any exception unless one incident really occurs, that is, someone suddenly complained that he suffered from a leg pain. Should that happen, then another gentleman must come forward to fill the vacancy. Let us look at this: In the first coterie election, there were 400 voters and four contestants took part in it. In the beginning, three of them still thought that they did stand a chance. Quite unexpectedly, it was the Great Handshaker Mr JIANG who made the final decision. This is the rule of the Chief Executive election. It is of the utmost importance to have either the hand of the top leader or his patronage. Therefore, Honourable colleagues, do not waste your time. Forget it. The ceremony will be conducted as arranged and the family members will bow in return. Should what I have said bear any resemblance to what happens in reality, it is most tragic indeed.

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

MS EMILY LAU (in Cantonese): President, I rise to speak against the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006.

President, during the many years after joining this legislature, I have seldom opted for an easier way out in my work. This time, I have to make a confession. I did not join this Bills Committee. Yet, I feel proud of having stayed out of it because I simply disdain joining it, President. I support the concept of democracy, and since 1991, I have been discussing democracy and I do not know how much longer I shall carry on discussing democracy. Joining a "birdcage" committee does not allow us to really engage in any genuine discussion on how to fulfil Hong Kong people's aspiration for democracy. I find this an insult to members of the committee.

Earlier on, a colleague said that some people mentioned "gradual and orderly progress". Perhaps some colleagues are not in the Chamber listening to the speeches. When I was listening to the speech of the Chairman of the Bills Committee, he mentioned that the constitutional reform had come to a standstill, but he still accepted it. I would like to ask him to have a look at the Basic Law. If our constitutional reform — maybe it cannot be called a reform, it should more appropriately be called a "development" — has come to a standstill, then it is a violation of the Basic Law. President, let us see whether we might be involved in some lawsuits in future.

Although we are frequently criticized for having voted down the Chief Executive's constitutional reform package, work can still be done, such as carrying on with the work of widening the electorate base. No one can stop such moves. Even after Beijing had made the decision through the Interpretation of the Basic Law on 26 April 2004, there was still plenty of work that could be done under such restrictions. However, someone lost his temper and said I would not do anything else. Someone has taken away my toys, and I have nothing to play with, so what shall we do? Then let the constitutional development come to a standstill, President. So, what is wrong with letting the constitutional development come to a standstill? In that case, the Basic Law is violated.

However, in this era of no distinction of right and wrong, it is useless to talk about these. And in fact no one really cares. Illegal moves are described as legitimate. Sometimes, President, I really feel that if some people are really

shameless, it is very difficult for us to discuss politics with them. Instead of directing my criticisms at any individuals, I have tried my best to direct them at the issues. Therefore, this time when I use the word "shameless", I am not directing it at any senior officials. Instead, I am targeting this comment at the executive authorities. I do not understand why the executive authorities can talk in such a manner. Therefore, I opted not to join this Bills Committee. I just wish to save my trouble, I simply couldn't care less, and I find it a pain to have anything to do with it. Therefore, I opted for an easier way out.

However, this does not mean that I will remain silent today. I must oppose it. I will oppose it till the very end. As long as I still have my last breath, as long as I am still in this legislature, I will definitely oppose any proposal that does not implement universal suffrage. This is Emily LAU. I will oppose it till the end. Even though I am the last one standing in opposition, I will continue opposing it. Even all through my life I was forbidden to go to Beijing, I do not care. Even if all the rich people and all the poor people reject me, I still do not care. This is my principle, so there cannot be any room for compromise.

Just now a colleague mentioned the mass march on 1 July. This is something that must be done. President, it will definitely go ahead and we have started the discussion with the Civil Human Rights Front (CHRF), which had also said that it intended to hold discussions with us pan-democrats. Should any Members of the pan-democracy camp do not wish to discuss it, please notify me as soon as possible. Therefore, on 1 July, we can see for ourselves how many people will turn up. Some may say that the number of people may be less. It does not matter. I have never heard of the idea of not holding the rally to commemorate the 4 June incident just because there may be fewer people turning up. Are the 4 June incident and the 1 July march of the same nature? They may not be the same. However, there are indeed many similarities. President, what is the purpose of holding the 1 July march? It is intended for the purposes of fighting for universal suffrage, the rule of law and freedom. Therefore, before these goals are achieved, we must go on doing it.

Therefore, I now appeal to all Hong Kong people: Please stay in Hong Kong on 1 July by all means, and please join the public procession by all means. Of course, I understand that the 1 July march in 2003 touched some nerves in the Central Authorities. Consequently, there was the talk of patriotism; two

famous radio talk-show hosts withdrew from their programmes; and CHU Pui-hing was nearly forced to step down as the Head of the Radio Television Hong Kong. Besides, many other incidents have taken place too. For example, some people made telephone calls to ask some mainlanders to vote for a certain candidate. Another said that a photo should be taken of the ballot in the polling booth. All kinds of incidents took place. ZENG Qinghong is now in charge of Hong Kong affairs. So some people belonging to the business sector have told me that it is now a situation of the Western District controlling the Central District. How on earth can we still enjoy a "high degree of autonomy"?

Earlier on, a colleague told me that on 27 April, the Institute of Hong Kong and Macao Affairs of the Development Research Center under the State Council held a seminar to commemorate the 16th anniversary of the promulgation of the Basic Law of Hong Kong. President, I will raise an oral question next week. As far as I understand it, the authorities are not aware of this event. Many Hong Kong people, including certain people in the Basic Law Committee, also know nothing about it. I do not know what Beijing was doing. In fact, every year, many such seminars are held and I had attended several of them. ZHU Yucheng had attended one of them and, and contrary to his refusal to shake hands with Chris PATTEN, ZHU was even willing to shake hands with me. However, Beijing could now hold a seminar without the participation of Hong Kong people and then promulgated five or six conditions afterwards. This was mentioned by one of the colleagues earlier on.

There is another incident that has not been mentioned. President, it is about LIAN Xisheng. President, he is really something. He has vindicated Dr Fernando CHEUNG. He said we should conduct a referendum. He was of course very angry. Last year, he lost it. With such strong public support, the Legislative Council was so presumptuous as to vote down the constitutional reform package endorsed by the Central Authorities. How dare you! Next time when there is another package, if it is voted down again, he will conduct a referendum on it. In fact, I strongly support such an approach. President, this is not the first time I said so.

President, you can probably recall that last year I said that a referendum should be conducted. Why should we request LIAN Xisheng to do it on our behalf? We in the Legislative Council already made this request a long time

ago. Then let us conduct a referendum. Even if you conduct a referendum on this rubbish Bill, I am sure you will be defeated, and also, by a large margin. Can you tell all the 3 million-plus voters that all of them could not cast their votes and that only those 800 people have the right to vote? This is entirely an insult to the intelligence of Hong Kong people. So it is absolutely "ridiculous". However, why does Beijing have to do this? In fact, I should not have asked this question and I have already known the answer, that is, they do not trust us and want to have complete control over the situation.

President, today's debate is actually very boring because apart from Members of the pan-democracy camp, we have only Mr Howard YOUNG and Mr LI Kwok-ying, who were Chairman and Deputy Chairman of the Bills Committee respectively, coming forward to deliver speeches. Therefore, I try to find some fun points out of the boring situation. One of the Members has not spoken here, but I still consider him having spoken. He is Mr Bernard CHAN. He has not spoken here. But today he has expressed his opinions in the newspapers. I have spoken to him outside the Chamber. You know what he said to me? I think I should quote his words here.

He said that everyone should not lose sight of the fact that Beijing has the final say over the issue of constitutional reform. Do you not say that you do not believe in the Communist Party? You think that the Communist Party has been your burden for several decades and as they do not let you implement universal suffrage, so you find it imperative to exert pressure on them, is it true? He also said, what kind of backing do we have to enable us to apply pressure them? And I am quoting him, to this effect, "What do we rely on to enable us to bluff the Communist Party into making concession? Should we turn to the foreign powers to garner their support? That would be even more unthinkable." In fact, why do I mention the opinions of Mr Bernard CHAN? If such opinions were made by some other people, I simply could not care at all. But sometimes, he claims to be more liberal and more inclined to support democracy. Therefore, I asked him: Why do you make such remarks?

Next, President, it was even funnier when he said that Donald TSANG's becoming the Chief Executive showed that there were advantages for civil servants ruling Hong Kong. He believed that the situation of civil servants ruling Hong Kong will continue in the next one or two administrations. Secretary, you are so lucky. Beijing has never mentioned anything about the

concept of a ruling coalition (only mentioned by Mr CHAN who is a Member of both the Executive Council and the Legislative Council). He said regarding suggestions like having a Chief Executive with political party affiliation, or even appointing certain political party members such as Jasper TSANG as Directors of Bureaux, they were measures treating only the symptoms of the problem, instead of tackling it at root. His suggestion is — how enlightening his advice is — the Commission on Strategic Development (the Commission) should conduct studies in order to formulate a proposal with good political prospects for grooming talents, so as to attract professionals to participate in politics. I do not know what prospects could be in stock. If he is present, I would like to invite him to give us a clarification. Can the Commission's studies produce any concrete results?

President, the only proposal that really offers good prospects is to open up the system, and tell Hong Kong people that, if you possess the right qualities for participation in politics, and provided you join a political party with sufficient votes and support of the people, then you may rise to the ruling role. Then, this is a proposal with good prospects. Otherwise, everyone says, "Grandpa" does not allow me to assume this position, I dare not take it up. I am scared. This is a dead alley. Today, this Bill gives us nothing but also a dead alley.

President, I cannot see what kind of advantages we can get by continuing to support these 800 people to cast their votes to elect the Chief Executive. I cannot see any. When Beijing fancies the idea, they can make all kinds of moves and tricks and then prescribe six or eight conditions, saying that any person failing to meet all such conditions cannot run in the election as a candidate. We dared not make any noise. At 3.30 pm this Sunday, Members of the pan-democracy camp will hold a forum in the Boys' and Girls' Clubs Association of Hong Kong. (President, you are welcome to attend.) I have invited the Secretary, though we still have not received his reply. However, I believe we will not have any surprise (sometimes we may have some pleasant surprises). By then, we can have a good debate on the subject. However, a debate is just a debate. This proposal will not make any further progress.

Earlier on, I have listened to Mr Alan LEONG's speech, and I could not agree more. He said it is in fact a total waste of our breath. You cannot do anything with such an election. That is what it is like, an election with only 800 voters. As a matter of fact, I believe Mr Alan LEONG is not the only person in

this Chamber who holds such a view. President, many people may feel that, to put it in harsher terms, this is a hoax. However, I do not quite understand this: As Mr Alan LEONG says that this is a hoax, why does he still bother to run for the election of the Election Committee? Anyway, regardless of how you make your decision, I shall respect it very much. And I will also respect those who can tell us what happens in reality because it will not lead others to have any illusions, which leads us to think that as long as we do it that way, we can still achieve it. In fact, we can never achieve it because everything has been arranged. He may say that, even though everything has been determined beforehand, Donald TSANG may not necessarily win the second term. Instead, it may just mean that everything is controlled by the Central Authorities and some major tycoons. This has been the case for many years.

What we are fighting for now is to break this control. Someone says, you cannot, Emily LAU, you lose it once again. It does not matter. President, instead of my repeated failures, I can always stand up to meet the challenge again. Why? Because I know what my principles are and I know that public opinions are on my side. Now, some wicked guys are enjoying an upper hand, but I will not give up. I shall keep on fighting until I have lost everything but my last breath. And even with this last breath, I will use it to say that I am not scared. As LIAN Xisheng has said, let us conduct a referendum right away.

Today, please stop rehashing the results of last year's public opinion survey and say that 50% to 60% of the people support the package, and claim that this is the result of the public opinion survey. Please produce some genuine stuff. Let us conduct a referendum. I absolutely believe that if you had conducted a referendum last year, you should have lost it. Why, President? Because if you open up the system and let the over 3 million voters cast their votes on a system which explicitly says that they could not participate, do you think they will destroy themselves? Of course not. Therefore, what kind of trick have you been playing actually? Commissioning a university to carry out some survey, and getting an outcome of having 56% of support, and then you accused us pan-democrats of being "ridiculous". I feel that you had better stop playing such tricks. If you are good enough, then let the people vote on the package. We will conduct discussions, and we may conduct a referendum on 1 July. There is no time better than the present. Dr Fernando CHEUNG, do not be afraid. Even the Central Authorities have come forth to support you. So the referendum will be conducted.

In fact, President, the people are already fed up and tired. Furthermore, how much longer do we have to wait? Our discussion really started since early the '80s, and it has continued to the present day. What kind of conditions we are short of? I went to the United Nations in 1988. At that time a member of the Human Rights Committee asked me, "Can you tell me, since the development of Hong Kong is more advanced than many countries, especially those Third World countries, why you still do not have democracy? Why can Hong Kong people not do something about it?" It is really unexpected that, after so many years, we are still where we were, still discussing such issues.

Therefore, how can I support a package that in my opinion has violated the Basic Law? I hope the Secretary can explain it to us later on, and attend our forum on Sunday. Although it will also be the Mother's Day, I still hope that you can come to an ordinary people's meeting and discuss with us the issue of universal suffrage as well as whether we need to possess certain conditions.

With these remarks, I oppose the Bill.

MR MARTIN LEE (in Cantonese): Madam President, a quorum seems to be lacking now.

PRESIDENT (in Cantonese): Clerk, please ring the bell to summon Members back to the Chamber.

(After the summoning bell had been rung, a number of Members returned to the Chamber)

PRESIDENT (in Cantonese): A quorum is now present. Mr Martin LEE, you may speak.

MR MARTIN LEE (in Cantonese): Madam President, "If the king wants his minister to have a leg pain, the minister will immediately complain of a severe leg pain." This is the present political reality in Hong Kong. How is our current political environment? It can be described in a few words: "As stagnant

as a pool of water". Recently, a senior official told me that they would not be so silly as they were in the era of Mr TUNG as saying anything to help trigger the people to take to the streets for us. They will not do that now. Really, we can see that, regarding all the politically sensitive issues, no matter how significant they are, the Government would now handle them in a low-profile manner. Even with this Bill which has already come to the stage of resumed Second Reading, no sparks have flown. I hoped that the President could summon more pro-royalist Members back to the Chamber, but they did not. Those summoned back were usually Members of the pro-democracy camp. I had hoped to say something to trigger more Members into speaking — Mr Jasper TSANG may speak as he has a duty of "tackling" me. *(Laughter)*

In fact, there is one point in the Bill that disappoints me very much and no one has ever mentioned it yet. It is about the Chief Executive elected by universal suffrage. This time, it is also explicitly stipulated that he can only be re-elected for one term. In fact, I have said many times before, and I have also written an article on it, pointing out that it is a very good opportunity for us to have the issue clarified. Now as it has already been explicitly stipulated, so the Bill will definitely be passed. But in future, if the surname of the future Chief Executive is not TSANG, but LEE — it will not be me, but I do not wish to offend people of other surnames — if he unfortunately met an accident or contracted a critical illness, and there is only less than a year or nine months left in the remaining term of his office, then the new Chief Executive returned in a by-election will have a very short term of office. Now, once this Bill is passed, even if only one year is left in the remaining term of office, the new Chief Executive will be considered to have completed one term. I had intended to propose an amendment to this. Members may recall that when Mr TUNG complained of his leg pain, everybody earnestly argued whether the two years left in the remaining term of his office would be considered as one term. At that time, a so-called "guardian of the Basic Law" in Beijing came forward to say something. He suggested that we might follow the Constitution of the United States, that is, if the remaining term of office is less than half of the full original term (that is, half of five years), then it is not considered as one term; and if the remaining term is more than half of the original term, then it is considered as one term. At that time, I admired them very much for handling affairs in our country in accordance with the Constitution of the United States. But it is no longer the case now. As far as I can understand, it is not the SAR's decision, but the decision of "Grandpa".

Once again, we Members of the pro-democracy camp are now promoting the voter registration campaign on the streets. In fact, many people would also like to register as voters, but to our amazement, we find that many of them who come forward to register are not qualified. So all we can do is to dismiss them. But they have already been registered as ordinary voters, so what should we do? Members of the pro-democracy camp really work very hard and we hope that the situation would not be so poor as before. Last time, our Chairman, Mr LEE Wing-tat, could only secure the support of 51 members of the Election Committee. This time, we hope we can secure the nomination of 100 members of the Election Committee. As a matter of fact, even if we could have the 100 nominations, it is definitely not sufficient. Even 150 members may not be sufficient. It is because, basing on our past experience, even if these members are people from either the pro-democracy camp or the Democratic Party, they would be subject to certain pressure that makes them unable to nominate either Mr LEE Wing-tat or Mr CHIM Pui-chung. This is the actual situation. Therefore, we must re-double our effort this time. I think at least we need to secure the nomination of 200 members, and by then, we would have at least 100 members who are willing to nominate our candidate.

Under the present arrangement, even in the case of having only one candidate, the polling will still be conducted. I should actually offer my congratulation to the DAB because it was the first political party which had requested the adoption of this practice. Of course, at that time, our Chief Executive, Mr TSANG, was not very friendly with them. I believe all they had intended to do was to show him their influence. Many pro-China people feel that it may not be so good if there is only one candidate. Of course, they would not cast their votes for a candidate from the pro-democracy camp. But at least they could cast blank votes. That would show their influence by way of revealing some blankness. Although the Chief Executive, Mr TSANG, will win the election for sure, but at least he would be able to see the existence of some blank votes. That was why they had made that suggestion. However, the DAB has succeeded and it is no longer necessary to do that. Now, they have become the Chief Executive's favourite.

In fact, is it essentially a good thing to conduct the polling even if only one candidate has been nominated? Even for an election with only one horse taking part in the race, "Grandpa" will still hope that the race can be held as usual, and the winner will definitely get at least 51% of the votes. Although some people

would like to show their influence around, there will not be too many blank votes — only 100 to 200 votes at most. And the ultimate result will not be affected. On the contrary, such an arrangement may have some adverse effects. Recently, with regard to the small house issue, people of the rural affairs camp made a lot of complaints. They asked why there was such a large backlog of applications for the construction of small houses. Why does it take so long to approve their applications? I read from media reports which revealed that our Chief Executive, Mr TSANG, had invited our Mr LAU Wong-fat to a private meeting in Government House — who knows whether tea or coffee had been served? Next, the Government undertook to substantially shorten the time required for approving applications for construction of small houses, and the shortest could be as short as seven months. In fact, the small house issue was not inherited from a long time ago. It should have emerged in the '70s, and it is not an issue that has existed for a long time. Of course, the present land rights are not quite the same as before. In the past, during the reign of the British Hong Kong Government, the land leases in the New Territories were termed only for 99 years. But now the land leases are not limited to 99 years only and have at least been extended to 2047. Under such circumstances, is it necessary to take special care of the indigenous residents in the New Territories? Besides, why only male indigenous residents are taken care of? And why are female indigenous residents not taken care of? A lot of people in society think that this type of arrangement is not proper, and hope that the Government can review it. But there is no need to review it now because the Chief Executive has to secure these 80 votes. As the present provisions require that even in the event of having only one candidate, the polling will still be conducted. So people of the rural affairs camp have become very important now as their 80 votes will account for 10% of the 800 members of the Election Committee. So, the support of these people must be secured. Has such an arrangement improved the situation? I feel that it is not necessarily so.

Madam President, many Members have expressed their precious opinions and some of their speeches are very emotional — Members of the pro-democracy camp have delivered some highly emotional speeches. When will we have democracy? Recently, those "so-called guardians of the Basic Law" came forward again to say something. Please bear in mind, we call them the "so-called guardians of the Basic Law" because actually they did not protect the Basic Law. Instead, they had damaged the Basic Law. But still they have taken on the title of "guardians of the Basic Law". Earlier on, I came across some press reports and learnt that XU Chongde seemed to love this title very

much. Of course he loves it. Although he damages the Basic Law, he is still addressed as a "guardian of the Basic Law". Whenever these "so-called guardians of the Basic Law" come forward to say something, some major controversies will emerge. So far, there have been three incidents of interpretation of the Basic Law. Our new Secretary for Justice said that he hoped no more interpretation of the Basic Law would be required. As I checked the past records, I found that every time before the promulgation of the interpretation of the Basic Law, these "so-called guardians of the Basic Law" would come forward to say something. Now they have come forward to say something again, so I start to worry now.

Many people have suggested many conditions, and there have been some discussions on them. Now I would like to say something in this regard. A "so-called guardian of the Basic Law" WANG Zhenmin — he is in fact a new comer because when I was involved in drafting the Basic Law, he was not a member of the Basic Law Drafting Committee. But now he has become one of the "so-called guardians of the Basic Law". He mentioned that there should be adequate and sufficient national education. In fact, he was saying that a thorough brain-washing project has to be conducted in Hong Kong to make Hong Kong people 100% (at least 51%, if not 100%) accept the way of the Central Authorities: Learning how to vote and how to support the candidates preferred by Beijing.

Madam President, in my opinion, those who really need to be educated are not Hong Kong people. Hong Kong people are very intelligent. It should be those "so-called guardians of the Basic Law" who need to be educated because they hold completely wrong understanding and prejudices in relation to democracy and universal suffrage. For example, our Mr XU Chongde said that universal suffrage could be exploited and promoted by a handful of politicians, and he also cited some negative examples like HITLER and MUSSOLINI. Of course, some people in history had usurped the power through elections and then proceeded to oppress the people. However, Hong Kong people know it all. Hong Kong people are very intelligent. Hong Kong people know the advantages of universal suffrage. If the people think that a leader is not doing well, they can force him to step down through peaceful methods. And XU Chongde alleged that some people had described democracy as universal suffrage or that universal suffrage is equivalent to democracy. I have never heard of such remarks from any Member of the pro-democracy camp. None of them has ever made such remarks. I wonder if he had heard this in his dreams.

All along, we have been saying that universal suffrage does not necessarily bring about democracy, but definitely we will not have democracy if we do not have universal suffrage. I have made this remark many times. In fact, Hong Kong people understand this all too well. Otherwise, up till now, why could the DAB still not become the most popular political party among Hong Kong people despite the great support provided by the Liaison Office of the Central People's Government in Hong Kong Special Administrative Region (formerly the Xinhua News Agency) as well as the obvious patronage of the SAR Government? Because Hong Kong people know it all too well. XU Chongde, this "so-called guardian of the Basic Law", also stressed the principle of "the management of Hong Kong by patriots". In fact, DENG Xiaoping had already mentioned this principle, and XU was just reiterating it. He said if we could ensure that the implementation of universal suffrage could ensure that the elect was a patriot, he would propose for its implementation today. In fact, Dr Raymond WU had said this several times many years ago. Dr WU said, if the Democratic Party still won the elections, Hong Kong would forever lose democracy, whereas if the DAB won the elections, Hong Kong would have democracy on the following day. Now, XU Chongde had advanced it by one day because he said he would propose the implementation of universal suffrage today. (*Laughter*) Therefore, even if Article 23 of the Basic Law is brushed aside, satisfying these conditions alone is already very difficult.

Madam President, many people have mentioned Singapore, and I would also like to discuss it briefly. Insofar as elections are concerned, Hong Kong and Singapore are quite similar. The elections in Singapore are rather special. Universal suffrage is really implemented with "one person, one vote", but there are a lot of bizarre practices. The People's Action Party will usually win the elections. But in a recent election, it had won by a smaller margin. The percentage of votes it had won was 8.7% less than before. However, it still managed to get 66% and 82 seats, and it had lost two seats. Not knowing the system of Singapore too well, some Hong Kong critics thought that there had been some improvement, though that particular Party had suffered a decrease in vote percentage and a loss of two seats. However, what they did not know is, in the last election, the People's Action Party also lost two seats, one to the Singapore Democratic Alliance, and the other to the Workers' Party and these two seats are considered to have gone to people belonging to the pro-democracy camp. Singapore is generally considered moderately democratic, and its

leading political party, the People's Action Party, has chosen two candidates not belonging to their party and lost two seats. Sure enough, they lost two seats in each election, why did they do so? It is because some Congressmen of the United States complained that the People's Action Party had always snatched up all the seats. So now the situation is different. That Party lost two seats in each election, and this time it is no exception.

In fact, some improvement has been seen in certain aspects. In the past, the leader of the opposition party had been sued for defamation. Jeyaretnam had become bankrupt, and then next, CHEE Soon Juan was eventually made bankrupt and sentenced to jail. But this time, it is very special. Even the Singapore Democratic Party was sued for defamation, that is, it seemed the entire party would be suppressed. In Singapore, whenever such cases are brought to the Court, the Government would invariably win them. I was very surprised at this in the beginning and did not know why it was so. Later, I learned that all such cases are heard by some very senior Judges. I asked, "Is it not the best arrangement?" But it was not so in reality. It was because Judges with such seniority should have retired already. So their contracts are renewed annually, subject to the health conditions of the Judges. If the Singaporean Government loses a lawsuit, the health conditions of the Judge concerned will become very bad. Therefore, the Singaporean Government will win all the lawsuits. In this aspect, our rule of the law is better than that in Singapore. But, I am still slightly worried. It was because before the third interpretation of the Basic Law, Ms Elsie LEUNG had already said, when we interpret the Basic Law, we would have to employ the Mainland's concepts. This made me very scared. Fortunately, our new Secretary for Justice does not act like that. He even said that he hoped we no longer need to seek another interpretation of the Basic Law. I hope that this aspiration of his can be realized.

Thank you.

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

MR TAM YIU-CHUNG (in Cantonese): President, Mr Martin LEE just now said that he thought Mr Jasper TSANG would "tackle" him. But he is wrong this time, as Mr Jasper TSANG all along has not intended to speak.

However, after listening to the remarks made by Members of the opposition camp, I would like to make some responses. Regarding certain issues, I also feel puzzled. Why? For example, I learnt recently from the newspapers that the Democratic Party and the Civic Party had joined hands to launch a campaign to promote the registration of voters of the Election Committee (EC). They worked very enthusiastically, staging their campaign on footbridges and at places where civil servants may pass by. The newspapers even reported that Mr Martin LEE was present as well, but he had gone to the wrong place. As there were not too many people on the spot, and he had to run up and down at the venue. They did participate in the work with great enthusiasm. However, today I have heard many Members of the opposition camp refer to the election of the EC as a bogus election, putting make-up on a corpse, a show with the same person as the director, script-writer and actor, undemocratic, a "birdcage style", and so on. There are even references to a hoax, or a fraud. I am not so sure. Anyway I have heard something like that just now. I really cannot be sure about it. (*Laughter*)

However, it seems that what they have done does not tally with what they have been preaching. As they are called the "opposition camp", why should they do that? They said that their action would not stop at just promoting the registration of voters, which was just the first step. Next, they would send their candidates to contest in the elections. They even said that they intended to snatch up all the seats, that is, they intended to try their best to snatch up all the seats in the sector they possess the right conditions. And we know that after they have gained enough seats in the EC, they will send someone to stand in the election. They will not fail this time. Last time, they failed just because they had an insufficient number of members in the EC. But there is no reason that the same will happen again this time. They have done some calculations and according to the reports in the newspapers, they can get at least 150 seats or even more. If they can gain these seats, the support should be safe and steady because there is no reason that these people who have won the seats do not support their own candidate.

We even heard that a certain lady and a leader of a political party will also run in the election. We feel that this is quite good, as it is always good to have competition, and different people can also participate in it. Although you say that the method for electing the Chief Executive is not perfect, what is proposed in Report No. 5 has already made some progress and it is a more forward-looking proposal. But you did not support it. As your support was not forthcoming, we could only stick to the existing method. Regarding today's

relevant amendments, actually some improvements have already been made, such as the addition of the confidence vote, and some provisions have been refined to make them more explicit, so as to facilitate the smooth conduct of the election.

Such a practice should have been rather natural — I have nearly forgotten one point. I heard that the Hong Kong Confederation of Trade Unions (CTU) had issued letters to all trade unions calling on them to register as trade union voters. In fact, I feel that all such moves are reasonable and correct. However, I simply do not understand why there is such a great discrepancy between what they are saying and what they are doing? What are the reasons? Is it an attempt to cover up their true intentions? Or that is what it is like. Is it some kind of schizophrenia? I do not know too much about it. Some people might have said something quite meaningful, and such people include "Long Hair", though very often I am not interested in listening to what he says. *(Laughter)* He said even Beijing is more democratic than Hong Kong. This really stands to reason. Let us imagine this. If Hong Kong has not been reunited with China, if we have not established the Special Administrative Region, if there is no Basic Law, but is still ruled by the British, I am quite sure that Hong Kong's democratic development would not have come to this state now. Instead, it is most likely that it would have lagged far behind our present situation. By taking a look at the development of Hong Kong during the past 100 years, we can easily come to this conclusion. Besides, the constitutional development in Hong Kong must be agreed and approved by Beijing because this is stipulated in the Basic Law, and there are some justifications for it. We can see that Beijing strongly supports the constitutional development of Hong Kong, and all it asks of us is that the development has to proceed in a gradual and orderly manner and in accordance with the direction specified in the Basic Law.

Anyway, with regard to today's Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006, we are supportive.

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

MR CHEUNG MAN-KWONG (in Cantonese): President, I would like to respond to Mr TAM Yiu-chung's earlier criticism that the pro-democracy camp is "not practising what we are preaching" in relation to our stance on issues about the Election Committee and universal suffrage.

True indeed, we do fight for the implementation of universal suffrage. We even earnestly hope that universal suffrage can be implemented in the elections of the Chief Executive and the Legislative Council to be held in 2007 and 2008 respectively. But the fact is, as known to everyone, that we failed in the voting in this Council in our attempt to strive for the implementation of universal suffrage. The only thing we could do was to stop a package we considered undemocratic from being passed.

However, when it was over, that is, after we failed in our fight for universal suffrage, it does not mean that our pursuit of or our struggle for universal suffrage is over thereafter. We can only carry on with our struggle on the basis of our failure. By the same logic, there are many different occasions on which we can carry on with our struggle. Sometimes we may do it on the streets, that is, shouting and chanting slogans on the streets. For the pro-democracy camp, we have been doing that for over 20 years. Sometimes we may do it in this Council, just like what we are doing in today's debate.

Frankly speaking, today's debate is not about a law that will determine whether our fight for universal suffrage can prevail. This Bill is just a piece of legislation on the Chief Executive election within the framework that no universal suffrage will be implemented. It is just like someone dancing in chains and shackles. However, we still have to declare here — in this Council — that universal suffrage is the goal we pursue. We shall not give up any occasion on which we can carry on with our struggle.

By the same logic, even if we have the Chief Executive election, even if it is participated by only 800 persons, even if it is a coterie election, even if it is an undemocratic election, the pro-democracy camp will still fight for a position to speak up, a position to carry on with our struggle, a position to fight. We shall even send our representative — if we can secure enough votes — to fight for a place in the election, and then to proclaim our fight for universal suffrage.

Similarly, Donald TSANG will definitely have the chance to run in the election, and it is even extremely likely that he will win it. But will he tell us in this coterie election that how many years it will take before we can definitely implement universal suffrage in elections of the Chief Executive and the Legislative Council? I believe that if the Central Authorities have not made up their mind, Donald TSANG will definitely not say anything in this regard.

However, if the pro-democracy camp can secure 100 votes and be able to contest in the election, he will definitely give us an answer. That makes the difference. That is a political difference. And our battlefield is the Election Committee election. It is not true that we are not practising what we are preaching. Instead, we are trying to make use of any occasion to speak, any occasion to do our work, any occasion to carry on with our struggle, and any occasion to argue, so as to make the public more concerned about this issue. This is not funny, and this is not shameful at all. We only find it shameful in seeing that universal suffrage cannot be implemented despite the fact that it is a system which has been earnestly aspired for and fought for more than 20 years, and that we can only proclaim our conviction and ideal in such a roundabout way now. Only such a society and such a system should be considered shameful. This is where the difference lies.

Therefore, those with the power or those who are close to the power, please remember you must restrain yourselves. Please remember you should not intentionally or unintentionally tease the forces that stand for people's hope. If you do so, it will not do you any good in the end because universal suffrage will be introduced eventually. Today's teasing may turn out to be tomorrow's sarcasm, what is the point of doing it? Why do you not seriously gain a good understanding of the situation? Since the day of introducing universal suffrage will eventually arrive, even if you do not agree to its existence now, you should still stop the teasing. Instead, you should treat this opinion solemnly and respectfully. And such an opinion is not unique to Hong Kong people since this is a human right universal to the entire world. Hong Kong people have been deprived of such an universal right for such a long time. Instead of teasing the political regime with the power, and instead of teasing the regime that suppresses such a right, you tease a political party and the people who do not have the power to change the present situation. In fact, what you are doing is just another kind of bullying, another kind of political tyranny.

Anyway, the only response I would like to make is, failure is not shameful. With regard to our inability to attain success on the long road to universal suffrage, it is only a regret for society. Regardless of whether you are from the DAB, the Democratic Party, the Civic Party or friends from elsewhere, if you really think that universal suffrage is a system to which we should be entitled, and that its implementation is just a matter of time, then even if you do agree to it today, you can still stop the teasing. Show your solemn respect, the respect for

your people. You may even feel that it is a shame of our society that the people should lose this right. If so, I can still see the breadth of mind of the different parties, that is, the breadth of mind that allows you to merge with the trend. This is also the ideal that each individual should hold. Even if "Grandpa" is giving you the pressure and you dare not speak your mind now, but in your heart you may still find this ideal reasonable. I hope every party can make this a goal. Stop the teasing, do your best to strive for it, and do one thing for democracy.

Thank you.

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

MR SIN CHUNG-KAI (in Cantonese): President, I would also like to say a few words in response to the speech made by Mr TAM Yiu-chung.

I remember during a march to fight for universal suffrage, some fellow demonstrators built a birdcage to mock this "birdcage democracy". It happened the last time, that is, in December. Last year, the Government pointed us to some direction, telling us that this birdcage had somewhat been enlarged. Of course, the democratic camp did not think that anything had been enlarged. They had just replaced a bamboo cage with a wooden cage, and that is all. The size was the same. According to the logic of Mr TAM Yiu-chung, every bird that flies in the birdcage should tell other people that it is flying very happily there. It does not want to come out and it does not like to roam freely in the sky. Honestly, I cannot do that. I cannot fly in a birdcage and exclaim that I have a wonderful time flying in it. I cannot say I am happy. In fact, the people of Hong Kong want universal suffrage. They want to fly out of the birdcage.

President, when we debate on this motion topic today, we democrats should not talk about what happened in the past back in the 1990s. Those remarks made by TAM Yiu-chung may be a most negative tactic to provoke our anger. He may hope that we will not join this selection of a Chief Executive which is in fact a small-circle affair because this will let them win most of the seats out of the 800 seats available. Because, whatever in circumstances may be, there will be pressure when there is an election. There was very little damage that LEE Wing-tat could possibly do, for he only got 51 votes. But that made

Donald TSANG go everywhere lobbying for votes. Had LEE Wing-tat managed to get 90 votes, I think the pressure would really mount on him. So, I think we should not pull out of this birdcage small-circle election because of these negative remarks made by TAM Yiu-chung. He is trying to provoke us into anger. This is a trap. We must not fall into it. We should continue to cherish hopes that one day we can fly out of this birdcage. But what we cannot do is singing praises of this birdcage while we are in it.

I so submit.

MR CHIM PUI-CHUNG (in Cantonese): President, during the debate on constitutional reform last year, I raise a lot of queries about the Fifth Report, and I even questioned whether it had violated the Basic Law. The Secretary had never responded to any of the four or five queries raised by me then. Of course, it was better for him not to give any response at all. Even if he made any response, possibly it would be neither fish nor fowl.

In fact, regarding this Amendment Bill, I have already voiced my objection in the meetings of the Bills Committee. As for the term of office of the Chief Executive as contained in the Amendment Bill, I personally think that it may have violated the Basic Law because specifying the tenure should basically be the power of the Central Government. However, the Central Government might have secretly delegated such power to the SAR to make the amendment.

Secondly, regarding the proposal of following the example of Macao by requiring voters to indicate their "support" before casting the votes, it is simply an attempt to play tricks. With regard to the viewpoints put forward by Members of the pro-democracy camp, politically, I have always respected different opinions held by other Honourable colleagues. Likewise, I also very much hope that there can be mutual respect among Honourable colleagues. On the issue of the West Kowloon Cultural District, I have been advocating strongly that we must fight for the common cause together. And so far for this new Legislative Council, this is the only issue that we have attained the greatest success. Although the Government is still playing tricks, Members' solidarity does possess the strength of monitoring and supervising the Government. Therefore, it is useless for us to be divisive, attacking and criticizing each other. I can boldly say this: No matter how hard-working you Members of the pan-democracy camp are in canvassing votes, and even if you can secure 200

votes, just like Mr Martin LEE said, but when actual voting takes place, how can you guarantee that there will not be a recurrence of what happened in the social welfare sector in the last election? People said that a system of collective responsibility would be implemented, and who supported the proposal should cast their votes that way, and eventually it ended up like this.

I had said that there are too many "smart guys" in the political arena in Hong Kong. Everyone would like to enjoy the honour of being a "smart guy", but everyone is shirking the responsibility. Under such circumstances, it will only be useful if everyone is really thinking of moving forward to fight for people's livelihood. With regard to engaging oneself in politics, I think since Hong Kong is not independent, so unless you are a communist of Hong Kong, you should never harbour the unrealistic expectation of sharing power with the Central Government. Hong Kong is practising "one country, two systems", not "one Hong Kong, two portions". We must understand this very clearly. We have made our efforts, even if you may eventually become disillusioned with your ideals, I shall still encourage you to exert the best of your ability and respond to people's requests rationally. If you think it is right to fight for a certain cause, then do it to the best of your ability. As for the opinions of others, you still cannot say that they are completely wrong. Anyway, among us 60 Members of this Council, no matter through which channel a Member has gained his seat, be he elected through the direct elections or elected *ipso facto*, he still has his own representativeness and authority. Under such circumstances, if we can unite all the forces that can be united together, then we can get enough votes to negotiate with the Communist Party, and eventually we can attain success. Now it is explicitly stipulated in the Basic Law that Hong Kong is executive-led. This does have an advantage, that is, before the reunification in 1997, Hong Kong was basically executive-led. At that time, the Governor represented the British Government, with his right hand holding the Executive Council, and his left hand holding the Legislative Council. So Members of both Councils were all appointed by him. That was executive-led. Fine, now we have the Basic Law. But the Central Authorities do not quite understand why they have no authority now. In fact, it is because we 60 Members were all elected, not appointed, though there are still many who have joined the pro-Government camp secretly or indirectly and co-operate with the Government. But anyway, they still have their own representativeness.

President, the Central Government would be most delighted to see that there can be unity and cohesion in Hong Kong. If there is something wrong,

please raise it in a reasonable manner. As the policies of the Communist Party of China are ever changing, they are willing to listen to your views and accept them. However, they can never accept opinions and reasons presented in a resistant style — not just the opposition style, but the confrontation style. Therefore, I hope Members of the pro-democracy camp can understand this deep-seated conflict. Last time I said that Hong Kong is just a Special Administrative Region. Since it is not independent, then it must do well in exchanging opinions and communicating with the Central Authorities. Only by doing so can we attain success. People are very clever in casting their votes. They will vote for the candidates who are constructive and beneficial to them. Unlike our own wishful thinking, we will not be able to get the votes simply by talking endlessly and keeping on striving hard in 2008. I also firmly believe that many Honourable colleagues are already very tired of the work in this Council. As a matter of fact, we can see that our Council has so far achieved nothing and we are just wasting our own precious time. This includes me, and I am no exception. However, whom should I blame after all as I was the one who aspired for a seat in this Council? So, I deserve it and have to put up with it if I am made to sit all day here.

In fact, regarding the amendments proposed by the Government to the Ordinance, I personally think that there are still a lot of inadequacies. I had repeatedly posed some questions to the Secretary. But to my amazement, he is a tai chi master. His responsibility is to play tai chi to shove my questions away. Anyway, I had privately discussed these issues with him and realized that it was his responsibility to act like that. So we cannot blame him as he personally may not have the ability to amend anything. Therefore, Honourable colleagues can only cast their votes on this issue. We can only wait for other official occasions of co-operation, so that we can bravely and diligently fight for our cause with the SAR Government.

As a brilliant leader, our Mr Donald TSANG was considered to have made a lot of unbecoming remarks. It was because he demanded that he would not lose a single vote and he would fight for every single vote, so that he can "eliminate" Mr LEE Wing-tat as soon as possible. Mr TSANG did not have to eliminate me because I had already "eliminated" myself. Therefore, we cannot say that he was brutal. He was trying to make his opposite lose the game in an honourable manner. Under such circumstances, I can only hope that we can make use of our forces to motivate the Chief Executive to make greater contribution to the SAR in future.

Although Hong Kong has shown some improvement in many different aspects, such as the economy and the property sector, and so on, I personally think that ultimately it is still the large corporations that are benefited directly, whereas the general public still does not have any sense of belonging to Hong Kong. After the enactment of this Bill, I hope the Chief Executive can, apart from proceeding with his work more smoothly, consider the overall response in society in the next few months. This is critically important. I hope the Chief Executive can listen to this opinion. As for Honourable colleagues and the various political parties, even if you keep on arguing on the issue, I think it is useless because Hong Kong is not independent.

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

MR JASPER TSANG (in Cantonese): President, Mr CHEUNG Man-kwong called on us to stop teasing. In about the first part of this debate, when there were a lot of mocking and name-calling, probably Mr CHEUNG Man-kwong was not in the Chamber. Or roughly speaking, people generally do not object to teasing, and they would just play the role as onlookers and see who are involved in the mockery. President, I think people who really respect democracy would not unscrupulously mock and hurl insults at people who disagree with them, or trampling on those who disagree with them while claiming proudly for upholding the grand ideals of "striving for democracy". They think that by claiming to be "striving for democracy", they can avoid being criticized by others as not living up to their words and saying one thing but meaning another. Just now Mr TAM Yiu-chung did not mock anyone for having failed in their fight for universal suffrage, which could well be reflected in the record of the proceedings. What he had pointed out was the contradiction that arises in their "not practising what they are preaching".

President, among us, since many Honourable colleagues from the pro-democracy camp are actively participating in the Chief Executive election, or the Election Committee elections, and they are also doing their best to urge others to register as voters, how can they refrain from supporting today's Bill to facilitate its passage? No matter how you describe the Bill, even if you describe it as an attempt to put make-up on a corpse, or that it is plugging loopholes for this system disliked by you — a system you dislike but are still participating in, for example by persuading the people to register as voters — this Bill will clearly define who the voters are. If you do not accept even a law that defines who the

voters are, how can you persuade the people to register as voters? This is what we meant by "not practising what they preach". You may of course criticize this system, and I believe you can make a speech as rhetorical and emotional as the one delivered by Ms Emily LAU and say that "some day I shall oppose this system", and so on. However, as this system is already in existence, I will not withdraw from it willingly. I must participate in this in order to express my opinions, as Mr CHEUNG Man-kwong has said. Then why should you oppose the passage of the Bill today? The Bill has not increased the obnoxiousness or undemocratic nature of the system. Instead, it seeks to resolve some legal problems in the existing system that must be solved as well as plugging some loopholes that must be plugged. Some of the problems were discussed in the Panel on Constitutional Affairs and raised by some Honourable colleagues from the opposition camp in the past. Therefore, how can you completely oppose the Bill before us today, while continuing to participate in this activity, this system and this game and still denying the accusation that you are "not practising what you preach"? That is where the problem lies.

Both the DAB and Mr TAM Yiu-chung will not underestimate the political IQ of Members of the Democratic Party or even the pan-democracy camp and think that we can play the goading trick by inflaming them into withdrawing from the elections. We are prepared to participate together with you in the Election Committee election to be held at the end of this year, as well as the Chief Executive election to be held next year on the entire legal basis including the legislation enacted upon the passage of this Bill today. Thank you, President.

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

MR ALBERT CHENG (in Cantonese): President, Mr Jasper TSANG said there was something that he failed to understand. I can tell him. He said that he did not know why we should oppose this Bill but at the same time join this game or in other words, joining this election. Actually, it is precisely after opposing to this Bill that we should take an active part in this game. It is the Bill itself that has some deficiencies, not that we oppose electing the Chief Executive. No one is against the Chief Executive election. Now the many Members who speak against this Bill — the so-called opposition camp, actually I do not know who belong to the opposition camp. How can one become a member of the

opposition camp anyway? I want to apply to become one — have spoken in opposition of things like the term of office of the Chief Executive, two years, five years, and whether a vote of confidence should be cast after a candidate is elected *ipso facto*. I also oppose this practice because I would vote against it. I fail to see why only one person should stand in the election. Why should a vote of confidence be cast afterwards? If this is the case with the Chief Executive election, should this be also applied to the Legislative Council elections? Many of us here are elected *ipso facto*, like Mr Abraham SHEK from the real estate sector, Mr WONG Yung-kan, and so on, should we have to cast a vote of confidence on them? Why is it that this should be the practice for Chief Executive elections but not for Legislative Council elections? And with respect to societies and District Councils, would there be a change in this kind of culture? From then on, those who are elected *ipso facto* will not have to take part in this kind of game. It simply does not make any sense to ask people to cast a vote of confidence on someone who has been elected *ipso facto*.

We are not saying that it is because we oppose the deficiencies of this Bill that after raising our opposition, we would just quit. No, not at all. We can still go on playing the game after we have voiced our opposition. I am not against selecting a Chief Executive, nor am I against this Bill, that is, the Ordinance with a title on Chief Executive election. Now we all think that the Bill is deficient in many aspects.

As regards teasing, I agree with Mr Jasper TSANG, but he has gone out.....

President, a quorum is not present. (*Laughter*)

PRESIDENT (in Cantonese): Clerk, please ring the bell to summon Members back to the Chamber.

(After the summoning bell had been rung, a number of Members returned to the Chamber)

PRESIDENT (in Cantonese): Now a quorum is present. Mr Albert CHENG, you may continue.

MR ALBERT CHENG (in Cantonese): Thank you, President.

There are mockeries, no doubt about it. I agree with what Mr Jasper TSANG has said. However, even if I said that a quorum was lacking, he still refused to come back and listen. I think he is watching the television in the Ante-Chamber. *(Laughter)* The question is that there are indeed mockeries. Why should there be mockeries? This shows one thing and, that is, we are helpless. It is like what Mr LEE Cheuk-yan has said, that we are putting make-up on a corpse. This is something I do not want to hear. But there is nothing we can do in this Council. Like the motion debate held last week, Mr LEE Cheuk-yan made a point that Hong Kong people should be allowed to lead a retirement life under the most basic conditions. But still there were people who voiced opposition. Who opposed this idea? They were the ones elected from small circles and they did not represent all the people of Hong Kong. As separate voting is practised here, there is nothing we can do in this Council. When we are helpless, there would be some natural emotional responses and these are the so-called mockeries. I hope Members can sympathize or understand.

But when you hold an absolute advantage, when you can say no and go unchallenged in your functional sectors with 15 votes in your hands, you should learn to be a bit more tolerant. Actually, this is not being tolerant, it is, just as Mr CHEUNG Man-kwong has said, that you need not mock at other people. Right? For you have this absolute power in your hands and it would make no difference if you do not rise to speak. There is also no need for you to sit here and listen. All you need to do is to raise your hands later on. When someone rings the bell, you just come back and vote for or against it and that is all.

These happen because the system is at fault and since it is at fault, we should try to put it right. The reason for us joining this assembly and the kind of democracy we pursue is that the Legislative Council and the Chief Executive can be elected fairly under a system of "one person, one vote". This is our demand, pure and simple. Such a demand is in line with all we know about basic human rights and our pursuit to defend our own human rights. This is something inborn and inherent in us. President, these are human rights. There is something I do not understand. If it is not because I am a Member of the Legislative Council, I would not have been qualified as one of the 800 people. I would never be qualified to select a Chief Executive. For I would never have

known which subsector I belong to. Therefore, the most important point is that when this Legislative Council or the Chief Executive is returned by "one person, one vote" and truly elected by the people, I am convinced, Mr Jasper TSANG, that there would be fewer mockeries.

I so submit to oppose this motion. I oppose this Bill. Thank you, President.

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

MR LAU KONG-WAH (in Cantonese): President, a while ago I heard Mr Albert CHENG call on Mr Jasper TSANG to come in. He may have something to do. I therefore made a special effort to come in for him (*laughter*) and listen to what Mr Albert CHENG had to say. Actually, what he has said is quite contradictory as well. He said that he did not know why people called him a member of the opposition camp. He said he wanted to know why he had to queue up to be such a member of the opposition camp. (*Laughter*) This is simple, for the opposition camp will put up an opposition simply for the sake of opposition. Mr Albert CHENG has made it clear earlier. On the question today, he said that he did not know why there had to be such a thing as a vote of confidence. But the public supports the idea and thinks that there is a need to vote. When we were deliberating on this matter, no one objected to this idea. If Mr Albert CHENG would even query and object to an issue like this one, he is only doing this for the sake of opposition and nothing else. He is a present-day opposition camp member. This fits him perfectly. So I have not wasted my time listening to your speech, for you have defined what the opposition camp really is.

Mr TAM Yiu-chung has said that members of the opposition camp do not practise what they preach and that they are being self-contradictory in what they do. He is dead right. All members of the public can see with their eyes very clearly that this is so. President, last year in this Chamber when we debated on the constitutional reform proposals raised by Donald TSANG, 60% of the public supported the launching of these reforms and that there must be reform in our political system. Who impeded the reform? Who obstructed the progress of democracy? The opposition camp, right? At that time, what was the view of the opposition? They unleashed the most scathing attack on the small circle

system. They attacked it relentlessly. They blocked its progress. But today, they are trying their best to take part in it. What would it be if this is not inconsistency and self-contradiction? This is ridiculous. Mr CHEUNG Man-kwong has asked, "Why are all these mockeries?" This is because what they do is ridiculous and that explains the mockeries. Of course, looking at the matter from the public's point of view, I would even think this deserves a scornful smile because what is practised is not what has been preached.

All right, President, the constitutional reform package last year actually presented a very good opportunity, for since there was such a strong support in public opinion, Hong Kong should take one step forward on the road to democracy. At that time, it was always said that the goal should be reached instantaneously and overnight change should take place. But given the circumstances, it was not possible. In our opinion, had a further step been taken then, this would be beneficial to the community. However, those people would not agree, so who then should be held responsible?

President, the Hong Kong Baptist University conducted a survey after the end of the constitutional reform package. Recently, another survey was conducted and similar questions were asked on who should bear the greatest responsibility for the failure of the reform package to get the endorsement of this Council. Half a year ago, many members of the public thought that the Government might have to bear the greatest responsibility. But the recent survey shows that more and more people think that the blame should be put on the democratic camp and the opposition. The public can see clearly who are posing obstacles to the whole thing. They know that while these people always make democracy their pet phrase, they are in fact impeding the democratization. They appear to say one thing but they are actually saying something entirely different. This is the true colour of the opposition camp, no doubt about it. When Mr CHEUNG Man-kwong said that the masses had lost their rights, that was right. The masses have lost their right to the democratization because the opposition camp is putting up opposition just for the sake of it. It is therefore obvious who should be held responsible.

President, why do I have to mention the reform proposal last year? This is because I think that it has a considerable bearing on the debate today, and I feel most sorry for it. After the votes were cast on the reform proposal last time, Hong Kong could have started afresh. This new starting point would be that no

more people will oppose democratization. This is crystal clean. No one will object to the idea that there should be universal suffrage ultimately. Today they accuse others of being undemocratic and hindering the democratization, they are precisely the persons who have impeded the progress of democracy. So when we are to move in the direction of universal suffrage, I think that all the Honourable colleagues sitting here actually share the same goal, only that there are two different ways to achieve it. You may object to my approach and I may disagree with yours. But we should respect each other and there is no need for trampling and besmearing. These two methods before us are simple enough. The opposition camp will keep on saying that overnight changes should take place. The DAB holds a rather simple view. We think that there should be gradual and orderly progress and things must be done step by step. This is in line with the demand and aspirations of the people, the actual situation and the political factors. If you stick to your idea of making overnight changes, you will get nothing in the end. Which approach would work to materialize democracy in the end? The people can tell easily. That is why, President, I think the people have seen very clearly this fresh starting point.

The third Chief Executive election will be held next year. We hope that all political parties, groupings and political forces from all camps would take part and put in the best of their efforts. I agree very much to the idea that we should get more seats in the Election Committee. For it would be to the benefit of the people of Hong Kong if we can have positive competition. But the fresh starting point I mean is one that needs no trampling on each other. The issue of Hong Kong being marginalized has been raised in society and one of the points about marginalization is that we are spending too much time on matters which we do not have any common ground and instead we spend too little time on matters that deserve our common attention and which should form our common interest, such as in the economy and improving people's life. These are matters on which we should focus our attention. In political affairs, even if we are heading in different directions or if our paces vary, we should respect each other. For if not, nothing can be accomplished after all these delays and obviously this will do no good to the people of Hong Kong.

Therefore, I hope very much that there can be a fresh starting point for Hong Kong. More so I hope that the new Chief Executive will provide the leadership required to achieve progress in concrete terms in economic and political matters. And for our honourable opponents, I hope they can lay aside

their prejudices. They have just talked about birdcage politics. Actually, they are under the influence of a birdcage mentality. My hope and wish is that they can renounce this birdcage mentality and make solid progress.

Thank you, President.

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

MR ALBERT CHAN (in Cantonese): President, I really do have some regret, for when some friends from the DAB spoke earlier, I was not here as I was donating blood. I could not catch their speeches so clearly. I was a bit out of breath as I ran back.

In the past when I spoke in this Council, I would often get quite agitated. Having donated some blood, my blood pressure would drop somewhat and I may not get so agitated. But things are hard to tell if I am going to speak for as long as 15 minutes. Sometimes after I have spoken for six or seven minutes, my blood pressure would rise. This is really hard to tell.

President, I am sorry. I may have to pant for some time because I have just come back running.

President, on the Bill concerning the Chief Executive, today in 2006, when we look at the contents of the Bill on the Chief Executive election, as people of Hong Kong, we should feel ashamed and embarrassed. This is because when compared with all other places in the world, including Nepal where the people's power movement took place not long ago, this is what we should feel. Nepal is a country which is no match for Hong Kong in terms of the people's education level, and in economic and historical aspects. In science and technology, the country is not as advanced as Hong Kong. However, when it comes to respecting the people's wishes, one can see clearly that a more positive result is obtained in Nepal as compared to Hong Kong.

Our Government, in particular our Chief Executive and the Directors of Bureaux and Secretaries of Departments, have always stressed strong governance in the past couple of years. On the issue of constitutional reform, they seem to be very adamant in appearance. However, the contents inside are

actually very weak. Put it more seriously, it is impotent to the extreme. The whole political system, especially on the selection of the Chief Executive, as the Government has said repeatedly, is subject to two constraints, one from the Basic Law and the other are the interpretations of the Basic Law made by the National People's Congress.

These two constraints are more powerful than the band around the Monkey King's head. It can be said that they are like the band around the Monkey King's head together with the curse that trapped him under the Mount of Five Fingers. When things are like the Monkey King's situation, who is pinned down and cannot move at all, how can this be called strong governance? Therefore, if the Government talks about constitutional reform in this Chamber, especially on matters related to the amendments in the Bill on the Chief Executive election and when it uses epithets like strong governance, this is much worse than Ah Q. When I was in high school, I read *The Story of Ah Q*. The short story impressed me very much. Once Ah Q was bullied by a foreigner, or a foreign devil as it was called in those days, after the foreign devil had gone, Ah Q put on an arrogant air and said that the foreign devil had been lucky in leaving quickly. For if not, he would just beat that foreign devil to death. He was so proud of himself. This is called the spirit of Ah Q. And it is fully demonstrated by the top officials of the SAR Government in the constitutional reform issue. This spirit of Ah Q is also reflected in many of our royalist friends, such as those from the DAB and the Liberal Party. I do not know if we have a present-day LU Xun in our midst who can describe the anomalies we see these days like LU Xun depicted the times of Ah Q. Of course, people these days do not wear a pigtail but we see the same kind of despicable countenance and mindset.

This spirit of Ah Q poses a major obstacle to China's development. Why is it that for so many years this spirit of Ah Q has dominated China and caused its decline? LU Xun made a poignant observation of his time and pinpointed the crux of the problem. Hong Kong is now facing a problem of calamitous dimensions. Our top officials and royalist friends are viewing the constitutional reform issue and the Chief Executive Election Ordinance amendments from the perspective of Ah Q and the Ah Q mindset. The best illustration of this spirit of Ah Q can be found in Mr Howard YOUNG who at the very beginning — President, it is rare for the Chairman of a Bills Committee not to be present when Members speak. I seldom see this. When Members move a motion or chairs the relevant Bills Committee to study a certain Bill, and during the debate stage,

as a general rule, the Member moving the motion and the Chairman of the Bills Committee would be in attendance and listening most of the time. I was therefore very surprised and I cannot help but ask, do Members not have any responsibilities? For most of the time tonight, Mr Howard YOUNG is not in attendance. I saw him surfing on the Internet, checking e-mails, printing, and so on, in the Ante-Chamber. He does not care so much as to what Members speak. But as the Chairman of the Bills Committee, he should listen to what other Members speak. This is his responsibility. Now this whip of the Liberal Party is not here, otherwise I would have asked her to admonish this member of the Liberal Party. The political scene in Hong Kong is characterized by mediocrity and irresponsibility. There are constant appearances of Ah Qs, old masters and foreign devils — characters in LU Xun's story — in this debate on the Bill. This betrays the inferior quality in the political circles and I believe if the people of Hong Kong see such things, they will only be put to shame.

President, I think this motion will certainly be passed in the end. This is because regardless of whether it is in the Legislative Council, other organizations or groups, provided the matter concerned is given the green light by "Grandpa" or if the Central Authorities have set the tone, no one would dare to raise any objection. The eight years under TUNG Chee-hwa's rule can best be described as lame and impotent. But when it comes to the question of toppling TUNG, many people would not dare to utter a word, even though they may harbour such thoughts. The same applies to the constitutional reform issue. This includes those people in this Chamber who still have a conscience. They know that in the end they would vote in favour of the motion, but deep down in their hearts they know what it is all about. Many people are shaking their heads and sigh. They represent another kind of tragedy in the political life of Hong Kong.

President, on Chief Executive elections, yesterday some British Members of Parliament from various political parties came to Hong Kong for a visit. They should have met the Chief Executive last evening. They had lunch with some Members of this Council. During the lunch, I raised two points. The first point I suggested to these MPs was that they should take a look at their own government. They were very concerned about democracy in Hong Kong and when they spoke last evening, they said that they would support the development of democracy in Hong Kong. However, their government is weak. Leaving aside the issue of promoting democracy in Hong Kong, even when it comes to speaking out in support of it, one would seldom hear such things these days. I said to them that, as MPs, they should monitor their government and as the

ruling party, they should gauge their government's position on this issue. Being a signatory to the Joint Declaration, Britain has the obligation to implement the Joint Declaration. The political issues involved, especially the establishment of a democratic system, also fall clearly within the scope of the Joint Declaration.

The second point I raised was about the inability of the democratic system in Hong Kong to grow. This is due to two obstacles. One is the lack of mutual trust between the Central Authorities and the democratic camp. Actually, one of the causes of this lack of mutual trust is a lack of confidence. This lack of confidence means more than an inability to understand the other party but also a lack of confidence in oneself. If the Central Authorities have confidence in governing Hong Kong and in its ability to govern, they should not have any misapprehensions about the democratic camp. Since the Central Authorities are strong and well-loved by the people, any decision they make will certainly have the support of the people. If the Central Authorities have confidence in their governance, the people of Hong Kong would support decisions made by the Central Authorities, instead of views held by Members of this Council from the democratic camp. Therefore, if the Central Government has the determination to spearhead the development of a democratic system in Hong Kong and hence enable a democratic political system to march a few steps forward, this may instead make people get an impression that the democrats are slow in promoting the development of democracy. Unfortunately, I fail to see any confidence in the Central Authorities. Not only do they have no mutual trust for the democratic camp, but they also do not have any confidence in governing Hong Kong and their influence on Hong Kong under the "one country, two systems" principle.

The second hurdle impeding the pace of democratization in Hong Kong is mainly this excessive protection of the groups with vested interest and the excessive bias of the current system in their favour. As a result, there is constant channelling of benefits to these vested interest groups. Is this a result of deliberate efforts on the part of the Government or is it because of unfairness in the system and bias in the law that there is constant pumping of benefits to them? Let me give a simple illustration from one set of figures. The aggregate public revenue, from profits tax and salaries tax, of the Hong Kong Government is only a bit more than \$100 billion a year. This amount is the annual revenue for the Hong Kong Government. However, the net profits of HSBC are more than \$100 billion a year. The CLP Holdings (a local power

supplier) makes a net profit of more than \$10 billion a year. It can be seen clearly that a company like HSBC makes much more money than the aggregate profits tax and salaries tax collected by the Hong Kong Government each year. Is our system not excessively biased in favour of the big businesses? If the people can feed themselves well and if they lead a stable life and are free from pains and poverty, and if there are no people who for want of food would kill themselves, then all these signs of affluence should be praised. But this is not the case. The gap between the rich and the poor in Hong Kong is forever widening, and the distribution of wealth in society gets more uneven than ever. Suicides, especially those involving senior citizens, have been on a constant rise after 1997. The number of suicide cases among the elderly population in Hong Kong is in the forefront among advanced societies in the world. This has something to do with the SAR Government's philosophy in governing the territory and the institutional bias in our political system caused by the fact that our Chief Executive is not elected by the people.

Therefore, if the present spirit and system are maintained in this Bill, the unfairness and wealth gap in Hong Kong would only deteriorate. We will continue to see vested interest groups and mega tycoons getting special favours from the Hong Kong Government. So for the sake of public interest and in the face of such abnormalities in Hong Kong, we should rectify such unfairness and abnormalities in our society. To do it we must revamp our political system, the most important part of which is the election system to return the Chief Executive. These proposals found in this Bill on the Chief Executive election, if they are passed intact and wholesale today, it will mean that the fundamental political rights of the people of Hong Kong will go on being trampled and that the financial interests of these giant *zaibatsu* will be further entrenched. These can be said to be a disgrace for the people of Hong Kong. Of course, many people would not think it this way, especially those top officials who make some \$3 million or \$4 million a year and whose ranks are at D8 or D9 of the pay scale.

When the Government acts so shamelessly and as the political system of Hong Kong is stuck in an impasse, the Government still thinks it is being very constructive and practising strong governance. This sort of perpetuation of the Ah Q spirit will only lead to the decline and fall of Hong Kong. As a citizen of Hong Kong, I am helpless. I pity my fellow citizens. I am furious about those who have no sense of shame. I would also like to take this opportunity to condemn these people in the most vehement manner. Thank you, President.

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

DR FERNANDO CHEUNG (in Cantonese): President, I originally did not intend to speak. However, Mr LAU Kong-wah, despite stating that Members should respect each other, should not besmirch or trample on each other, took the lead to besmirch and trample on others, saying we put up opposition for the sake of opposition, and went further to say that we, the opposition camp, holding high the flag of democracy, were actually standing in the way to democracy. He was definitely besmirching and trampling on others, and he indeed ran right away after the trampling. I think such behaviour is rather irresponsible and should not be encouraged in this Council. Members who set their mind to listen to the debate in this Chamber and state their stances by putting forth their arguments should be respected. However, if someone urges others not to trample on or besmirch others, and yet he himself continues to besmirch and trample on others, then his behaviour is utterly unacceptable. I thus have to rise to express my disapproval of this act of trampling and besmirching.

I am a representative elected from the social welfare constituency and my concerns are mainly about livelihood issues. However, people's livelihood is inseparable from democracy. President, my stance has thus been very firm all along. I do not oppose for the sake of opposition, nor will I support for the sake of support. My foundation is built on certain basic human rights considerations and basic values which may perhaps be called the universal values or core values.

I hope that everyone can enjoy basic equality upon birth. If we want to have a harmonious society, everyone should be given the opportunity to express their wishes and demands. In the course of the development of a human society, this democratic system — where no better system is available — can at least let each and every member of society express his feelings by the vote he casts. President, today, this has already developed into a kind of basic human right. This is undisputable. Why do you have the right to vote but not me? We all know that we cannot tell bare-faced lies, saying that this is because one is not fully mature, or even call the present situation a balanced participation which will be conducive to the development of democracy.

Why do we have to oppose this Bill on the election of the Chief Executive today? For according to our principles, we know that the Bill is undemocratic

and distorted. It is a by-product generated by a totally undemocratic proposal. Whether or not this by-product is harmful, it is, in the context of the entire constitutional reform, going against every step we take towards democracy. If you say that it is heading towards democracy, then, why "one person, one vote" is not allowed in the entire constitutional reform? Even if "one person, one vote" is not acceptable, why can the number of seats returned by democratic elections not be increased?

President, today, I do not want to repeat the arguments we have made in the protracted debate in the past, for we are all a bit tired of it. However, as Mr LAU Kong-wah tries to besmirch and trample on others, I cannot but rise to state my case unequivocally. We the democratic camp made it very clear in the election held in 2004 that we, acting scrupulously and adhering to our principles, would fight for the 2007 and 2008 elections. Actually, the platform of the DAB for the last few years also stated clearly that they would fight for the implementation of universal suffrage in 2007 and 2008. But, today, I do not mock them for their volte-face. I will not laugh at them because they are subservient to authority. Nor am I going to besmirch their chameleon-like behaviour in the past. How they have behaved, they themselves know well. But they can never say that we have not upheld our principles, nor can they say that we have not acted according to our conscience. No matter I am facing the heaven, the earth or I myself, I can be sure that I act in accordance with my moral values. I teach in a university; I will not tell lies blatantly. I think being a teacher, it is most important to set good examples. We must hold fast to our principles and act with integrity.

In the entire incident, we have acted consistently. Thus, today, I will oppose this Bill on the election of the Chief Executive. Thank you, President.

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

MS AUDREY EU (in Cantonese): President, I think to Hong Kong, the deepest regret now is that those who have been striving for democracy for some 20 years are now being criticized for impeding democratization. I heard the impassioned address made by Mr CHEUNG Man-kwong, the address of Mr Albert HO and the many addresses made by Members from the Democratic Party in this

Chamber. In 1985, the legal sector elected Mr Martin LEE as their representative, and it has been some 20 years now. What are they aiming at? President, they have been striving for democracy for years and have even been denied the issuance of Home Visit Permits. If this is not for democracy, for what then? Do Members of the Legislative Council have enormous powers? What is so superior about them? These people are now being criticized as opposing democracy.

If it is said that the people of Hong Kong do believe the Democratic Party and allies of the democratic camp who have been striving for democracy for some 20 years are indeed impeding democratization, being one of the members in Hong Kong, I will also feel ashamed. Is there any proof of this? The proof is that they opposed the Fifth Report on constitutional reform. For, today, many people refer to this as an opportunity for democratization. These people, who are indeed shedding crocodile tears, criticize the democratic camp for letting go that golden opportunity by turning down the proposals in the Fifth Report which are so democratic.

Since the democratic camp voted down the constitutional reform package in the Fifth Report in this Council, there has been ubiquitous propaganda that these people should no longer be called democrats and should better be renamed as the opposition. In overseas countries, being dubbed as the opposition is indeed very impressive, for this is a positive term. If it is not the ruling party, it is the opposition. The term opposition camp or opposition party does not carry any negative connotation. However, in Hong Kong, the term "opposition camp" is interpreted in a different way, it means those putting up opposition for the sake of opposition. What is opposition for the sake of opposition? That is when the other party does not want to listen to your argument for opposition, or when he does not or pretends that he does not understand, he will say that you are opposing for the sake of opposition. Many people in Hong Kong are like that. I really feel anxious for our teachers, for contrived labelling like saying it is "opposition for the sake of opposition", has become the prevailing culture.

These people do not spend the time and effort, nor do they have the impetus, to try to understand why others have to oppose the Fifth Report. The rationale is indeed so straightforward that even a child can understand, that is, how can anyone supporting democracy accept appointment seats, for this is virtually going against democracy. The system that allowed 400 District

Council (DC) members to be elected by the people of Hong Kong through "one person, one vote" and 120 DC members appointed by the Chief Executive alone had been abolished before the reunification. However, upon the reunification, that system was reinstated by the Provisional Legislative Council. Now, the Fifth Report on constitutional reform goes even further by formalizing this system, and these appointed DC members are escalated to become members of the 800-strong Election Committee which has the right to elect the Chief Executive. The electoral college will expand from 800 members to 1 600 members and 102 appointed DC members will be included. Earlier on, a colleague from the democratic camp, I am not sure which one, mentioned that the arrangement was opposed because it was a continuation of the functional constituency system — sorry, it is not a continuation of the functional constituency but an increase of functional constituency seats.

It is stated unequivocally in the Basic Law that we should head towards universal suffrage and that all functional constituency seats in the Legislation Council should be abolished. But the Government has not done so, it has on the contrary increased the seats returned by functional constituencies, and stated clearly that both the 102 appointed DC members and holders of ex-official seats have the right to run in the Legislative Council election. Surely, many people do aspire to serving Hong Kong. They may be appointed to various advisory frameworks but the DC, for DC members are returned by election. If the Hong Kong Government sincerely supports democracy, it should cease implementing the appointment system. The Government may perhaps think that if a timetable and a roadmap for universal suffrage are drawn up, the implementation of regressive constitutional reform proposals may still be acceptable to the democratic camp, for a date for the implementation of universal suffrage is set. But the Government has neither drawn up a timetable nor a roadmap. Though it is not known till when will the implementation of universal suffrage be postponed and till when will we be brought back to the right track, the Government forces Members from the democratic camp to accept this proposal. How will the democrats who have been striving for democracy for some 20 years be fooled by this proposal? Members certainly will oppose it.

Mr Jasper TSANG alleged earlier in his speech that we were not practising what we preached, for we appealed to the public to register as electors on the one hand but opposed the amendments made by the Bill to the election of the Chief Executive on the other. Mr Jasper TSANG is always an intelligent man, but

today, he pretends to be stupid. He knows very well why we oppose it. The President also knows that among Members in this Council, Members from the democratic camp are the most hard-working. They have made the greatest number of speeches. One after another, they explain the case to him. Unless he turns a deaf ear to them, he will surely understand them.

This Bill does define the electors, add the vote of confidence and amend the term of office of the Chief Executive. Mr CHIM Pui-chung pointed out earlier in his speech that the approach was wrong, for it should not be carried out by the local legislature. If the Basic Law is to be amended, it should be done according to the procedures prescribed in Article 159 of the Basic Law. Mr CHIM, actually, the delegation of authority is also not acceptable. We have explained clearly why we have to oppose it. We are not opposing the provision itself. Just as Dr Fernando CHEUNG has said earlier, this is a by-product generated by the distorted system.

Despite the interpretation of the Basic Law by the NPCSC, the Government could have done better. Actually, democratization can be promoted by means of a lot of local legislative work. For instance, functional constituencies or corporate votes can be changed to individual votes, the electorate base can be expanded and the classification of some bizarre sectors in the functional constituencies can be rationalized. Many issues like these can be addressed, and the amendments proposed by the Liberal Party or the Democratic Party can also be accepted. However, the Government has not done so. It instead amended the premise of this Bill to the narrowest scope. The objective is straightforward; it wants to reduce the size of the "birdcage" so that no attempt to strive for greater democracy or meaningful amendments can be made.

Under this circumstance, how can Members of the democratic camp be expected to support this by-product generated by the distorted system? On the other hand, should the approaches proposed by Mr TAM Yiu-chung and Mr Jasper TSANG be adopted — that is given their disapproval of this distorted system, why should the democratic camp continue the fight for it? Why do they not just give up? Members of the Democratic Party have been fighting for it for 20 years — I should say some 20 years, the DAB of course hopes that the Members of the Democratic Party will better give up and stop striving for it, for the DAB will then be the only political party on the scene. However, if they stop striving for democracy, how can they explain to their voters that they have

done their level best to strive for democracy? Despite our full knowledge that it is a distorted system, we still have to fight hard, convinced that the voters will appreciate our actions.

On the issue of electors, many colleagues mention an opinion poll conducted by the Hong Kong Baptist University at an earlier time, and I think it is really worth discussing, for it proves that there is no greater sorrow than despair. For many times, the people of Hong Kong have taken to the streets, aired their opinions and strived for it. Time and again, results of opinion polls indicate that the public support the early implementation of universal suffrage. Members should not forget mentioning other opinion polls in which many have expressed their demand for a timetable and a roadmap for universal suffrage, and their support for the implementation of universal suffrage in 2007 and 2008 as well as in 2012. However, these opinion polls have not been quoted. Despite the aspirations made by the public continuously, how is the situation today? They have been mocked in this Chamber. The people of Hong Kong are thus in despair, the greatest sorrow of all, and feel that any effort made will end in futile.

However, whenever I hear Ms Emily LAU make her speech, I will feel glad, for no matter how the rest of the world thinks, she will still be her old self. Ms Emily LAU states that even if all Members oppose it, she will hold fast to it to her last breath and will not change. When a Member knows what he or she is fighting for is right and the principle he or she upholds is true, I think he or she should hold fast to it. Therefore, as a Member of the democratic camp, today, I cannot accept this birdcaged, distorted and restricted Blue Bill proposed by the Government. If Members really support democracy, the democratic camp is more than willing to co-operate on many aspects. However, the political reality is that many people, "outstanding talents", as Mr CHIM Pui-chung called them, are reluctant to tell the truth in this Chamber. This is the greatest contradiction in Hong Kong and the sorrow of the people of Hong Kong.

Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If no other Member wishes to speak, I now call upon the Secretary for Constitutional Affairs to reply.

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, on 8 March the Government introduced the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 (the Bill) to the Legislative Council. A Bills Committee was formed by the Legislative Council to scrutinize the Bill. During the deliberations made on the Bill, the Bills Committee conducted in-depth discussions on various related issues and a lot of valuable opinions were expressed.

Pursuant to the existing legislation, the registration deadline of voters for the 2006 Election Committee (EC) is on 16th of this month and there is a need for the Bill to be passed in the Legislative Council before that date and become effective. Consequently, the working schedule of the Bills Committee was very tight. A total of six meetings were held and views from 17 deputations and individuals were heard. The fact that the deliberations on the Bill can be completed on time owes to the hard work of Mr Howard YOUNG, Chairman of the Bills Committee and Mr LI Kwok-ying, Deputy Chairman of the Bills Committee, as well as other Bills Committee members who have actively participated in the deliberations. I am also grateful to the Legislative Council Secretariat for the assistance rendered. I would like to make use of this opportunity to express my heartfelt gratitude to the Chairman, the Deputy Chairman, members and colleagues in the Secretariat.

Madam President, the object of the Bill is to address legal and other matters related to the election of the Chief Executive through amendments made to the Chief Executive Election Ordinance to ensure the Chief Executive Election in 2007 would be held smoothly. I have on various occasions in the Legislative Council explained the major provisions in different parts of the Bill as well as the rationale behind them. I would therefore only give a brief account today.

The Bill proposes that if an election for a new term (five year) Chief Executive will be held within six months after a vacancy in the office of the Chief Executive has arisen, it will not be necessary to hold a by-election. Pursuant to Article 53 of the Basic Law, before the new term Chief Executive takes up his office, the Acting Chief Executive will continue to assume duties of the Chief Executive. This arrangement will ensure that the provisions in Article 53 of the

Basic Law can be fulfilled, that is, in the event that the office of the Chief Executive becomes vacant, a new Chief Executive shall be selected within six months in accordance with the provisions of Article 45 of the Basic Law. Such an arrangement will also obviate the need to hold two Chief Executive elections within a short period of time.

The Bill proposes that in the event that the term of office of Chief Executive is complete on a certain year, the EC should be formed by 1 February of that year. Such an arrangement will ensure that the term of the EC will tie in with the five-year term of the Chief Executive and with the election cycle.

The Bill expressly provides that a new Chief Executive returned in a by-election may only serve for one more term after expiry of the remainder term, and that the remainder term is counted as "a term" even when it is less than five years.

The Bill proposes that if only one Chief Executive candidate is validly nominated, election proceedings shall continue.

The proposed electoral arrangements are as follows:

1. When voting, EC members may indicate in their ballot papers either to "support" or "not support" the sole candidate;
2. The sole candidate shall be returned at the election if the number of "support votes" he obtains constitutes more than half of the total number of valid votes cast;
3. If the number of "support votes" obtained by the candidate falls short of more than half of the total valid votes cast, the candidate is not elected at the election and the election is terminated;
4. Following the termination of the election, there shall be a new round of nominations within 42 days with ensuing election; and
5. If, at the close of the new round of nominations, there is still only one candidate, the electoral process shall continue. If necessary, the process will be repeated until a candidate is returned.

The Bills Committee has held discussions on the question of whether or not arrangements should be made to ensure finality to the electoral process. As a matter of fact, before the Bill was introduced to the Legislative Council, we had considered the issue and reached a conclusion that it would not be appropriate to provide for arrangements to ensure finality to the electoral process. In view of this, we had explained our position to the Bills Committee.

First, as with other elections, some kind of uncertainties would be inevitable if a candidate has to be returned in an election by some voting procedure. In order that a sole candidate can be returned without any existence of any uncertainties, the only way is to allow the candidate to be returned *ipso facto* as the Chief Executive. However, the Administration's policy is that if only one candidate is validly nominated, election proceedings shall continue. A proposal to allow a sole candidate to be returned *ipso facto* after the first (or subsequent) round of polling will not be consistent with the Administration's policy.

Second, with Hong Kong's open and transparent electoral system, if a sole candidate fails to obtain a sufficient number of support votes in the first round of polling, it would be reasonable to anticipate that other aspiring candidates will come forward after the nomination process is reopened. The chances that there is still only one candidate after the first round of polling, or that a sole candidate fails to obtain the required support in the EC in the polling process on successive occasions, should be slim.

In view of the practical difficulties in implementing the "substantial connection" provision in the District Councils (DCs), the National Committee of the Chinese People's Political Consultative Conference (CPPCC) and the Heung Yee Kuk (YHK) subsectors and for the avoidance of doubt, the Bill proposes that only individuals who are members of DCs, Hong Kong members of the National Committee of the CPPCC, and the Chairman, a Vice-Chairman or a member of HYK may be members of the relevant EC subsectors.

Individuals who cease to be members of DCs, or Hong Kong members of the National Committee of the CPPCC, or the Chairman, a Vice-Chairman or a member of HYK will also cease to be EC members. A subsector by-election will be held, following statutory arrangements generally applicable to subsector by-elections, to fill any such vacancy.

The Bill also proposes that there should be some technical legislative amendments such as those to reflect changes in the names of the organizations which are eligible to be the electors of the EC, or the names of umbrella organizations the members of which are eligible to be the electors of the EC. Organizations and umbrella organizations which have ceased to exist will also be removed.

Other amendments of a technical nature include the following: the Electoral Registration Officer shall compile and publish a provisional register of EC members within seven days after the results of EC subsector ordinary elections are published. A final register of members of the EC shall be compiled and published on the date when the term of office of the EC commences.

Madam President, during the deliberations on the Bill, Members put forward views on the following:

First, an upper limit should be introduced on the number of subscribers required for nominating candidates for the office of the Chief Executive.

Second, the subsectors in the electorate base of the EC should be broadened.

Third, the requirement that a Chief Executive should not have any political affiliation should be abolished.

Although these three issues are not found in the scope covered by the Bill, we understand the concern expressed by some of the Bills Committee members. As many Members of the Legislative Council have raised these issues again today, I would like to explain the Administration's position with respect to these issues.

Some members think that an upper limit should be imposed on the number of subscribers required for nominating Chief Executive candidates as this would enable more people to join in the election by obtaining the sufficient number of subscribers required. The Administration's position is Annex I to the Basic Law stipulates that not less than 100 EC members may nominate jointly a Chief Executive candidate. There is no provision in the existing legislation setting an upper limit on subscribers required for nominating Chief Executive candidates.

The Constitutional Development Task Force has considered the issue of setting such an upper limit of subscribers and it is suggested in the Fifth Report that we should examine carefully if the setting of such an upper limit would restrict EC members' right to nominate candidates. The Administration has accepted the recommendation made by the Task Force and considers that such an upper limit should not be set. Members should note that even if there is only one candidate validly nominated, the electoral proceedings shall continue.

Some members suggest that the electorate base of the EC should be broadened by way of local legislation. According to the Interpretation of the Basic Law made by the NPCSC on 6 April 2004, the method of selecting the Chief Executive and forming the Legislative Council as specified in Annexes I and II to the Basic Law may be amended, but they may also not be amended. If no amendment is made, the methods of these two elections as prescribed in Annexes I and II to the Basic Law would still apply.

With respect to the methods of the elections to be held in 2007 and 2008, the Government in October 2005 proposed that by expanding the participation of DC members, the democratic representation of these two elections could be increased and the electorate base could also be broadened substantially as aspiring people could have more opportunities to participate in political affairs and stand in the elections. Unfortunately, the proposal did not have the required two-thirds majority support of all Members of the Legislative Council as specified in Annexes I and II to the Basic Law, despite support from a majority of the public and a majority of Members of the Legislative Council. In such circumstances, the 2007 Chief Executive Election will be held on the basis of the existing arrangements, that is, the electorate base will remain unchanged.

Some members think that the requirement that Chief Executive shall not have any political affiliation should be abolished. The Administration does not agree to this idea. As a political leader, the Chief Executive has a need to maintain close contact with Members of the Legislative Council with various political affiliations as well as with the independent Members. The Chief Executive should also collaborate with them and strive to get their support. This will enable the Government to reach the greatest consensus with Members, otherwise it would be hard to achieve effective governance. In our opinion, given the stage of political development in Hong Kong, the requirement that the Chief Executive should renounce his political party membership can ensure that

the Chief Executive would discharge his duties while taking into account the overall interest of Hong Kong and he would strive to obtain support from various political parties and groupings.

Having said that, it has always been the aim of the Government to assist in the development of political parties as in the following examples:

First, in 2002 we launched the Accountability System for Principal Officials. Under this new system, individuals with political affiliation may be appointed as Principal Officials. Besides, members of political parties may be appointed as Members of the Executive Council and actually there is such arrangement in place. We are thinking of expanding the political appointment system to offer more channels to aspiring individuals to join the Government.

Second, in the Legislative Council Election held in 2004, we launched a scheme to provide financial assistance to candidates standing in Legislative Council elections. The scheme resulted in a greater number of candidates, including those with political affiliation. Recently, we have proposed that the scheme be extended to include candidates standing in DC elections.

Madam President, in sum, with respect to the three issues of electorate base, upper limit of subscribers and whether or not a candidate can retain political affiliation after elected as Chief Executive, we have discussed and explained the matters quite sufficiently.

Many Honourable Members have debated today in particular on the Fifth Report and the election proposals for 2007 and 2008. Now I would like to make a few comments on them.

In October last year, after we had introduced our package of proposals, the Government made a lot of efforts to win enough support in the Legislative Council to pass it. We hoped very much that the proposals would lead to greater progress in the Chief Executive Election in 2007 and the formation of the Legislative Council in 2008. We hoped that there could be a step forward in democratization in Hong Kong but, regrettably, Members from the opposition gave up this opportunity.

From last October to the present, the people of Hong Kong are very clear that the Fifth Report can indeed lead to progress in democracy in Hong Kong by

enabling greater participation of DC members in the two elections. Representation in these two elections can also be enhanced. This accounts for support from a majority of the members of the public for this package of proposals in the fourth quarter last year.

Last week, the Hong Kong Baptist University released the findings of an opinion poll and it proves once again that support for the proposals has not weakened but increased instead. So Members from the opposition must face up to this fact and realize that their rejection of the proposals at that time has caused the electoral system to go back to square one and this runs counter to the wishes of the public. Members from the opposition cannot therefore hope to evade this responsibility.

In my opinion, for example, Ms Audrey EU cannot hope to distort public opinion simply by saying that "there is no greater sorrow than despair". This is because there is still staunch support in public opinion for the proposals for the elections in 2007 and 2008. If Members wish to do something for the democratization of Hong Kong, they must face up to the facts and feel the pulse of public opinion before they can do anything for the good prospects of Hong Kong.

Madam President, the debate today is in fact quite an extraordinary one. It is because I notice that Members from the opposition have made two explanations in great detail. First, they want to offer an explanation once again as to why they wanted to vote down the proposals on 21 December. Second, they want to explain why they do not support the Bill today. They have employed a lot of tactics. For example, Mr LEE Cheuk-yan has demonstrated how he makes a dally dance to show what he can do to delay and procrastinate in a most amazing manner. Mr Ronny TONG and Ms Margaret NG have criticized the Government in many aspects, alleging that we are dodging the issue and then an opportunity to promote democracy has slipped away as a result.

Actually, who have let slip such an opportunity? First, the fact that the opposition Members voted down the proposals on the elections in 2007 and 2008 has prevented political talents in the second and third echelons of political parties from moving up the ladder and stand in the Legislative Council Election in 2008 and compete for the 10 seats which could have been added otherwise.

Second, what has been lost is the broadened democratic base for Hong Kong which will enable us to have a solid foundation to take forward the democratization of Hong Kong and start a dialogue between Hong Kong and the Central Authorities for greater mutual understanding.

Actually, Members from the pan-democratic camp and the opposition have made a terribly wrong judgement. They may think that overturning the proposals for 2007 and 2008 last December would really enable them to get a timetable for universal suffrage right away. But things have run counter to their expectations. It is because if democracy is to be achieved under the constitutional framework of Hong Kong, it has to be built step by step and there can never be any overnight miracle. So after this opportunity slipped through our hands last year, I hope we would never let this happen again.

During the period from 2007 to 2012, I think there will be opportunities for Hong Kong to probe into the issue of progress in democracy again. I hope all parties/groupings and Members, including those from the opposition, will treasure and value those new opportunities and really do something for Hong Kong.

Madam President, if I am to turn to the Bill today, I would think that it is a bit unfortunate. It is because opposition Members have gone back on their own words. It was just not long ago that they proposed that many Members from the opposition would support the arrangement that allows electoral proceedings to continue even when there is only one candidate. But I notice today that some of them have said that they are not very keen on supporting it or they query that the system is not a good thing. In any case, they have gone back on their own words. At that time, they subscribed to the proposal, but today they say that they will object to this Bill. We have much experience of the tactics they use, but that does not matter, we should do as much as we can for Hong Kong.

Lastly, I would like to respond to the question of welfarism which Dr YEUNG Sum and Mr Albert HO have talked about. I wish to stress that the position of the SAR Government is that there is no conflict between democratization and capitalism. There is no fundamental conflict as such. As many Members have pointed out, there are many developed societies in the West which have a democratic system and they are capitalist societies as well. Why do we raise the question in the Commission on Strategic Development for discussion by Members? There is only one aim and that is: As we advance on the road to democracy and universal suffrage, we should watch out lest we fall

into the trap that many democratic societies in the West have fallen into, and that is to practise welfarism.

Mr HO and Dr YEUNG mentioned the example of the Western countries. As a matter of fact, I was in Britain during the 1980s and I went to Canada during the 1990s to work in the office of the Hong Kong Government there. During the 1980s when Mrs Margaret THATCHER headed the British Government, she had to make a lot of efforts to deal with the trade unions and she had to resort to selling the national enterprises and taking the road to privatization. Why? This is because for many decades the British Government had been overburdened with debts and it had to do anything it could to balance the public finance.

At the beginning of the 1990s when I was in Canada setting up a trade office for Hong Kong, I noticed that their federal government and provincial governments were likewise heavily in debts. They had to put in great efforts before they could achieve fiscal balance. Therefore, as a responsible Government, we are obliged to sound an alarm in our discussion on our progress to universal suffrage. Pursuant to provisions in the Basic Law, we must maintain our low tax regime and achieve fiscal balance. This we should bear in mind.

We should strive for democracy and we should explore a roadmap for universal suffrage. But for those of us who are in politics, irrespective of whether we are officials or Members, we must play our part in politics in a responsible manner.

Madam President, after the passage of the Bill, the next important task before us is to hold the elections for the EC subsectors this December.

The Chief Executive has acted on the Chief Executive Election Ordinance and designated 10 December this year as the polling date for EC subsector elections. The date will be published in the Gazette this Friday. The new term for the EC shall begin on 1 February 2007 and a new Chief Executive shall be returned on 25 March 2007. As in the past, the Electoral Affairs Commission and all relevant departments will make arrangements as necessary to ensure that the elections will be conducted in a fair, open and honest manner.

Madam President, I implore all Members to support this Bill. Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 be read the Second time. 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 SIN Chung-kai rose to claim a division.

PRESIDENT (in Cantonese): Mr SIN Chung-kai has claimed a division. The division bell will ring for three minutes, after which the division will begin.

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.

Mr James TIEN, Dr Raymond HO, Dr LUI Ming-wah, Mrs Selina CHOW, Miss CHAN Yuen-han, Mr Bernard CHAN, Mr CHAN Kam-lam, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr Jasper TSANG, Mr Howard YOUNG, Mr LAU Kong-wah, Mr LAU Wong-fat, Ms Miriam LAU, Miss CHOY So-yuk, Mr Timothy FOK, Mr TAM Yiu-chung, Mr Abraham SHEK, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Kwok-hing, Mr LI Kwok-ying, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr CHEUNG Hok-ming, Mr WONG Ting-kwong, Mr Patrick LAU and Mr KWONG Chi-kin voted for the motion.

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Ms Margaret NG, Mr James TO, Mr CHEUNG Man-kwong, Mr LEUNG Yiu-chung, Mr

SIN Chung-kai, Dr YEUNG Sum, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr Ronny TONG, Mr Albert CHENG and Miss TAM Heung-man voted against the motion.

Mr CHIM Pui-chung abstained.

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

THE PRESIDENT announced that there were 55 Members present, 31 were in favour of the motion, 22 against it and one abstained. Since the question was agreed by a majority of the Members present, she therefore declared that the motion was carried.

CLERK (in Cantonese): Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006.

Council went into Committee.

Committee Stage

CHAIRMAN (in Cantonese): Committee stage. Council is now in Committee.

CHIEF EXECUTIVE ELECTION AND LEGISLATIVE COUNCIL ELECTION (MISCELLANEOUS AMENDMENTS) BILL 2006

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006.

CLERK (in Cantonese): Clauses 1, 2, 4 to 16, 18 to 33 and 35 to 48.

CHAIRMAN (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

CLERK (in Cantonese): Clauses 3, 17 and 34.

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam Chairman, I move the amendments to the clauses read out just now. These three amendments are all technical in nature, which serve the following major purposes:

In response to the suggestions of the Legal Adviser of the Legislative Council, we propose to amend the Chinese text of clause 3 of the Bill as follows:

凡行政長官的任命屬第(1A)(b)款所指者，就第(2)款而言，其任期視為一任任期。(Where the appointment of the Chief Executive falls within subsection (1A)(b), his term of office shall, for the purposes of subsection (2), be regarded as one term.) We propose to substitute the original words "委任" by "任命", so as to achieve consistency with the wording adopted in the Basic Law and the Chief Executive Election Ordinance.

The amendments to clause 17 of the Bill seek to better ensure that the provisions shall cater for different situations relating to election petitions made against the Chief Executive election. The amended section 37(1)(a) shall cater for the situation where an election petition is made to the Court of First Instance questioning the election in which there is only one candidate, and the candidate is declared not returned at the election.

The amended section 37(1)(b) shall cater for the situation where an election petition is made to the Court of First Instance questioning the election in which there is one or more candidates, and a candidate is declared elected at the election.

Clause 34 of the Bill mainly seeks to update the names of the voting organizations in the agriculture and fisheries functional constituency. In view of confirmation from the Yung Shue Au Marine Fish Culture Business Association that there is no change to its Chinese name, we thus propose the deletion of the clause on the change of the Chinese name of the Association.

The above amendments have been endorsed by the Bills Committee and I urge Members to vote for the amendments. Thank you, Madam Chairman.

Proposed amendments

Clause 3 (see Annex)

Clause 17 (see Annex)

Clause 34 (see Annex)

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendments moved by the Secretary for Constitutional Affairs be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

CLERK (in Cantonese): Clauses 3, 17 and 34 as amended.

CHAIRMAN (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

CHAIRMAN (in Cantonese): Council now resumes.

Council then resumed.

Third Reading of Bills

PRESIDENT (in Cantonese): Bill: Third Reading.

CHIEF EXECUTIVE ELECTION AND LEGISLATIVE COUNCIL ELECTION (MISCELLANEOUS AMENDMENTS) BILL 2006

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, the

Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006

has passed through Committee with amendments. I move that this Bill be read the Third time and do pass.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006 be read the Third time and do pass.

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.

(Members raised their hands)

Mr SIN Chung-kai rose to claim a division.

PRESIDENT (in Cantonese): Mr SIN Chung-kai has claimed a division. The division bell will ring for three minutes, after which the division will begin.

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.

Mr James TIEN, Dr Raymond HO, Dr LUI Ming-wah, Mrs Selina CHOW, Miss CHAN Yuen-han, Mr Bernard CHAN, Mr CHAN Kam-lam, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr Jasper TSANG, Mr Howard YOUNG, Mr LAU Kong-wah, Mr LAU Wong-fat, Ms Miriam LAU, Miss CHOY So-yuk, Mr Timothy FOK, Mr TAM Yiu-chung, Mr Abraham SHEK, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Kwok-hing, Mr LI Kwok-ying, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr CHEUNG Hok-ming, Mr WONG Ting-kwong, Mr Patrick LAU and Mr KWONG Chi-kin voted for the motion.

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Ms Margaret NG, Mr James TO, Mr CHEUNG Man-kwong, Mr LEUNG Yiu-chung, Mr SIN Chung-kai, Dr YEUNG Sum, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr Ronny TONG and Miss TAM Heung-man voted against the motion.

Mr CHIM Pui-chung abstained.

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

THE PRESIDENT announced that there were 54 Members present, 31 were in favour of the motion, 21 against it and one abstained. Since the question was agreed by a majority of the Members present, she therefore declared that the motion was carried.

CLERK (in Cantonese): Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions. Two motions with no legislative effect.

First motion: Perfecting the framework of advisory and statutory bodies.

PERFECTING THE FRAMEWORK OF ADVISORY AND STATUTORY BODIES

DR FERNANDO CHEUNG (in Cantonese): President, I move that

MR ALBERT HO (in Cantonese): The government official concerned is not yet in the Chamber, should we wait until he is here before we start debating on the motion?

PRESIDENT (in Cantonese): Clerk, is the government official concerned in the Legislative Council Building?

(The Clerk said that he did not know whether the government official concerned was in the Legislative Council Building)

PRESIDENT (in Cantonese): Since I have no way to make the government official concerned to show up now, I now suspend the meeting.

6.45 pm

Meeting suspended.

6.49 pm

Council then resumed.

PRESIDENT (in Cantonese): Clerk, will you please ring the bell to summon Members back to the Chamber.

(After the summoning bell has been rung, a number of Members returned to the Chamber)

PRESIDENT (in Cantonese): A quorum is now present, we shall continue with the meeting.

DR FERNANDO CHEUNG (in Cantonese): President, I move that the motion as printed on the Agenda be passed.

President, after the constitutional reform package was voted down last year, Chief Executive Donald TSANG has recently remarked in an almost piqued tone that he was "beaten into a lame", and would not arrange for all Members to visit the Mainland again during his term of office. He even openly admitted that he would maintain a particularly good relationship with the political parties that support the Government, saying that, "The relationship with the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) is certainly closer and more intimate than the Democratic Party, while that with the Liberal Party is better than the Civic Party". Furthermore, he also warned that political parties which act against public opinions would have to pay a very high price because "the public will not let you get away with it!" This is what he said, to that effect.

The Chief Executive has actually played the role as the champion of the people's cause very well this time by teaching those disobedient political parties and Members, and his image as a "public representative" has been enhanced. Obviously, it seems that the Chief Executive has been carried away by his high ratings in public opinion polls and really thinks that he is a public representative. Any political party that is acting against him is indeed acting against the public.

Even democratically elected leaders in democratic countries dare not think they can bypass the parliament and represent public opinions direct, but our Chief Executive, who was elected by a small circle of 800 people, has gone so far as to say in the arrogant style of Louis XIV that "I am the state", and believes his pratal will reflects public opinion. How ridiculous actually.

During the eight years after the reunification, for some unknown reasons, the SAR Government has formed a very bad political habit of being totally biased towards the interests of political parties that support the Government. The TUNG Chee-hwa government is the originator of this bad political habit, while Donald TSANG, a former civil servant, followed the same path in the end. In the final analysis, it is found that both TUNG Chee-hwa, whose ratings in public opinion polls had been persistently low, and Donald TSANG, who enjoys high ratings, have looked at the Legislative Council from an insular angle. The Legislative Council is only seen as an "obstacle" which may vote down government policies, instead of a standing body which carries a certain popular mandate and reflects public opinions. In order to have its policy proposals endorsed smoothly in the Legislative Council, the approach adopted by the Government is not to brief us on the substance of the policies in detail in a

rational and responsible manner, but rather to bias towards pro-government political parties with a view to enlisting steady support in the Legislative Council. To secure enough votes is the only thing that matters, and it is not necessary at all to present any arguments. In the TUNG Chee-hwa era, the Chief Executive's bias towards pro-government political parties could be attributed, to a certain extent, to the sharing of similar ideas, but after Mr Donald TSANG took office, their ideas were often poles apart. Nevertheless, it does not matter because Chief Executive Donald TSANG's bias towards the pro-China camp has become an exchange of political benefits.

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

It is only natural that the Government needs the support of political parties, but given that the post of Chief Executive cannot be taken up by someone with political background and without common beliefs, it will be difficult for the Government and political parties to establish permanent and stable relationships. Since the Government is now giving credits to pro-government political parties through "face-saving projects", the "balance" of power has tilted towards the pro-government camp. With the use of political benefits to draw on political parties' support, the appointment of members of advisory and statutory bodies (ASBs) has been relegated into chips of "dividing political loots". During the colonial era, the advisory framework was used as an instrument to absorb politics into the Administration, so as to enable the Government to effectively gauge and address the different aspirations and even conflicts in the society. However, times have changed and the approach of "accommodation and joint ruling" has been relegated into a political tool for the one in power in "pie-sharing".

According to press reports, among the appointments made by Chief Executive Donald TSANG during the 10 months since he took office, 75 involved people with political background, among which 46 involved the DAB and the Liberal Party, accounting for more than 60%. This shows that the Government has all along appointed a large number of pro-government people into the advisory framework. As shown by the list of appointments which our new Chief Executive made since he had assumed office until the end of last year, the Government has practically neglected the "six-six principle" established by it. Among the 1 323 appointees, as many as 87 ASB members did not comply with the six-year rule, and 14 of them did not comply with the six-board rule.

Among the 87 members who have served in the same ASBs for a long period of time is our Honourable colleague, Dr David LI, who is serving in the Chief Executive's election office and has been serving in the Banking Advisory Committee for an excessively long period of 27 years. The case of WONG Yung-kan of the DAB is not less impressive as he has been serving in the Fish Marketing Advisory Board for over 20 years, whereas other board members have generally served for over 10 years. Even worse, the Government "went to the smart side" on this issue. If any ASB member was transferred internally to another post, say, from member to vice-chairman, then his years of service count will then start afresh; in other words, the previous six years of service is not counted, but will start afresh. Such an arrangement in fact defeats the original intent of the six-year rule.

As for the 14 members who serve on more than six ASBs, many are popularly known as "king of public service". I have since 2003 requested a list of members who have been serving on more than six boards concurrently, and it should be noted that, more than half of those who have been given special attention are also members of the Election Committee, and the percentage is really astonishing. Among them, three names have appeared on the list of "king of public service" since 2003, while another two names had once been removed from the list in 2005, but have reappeared recently. It reflects that the appointment of members is actually confined to a very small circle.

In the former Chief Executive TUNG Chee-hwa's 2004 policy address, the Government avowed with apparent conviction that it would "avoid excessive duplication in organization and membership" and "bring in more talents from different backgrounds to enhance representativeness". At the Question and Answer Session, the Chief Executive also said that he would scrutinize the list of nominations submitted by various bureaux, and closely follow the "six-six principle". However, so far as we can see, the Government has only perfunctorily issued a letter to remind various bureaux to adhere to the "six-six principle". Yet, it was a deliberate act of the Chief Executive, in whom the major power of appointment is vested. In overseas countries like the United Kingdom, a Commissioner independent of the Government is created to supervise and monitor the appointment process of various advisory bodies, issue codes of practice which are binding, and draw up guidelines on the appointment of public officers to ensure that the process is fair and open, as well as to report to the public on related matters.

The existing process of appointing ASB member is far from transparent, and the executive holds absolute power of appointment. The public do not have a role to play in these appointments, neither are they informed of the details of vacancies in public office, let alone making nominations of people they consider meritorious, or even self-nominations. It is impossible for the public to participate in the appointment procedure, which is almost completely closed, while pro-government political parties may exert influence on appointments to public offices through different informal channels. Even the executive authorities can only resort to the centralized data base for appointment of people to ASBs, thus resulting in one person having multiple appointments. In the United Kingdom, details of vacancies in public service, including job duties and scope of work, must be published in newspapers or uploaded onto the Internet, which is considered by the public as the most natural thing to do. Furthermore, the approach of inviting nominations from stakeholder groups of related policy areas, including professional or academic and public bodies, is more commonly used in the United Kingdom than in Hong Kong. It enables the appointees to represent not only the position of an individual, but also the organizations and sectors in the ASB concerned, thereby enhancing the representativeness of the advisory process of these bodies.

At present, a fair and open democratic electoral system is seriously lacking in Hong Kong, and so the ASBs are important channels through which the public can participate in policy formulation. Certain more important ASBs are actually related to significant public interests, the public therefore definitely have the right to information in respect of the operation of these bodies. However, according to the information of May 2005, although over 90% of the ASBs have their own web pages, the majority of them are actually carried by the website of the Home Affairs Bureau, and the information provided is far from adequate. The authorities also highlighted that in spite of the fact that information concerning ASB members' political affiliation has been collected since June 2005, members can elect to provide such information and it will not be disclosed anyway. I believe the public will certainly find it unacceptable.

Balanced participation can enable the ASBs to co-ordinate the different interests of society. Among the non-official appointments made by the Government in February 2006, 25.6% are women. Since the authorities have indicated the wish to increase the ratio of women on ASBs to the international level of 30% to 35%, I hope it can be realized as early as possible by the creation

of an independent Commissioner, and ensure that the Government's advisory framework will enable extensive participation by people from all walks of life (including the minorities and people with disabilities) in public affairs.

I hope Chief Executive Donald TSANG will understand that the basis of a leader's power is social contract, and the Government is only the enforcer of the people's opinion. It is entrustment and mutual trust. While people have the right to monitor the Government through the legislature and other channels, due respect should be given to the legislature and the ASBs in discharging their duties and exercising their rights in this respect. If the right of appointment is only seen by the Government as a bait to win over the pro-government camp, while weakening the advisory abilities of the ASBs, it is pulling wool over its own eyes and actually self-deceptive. Strong governance is somehow just an illusion.

Thank you, Deputy President.

Dr Fernando CHEUNG moved the following motion: (Translation)

"That, whereas the Chief Executive has earlier on candidly admitted in a radio programme that there is a difference in the closeness of his relationship with the political parties of the Legislative Council and he would maintain a particularly good relationship with the parties that support the Government, and there have been queries that the Government practises favouritism towards pro-government people and parties in the appointment of members of advisory and statutory bodies (ASBs), given that ASBs serve as a framework for the Government to extensively solicit public opinions and as an important channel for public participation in politics for more equitable distribution of social resources, this Council urges the Government to adopt measures to perfect the framework of ASBs; such measures should include:

- (a) strictly adhering to the "six-six principle", whereby no member of an ASB shall serve on the ASB for more than six years or serve on more than six ASBs at any one time;
- (b) upholding the principle of selection on merit, inviting the major stakeholder groups concerned to nominate representatives to ASBs, and reducing the appointments to ASBs *ad personam*, so as to enable ASBs to have a more representative and diversified composition;

- (c) enhancing the transparency of ASBs by uploading onto the Internet the agenda, minutes and relevant documents of all their meetings, and disclosing the information on the members of the ASBs as well as their public service, political background and attendance rates at ASB meetings, etc;
- (d) disclosing the procedure for appointing ASB members, including uploading onto the Internet information on the vacancies in ASBs and the nominees, so as to facilitate members of the public in making nominations;
- (e) increasing the ratio of women on ASBs, and allowing more people of ethnic minorities and those with disabilities to service on ASBs, so that people from different walks of life have equal opportunities to participate in public affairs; and
- (f) introducing clear guidelines on the appointment of public officers, and actively studying the appointment of an independent commissioner to monitor the appointment of ASB members by the Government."

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Dr Fernando CHEUNG be passed.

DEPUTY PRESIDENT (in Cantonese): Mr Howard YOUNG and Mr Frederick FUNG will move amendments to this motion respectively. Mr Albert HO will move an amendment to Mr Frederick FUNG's amendment. The motion and the amendments will now be debated together in a joint debate.

I will call upon Mr Howard YOUNG to speak first, to be followed by Mr Frederick FUNG and Mr Albert HO; but no amendments are to be moved at this stage.

MR HOWARD YOUNG (in Cantonese): Deputy President, Mr TSANG gave a remark in a radio programme last month regarding the differences in the closeness of relationship. His remark has naturally aroused speculation that in

the appointment of ASB members, the Government will favour some people more while others are less, or sometimes even practices favouritism towards certain people. This has indeed given rise to concerns that the quality of public opinion collected by the Government will be undermined. Yet, I find these concerns unnecessary and unfounded.

Here, I would like to quote a press report of 18 April this year, just as Dr Fernando CHEUNG did. It pointed out that ever since Mr TSANG assumed office, the Government has announced the appointments made for 47 ASBs, among which 75 of them involved members with political affiliation while the majority involved political parties on friendly terms with the Government. This was mentioned earlier.

On the face of it, the majority of posts were taken up by pro-government parties. But if we take a closer look at the figures, among the 461 new appointees, the 75 of them who have political affiliation merely account for 16.2%. In other words, the majority of appointees are independents. So if we simply focus on the number of posts taken up by a certain political party alone, the discussion will be incomprehensive and render us not seeing the wood for the trees. It may even mislead the public.

Certainly, the Liberal Party does not think in principle that the differences in the closeness of relationship will bring any negative effect, nor will it lead to favouritism in appointment. I think we will all agree that the appointment of ASB members must firmly uphold the principle of selection on merit, that is, appointments should be made on the basis of the professional and unique background of the individuals concerned, so that the ASBs can provide good advice to the Government for consideration, thereby enhancing the quality of administration. In other words, they have to assist the Government in effective administration so that it can keep better tabs on the public pulse.

Selection on merit is an important principle of appointment which we all support, and so unnecessary restrictions, say, reducing the ratio of appointment *ad personam*, should not be imposed because many people of high calibre do not belong to any political group or association. So if they are denied an opportunity to join the advisory bodies, it is tantamount to letting the chances of recruiting talents slip away. As far as individual talent is concerned, such a restriction is also unfair. Is this not running contrary to the idea of enabling

talented people to contribute their expertise? As the beliefs and composition of political parties in society are different, for example, the majority of members of the Liberal Party are more familiar with economic affairs whereas those of the Hong Kong Federation of Trade Unions are generally more familiar with labour issues, it is not surprising to see plenty of talents from various sectors available in different political parties, and there is no need to make a fuss about it.

Certainly, if the groups concerned (including political parties) consider that there are suitable representatives or any person considers himself capable of assisting the Government in effective administration, just like the Liberal Party, rather than merely keen on playing the role of opposition, we agree that they can and should make recommendations to the Government, or the Government may invite the groups concerned to propose appointees to ASBs for consideration and decision. I believe that it will enable the bodies concerned to have a more representative composition. In case there are vacancies in the ASBs, public announcements should be made so that the groups concerned can make nominations.

However, we consider it inappropriate to change the composition of the ASBs by either taking on board representatives appointed by stakeholder groups, or those elected among Members of the Legislative Council to major statutory bodies. We even find it inconsistent with the executive-led principle.

Article 48(7) of Basic Law stipulates that the Chief Executive should appoint or remove holders of public office in accordance with legal procedures, while Article 73 also stipulates 10 powers and functions of the legislature. Apart from endorsing the appointment and removal of Judges of the Court of Final Appeal and the High Court, there is no mention of other matters concerning the power of appointment and removal of staff. If the power of appointment is removed recklessly from the executive, it may result in a constitutional model incompatible with the Basic Law, and therefore extra caution must be exercised. If the appointees are elected from among the various political parties/groupings in the Legislative Council, it may give the impression of "pie-sharing" and unfairness.

Apart from the groups concerned, the Government should also further improve the system of self-nomination, for example, by accepting information submitted via e-mails and setting up relevant webpages to facilitate the provision of information by the public, with a view to enhancing the opportunities for

people with aspiration or abilities to become ASB members and enabling the ASBs to have a more diversified composition.

As regards the issue of strict adherence to the "six-six principle", the Liberal Party basically supports it, but considers it necessary to avoid inflexibility. Unless there are very strong and justifiable reasons, the Government should not give up the established principle. In other words, no ASB member shall serve on the same post of an ASB for more than six years or serve on more than six ASBs concurrently. This will enable the Government to draw on talents extensively from different sectors or strata to serve the community. In case no suitable appointees can be identified, the Government can still handle the "six-six principle" in a flexible manner, but should be mindful of the need to avoid abuse.

We also agree that the selection of appointees to ASBs is no doubt important, but it is only an opportunity for people with aspiration and abilities to repay society and contribute their expertise. If the bodies concerned are ultimately turned into numerous small-scale assemblies through which people participate in politics, it does not only run counter to the original intention of setting up these bodies, it is also somehow inappropriate.

As regards the issue of rate of participation of women, according to the statistics of the Home Affairs Bureau in March this year, about 25.6% of the government-appointed unofficial posts are taken up by women, which has increased as compared to the 22.3% in January 2004. And yet, when compared with the international standard of 30% to 35%, there is still a long way to go.

Actually, the social status, academic qualifications and abilities of women nowadays usually compare favourably with men, if not better, whereas the voices of the ethnic minorities and people with disabilities are equally important. Therefore, the Government should expeditiously increase their ratio of service on the ASBs, so that they can have adequate opportunities of participation, with a view to catering for the concerns raised by the Chief Executive in last year's policy address, and that is, paying particular attention to the participation of women, young people and the disadvantaged in ASBs.

As regards the need to enhance the transparency of ASBs and introduce clear guidelines on appointment, the Liberal Party agrees that there is room for

improvement, and Mr Tommy CHEUNG will highlight the party's views on this later.

Deputy President, I so submit.

MR FREDERICK FUNG (in Cantonese): Deputy President, first of all, many thanks to Dr Fernando CHEUNG for moving today's motion. Dr CHEUNG has proposed various measures in his motion for improving the existing framework of ASBs, which I also agree, and they also match with one of the directions which the Hong Kong Association for Democracy and People's Livelihood (ADPL) has been moving in for years. The ADPL believes that a reform of the existing ASB system will not only enhance the quality and transparency of governance, but also enable government administration to get closer to public opinions. Furthermore, reform is an important process in the development of an open political system, so that public aspirations and suggestions of the civil society can trickle into government administration through a bottom-up approach. Not only can the acceptability of policies be enhanced, but the "distorted situation" whereby the decision-making process is dictated by a small group of people or the will of the Chief Executive can be changed too. At the same time, the ADPL also considers that the various ASBs can be used as training grounds for political talents by providing the public with an opportunity to participate in social affairs, so that people with political aspirations can gain a good grasp of the operation and policy formulation process of the Government, and accumulate experience in the administration and day-to-day operation at the departmental level, with a view to laying a solid foundation for the development of a political career in future.

Deputy President, the two main points highlighted in my proposed amendment today are: first, it emphasizes the appointment of ASB members on merit and on the basis of their ability, with no differences in closeness of relationship nor the practicing of favouritism towards pro-government people and political parties in an attempt to enlist or reward for their support to the Government, or conduct under-table political deals through such appointments. In fact, soon after Mr TSANG had assumed office, his appointment of the Secretary for Justice and other staffing arrangements made in respect of the Executive Council and the Chief Executive's Office did indeed impress the public, and they were made to think that the Government had eventually learnt to employ people on merit. This is indeed a drastic change from Mr TUNG's

practice of appointing people who are "orthodox descendents", whereby political inclination was used as the criterion of selection, and therefore shutting off the democrats and people with dissident views.

But unfortunately, as time goes by, the previous appointment principle has relapsed, which is clearly reflected in the appointment of ASB members within 10 months after Mr TSANG assumed office. Simply looking at the figures, it can be seen that among the 461 new appointments made, 75 of them involved people with political affiliation, where the majority (a total of 46) came from the two major pro-government parties, but there were only about 10 from the pan-democratic camp. Taking into consideration the importance of these ASBs, that is, the significance of different ASBs, it is found that party members from the two major pro-government camps have recently been appointed to the Town Planning Board and the Hospital Authority which hold substantive powers, rather than ASBs which are merely advisory. This arrangement has obviously manifested the Chief Executive's principle of differences in the closeness of relationship.

Deputy President, in all fairness, in order to uphold its philosophy of governance and political advocacy, the ruling parties of many democratic countries tend to appoint members from their own parties to join the cabinet and government framework, and there is nothing wrong about it. However, the political structure of Hong Kong is very special, not only is the Chief Executive disallowed to retain membership of any political party, but all Secretaries of Departments and Bureau Directors who are politically accountable must resign from their respective parties on accepting the appointments. This is to show that the appointment is fair and just, and his capacity as a party member will not have any bearing on future administration. However, in reality, the implementation of policies must have the support of the various parties/groupings in the Legislative Council, and therefore the above approach of negating party membership has rendered the Government unable to secure any assured votes in the Legislative Council. Such an inherent deficiency has made it necessary for the Government to resort to other means to rally support, for example, the appointment of pro-government political parties into ASBs.

In fact, most ASBs are now less political in nature and tend to be more neutral, and should seek professional advice and extensive public opinions. It is downright not necessary and inappropriate to use the ASBs as venues of political transactions. The adoption of the closeness of relationship as the criterion of appointment only shows that the Government is narrow-minded and fails to

separate private and public interests. Therefore, it fails to collect public opinions in a comprehensive manner by listening to only partial views, and as a result of this, the policies formulated and implemented by the Government are in great discord with public views. In the end, it is the public who suffer. By following the footsteps of Mr TUNG, there has been recurrence of administration problems.

The most effective rectification measure to this problem is to target actions on the system. By eliminating all "unnecessary" artificial control, the implication of promotion and reshuffle of the Chief Executive or senior officials on the appointment of ASB members will therefore be minimized. First of all, the political system has to be reformed through the implementation of universal suffrage. This will enable the political parties to solicit public support under a fair and just system and take part in the established framework to realize their beliefs through administration, instead of strengthening their political power by taking advantage of government appointment. Furthermore, in order to remove policies that bias against party politics, not only should the Chief Executive be allowed to retain his membership in the political party concerned, but also to make it a matter of course to appoint Bureau Directors with political background as well. In so doing, the possibility of the Government soliciting support of pro-government parties through appointment can be removed.

In fact, it is necessary for the Government to establish a set of specific and clear guidelines of appointment, as well as lay down the principle of appointment in detail. For example, appointment must be made on the basis of the ability and experience of an individual/organization so as to tie in with the operation and needs of various ASBs, and the appointment process must be open and transparent. Furthermore, the guidelines should also be applicable to the appointment matters of all ASBs, and consideration may be given to the creation of an independent Commissioner to monitor the implementation of these appointment guidelines.

Deputy President, the second point of my amendment aims to highlight the unique role played by the District Councils (DCs), which are at the front line to receive public opinions. I believe that, the appointment element aside, it is beyond doubt that the DCs are the most representative bodies. The ADPL has proposed on various occasions that the DCs should be allowed to appoint its members to the related ASBs through election among themselves, especially the ASBs which deal with district affairs, people's livelihood, local facilities and

planning, and so on, so that DC members can reflect the opinions of local residents and directly participate in matters that have implications on people's livelihood and the community. In other words, there should be a fundamental change in the composition of ASBs, whereby DC members will "automatically" become ASB members so as to enable public opinions to be directly introduced into the ASB system. This proposal not only increases the DCs' participation in local affairs, but also coincides with the objectives spelt out by the Government in the consultation paper on review of the roles and functions of DCs. I hope that the Government will treasure the existing situation, rather than setting unrealistic targets that are beyond its capabilities to achieve. Simply setting the targets without implementing any matching measures, setting a scope of reform that is too narrow, delegating too little power and insisting on keeping the appointment system of DCs intact have resulted in systems which are originally meant to reflect public opinions reflecting government opinions instead. The so-called consultation is subject to too many restrictions and pre-set positions, and the sincerity of the Government is really questionable.

I so submit and hope that Members will support my amendment.

MR ALBERT HO (in Cantonese): Deputy President, in fact, a ruler with breadth of mind, tolerance and foresight may probably understand that he can make the best use of his abilities and powers to draw on a large pool of talents to consolidate the effectiveness of governance with their support in policy implementation. To achieve this end, however, the Government or the ruler must be broad-minded in recruiting talents from different sectors, to ensure that their unique views from different angles (say, the professional, political or administrative angles, or that of people or ethnic groups with vested interests) will be available for the full consideration of the Government in deciding its policy objectives.

On the other hand, rulers should be able to make the best use of their abilities because there must be a convergence of opinions from people of different political convictions and the divergent views of representatives of stakeholders or groups vested with interests, to enhance the acceptability of the policy decided by the Government eventually. This will certainly facilitate the nurturing of political and administrative talents in the community, and enable the rulers to recruit a large pool of the next generation to engage in politics in the future.

In spite of their breadth of mind and foresight, a person who holds the power of appointment should also learn to exercise his power in an impartial manner. Not only should he consult the public extensively and make appointments on merit, but also make it a convention for the Government to do so, with a view to demonstrating that the decisions made have actually gone far beyond partisan interests. Take the United States as an example. With the establishment of the bipartisan arrangement, the ratio between the ruling party and the opposition is 3:2 in many committees, whereas in many European countries, the ratio of members from different political parties being appointed to statutory or advisory bodies is fixed. This is to ensure that political convictions of different spectrum can be duly reflected at the political level.

But unfortunately, what principle has the existing policy manifested? It is precisely cronyism, inbreeding and even secret dealings which can be attributed to the differences in closeness of relationship as stated by the Chief Executive. Sometimes I wonder what the Government actually wants to achieve through those appointments. Does it simply want to listen to opinions to its liking, and to enlist support and backings for decisions made? If that is the case, how can it successfully achieve recruitment of talented people and expertise? Therefore, new guidelines on appointment should be clearly laid down to avoid giving the public an impression of power abuse that may give rise to transfer of benefits or gains from political transactions, just as what many Honourable colleagues said earlier, under which public confidence in the political system and the credibility of many bodies will be undermined.

To many people, the "six-six principle" exists only in name for most of the time because they cannot see why some ASB members can serve for a period of more than six years. Just as the examples given earlier, Dr David LI has been serving for 27 years; Mr WONG Yung-kan has been serving in the Fish Marketing Advisory Board for 20 years, and Dr Marvin CHEUNG has been serving in the Exchange Fund Advisory Committee for nearly 16 years. The Government's explanation is that these talented people are indispensable. Such an explanation is indeed an insult to the industry and Hong Kong as a whole. But for appointees of certain posts who are elected by the industry itself, they can be considered in a separate context. In the case of Dr David LI, for example, he was elected by the banking sector and has occupied the seat as if it were an ex-officio seat, and so his case can be regarded as an exception. However, the case of the Government is different, as representatives were often picked by the

Government. Simply look at Mr CHEUNG Man-kwong, who is a representative elected by the education sector, was he not "kicked out" because of the "six-six principle"? Therefore, in practice, the choices of the Government are apparently biased, and its propensity to bias is also very obvious.

Furthermore, many statutory bodies also have another problem, and that is, a lack of transparency. The problem may deteriorate to an extent that leads to conflict of interests or absence of a good regulatory framework to deal with possible conflict of interests. I must emphasize that disclosure of interests alone is not enough, and there are two illustrative examples. As regards the Tin Chung Court incident in Tin Shui Wai, it was really surprising to see Mr Philip NUNN, Chairman of the Building Committee, sitting on the investigation committee. Being a member of the Building Committee and later the investigation committee as well, he was subsequently entrusted by the Housing Authority to sue the contractor who committed the breach. As we all know, he received over \$40 million of legal fees in the end and this caused a public outcry. We are therefore extremely dissatisfied with such a system fraught with conflicts of interest.

Of course, there is the more recent case of Mr Ronald ARCULLI. We have no doubts about his capabilities or integrity. And yet, he has retained his directorships in several listed companies while serving as Chairman of the Hong Kong Exchanges and Clearing Limited. So, how can the public have confidence in the system given so many suspected cases of conflict of interest? Therefore, the whole system has to be reviewed and Mr LEE Wing-tat will give a detailed description of the principles later.

DEPUTY PRESIDENT (in Cantonese): Your speaking time is up.

MR ALBERT HO (in Cantonese): Thank you.

MR ALAN LEONG (in Cantonese): Deputy President, according to a survey conducted by the press earlier on, the Government has made 461 new appointments to 47 ASBs since Mr TSANG assumed office last year. Among

them, 75 have political affiliation and out of these 75 people, 26 of them belong to the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB), accounting for 35%; 20 of them belong to the Liberal Party, accounting for 27%, whereas the Democratic Party ranks third with 10 appointees, accounting for 10%.

The press report concerned further analysed that, as far as the two relatively more powerful statutory bodies are concerned, and that is, the Town Planning Board and the Hospital Authority, appointments were made of a total of six pro-government party members in the past 10 months, but none from the democratic camp. Furthermore, the press report also pointed out specifically that three pro-government party members being appointed are serving on more than six ASBs concurrently, which is in contravention of the "six-six principle". It therefore reveals that long before the "principle of differences in the closeness of relationship" was presented, the appointment of ASB members had already been heavily biased.

Deputy President, it has been a tradition of the ASBs to assist in administrative affairs since the colonial era, and the Government's mindset of governance, that is, the so-called "absorbing politics by administration", was formed. Compared with democratic politics, it is no doubt not the ideal system, and yet, Hong Kong's governance under the prevailing system then was very effective and society was generally stable. This could be attributed to the appointment of ASB members by the colonial government, whereby Chinese people and expatriates worked together. Furthermore, voices from different strata of society were given audience so as to ensure that conflicting viewpoints could be reconciled through communication, and that the Government could gain a better understanding of different arguments so that none would be ignored.

With the implementation of the Basic Law, the colonial system should have been replaced by democratic politics where political consensus can be reached through popular and equitable elections, and policy agendas should have been formulated to achieve "Hong Kong people ruling Hong Kong". The selection of the Chief Executive by election and political parties' participation in the legislature both imply that the role played by closed door consultations should gradually diminish in Hong Kong politics, while the culture of open discussion in the Chamber should be strengthened further.

However, since we have no idea when universal suffrage will be implemented and party politics are stifled, the ASBs will continue to have an important role to play. The sound operation of ASBs will deepen mutual trust among different sectors of society, so that the Government will not be acting behind closed doors and introduce policies that do not have public support, thereby minimizing unnecessary conflicts and internal depletion. Yet, given that the existing appointment system puts administrative officers, the business sector and some political parties in an advantageous position, and that the Government holds certain posts of very powerful ASBs which do not require any elections, the absence of an effective mechanism to exercise checks and balances on the composition of the ASBs will easily render the posts concerned chips of the Government in trading for support of the pro-government camp, and therefore the original purpose of the ASBs framework to listen to and take on board different voices and opinions with a view to assisting government administration will probably be lost.

Actually, Hong Kong has a vibrant and quality civil society, in which many stakeholders are professionals and distinguished persons in their respective trades, and they compare favourably in the world stage. More importantly, they are elites committed to make unrewarding sacrifices for their nation and Hong Kong. If they are marginalized merely because their political conviction is different from that of the Government, or people of high calibre are denied an opportunity because certain posts have to be reserved for political dealings, it is absolutely not for the well-being of Hong Kong nor the nation.

Deputy President, Hong Kong should proceed in the direction of giving due respect to these knowledgeable and experienced elites, broadening its mind so as to listen to different opinions and placing its trust in them to act as a bridge between the people and the Government. Governance that is dependent on under-table dealings alone, rather than convincing people with reasonable arguments, can never achieve genuine "strong governance". It is also impossible for Hong Kong to achieve "smooth administration and social harmony".

Deputy President, before a democratic political system can completely take over the functions of ASBs, it is imperative for the Government to strictly adhere to the "six-six principle" and make the best use of the Internet to disseminate information which may facilitate public monitoring of the composition of ASBs and the background of their members. It should also

examine the ratio of different stakeholders and disadvantaged groups in the statutory bodies, and establish a mechanism specifically for supervising the appointment of ASB members by the Government, so as to prevent it from abusing such appointments for the purpose of political dealings.

Deputy President, I so submit.

MR TOMMY CHEUNG (in Cantonese): Deputy President, there are currently about 400 ASBs in Hong Kong. In spite of their differences in terms of powers and functions, they have one thing in common. For example, the ASBs mainly play a role as the Government's think-tank for public policies, and give valuable advice on various policy areas so as to assist in the administration by the Government. At the same time, the ASBs are important channels for public participation in public affairs and also cradles of political talents. Therefore, it can be seen that the ASBs are indeed very important.

Certainly, in order to improve the ASB framework, one of the important points is, as mentioned by Mr Howard YOUNG in his speech earlier, to uphold the principle of selection on merit. In other words, the appointment of ASB members should not stick to fixed criteria but to allow talents to give full play to their abilities regardless of their political background, or confining them to only those from certain parties. As long as a candidate is considered suitable and is able to give valuable advices, appointment can be made.

Apart from selection on merit, it is also necessary to create an environment in the ASBs conducive to free discussion, so that members can give opinions freely, and more importantly, to suggest valuable ideas. However, if the details of all meetings are disclosed, it may have an adverse effect on members' expression of opinions, which is not helpful to the Government in gauging different opinions. We therefore consider the existing arrangement of holding closed meetings acceptable. On top of this, since such ASBs as the Appeal Boards may deal with privacy matters, it is therefore inappropriate to disclose the details of its meetings.

Although we oppose the disclosure of details of meetings, in order to cater for the need to enhance transparency, a middle-of-the-road approach can be adopted. Post-meeting press briefings can be arranged to report openly on the

deliberations of the ASBs so that the public can have a better understanding of their work, and avoid being accused of operating in a black-box.

In fact, with the implementation of the above arrangement, the public will be able to monitor the ASBs, thus obviating the need to create a new Commissioner, which is a duplication of effort as the work can actually be done by the public. Whereas if the Government increases its support for new appointees, say, organizing workshops for them, it will certainly facilitate their early integration into the ASB framework and help them familiarize with the operation, so that they can contribute their expertise as early as possible.

Secondly, we also agree that the ASB membership and such information as their members' public offices, political party affiliations and attendance rates at ASB meetings can be disclosed, so as to enhance the transparency of their operation and facilitate the exercise of appropriate monitoring by the public.

Finally, I have to reiterate that, be they advisory bodies or statutory bodies, it is most important to enable them to give full play to the role of assisting the Government in policy implementation. Any plans to turn them into an arena of political struggles will probably never gain public acceptance, and it is not the purpose of setting up the ASBs in the first place.

With these remarks, Deputy President, I support Mr Howard YOUNG's amendment.

MR JAMES TO (in Cantonese): Deputy President, the amendment proposed by Mr Albert HO is related to the avoidance of conflict of interest on the part of the Government in advisory and statutory body appointments. Let me quote a specific example that occurred recently, relating to a former colleague of mine in the Legislative Council whom I have great respect and has taken up a lot of public offices — Mr Ronald ARCULLI. Recently, he has been appointed by the Government as the director of the Hong Kong Exchanges and Clearing Limited (HKEx) and elected the Chairman of the Board. However, he, who at the same time holds non-executive directorship of eight other listed companies, stated after accepting the appointment of the Government that he would not resign from these non-executive directorships.

The nature of business of the HKEx is different from general advisory bodies. It is a front-line body responsible for monitoring the stock exchange in Hong Kong, enforcing listing rules, monitoring irregular movements of share prices, reviewing listing rules, as well as requiring listing companies to suspend trading and cancelling their listing. It acts like the referee of a match in the stock exchange.

It is exactly because the HKEx assumes a supervisory role in the stock exchange that six government appointed directors, in addition to the other six directors elected by its shareholders, are included in its Board of Directors to safeguard the public interest. However, directors appointed by the Government, even the Chairman of the Board, Mr Ronald ARCULLI, have simultaneously taken up non-executive directorships of a number of listed companies.

Let me quote from a report of *Ta Kung Pao* on 30 April 2006 Mr Ronald ARCULLI's response to the public accusation of his conflict of interest. One of the arguments he put forth is that "among the directors of the HKEx, he is not the only one who has at the same time held offices in listed companies

Deputy President, this is exactly the problem. Listed companies are subjects of supervision by the HKEx. But among the 10-odd directors of the HKEx, only a few of them do not hold any non-executive directorship of listed companies in Hong Kong. If these directors are elected by shareholders, it may perhaps be hard to criticize for they are after all elected by shareholders. However, for directors appointed by the Government, should the Government not ensure that no conflict of interest is involved; or should they not eliminate or reduce any conflict of interest in that event? In appointing directors of these regulatory authorities, has the Government made the "avoidance of conflict of interest" an important factor for consideration? In fact, Mr Ronald ARCULLI's response fully reflects that he does not consider the holding of a directorship of an organization which he at the same time should supervise a conflict of interest. If so, what does he think should be regarded as a conflict of interest? Does the Government agree with his viewpoints? If Mr Ronald ARCULLI does not consider assuming the roles of a regulator and a subject of regulation at the same time a conflict of interest, will he be too lax in handling issues of conflict of interest involving himself and other directors in future and thus cannot live up to the expectation of the public? What does the Government think about it?

Deputy President, the HKEx is not merely an executive organization, but is simultaneously the one responsible for the drawing up of the rules of game in the market. How can we ensure that members of these regulatory authorities will draw up the relevant regulations impartially and will not be biased because of their other capacities? Now, directors of the HKEx are playing a dual role as a referee and a player, how can the public be convinced that this regulatory authority will be impartial?

Deputy President, I so submit.

MR LEUNG YIU-CHUNG (in Cantonese): Deputy President, when Hong Kong was under the British rule, in order to redress public grievances and facilitate its governance, the British Government set up the Executive and Legislative Councils, and allowed the participation of some Hong Kong people in the advisory framework, which was conducive to the formulation and implementation of its policies. This is understandable. From the point of view of a colonial ruler, the achievement of its objectives will be its only concern, and these means are thus adopted to achieve its objectives.

Unfortunately, after the reunification in 1997, on the premise of "Hong Kong people ruling Hong Kong" and "a high degree of autonomy", our Government has not made any change to this phenomenon. Particularly, when the representativeness of the Legislative Council, a representative organ of the people, continues to increase, it still does not attach importance to the value and significance of this institution, but on the contrary keeps on expanding ASBs. This I think has greatly undermined the value of existence of a representative organ. Deputy President, at present, many advisory bodies receive much greater attention than the legislature.

Take the Transport Advisory Committee (TAC) as the first example, and then the Hong Kong Housing Authority (HA), the Labour Advisory Board (LAB) and so on. Even if the Legislative Council intends to discuss issues in these respects, these issues have to be first discussed by these bodies; or that the Legislative Council has to wait until conclusions on the relevant issues have been reached by these bodies before proceeding to discussing their conclusions. I think, to an organ with substantial public representativeness, this is not only an insult, but also a hindrance to our work in promoting government policies.

For instance, why can the Legislative Council not discuss the heated issue of minimum wages? The Government states that the issue needs not and should not be discussed by us, but should be first referred to the LAB for discussion. Why can we, representatives of public opinion, not discuss the issue, but a body which members are not returned by universal suffrage can first discuss it? Is this not an approach that pays little attention to public opinion?

Take the HA as an example. It is an important body that affects 60% of the residents in Hong Kong, but yet it does not need to consult the Legislative Council on some of the policies it made. It can act as it desires, even on issues which the Legislative Council considers not feasible or opposes, it can totally turn a blind eye to us. Even if we invite its members to join our discussion, they may simply ignore us.

The TAC is another example. On many issues related to transport organizations, such as fare increase, we are in no position to make any decision, but the advisory status of the TAC does entitle it to a greater say, and decisions will be passed if the TAC so considers. Under these circumstances, the credibility of this representative organ is greatly undermined.

Deputy President, despite our repeated mentioning of the representative nature of this legislature, they do not attach any importance to it. The crux of the problem is that the members of these ASBs are neither returned by universal suffrage nor by consensus of the sectors concerned, but are appointed solely by the Government. It is obvious that conflicts of interest will certainly exist under this circumstance, for in the implementation of certain policies, the Government must gain the support and assistance of these bodies for policy promotion. In other words, only those people whose viewpoints are favourable to the political stance or policy of the Government will be appointed, and dissidents can hardly have a seat, and even if appointed, they will be in the minority. Really, I think such an approach will seriously undermine the value and significance of the existence of this legislature.

I am outraged by this point. I also disagree with the continued existence of this type of advisory framework and statutory bodies, for the practice is replacing the legislature with these bodies. Actually, in the implementation of policies, more often than not, the Government will use these frameworks as a pretext to put us off or stop us from participating and making suggestions. Therefore, I cannot accept the present operation.

Moreover, as some Members have said earlier, there are obviously transfers of benefit, and the transfer of benefit on the political front is particularly obvious, be it the former Chief Executive TUNG Chee-hwa or the incumbent Donald TSANG. Some Members have quoted certain figures earlier and stated that the identity and background of certain members of these ASBs speak clearly that those having a close relationship with the Government or similar viewpoints will stand a greater chance of appointment, while individuals and political groups holding opposite views will stand a slim chance. Could it not be regarded as a transfer of political benefits?

However, according to our past experience, such an approach will not necessarily be good for society, for this will give rise to the phenomenon that the Government will be biased and listen only to one-sided view, and may thus arouse strong opposition in society in policy enforcement. Thus, the approach may not necessarily be very conducive to promoting stability in society as a whole. In this respect, I think should the Government not only review the composition of these frameworks, but also review the entire framework and the role played by this institution in the top echelon.

Deputy President, I so submit.

MISS CHOY SO-YUK (in Cantonese): Deputy President, at present, there are about 500 ASBs in the public organization framework. The public is very much concerned about how the structures of these bodies can be improved so that they can be more representative and diversified and reflect as far as possible the opinions and views of people in various strata of society. In fact, the DAB had already made quite a number of improvement proposals well before the Home Affairs Bureau published its consultation paper on reviewing the roles and functions of these bodies in 2003.

Concerning today's motion, on behalf of the DAB, I will express its stance point by point. Generally speaking, it is very reasonable to appoint members on merit and require members to adhere to the "six-six principle", so that they will not have difficulty in coping with too many public duties. Moreover, a greater number of members of the public can have the opportunity to contribute to society. The DAB will lend its support. However, when putting them into practice, it is necessary to be take into account the reality, avoid fabricating things behind closed doors and imposing constraints on oneself. Otherwise,

one will encounter numerous problems in implementation and in the end, public confidence in the people prescribing these rules will be dented.

The DAB has worked at the district level for many years and it has all along noticed that the operation and management of various bodies are different. It is in fact not easy to find people with sufficient relevant experience and ability to serve as members in many district-level committees not belonging to the central level. Instead of allowing the positions to become vacant, we believe that it is better to exercise flexibility. Therefore, while we urge the Government to adhere to the "six-six principle" by all means, exceptions should also be allowed. However, we hoped that the Government will not abuse such exceptional arrangements.

Regarding enhancing the openness and transparency of such bodies, this is precisely the direction which the DAB has been advocating over the years. At present, one can say that there are many hurdles if members of the public want to obtain information on these bodies. The reason is that many bodies still cling to the mentality of "do nothing, err not" and habitually classify very ordinary papers of meetings as confidential, so that the public cannot know about its contents. In view of this, we have been urging the Government to clearly define the meaning of confidential documents for public reference when requesting access to documents. Meanwhile, after these organizations have concluded their meetings, press conferences should be arranged by all means to give an account of the discussions, so that the public can carry out monitoring effectively.

Deputy President, openness and transparency are definitely the major trend in improving the policy-making process of the Government. However, they should by no means be the only standards. The original motion requests that all ASBs upload the information of nominees onto the Internet, so as to facilitate members of the public in making nominations. We cannot accept the rationale for this, so we raise our objections.

Just like looking for a job, I believe not many job-seekers will agree to the disclosure of their identities by the other party before they are formally employed by an organization, as the embarrassment that such a move will cause should be readily comprehensible. In particular, if the name and other information of a job-seeker are disclosed but he is eventually not hired, the harm and disturbance caused to the person concerned are all the more unwarranted. If we understand

this very obvious reason, we can foresee that implementing the proposal in the original motion will not serve to enhance the transparency of these bodies at all, rather, it will have the opposite effect of dampening the zeal of a majority of people who are keen to serve society, such that these bodies will have even greater difficulty in finding the right candidates. Therefore, we must voice our opposition.

We also have reservations about allowing the public to make nominations on the Internet, since to some highly professional bodies, it is very doubtful what purpose will actually be served by allowing members of the public to make nominations on the Internet to fill vacancies. Moreover, at present, the channels for making nominations are already very wide-ranging and adequate. Apart from the recommendations on candidates made by the bodies representing a sector, individuals interested in public service can also register with the register for appointment of candidates to public offices for the Administration's consideration.

(THE PRESIDENT resumed the Chair)

In fact, it is possible to take other measures to enhance the representativeness of these bodies. In the year before last, the Home Affairs Bureau issued some guidelines which prescribed that the proportion of members of any gender in such bodies should be at least 25%. However, this proportion is obviously on the low side and the DAB considers it necessary to raise it gradually. Meanwhile, we also urge the Government to take care not to display any discrimination in relation to age, ethnicity, religion, marital status and sexual orientation when making appointments, so that the opinions and viewpoints of various strata and ethnic groups in society can be fully reflected.

Finally, we also wish to give a response to Mr Albert HO's amendment. Mr HO proposes that the Government should consult the Legislative Council before appointing the chairmen of major statutory bodies. Obviously, this proposal will have the effect of spreading the political wrangle to the selection process of the chairmen of these statutory bodies. In other words, this is tantamount to subjecting candidates to political screening beforehand. Such a move is at odds with the original aim of establishing these bodies and is not conducive to their future operation. Moreover, it will also pose obstacles that

will deter people who want to devote themselves to serving society. In view of this, the DAB will oppose it.

President, I so submit.

MR LAU WONG-FAT (in Cantonese): Madam President, concerning the appointment of members to ASBs, selection on merit is a widely accepted and important principle and this is also an undisputed consensus in society. Apart from this, I believe it is necessary for the Government to consider the candidates' enthusiasm in serving others, such as their track record and experience of service.

Be it advisory bodies, statutory bodies or the representative councils, it is very common to find members who, despite their talents, are sinecures who lack any zeal in service; whereas people who have the zeal to serve but lack talent will end up in the embarrassing situation of still not being up to scratch despite making great efforts.

I have pointed out a number of times before that the 18 District Councils (DCs) in Hong Kong are the treasure trove of all sorts of talents who keep a low profile. The DCs consist of over 500 members from all walks of life. Not only do they possess wide-ranging qualifications and hail from a wide array of backgrounds, most of them also have great zeal in serving society and the people.

The Government has time and again promised to appoint more members of the public from different strata to various ASBs so that it can co-opt talents extensively, tap their collective wisdom in formulating various policies and further reinforce the Government's policy implementation and administration. This move taken by the Administration is well-intentioned, however, the problem is how the right candidates can be identified and brought into the fold.

As I have said, the DCs are teeming with talents. If one is looking for professionals, the DCs have them; if one is looking for representatives of the grassroots, the DCs have them; if one is looking for young and high-flying talents, the DCs have them; if one is looking for experienced and highly qualified people, the DCs have them; if one is looking for female members, the DCs have them. The DCs are really all-encompassing. Therefore, when making selections for ASBs, why is it necessary for the Government to delve into the

crowds or search far and wide? In fact, a lot of suitable candidates can be found right in the DCs. Moreover, to allow more DC members with their respective talents to join various ASBs will serve to tap their talents fully. Furthermore, this can help them broaden their horizons on how policies are formulated. More importantly, such a move will definitely serve to take forward the Government's established policy of grooming political talents and enhancing the functions of the DCs significantly.

In order to select suitable talents from among DC members more effectively, I suggest that the Government issue information booklets on ASBs to members of various DCs and give briefings to various DCs, so that members of various DCs can understand the functions and compositions of various ASBs. In addition, the Home Affairs Bureau should prepare special forms and issue them to DC members, so that DC members aspiring to join various ASBs can fill in the ASBs that they wish to join according to their interest and wishes and in the order of their preference for the Government's reference.

As regards the so-called "six-six principle", of course, there is some rationale behind its formulation, however, there is also some difficulty in implementation. I fully understand the importance of some existing members with special abilities or experience in these bodies to the effective functioning of these bodies and the difficulties in finding suitable replacements sometimes encountered by the Government. Therefore, I agree that under certain circumstances, the Government can exercise discretion and flexibility in following the "six-six principle".

Madam President, since I am trying to market the DCs, I will of course trumpet their merits. The conclusion from my 20 years of experience in taking part in the operation of the DCs is that they are really a ready and handy treasure box. If the Government is willing, it can avail itself of the treasures therein as easily as lifting a finger, otherwise, not only will the Government but society as a whole will miss out on the treasures.

Madam President, I so submit.

MR TIMOTHY FOK (in Cantonese): Madam President, all along, the Hong Kong Government has relied on an extensive network of ASBs to collect public opinions and absorb elites into the Government, so that these elites can be a

back-up and supplementary force outside the establishment. At present, there are a total of about 500 ASBs falling into seven categories and the number of members exceeds 5 600, so the scale of this framework is huge. In view of past experience gained in the course of implementation, this system of ASBs has indeed served the functions of reflecting public opinion, carrying out supervision and making recommendations, as well as providing a channel for political participation, political expression and social service to the elites in society.

However, since these ASBs come under various Policy Bureaux and executive departments, and since their history, roles and functions differ considerably, this has given rise to different situations in different bodies. Some are tasked with heavy responsibilities whereas some have little to do, while there are some with bloated structures, so their situations are vastly different. The Home Affairs Bureau has shown that it is progressive and responsible in submitting an interim report on the review of the roles, functions and management of ASBs in the public organization structure. Such a move can provide strong and powerful support to achieving the goal of strong governance advocated by the Chief Executive, Mr TSANG.

When selecting talented people with moral integrity, it is of course necessary to avoid favouritism, and fair, open and transparent criteria must also be drawn up. However, if we suspect that there may be partiality merely because of the remarks made in a radio programme or the partisan backgrounds of newly appointed members, I am afraid this is being rather paranoid. We must understand that Hong Kong is not a partisan society and the mainstay of Hong Kong society is not party members. Since the Chief Executive, Mr TSANG, assumed office in 21 June last year, he has appointed a total of 1 323 members to ASBs. It is reported that among this group of members, only about half of them belong to political parties. If we judge the closeness or otherwise of relationships by the number of people from various political parties and even query whether there is any partiality, this will inevitably give the impression of not seeing the wood for the trees.

Madam President, the motion and amendments discussed today all call for perfecting the ASBs. It is worthwhile for everyone to contemplate this subject. The Government has laid down principles such as appointment on merit, equal opportunities, the declaration of interests and transparency, however, their actual implementation has led to many controversies. For example, the appointment

of members to the Consultative Committee on the Core Arts and Cultural Facilities of the West Kowloon Cultural District has recently caused a storm. Although Cantonese opera is a cultural landmark of Hong Kong and an application has been made to declare it a national cultural heritage, in the West Kowloon cultural project, the relevant sector has been excluded from the scope of consultation. In fact, apart from the Cantonese opera circle, there are very few people who truly know about and are capable of representing traditional Chinese culture and arts in the relevant advisory bodies. This is not just an issue of whether a certain sector is respected, but a question of the role and status of traditional Chinese culture and arts. Should we judge their value and status according to their box office revenues, tourist proceeds and the international responses to them, or should we treat them from the angle of promoting the quintessence of Chinese culture and passing on our cultural legacies? In developing the West Kowloon district into an international cultural district, it is all the more important to highlight the quintessence of traditional Chinese culture and arts. This is a matter of principle involving primary and secondary priority, the hierarchy and profundity of things and their roles. When appointing members, fairness and diversity are not the only options and the most important consideration should be efficacy.

In fact, the same problems have also emerged in making appointments involving the sports sector. Although sport is an activity that all members of society can take part in, sports management is an area that requires a high degree of professional knowledge. People from other walks of life can only deliberate and make decisions from a non-professional point of view. The grooming and training of athletes, the long-term development of sports projects, the exchanges and competitions in the international sports arena are not matters that ordinary people or sports enthusiasts can comprehend and make informed decisions. The Government must clearly differentiate between professional and non-professional consultations and appoint members with different backgrounds accordingly, so as to strike a balance that will not have an adverse effect on the results.

MR PATRICK LAU (in Cantonese): Madam President, generally speaking, there is nothing wrong of Honourable colleagues raising the idea of perfecting the framework of ASBs, unless it is underlined by other motives. Meanwhile, is it possible to leave adequate room in advance for flexibility, so as to avoid

excessive rigidity in implementation, which will have an adverse impact on the original purpose of this advisory mechanism?

In theory, I support the "six-six principle". This being so, I have voluntarily toed the line and after the meetings of the Town Planning Board were concluded in April, I am no longer in breach of this principle.

However, I think that when implementing the "six-six principle", flexibility should be exercised to grant exemption from the six-year-term requirement, provided that the system is stringent, the conditions are well-specified and the grounds are sufficient. This will be a more practicable approach.

In fact, since the natures of various ASBs are different, particularly so with some appeal boards and committees dealing with special professional problems, it is necessary to have people with a high degree of expertise and professional knowledge as well as a wealth of experience in a profession to serve on them. In addition, it is necessary for these ASBs established specifically for some professions to appoint highly qualified members in their professions to offer professional advice to these bodies by tapping their expertise and rich experience. However, not many people in these professions can meet these requirements. Therefore, as I have said, in adhering to the requirement of a six-year term, the authorities responsible for making appointments should be allowed to exercise flexibility, however, they must let the public know that there must be very good grounds before this can be done.

Madam President, I believe what matters most is whether a candidate is sufficiently representative. Therefore, I support the principle of selection on merit. Apart from appointing people *ad personam*, I also support inviting the participation of more representatives from organizations, so as to increase the transparency of the nomination and selection process, and this will also ensure quality. Take the profession to which I belong as an example, there are four institutes in it: the Hong Kong Institute of Architects, the Hong Kong Institute of Surveyors, the Hong Kong Institute of Planners and the Institute of Landscape Architects. They are all very active in arranging for representatives to take part in public services and are also willing to offer their professional advice to advisory bodies. Since the representatives appointed by these institutes have to keep their institutes informed of their work, their attitude are more active. At the same time, these representatives, in relaying to the authorities the views of

these institutes which represent thousands of members, will also boost the representativeness of the advisory bodies.

Madam President, the emphasis of these advisory bodies should be on quality rather than quantity. In some bodies such as the Housing Authority, apart from attending the general meeting, its members also have to join various committees which also have a number of subcommittees under them. It is by no means easy to attend meetings of various proportions and achieve a 100% attendance rate at the same time. Therefore, although I support having transparency, I do not think it at all meaningful to disclose the meeting attendance rate. A high attendance rate is not everything, rather, if one can give practical input, this will be even more helpful to the bodies.

Madam President, the goal of the Government in establishing ASBs is to create a microcosm of society comprising representatives of various sectors. If some representatives cannot relay the voices of the sectors to which they belong, gaps will be created in the advisory structure. Therefore, the selection of talents must be fair and the opportunity for participation equal. A wide range of opinions should be taken on board and the channels for people from various sectors to express their views must be reinforced. It is therefore in the public's best interest to allow for some flexibility under the "six-six principle" and retain suitable talents as when necessary.

I believe the most important thing is not to appoint people with a conflict of interest. Problems will arise even if there is the slightest suspicion of conflict of interest, since the member concerned will have to excuse himself from meetings and will thus be unable to attend meetings. Therefore, I hope that extra caution will be exercised when handling such matters. Thank you, Madam President.

MR ALBERT CHENG (in Cantonese): Mr Patrick LAU said that the high attendance rate is not all that matters, however, if someone is not present, certainly nothing can be achieved. A government advocating strong governance should not just pay lip-service and what matters most is to honour one's words. Since there is the "six-six principle", it has to be enforced. If someone has served in a position for six years, I think he should have made enough contribution to society already. It is not the case that no successor can be found. Furthermore, as Mr Patrick LAU said, there are many

subcommittees under a body, yet the attendance rate must also be ensured. If someone has joined six bodies, how can he maintain his attendance rates? Therefore, I agree with Mr Patrick LAU's views.

In addition, concerning the conflict of interests, actually, I have strong views about this. The responsibility of Members of the Legislative Council is to monitor the Government. The Legislative Council is the highest-level advisory organ and there are various panels in the Legislative Council to monitor the Government in each area. How can a Member of the Legislative Council carry out monitoring if he accepts the Government's appointment and joins a body headed by the officials being monitored? There is obviously a conflict of interest.

Recently, Liza WANG, whom the entertainment industry called "The Big Sister" and who belongs to the Cantonese Opera Association, rang me. She was very worked up about the issue of making appointments to the Consultative Committee on the Core Arts and Cultural Facilities of the West Kowloon Cultural District. She blasted the Government for not attaching importance to the voices of the Cantonese opera circle because the Government would rather appoint Mr LAU Chin-shek, who is not a member of the circle, than people who are truly professionals in the Cantonese opera circle. This made her very, very resentful. In fact, the criticism levelled by Lisa WANG is well-founded. However, unfortunately, the mass media and the public treated this incident as a piece of gossip in the showbiz and focused on Lisa WANG's verbal exchanges and personal grudges with Johnnie TO, thus completely overlooking the crux of the problem. In fact, the emphasis of the dissent voiced by Lisa WANG is whether the Government has attached any importance to the voices and interests of the Cantonese opera circle.

Politically, there is also another issue worthy of public concern, namely, whether the Government should appoint Members of the Legislative Council to serve in the numerous independent bodies tasked with public consultation and in other independent statutory bodies or public organizations. On this issue, Dr Fernando CHEUNG has moved a motion in the Legislative Council today requesting the Government to adhere strictly to the "six-six principle", to select people on merit, as well as improving the organization of advisory and statutory bodies (ASBs). In fact, it is very worthwhile to discuss this issue. The reason is very simple. As I have said, the work of the Legislative Council is already

very onerous and it is necessary to work full time to handle it. Responsible Members of the Legislative Council, in particular, those returned through geographical direct elections, who are accountable to voters should actually devote their full attention to their work as Members. Theoretically, he does not have any time, nor should he stray from his proper line of work and assume other public duties as a sideline, in particular, other public duties. A conflict of interest with the duties of a Legislative Council Member exists and sooner or later, he will inevitably be criticized.

Nowadays, quite a number of Honourable colleagues are competing with one another to secure appointments to various advisory bodies, statutory bodies or public organizations and they even take pride in doing so. Not only is this putting the cart before the horse, it also has become such a commonplace that it is taken to be right despite its impropriety. I really cannot approve of this. In fact, many advisory bodies, statutory bodies or public organizations, such as the Town Planning Board, the Airport Authority, the KCRC and the Exchange Fund Advisory Committee are closely related to the interests of the financial and property sectors. If Members of the Legislative Council tasked with monitoring are involved in the work of these bodies, how possibly can there be no conflict of interests? How can they not find their roles an embarrassment?

It is understandable that Members from the business sector, the functional constituencies and the royalist camp are eager to join the afore-mentioned advisory bodies, statutory bodies or public organizations in their pursuit of fame and benefits, as they can enhance their status and influence in society. With such sway, the benefits will naturally follow. The reason is not difficult to understand, so I am not going to dwell on this for the time being. Even when Members of the pan-democratic camp join advisory bodies relating to the people's livelihood and rights, it is still inevitable that embarrassing situations involving a conflict of interests and conflicting roles will arise.

Recently, the scandal over the leak of the personal information of complainants by the Independent Police Complaints Council and the role played by the Housing Authority in The Link REIT affair have landed Mr Alan LEONG and Mr SIN Chung-kai in a quandary. These are the ready examples. It is said that Mr SIN Chung-kai still intends to run in direct elections. Should the lack of supervision and control over The Link REIT deteriorate, all I can do is to extend my deepest sympathy to him.

What are the functions of the Legislative Council? Article 73 of the Basic Law stipulates that the Legislative Council should monitor the operation of the Government on behalf of the general public of Hong Kong and act as checks and balances on the executive. In order to perform these functions and powers, there are a number of panels under the Legislative Council to oversee, scrutinize and evaluate the work of various government departments as well as various policies. In order to do such work properly and to discharge the duties of a Legislative Member fully, it is in fact a must to work full time.

Quite a number of colleagues, in particular, those returned by functional constituencies, are not full-time Members. It is already doubtful if they can perform the work of a Member properly. If they go on to assume the duties of other public offices, if this is not failing to concentrate on one's line of work, then what is it? Some people do not even consider it enough to serve in six offices and say that they want to serve in seven or eight. Some consider it not enough to serve six years and they want to be given discretionary treatment. There is little wonder then that opinion surveys showed that the esteem and standing that Members command among the general public cannot compare with those of officials under the accountability system.

There are two reasons for the low social standing and esteem commanded by Members of the Legislative Council: first, the Government deliberately denigrates and neglects the status of the Legislative Council; and second, Members of the Legislative Council are doing themselves a disservice. They would rather depreciate and relegate themselves to securing memberships in a host of advisory bodies, statutory bodies and public organizations than perform the inherent duties of a Member properly. Members of the Legislative Council are addressed as "the Honourable". In the past, Members truly lived up to this title. In the British-Hong Kong era, not only did Legislative Council Members enjoy high social standing and command great respectability, their names in the Protocol Office's Precedence List even preceded the heads of various government departments and they were highly venerated in society. However, after the reunification, TUNG Chee-hwa seized all major powers. Not only did he change the precedence of Legislative Council Members to behind all the Directors of Bureaux and Secretaries of Departments under the accountability system, the Government even sidestepped the Legislative Council and completely bypassed its scrutiny when implementing a number of major policies, treating it as though it were non-existent.

I so submit.

MS EMILY LAU (in Cantonese): President, I speak in support of Dr Fernando CHEUNG's motion.

President, I believe this motion is in fact very important and many people hold a lot of views. However, Dr CHEUNG, one can say that the timing for your motion is out of joint because it followed close on the heels of the four or five hours of debate on the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill 2006, so I am afraid this motion debate will have to wind up in a slipshod way. I also hope that Members will be more forthcoming in debating this motion, however, President, some people hope to go home earlier instead of being embroiled in a wrangle here.

In fact, before Dr Fernando CHEUNG became a Member of the Legislative Council, I had already co-operated with him in exploring these issues and had also held several meetings with Mr Stephen FISHER. Each time, it was like extracting a tooth and only a tiny little bit could be accomplished. What we talked about was who had not broken the rules according to the "six-six principle", how the rules could be improved, and so on. I cannot say that he has done nothing but very little was achieved. We have worked very hard for many years. Even now, it may not be possible for Dr CHEUNG to turn all his ideas into reality, still, it is a very good thing to raise this issue for discussion.

This "six-six principle" was laid down by the authorities. If even the Government itself does not adhere to this principle, I believe it should be condemned. Two months ago, Ms Audrey EU asked a question. I believe Members are all aware that she deliberately asked the Chief Executive how many people he had appointed in the interim since his assumption of office — he assumed office on 21 June 2005 — up to December in the same year, that is, during the period when he was in office. The reply was that he had appointed a total of 1 323 persons — and he had been quite busy. She went on to ask about the Election Committee, since it had been found that 87 persons in it had served more than six years and 14 persons had been appointed to more than six bodies. The authorities were aware of this information and they knew that they had crossed the line and of course, the Secretary had supported him in doing so. I do not believe that if the Secretary had voiced his objection, the Chief Executive would still have pressed ahead. If the Secretary did raise objection, please tell us.

I think that since you yourself have set a rule but it ends up being completely disregarded by you, then what is this rule good for? Therefore, I think that this is very perplexing and some people will put it in an even meaner way. They will say that this gives the impression of being a very despicable state of affairs — as the authorities, why would they do things this way? If it is said that adherence to this rule is very difficult, then just amend the rule. Although the rule is still here, the Administration itself is still violating it blatantly, and the number of people involved is so great. What is more, according to the information, the figure only includes those appointments made after he had become the Chief Executive and a lot of people had also been appointed before he assumed office. The number of people is so great and for years, Dr Fernando CHEUNG and I have been working as though we were trying to extract a tooth in vain. This is really over board. This is just one of the issues raised by Dr Fernando CHEUNG as he had raised many others. Just now, Mr Albert CHENG told Members not to accept these appointments because if they really want to do their job well, there will not be enough time even for doing the work relating to the Legislative Council.

However, do you know how many Legislative Council Members are serving in countless bodies? President, I do not know if I can be considered fortunate or unfortunate. In 1998, I was appointed a member of the Task Force on Employment and I thought that I could make a little bit of contribution on the issue of employment. Subsequently, in 2004, this Task Force was expanded and its name was changed to the Economic and Employment Council. However, last year, it was dissolved and the Business Facilitation Advisory Committee was then established. Moreover, I was even promoted and appointed the Deputy Chairman. From this example alone, it can be seen that there are no rules or principles for these bodies and they can be expanded as one pleases, dissolved as one pleases and if one feels like it, he can establish a new one and there are no rules at all. If a body is going to be dissolved, the announcement will be made direct at meetings and members will be told that they are about to be disbanded. They will not even have the time to sip some tea before they leave.

There are other task forces under the committee which I serve. I am very diligent and attend every meeting. However, some of the task forces have really gone over the top by choosing to hold meetings in Wednesday afternoons. Mr Vincent FANG is one of the members and he once asked me if I were going to attend a meeting. I said of course I would not since the Legislative Council

held its meetings on Wednesdays. I told him to tell the Chairman, Mr YU Pang-chun, not to hold meetings on Wednesdays from then onwards. He was well aware that some of the members were Legislative Council Members, yet he chose to convene meetings on Wednesday, so what did that mean? However, the committee is really busy. Since I do not hold other jobs, so I do my best but still, I cannot finish what has to be done. Therefore, the Government is deliberate — it really is deliberate — in choosing to appoint those Members who are the busiest. So what does this mean? I think what the Government means is: Just do not attend the meetings.

In addition, after joining such committees, I have gained some profound experience. The majority, in particular the wealthy members, only attend the meetings but do not speak, and even the academics do not speak much. In fact, most of the people who speak are we Legislative Council Members, who numbers eight in total. Moreover, not all eight Members will speak. Some people may ask: How come no one would speak in this Economic and Employment Council? The meeting would be adjourned after I had spoken. I often ask the Chairman of the Council: What then? What can be done? The Council convenes a meeting every four to five months and the same thing happens again and not many people will speak up.

Can you tell me how such a rotten system can help Hong Kong? If we really have a system formed by democratic elections, if a well-developed structure is put in place properly, if outsiders are sought to serve as members instead of appointing the same people repeatedly, if the people are really outsiders rather than cronies, if people are not allowed to sit in a dozen bodies at a time when it pleases one to do so and if one really listens to outside views and bring them into the Government, then things can really be done. However, this is not how the present situation is like at all. At present, it is all about "sharing the pie". Some people very much want to get appointed. I do not know what they are after, however, President, there may be some benefits which you and I do not know about. In this world, no one will work for no purpose at all.

Therefore, at present, the impression given to people is that such appointments are mutually exploitative and mutually beneficial, however, the advantage of assisting the Government in formulating good policies cannot be observed. Otherwise, there would have been no need for so many independent inquiries. A lot of items will be discussed in the meetings of the House

Committee on Friday. Therefore, President, I hope that the Secretary can take on board Members' views and change this system really. I so submit.

DR KWOK KA-KI (in Cantonese): I support Dr Fernando CHEUNG's motion. It is now trendy to talk about strong governance and everything is put this way. Even RTHK said that such and such a thing is not conducive to strong governance, so on, so forth. If one wants to practise strong governance, then one should publicize one's policies and carry them through. Only by doing so can one be considered as practising strong governance. The "six-six principle" was laid down by them, and so was the principle of selection by merit. The transparency of the statutory bodies was promised by the Government and matters such as making public the nomination procedure and the work being done are all done upon the requests of Members and the public.

What will make us think that these advisory bodies and statutory bodies are following a system? Are they doing their work fairly and impartially, so that the public find them credible? No. In fact, the general public do not have any specific request on these statutory bodies and advisory bodies, since they know full well that the appointments are made by people within the same circle and the differentiation of closeness in relationship is made. It is a constant exercise of "pie-sharing", with those who are closer getting more of it.

Dr Fernando CHEUNG belongs to the welfare sector, but it seems he has no part to play even in the Social Welfare Advisory Committee. Concerning a Member representing the social welfare sector like him, who works for the welfare of the welfare sector each and every day, can he just be ignored? Ms Emily LAU has not been appointed very often either because the usual practice is to only appoint those who do not like to speak. If someone talks too much, how possibly can he be appointed? Is that right? I want to tell Members that people who talk too much are not favourable to strong governance. In order to facilitate strong governance, people who like to just sit without talking, raise their hands when they are asked to and applaud when a policy is launched are the candidates most sought after by the Government.

Therefore, the "six-six principle", selection on merit and a high degree of transparency are not the criteria of appointment. The criterion for appointment is to facilitate the Government's governance, no matter if its policy is right or wrong, benevolent or tyrannous. In the recent West Kowloon incident, we can see a lot of developments that are most frustrating.

In addition, I also want to relate one matter. I am a representative of the medical profession. Do Members know how long the chairman of the Dental Council has served in his position? He had served in that position for more than 20 years, for the incumbent had never changed and he was always appointed. This went on until we stepped forward and said that this would not do, asking how someone could be appointed for 20 years. After that, someone was found hastily to replace him. Maybe he was appointed precisely because he does not like to speak and he would do whatever the Government asked him to do. However, how can Hong Kong be governed properly in such a way?

Advisory bodies and statutory bodies were originally designed to give the Government a hand so that government policies can be better conceived. What the Government should have done is to absorb professionals from various sectors and people of calibre in society and make use of them, instead of merely claiming to do so. Everyone can see easily that those who are closer are given more appointments and those who are not are kept at a distance. Well, even academics are not valued much as they are not considered one of their own. An academic is considered to be fine only if he has a closer relationship. Will the public consider a government that governs in such a way credible? The talk about strong governance is only self-deceptive.

If the Government wants to implement a policy or do something properly, firstly, it should seek the assistance of people who can offer solutions to the Government; secondly, it can groom talents. Now, the two Municipal Councils no longer exist, the appointment system has been retained for the District Councils, not much improvement has been made to the Legislative Council and there are still many functional constituencies and I myself was also returned by a functional constituency. Is there still any way to groom talents?

Right, you may say that this can be done through the statutory bodies and advisory bodies, however, at present, these bodies are not systemized and they do not work according to a system. For example, in the Hospital Authority (HA), in which I play a part, among the appointees, how many people apart from me and Dr Joseph LEE were appointed because they work at the front line and are well versed in the operation of hospitals? None of them. The unions have made it clear that they dearly hope that there can be some workers from the unions or the front line in the HA to offer advice so that the HA can do a better job. However, President, the HA has been established for over a decade but the voices of the unions have never been heard in any way. As Ms Emily LAU

pointed out, only people of unclear backgrounds were appointed to the HA. I found that some people have not spoken for years and people who speak include only Dr Joseph LEE and me. I believe it is like this in all bodies. I am also worried that I will not be appointed anymore because I have probably spoken too much.

However, even if we are banished, it will not make a difference because what matters is whether the system has any credibility. The bodies established must have credibility. Whether people will be convinced depends on what sort of people are appointed by the authorities to these bodies and whether the relevant principles have been adhered to. You can manipulate and so arrange things that all the appointees will act like a type of bird (to put it in a meaner way, just like quails). However, are they really competent? Can they really help? The answer is no.

Dr Fernando CHEUNG made it clear right at the beginning of the debate that a principle is followed in Britain, moreover, things are marked by transparency. Members of the Legislative Council in fact represent the majority public, however, we do not have the power to stick our nose into some matters. There are also some bodies with supreme powers and their powers are even greater than that of the Legislative Council. Even though the vice-president is here, I will still say so. For example, the Town Planning Board holds the lifeline of urban planning in Hong Kong. Another example is the Labour Advisory Board (LAB). The policy on labour is not deliberated in the Legislative Council, rather, it is mapped out in the LAB before it is discussed here. There are other examples, say, the Transport Advisory Committee. The work of these committees is in fact related to the people's livelihood, so the lists of appointees should be submitted to the Legislative Council so that we can scrutinize them to see if the lists can manifest impartiality in implementing the relevant policies and whether the appointments made are based on the closeness or otherwise of relationships or other factors. At present, the Government does not give the Legislative Council any chance to scrutinize the lists and I am not saying that Members of the Legislative Council want to do so very badly, only that we hope there can be a system to let us examine if the spirit of strong governance, which the Government wishes to realize, can be reflected in the authorities' lists of appointees.

I wonder how the Secretary will respond later. Usually, the Secretary will just read from his script and pay no heed to us, speaking at such length that

we will be bored to sleep. However, in fact, all of us only have the interest of Hong Kong in mind and if these statutory bodies and advisory bodies do not change their long-standing undesirable practices, the governance of this Government will not have any future.

With these remarks, I support Dr CHEUNG's motion.

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

MR LEUNG KWOK-HUNG (in Cantonese): President, there is the so-called "six-six principle", isn't there? In fact, not only does the Government has a "six-six (that is, double six) principle", it also has the triple-six principle, just as there are three sixes on the head of the devil in the film "The Omen". If one more six is added, then the double-six principle will become the triple-six principle. So what is this other "six" about? One can call it "intermarriages among the six types of close relatives".

Of course, Members have all studied history before and know that inbreeding is a very serious matter. What are the results of inbreeding? The result is that mentally-retarded family members will be produced. Many Hong Kong people must have watched a film called "CLEOPATRA" before. It is a prime example of inbreeding. Cleopatra is the last empress of a kingdom. This kingdom, called the Ptolemaic Kingdom, was established by the Greeks when they conquered Egypt. Instead of saying that CLEOPATRA brought disaster upon her kingdom and people, we had better say that it was the consequence of advocating inbreeding and intermarriage among the six types of close relatives by the forebears of those men. I think this lady really must have a hard time because she had to endure the ills of such a wrong system.

Such a bad system was revived in the mediaeval times. The aristocracy in Europe believed that their blood was blue — we can extract some blood to check if it is indeed blue. If we find some people's blood to be blue when they donate their blood, then they are aristocrats. I do not know if anyone among our colleagues is a blue-blood. Is there any blue-blood? It will be great if there is. The aristocrats in Europe engaged in intermarriages and the namesake of Victoria Park, Queen Victoria (that is, the queen of the Kingdom which reigned over us in the past) had descendents in various countries in Europe.

Why did they do this? This is because they consider themselves to be more important than other people. They believed that if their empire was to reign the world — of course, they were Europeans and they were Europe-centred — if they were not related by blood, the consequences would be serious.

On reflection, a long time has passed since and now our Government is talking about inbreeding again. It even says that "some are closer in relationship than others". Guys, every time, he would say, "If your opinions are constructive, I will listen to them." Can opinions be classified into constructive and not constructive? Opinions are what they are, is that right? Since this Council is formed by elections.....unless he dispenses with this Council and establishes an advisory council, that is, act like the Czar by summoning "Mr A", "Mr B" or "Mr C" to talk about something but make the decisions himself. However, he would still ask if what his close relatives say would work. But what era are we now in? Of course, you have to listen to my views. What do you mean by constructive views? Donald TSANG's behaviour is downright vain and overbearing. He now feels that the public's emotions are running high, however, let me tell you: for a while, BUSH also found that the public's emotions were running high and that was during the anti-terrorism campaign. Tony BLAIR also had great public support. As human beings, our behaviour should not be such that when we have a little more money in our pockets, we go whoring, gambling, drinking and smoking like a playboy in this earthly world. Even a person with such character can become the Chief Executive. "Whistle-blowing", that was what he said. I do not know if he was thinking about his bureaucratic advancement or the country. However, the inbreeding at that time could not pre-empt a power struggle among the aristocrats. William the Second and King Edward of England were cousins, but when the First World War broke out, that did not prevent them from going to war with one another.

Maybe I have been too far-fetched, so let us talk about our own country. It is said that in the Han Dynasty, the imperial court was divided between the eunuchs and the maternal relatives. The eunuchs were responsible for taking care of the emperor when he was growing up and the maternal relatives refer to the queen's relatives. Both sides interfered with the politics. Our imperial court nowadays is also divided into two camps, one being the self-proclaimed leftists whose namesake is a German beer, the DAB. They are the self-proclaimed leftists and the queen's relatives. Who are the eunuchs? The eunuchs have all along served their former master and now that a new master has

come, they continue to serve him. The incompetence of TUNG Chee-hwa made it possible for the eunuchs to rise to power again — initially, he did not want the eunuchs — but there is no alternative now. The eunuchs are the civil servants.

Now that Donald TSANG is in power again, the approach adopted by him is just like that adopted by Mr TUNG. Mr TUNG made use of the so-called accountability system to introduce his trusted aides into the cabinet and what Mr TSANG does these days is to introduce his trusted aides by advocating strong governance for the people. Mr HO is a trusted aide of Mr TUNG, so he is now out of favour and those who have risen to power are Mr TSANG's trusted aides. However, he must understand one thing and that is, no matter how he engages in a struggle, he must be fair to Hong Kong people.

The "six-six principle", together with the intermarriages among the six types of close relatives, has become the symbol of the devil, that is, the omen of triple-six. Now, we have to face this problem. Moreover — however, I do not have any more time today — the situation in relation to those statutory bodies is just the same. When the British were about to leave, we gave them all the money. We gave them all the money but we could not have any say. The performance of Joseph YAM is poor but he is still speaking loudly here. Members, it can thus be seen how corrupt Hong Kong is. How can we eradicate corruption in Hong Kong? There must be a Government that exercises public authority with public mandate, a Government supervised by a full popularly elected Legislative Council and there must be an independent Judiciary that exerts pressure without fear, so as to uphold justice for Hong Kong people.

I have no more to say because it is a waste of breath to say anything more. Besides, it is also too boring now.

Thank you, President.

MR RONNY TONG (in Cantonese): President, in discussing the system of advisory and statutory bodies (ASBs), a lot of Honourable colleagues happened to talk about the notion of the so-called closeness of relationship, as mentioned by the Chief Executive. President, in fact, the notion of closeness of relationship is not at all unusual. It only attests to the validity of the queries that the public have about the Government.

The support from political parties as mentioned by the Chief Executive is not founded on identification with general political beliefs or with the ideas of governance. It is merely a political transaction relating to individual issues. The closeness of relationship he mentioned is not founded on political affinity but on political interests. Originally, it is not a problem if one chooses one thing over another in relation to political interests and some people may even think that this is only natural. However, if such "closeness" is adopted as the basis for selecting people, then this basis will not be compatible with the interest of society as a whole and will even pose an obstacle to raising the quality of governance.

It is implied in the establishment of ASBs that the Government knows that as the governing party in society, it is not omnipotent. The original intention and aim of establishing an advisory framework is to select people on merit, so that talented people among the general public can offer specialized and reliable advice to the Government and talents for governing society can be identified and groomed. At the same time, it is also possible to listen to the voices of the public and even those of various professions, so that the policy directions of the Government can follow public sentiments closely and can be more closely in line with the interests and welfare of society as a whole and the Government can govern more effectively, thus achieving effective administration and creating harmonious social relationships. Hence, society can also progress and develop.

At present, there are a total of 509 ASBs in Hong Kong and 229 of them are statutory bodies while 280 of them are non-statutory. The number of members is close to 8 000 persons. After the reunification, the SAR Government established a large number of ASBs. According to the information of the Home Affairs Bureau, of the existing 509 ASBs, 166 of them were established after the reunification. In the short span of less than nine years, the number has increased by nearly 50%. On the face of it, the Government seems to attach great importance to attracting talents among the general public and is making great efforts to take on board the voices and views of the general public, however, we only have to examine the relevant information to find that there are a host of problems.

At present, the appointments to the ASBs are marked by duplications and this seriously violates the "six-six principle" laid down by the Government. The appointees are skewed towards the business sector, pro-government

individuals and political groups, and quite a number of them are members of the Election Committee (EC). For example, of the 33 persons from the EC, as many as 17 of them have breached the "six-six principle". We believe that this situation completely conforms to the fundamental operation of the affinity theory in making political transactions. The Administration also does not exercise appropriate supervision over these bodies and the operation of these bodies lacks transparency. There is a serious lack of information disclosure and it is difficult for outsiders to know about the agenda, records and members' backgrounds, political affiliations and performance. Apart from the public knowledge that making the appointments is the prerogative of the Chief Executive, there are no clear criteria and system for making appointments. The extent of participation by members varies greatly and from time to time, we would learn about what some black sheep did. Such a system is simply a hotbed for political corruption.

A political and literary figure in the Northern Song Dynasty, WANG Anshi, said at the beginning of his important work, *On Talents*, that "The problem in this world does not lie in not having enough talents but in those at high positions not wanting them to be numerous.". In modern language, this can be paraphrased as: The problem of not having enough talents does not exist in society. The problem lies in the government not wanting to see talents emerge, lest its monopoly in governance be affected. "The problem does not lie in educated people not wanting to serve and achieve, but in those in high positions not wanting them to serve and achieve.". We should not be concerned that talents will not achieve anything, but should be concerned that the government does not want talents to have great achievements, lest its authority be affected. This piece of sobering advice given 1 000 years ago has really got to the heart of the matter.

"Talents are the pillars of a country. If they can be secured, stability and prosperity will follow, if they cannot be retained, shameful failure will follow. However, those above do not want them to be numerous or let them serve and achieve. Why?" Why does the Government not make good use of talents and make them contribute to society in appropriate ways? On this, WANG Anshi believed that there were three delusions, that is, three types of mistakes in governance. Firstly, WANG Anshi believes that the greatest problem lies in the intransigence and conceit of the government, which thinks that it can solve all problems on its own, thus attaching little importance to the appointment of talents and neglecting the search for and grooming of talents. The second

mistake is that the government thinks that appointing talents is a kind of generous bestowment and patronage, so the talents should thank the government and it can "be the admiration of educated people in the world". It has no respect for talents and does not select competent people with moral integrity appropriately. The third mistake is that there are no appropriate method and system for attracting, identifying and grooming talents, so the work of selecting talents is not done properly.

If WANG Anshi were still alive today and were he to live in Hong Kong, I believe he would point out the fourth delusion: to use the system for selecting talents to exchange political interests and to use the positions to obtain unconditional support, and this is also the explanation for the so-called notion of closeness of relationship given by the Chief Executive today.

President, it is in fact necessary to thoroughly reform the appointment of members to the existing framework of ASBs. Apart from rectifying the above drawbacks thoroughly, there is also a need for the SAR Government to encourage free speech, take on board advice and open the door wide to attract talents, in order to achieve effective governance and social harmony.

President, we support this motion today.

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

MR MARTIN LEE (in Cantonese): Madam President, from 1988 to 1991, I was appointed the Chairperson of the Consumer Council. However, regrettably, even now, I still do not know why I was appointed at that time. However, I know why I was not reappointed in 1991.

In the first meeting convened after I took office, I asked if the Consumer Council had ever been sued for libel. They said that it had never been, so I said, "Because we are not doing enough." I further said, "If any dishonest businessman deceives consumers, then we have to name and shame them." They said they had done so, however, I said, "Surely it must be because the shops named are too few that no one has sued us." Therefore, soon after I had taken office, we kept naming shops. However, since our information was correct, nobody has ever sued us.

The second thing I did was that, at that time, some "diminished flats" were put on sale in the market, for example, the area of a bedroom in a flat with one sitting room and two bedrooms was so small that one has to bend one's legs when sleeping in the bed, for the room cannot actually accommodate a bed. In other words, when sleeping, it was virtually impossible to straighten one's legs — I am not talking about people who are six feet two inches tall. Even if someone is just over 5 ft tall, he has still to bend his legs in order to sleep in the bed. Obviously, the areas claimed by the property developers were deceptive. I found this very problematic, so I invited the representatives from various government departments to a meeting and the Bar Association and The Law Society of Hong Kong also sent their representatives. The property developers were initially all very displeased and eight major property developers came to see me. I was only a small potato called Martin LEE and this really gave me a fright. I said that there was no need for all the fuss since I was only asking them to state the areas clearly when selling their flats. However, they advised me against that. Of course, I paid no heed to them. We held many meetings and eventually, a decision was made requiring them to state the saleable areas when putting flats on sale. From then on, I believe a lot of people did not want to see me reappointed.

Later on, some fake shark's fins were found in the market. I remember that on one occasion, our vice-chairperson — he was surnamed FAN and had worked in the Consumer Council for many years — was about to leave his job, so we threw a banquet to bid him farewell. On that occasion, we had two tables and I asked Mrs Pamela CHAN — at that time, she was already the CEO — I said, "Surely our the shark's fins in our soup are not fake?" She told me in a low voice, "Chairman, the price of this meal is very cheap." I asked, "What does this mean?" She said, "How possibly can the shark's fins be genuine?" She said that actually, consumers did not care much about this. I said, "How can this be? They do not care even if they are eating fake shark's fins?" She said, "If you are the guest, you will not protest no matter what the host offers you. However, in fact, the host has a good idea about it. He knows how much he has paid. Therefore, in fact this may not be very important."

After that, another matter came to my notice. At that time, Prof Edward CHEN was the vice-chairperson of the Consumer Council. In a meeting, he said that there was something rather unusual, that it seemed a situation of monopolization had occurred in Hong Kong. We all knew that he was talking about fuel, that is, the sale of fuel. So we set up a team specifically to study whether there was monopoly or monopolization in various sectors in Hong Kong.

Later on, a report was compiled. When drawing up the fair competition law, Members also referred to this report. However, Madam President, I received a "big envelop" soon afterwards, that is, the Government said that it was very grateful to me. I had only served for three years and there was a long time to go before it would be six years. I had no idea what mistakes I had made, that is, I did not know then but everything is now crystal clear on reflection. In fact, since I had offended all the major property developers, I find it strange that I could still serve for as long as three years.

Therefore, I hope that when Secretary Dr Patrick HO speaks later — I am probably the last Member to speak on this motion — he can tell us according to what criteria he makes the appointments. What has to be achieved before Secretary Dr Patrick HO will allow someone to be reappointed? Some stayed on not just for six years but seven, eight or nine years. Why are some people not appointed after three years? I dearly want to know and I also want to ask the Government what mistakes Martin LEE made. Why could he not stay on after serving only for three years?

Madam President, after receiving the "big envelop", I said to the government official at that time, who should be Mr BARNES, "I cannot think of any reason that I should receive the 'big envelope', unless it is related to the problem of monopoly.". I also said, "Of course, you have to find another person to take up the position of the Chairperson of the Consumer Council. If you do not appoint Prof Edward CHEN, I will hold a press conference to blast the Government.". He did not promise me anything. However, the next person to assume the position of the Chairperson was none other than Prof Edward CHEN, so I did not hold any press conference at that time.

Many years have passed and it is only now that I disclose this whole incident. However, I dearly wish to know on what grounds the Government made its decisions. How does it decide if a chairperson or vice-chairperson should serve for one year, two years, three years, four years, five years, six years or even more than six years? I really want to know. I also want to know why I could only serve for three years? Of course, if I did not do a good job, that is fine and one can just say it. However, I hope that it was not because I did a couple of things that were good to the public. Madam President, I do not regret having done them, but I think the Government should lay down some criteria for compliance.

Thank you, Madam President.

MS MARGARET NG (in Cantonese): Madam President, after hearing the speech given by Mr Martin LEE just now, I wish to say that it sounds as though he were talking about ancient history.

In the past, in the era of the British-Hong Kong Administration, serving as a member in the so-called advisory and statutory bodies was considered to be holding a public office and there were many different types of roles, but generally speaking, the significance of doing so was that since the people concerned were indebted to society, so they should requite society. Very often, professionals were sought for such organizations as the Consumer Council or other statutory bodies. They devoted their money, energy and time to serving society. Therefore, after some people had served as members for a period of time and they thought that it was enough, the Governor would express his gratitude to these people and thank them for spending such a lot of time, while the people concerned would also feel very relieved.

However, at that time, one seldom heard it said that one "did not get reappointed". I suspect that in giving his speech just now, Mr Martin LEE was influenced by modern-day thinking and that is why he said that he did not get reappointed. At that time, it was mainly outspoken people who chose not to continue to serve as members after doing so for a period of time. Why? Because in the past, it was mainly the people in government departments who recommended the appointment of these people to the relevant positions, however, when they found that these people had rocked the boat and consequently, the people in the Government could not get any benefits, they did not allow those people to continue to serve as members to avoid being subjected to excessive pressure. Such are the stories that each of us has behind us. Maybe we can also exchange some notes in the future.

However, what I want to say is that the terms used nowadays is "non-reappointment" or "appointment", so it can be seen clearly that the appointments to these statutory bodies or advisory bodies are a kind of benefit in themselves. Why? Because nowadays, a lot of people want to get political bargaining power, public exposure and an elevation of status. Where can these things be found? They can be gained by serving as members in these bodies. Once they have become members, they can have public exposure and when speaking to other people, it feels as though they have some importance. No matter if these positions are paid or unpaid and if the money received is disproportionate to what these people have to give, these positions should be

regarded more or less as a kind of benefit. Therefore, be it the Chief Executive or officials under the accountability system — they are all public officers — when they want to distribute this sort of benefits to various people, what criteria can they refer to? In fact, in theory, the criteria nowadays should be the same as those in the past. Public interest must surely be the only criterion, however, there are also many types of public interest. Take professionals as an example, they possess experience and knowledge in some areas and for such bodies as those relating to taxation or the Town Planning Board, their members must be people who possess professional knowledge. If some people possess professional knowledge in some areas and can make contribution with it, then appointing them will be compatible with public interest.

Mr Frederick FUNG has now left the Chamber but he should well understand that in his era, the Government liked to appoint outspoken people to advisory bodies because these advisory bodies did not have real power and the Government could refuse to take their advice, however, these people would become very prudent after appointment. One can say that it was a tool to bring the people to one's side in the British-Hong Kong Administration era. Of course, the Government can also make the justifiable claim that the Government was willing to listen to different opinions. One could also say that it was consistent with public interest.

As regards members of the public who performed well in these bodies, they would take up an increasing amount of work and the contribution they made to society through such bodies would also increase. This is also in public interest. However, these days, we must ask whether public interest is still a criterion when public officers (that is, the Chief Executive and officials) make appointments? In fact, this is no longer the case because they can say openly that there are differences in closeness of relationship and they want to groom talents. Since it is about grooming talents, then this is another type of benefits.

So how should the benefits be handed out? We can talk about this. In fact, this Council has also looked at this matter before. In the John MAJOR era, there were a lot of scandals in the Conservative Party in Britain. Subsequently, a commission called Nolan's Commission was established and it laid down the Nolan's principle. They are the rules that public officers have to follow, which include seven points, namely, selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Here, objectivity is very important, that is,

objective criteria have to be applied when making appointments. When assessing whether someone is a suitable candidate, it is necessary to make consideration in public interest and examine objectively what kind of candidate is required for a certain position.

Maybe Ms Emily LAU still remembers that during our recent visit to Britain to look at matters relating to public broadcasting there, we met with some officials and asked them what methods and principles were adopted when appointing the Board of Trustees of the BBC. They said that they had followed the Nolan's principle, which means that they adopted objective criteria and conducted an open recruitment, so it can be seen that when making assessments, they applied this kind of objective criteria and when receiving benefits, they have to follow rules such as openness and accountability.

Madam President, is a review of the criteria called for nowadays? A lot of people say that the Chief Executive, Donald TSANG, is copying the practices of the British, however, I do not think that this is really the case. I think it is true that "Bowtie TSANG" copies the practices of the British in some aspects, however, I wonder if he has also copied the Nolan's principle of the British. I hope he does not just copy some aspects. It is better to copy the good parts rather than the bad. Thank you, Madam President.

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

MR SIN CHUNG-KAI (in Cantonese): President, I may be a bit slow, signs of Parkinson's disease perhaps.

President, regarding the Nolan's principle mentioned by Ms Margaret NG, I would also like to say a few words. Actually, in 2001, when we were processing the Securities and Futures Ordinance, we had paid a visit to the United Kingdom, and it was the first time I learned about the Nolan's principle. Later, a couple of years ago, it was again mentioned in the debate of the Legislative Council and a request for study had been made to the Government.

In addition to the seven major principles which are very important, a most important point that the Government should consider is the inclusion of an advisory committee in each committee, the adoption of transparent procedures

and open recruitment procedures. Upon the expiry of the term of members, the Government should open the work of advisory committees to voluntary participation. The Government will certainly receive a lot of resumes, but the Government may screen these applications, for it can be ensured that those people have set their mind to work on certain objectives.

On the other hand, the Government should give particular consideration to the point that certain major advisory committees — the application of this to advisory committees may not be quite appropriate, but for certain so-called commissions or authorities which have extensive and real powers, that is, public organizations with real powers, the so-called confirmation process which is popular in the British Parliament and the Congress of the United States should be followed. It is indeed a very important step in democratization. The Government should take this step even when democracy has yet to be established. What good will it bring? When the Chief Executive or the Government has the prerogative to nominate candidates to organizations with real powers — a point which is mentioned in Dr Fernando CHEUNG's motion and Mr Albert HO's amendment, Mr Albert HO's amendment in particular — bringing the matter to the Legislative Council will enable these committees to face the public. Frankly, no matter how, these committees will have to come before the Legislative Council to face enquiries eventually. If the procedure of confirmation by the Legislative Council is put in place — I hope the Secretary will understand that in the United States, for example, the appointment of the chairmen of many committees responsible for important issues are subject to the confirmation of the Senate of the Congress of the United States. This type of confirmation system is in fact valuable reference for the Government.

Certainly, today, I am not going to repeat the views expressed by colleagues already, but the Government should at least adopt the Nolan's principle. Not only should it adopt this, but it should also consider the entire mechanism. At present, the Government often identifies candidates from the same pool, if appointment can be carried out in an open manner and allowed open nominations — a simple example, Mr LAU Wong-fat says that there are many undiscovered talents in the DCs, and we actually have several hundreds of DC members — if the Government allows them to make applications, they may join certain advisory committees through self-nomination. Though these DC members are serving on the DCs, they may also be interested in expressing their opinions on certain areas and may possess expertise in certain fields.

Certainly, the Government may prefer candidates who are widely known in the territory; however, if a candidate is someone who knows the local districts, he or she may act as a very good database in providing reference. But the Government has not done so; it has on the contrary often appointed people it prefers. If the Government can open the gates and allow the introduction of an open application system — the application system can be established on several levels. First, open recruitment should be carried out by placing advertisements in all newspapers in Hong Kong or on the Internet. After collecting the applications, the Government may start the independent screening process. Second, recruitment through certain professional bodies can be carried out. There are dozens of professional bodies in Hong Kong, and candidates appointed by the Government sometimes do come from these groups. I think the viewpoint presented by Mr Patrick LAU earlier is very good. More often than not, the Government only appoints one or two persons from these groups. However, if these professional groups may nominate some of its members to join these advisory bodies, the depth and breadth of the consultation done by the Government may be enhanced. This is the kind of courage the Government lacks, that is why it always looks for someone obedient.

Looking back at history, why did the British Hong Kong Government create such a large number of advisory bodies where no democracy had been established? This is a question that merits in-depth consideration. In the United States, advisory bodies of this type are limited, for there is the ruling government. Actually, it is not a matter of difference in closeness of relationship, but a clear distinction in relationship. However, despite the clear distinction in relationship in the United States, institutions have been put in place to keep it in check. In the United States, a majority of public organizations with real powers, including the Securities and Exchange Commission or the FCC, an organization in the telecommunications sector, according to the established practice, are composed of five members, of which three members are from the ruling party and the remaining two from the opposition. It is very clear. All organizations with real powers adhere to this three-two ratio. Why? It is because of the clear distinction in relationship. The ruling party surely wants the final say, but it still respects the basic principle of the so-called two parties system. As two members are from the opposition, check and balance is included in the system, while the appointment of members of important committees is still subject to the so-called confirmation system, it is thus an integrated system.

Under the existing systems in Hong Kong, it is seen that the reason the British established the advisory system in Hong Kong is that they knew the system is undemocratic. Under an undemocratic system, some people had to be identified to conduct careful scrutiny of policies prior to their introduction to ensure that unexpected challenges would not be encountered upon the introduction of these policies. Actually, this could help the Government achieve better governance. Therefore, when universal suffrage has yet to be implemented, there is an even greater need to perfect our advisory bodies. However, despite the implementation of universal suffrage in the United States, many mechanisms of check and balance are still in place.

With these remarks, I support Dr Fernando CHEUNG's motion and Mr Albert HO's amendment.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now call upon Dr Fernando CHEUNG to speak on the amendments.

DR FERNANDO CHEUNG (in Cantonese): President, I would like to say a few words on several points raised in the amendments, particularly the points raised by Mr Howard YOUNG in his amendment, for his amendment seeks to delete some of the wordings in my original motion. I advocate in point (c) that stakeholder groups concerned should be allowed to nominate representatives to advisory and statutory bodies (ASBs). According to Mr YOUNG, however, this seems to go against the executive-led principle. He is extremely worried that politicization will be resulted should the so-called stakeholder groups (including political parties, parties or groupings of the Legislative Council) be allowed to nominate representatives. Nevertheless, as pointed out by a number of Members in their speeches earlier, this is nothing unusual in overseas countries where different political groups and people with diverse political views may give play to their check-and-balance role in advisory frameworks and perform their function of multiple filtering before policies are implemented. These are indeed helpful to governance.

Furthermore, my proposal in the original motion that the information on the ASBs and their minutes of meetings be disclosed will also be deleted by Mr YOUNG's amendment. Instead, he proposed that post-meeting press briefings be arranged as far as practicable. I find this quite puzzling. If the 500 or so advisory frameworks are to hold press conferences after each meeting, it would be quite difficult for the meetings to be covered fully. On the contrary, public monitoring and inspection can be facilitated by disclosing the basic information of advisory frameworks and their minutes of meetings.

In addition, the objection to disclosing information on nominations, vacancies and the procedure is somehow inconsistent with the speeches delivered by a number of Members earlier. According to Members, if information on the vacancies and the nomination procedure cannot be disclosed, how can members of the public participate? If this point of mine is queried by Mr YOUNG or a number of Members and political parties today, how can the principle of selection on merit be put into practice? If the nomination process is not disclosed, how can different political views or professionals be taken on board extensively?

Furthermore, Mr YOUNG has proposed to delete the last point in my original motion, that is, the proposal of studying the appointment of an independent commissioner to monitor the appointment of ASB members by the Government. This means that even studying is disallowed. In fact, independent commissioners are found in foreign countries, such as Britain, Northern Ireland and some European countries. We have no intention at all to create bureaucratic redundancy; neither are we insisting on creating a post for the independent commissioner. However, for quite some time after the reunification, there have been comments in the speeches of a number of Members that there has been a difference in the closeness of relationship. Whether these comments are substantiated, the credibility of the Government, or even that of the Chief Executive himself, has indeed been directly undermined. An independent mechanism like this, if it can bring its monitoring function into full play, is indeed helpful to building up our confidence in the entire administration of the Government, and is better able to enable members of the public to see that the process is open, fair and honest.

Therefore, I find it very difficult to support Mr YOUNG's amendment. On the contrary, I agree with Mr Frederick FUNG that, regardless of the closeness of relationship, District Councils and other stakeholder groups should

be invited to nominate representatives to ASBs. As pointed out by me earlier, not only can District Councils be invited, even the Legislative Council or political parties can enjoy the right, at a certain ratio, to nomination in certain major groups. Overseas examples have proved this to be effective. We do not necessarily have to do this, but at least the proposal merits consideration and study. I greatly support Mr Albert HO's amendment too. As pointed out by Mr SIN Chung-kai earlier, some key appointments in overseas countries very often require confirmation by their legislatures.

Thank you, President.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, first of all, I would like to thank Dr Fernando CHEUNG for proposing the motion on perfecting the framework of advisory and statutory bodies (ASBs). I would also like to thank Mr Howard YOUNG, Mr Frederick FUNG and Mr Albert HO for their concerns about this topic and the amendments proposed. I am also grateful to the 20 Members who have spoken today.

The system of ASBs is part of the entire public administration framework. The Government relies on a wide range of public sector ASBs to provide advice on its policies, deliver public services, perform statutory functions, and handle appeals against government decisions.

The role and functions of various ASBs are not entirely identical, and they are unique in nature. At present, there are more than 400 ASBs, including 181 advisory committees, 15 non-departmental public bodies, five public corporations, 47 regulatory bodies, 59 appeal boards, and 75 advisory and management boards responsible for trusts and subsidy schemes.

Advisory bodies advise the Government according to their respective terms of reference on matters in specific areas, from such basic matters as people's livelihood, housing, labour, education, social welfare, health care and transport to highly specialized and technical matters such as the operation of securities and futures markets, radiation, defence, and so on. The areas involved are very extensive.

The role and functions of ASBs must cope with the constantly changing needs of society. As such, the Home Affairs Bureau (the Bureau) has been

actively reviewing the composition and operation of ASBs with a view to strengthening the system of ASBs to enhance its representativeness and transparency, and make it more capable of meeting social needs and new challenges.

I would like to emphasize here that the power of appointing ASB members does not rest entirely in the hands of the Chief Executive. A substantial number of appointments are made by relevant Secretaries of Departments, Bureau Directors and departmental heads. During the appointment process, the Chief Executive, Secretaries of Departments, Bureau Directors or departmental heads will, in accordance with the merit principle, make the most suitable appointments in consideration of the functions and requirements of the relevant bodies.

The "six-year rule" (under which a non-official member should not serve more than six years in the same advisory or statutory board) and "six-board rule" (under which a non-official member should not serve as a member on more than six boards or committees) are general guidelines for making appointments to ASBs. However, owing to the diverse requirements and circumstances of ASBs, it is difficult for the relevant rules to be complied with rigidly and inflexibly. Notwithstanding this, satisfactory progress has been made over the past two years in compliance with the "six-six principle". The number of appointees who sat on more than six boards in March 2004 was 45 (representing 0.9% of all appointments), while the number of appointees violating the six-board rule up to March 2006 dropped sharply to 11 (representing 0.3% of all appointees). The number of appointees who had served for more than six years in the same advisory or statutory board in March 2004 was 1 695 (representing 21.7% of all appointments), while the number of appointees violating the "six-year rule" up to March 2006 dropped sharply to 543 (representing 10.9% of all appointments). We will continue to take active measures to ensure by all means that the appointments meet the "six-board rule" and "six-year rule".

In making appointments to ASBs, in addition to compliance with the "six-year rule" and "six-board rule", consideration has to be given to whether an appointee can perform the functions/responsibilities of the relevant bodies and function effectively to ensure that the most suitable person is appointed to the post. Given the diverse nature of problems facing individual bodies, the appointment authorities may, on occasions, find it necessary to take an exception to the "six-year rule" and "six-board rule". However, any such exception must be justified having regard to the circumstances of individual appointments.

The main reasons for non-compliance with the "six-year rule" in appointing ASB members include:

- (a) some serving members have particular skills or experience in certain areas essential to the effective functioning of the relevant bodies;
- (b) continued appointment of serving members can provide continuity during a period of change;
- (c) nominator bodies which have statutory or conventional representation on a particular body continue to nominate the same individuals for appointment; and
- (d) certain office-holders are appointed as a convention to a specific committee (for example, District Council Chairmen and Vice-chairmen are appointed to the Municipal Services Appeals Board).

The main reasons for non-compliance with the "six-board rule" include:

- (a) some serving members have particular skills or experience in certain areas essential to the effective functioning of the relevant bodies;
- (b) continued appointment of serving members can provide continuity; and
- (c) appointment of certain office-holders to a particular body could facilitate its effective operation.

Just now, some Members expressed the view that while compliance with the "six-year rule" and "six-board rule" should be effected with flexibility and discretion, and exceptions be allowed for, relevant justifications should be presented. The relevant view will be taken into serious consideration.

The paramount objective in making appointments to ASBs is to recruit the most suitable candidates to meet the requirements of the relevant bodies. The Government's basic policy is "appointment on merit". In appointing ASB members, consideration will be given to their personal abilities, expertise, experience, integrity and commitment to public service and the functions and

nature of work of the concerned bodies. The major principle is to ensure that the composition of the concerned bodies extensively reflects the interests and opinions of various sectors in the community.

People with diverse background and experience, including professionals, public opinion representatives, academics, people from the business sector and those representing diverse views, will be recruited in accordance with the functions of the ASBs to ensure that advisory boards can give full play to their role as a think-tank assisting the Government in administration and function smoothly.

In making appointments to ASBs, full consideration will be given to the functions of individual ASBs and the nature of work handled by the relevant bodies. For instance, if the matters handled by an advisory body are related to the people's livelihood, the Government will tend to appoint more people experienced and interested in community affairs (including District Council members). On the other hand, if the relevant bodies are responsible for handling specialized issues, more people with the required expertise will be appointed.

In making appointments to ASBs, policy-makers will, in accordance with the "merit principle", consider the functions and requirements of the relevant bodies. The political background of the candidates is not a major factor for consideration. Actually, the personal data files kept by the Bureau in its centralized database do not contain personal data on the affiliation of every data subject with political parties or political groups. This is because data subjects are not rigidly required to provide information on their political affiliations in completing their personal curriculum vitae.

While Dr Fernando CHEUNG has proposed upholding the principle of selection on merit, inviting the major stakeholder groups concerned to nominate representatives to ASBs, and reducing the appointments to ASBs *ad personam*, Mr Albert HO has particularly stressed in his amendment that conflicts of interest should be avoided. In making appointments to ASBs, the Government adopts the basic policy of "appointment on merit". We also agree that conflicts of interest should be avoided. Generally speaking, the appointments to ASBs *ad personam* better enable us to uphold the principle of selection on merit, enhance the diversity of the composition of ASBs, and reduce possible conflicts of interest. On the contrary, conflicts of interest might occasionally arise if representatives of major stakeholder groups are appointed to ASBs.

Whether appointments to ASBs are made on an *ad personam* basis or major stakeholder groups concerned are invited to nominate representatives to ASBs depends mainly on whether the arrangements can enhance the diversity of the composition of ASBs and enable views to be solicited more extensively. At present, the appointments of some ASB members are required by law to be nominated by specific groups. For instance, four of the members of the Hong Kong Trade Development Council are respectively nominated by the general chambers of commerce concerned; 10 members of the Hong Kong Arts Development Council are nominated by groups in specific areas of arts (including arts administration, arts critics, arts education, opera, dance, music, drama, film arts, literary arts and visual arts).

The relevant legislation of certain statutory bodies also requires that a certain proportion of members must be selected from specific sectors. For instance, the Football Betting and Lotteries Commission should comprise at least three members from the social welfare, education and religious sectors. In appointing members of the Hong Kong Tourism Board, eight must respectively represent passenger transport operators, hotel operators, licensed travel agents, tour operators, retailers and food premises operators. Non-official members of the Occupational Safety and Health Council must represent the interests of employers, employees, professionals and the academic sector.

Depending on the functions or requirements of various ASBs, the Government might invite certain groups or sectors to nominate the right persons or representatives to serve on the relevant bodies to reflect the views of certain sectors. For instance, five employer representatives in the Labour Advisory Board are respectively nominated by major employer chambers of commerce; eight members of the Land and Building Advisory Committee are nominated by the relevant major stakeholder groups (including the professional institutions and chambers of commerce concerned).

The two arrangements, namely appointing representatives from groups to ASBs and making appointments to ASBs on an *ad personam* basis, have their own merits. A proper balance has to be struck between them according to the circumstances of individual bodies. Generally speaking, appeal boards, performing a semi-judicial function, are better able to ensure their independence and hear appeals in a fair and honest manner if their members are appointed *ad personam*. Another example is the Board of Inland Revenue. As it serves all

the taxpayers in Hong Kong, each of its members is therefore appointed *ad personam* to maintain its impartiality, neutrality and credibility.

Mr Albert HO has proposed that the Government should allow the Legislative Council to hold consultative meetings before the appointment of Chairmen of major ASBs and accept Legislative Council's nomination of its Members to be members of major ASBs. Under the accountability system, Principal Officials have to be accountable for members of ASBs under their purview. The existing complementary relationship between the assembly mechanism and statutory mechanism has been well tested. Mr HO's proposal will result in politicization of the entire appointment system. At present, the functions and requirements of the relevant ASBs are taken into consideration in appointing Members of the Legislative Council to be members of the relevant ASBs. For instance, 16 members of the Commission on Strategic Development are Members of the Legislative Council with diverse political background; seven members of the Housing Authority are also Members of the Legislative Council.

A number of Members, including Mr James TO, Mr Patrick LAU and Mr Albert HO, have expressed concerns about the possible occurrence of conflict of interest among members of ASBs. ASBs perform an important role in the formulation and implementation of public policies. Members of ASBs should offer impartial, fair and selfless opinions and make decisions fully in line with public interest. A mechanism has been put in place to handle conflicts of interest possibly confronting members of ASBs. At present, there are two systems for declaration of interest for members appointed to ASBs, namely the one-tier reporting system and the two-tier reporting system. Under the one-tier reporting system, a member should make a disclosure of his interest at a meeting discussing and deciding a certain matter. The two-tier reporting system stipulates that a member must disclose his interests upon appointment, in addition to declaring his relevant interests at the meeting, and the disclosure shall be recorded. The compliance with guidelines on declaration of interest has generally been satisfactory. Almost all ASBs have set up their systems for declaration of interest. Policy Bureaux and departments have been reminded to introduce the declaration of interest system to newly established boards and committees, and constantly review the system adopted by the boards and committees under their purview.

The questions and concern raised by Members about the appointments to the Hong Kong Exchanges and Clearing Limited will be referred to the relevant Policy Bureau for follow-up.

The Government has been encouraging ASBs to adopt appropriate measures to, as far as practicable, try every possible means to enhance transparency and commitment to the public by disclosing agenda and documents of meetings for the reference of members of public upon their request, and seek to provide the relevant information on the Internet. At present, the vast majority of ASBs have already set up their own websites and uploaded their information onto the Internet. Some 60 ASBs, including the Advisory Council on the Environment, Commission on Poverty, Hospital Authority and Commission on Strategic Development, have uploaded the relevant documents and minutes of their meetings onto the Internet.

I must point out that, owing to the nature of work of and the matters handled by certain ASBs, it is inadvisable to disclose the agenda, minutes and relevant documents of their meetings. For instance, it is inadvisable for appeal boards to disclose the minutes and other relevant documents of their hearings to avoid the disclosure of the identities of appellants. As the work of Trust Fund advisory and management committees is related to such sensitive issues as investment strategies of Funds, disclosure of the minutes and relevant documents of the meetings held by the committees will affect their operation. For instance, the scope of work of the Action Committee Against Narcotics is related to drug issues. Therefore, sensitive and confidential information on such matters as law enforcement operations, trafficking of drugs, and so on, will be discussed at its meetings. Disclosure of its minutes of meetings and relevant documents will thus affect the work of the Committee. The Advisory Committee on the Admission Scheme for Mainland Talents and Professionals advises the Director of Immigration on the applications received under the Scheme. As the documents processed by the Committee involve information about individual applicants and employers, it is inadvisable for the relevant documents to be disclosed.

Mr Howard YOUNG has proposed that the Government should arrange post-meeting press briefings to enhance the transparency of ASBs. We agree and will encourage various ASBs to, in accordance with their own functions and the nature of their responsible business, further enhance their transparency by issuing post-meeting press releases and calling press briefings. At present, similar arrangements have been made by some ASBs, such as the Transport Advisory Committee and Housing Authority.

We encourage various ASBs to, in accordance with the principle of data protection laid down in the Personal Data (Privacy) Ordinance, provide online disclosable personal information about their members, including their occupations, dates of appointment, serving public offices, and so on. As regards the proposal of publishing the attendance rates at meetings, I must point out that, generally speaking, appeal boards do not hold regular meetings and will conduct hearings only on individual appeal cases. The relevant hearings will generally comprise a specified number of members appointed by Chairmen in accordance with the relevant legislation. As such, the disclosure of information about attendance rates at meetings does not apply to appeal boards. As for the party affiliation of ASB members, as I explained earlier, they are at present not rigidly required to disclose their political affiliation. Furthermore, such personal data is considered sensitive, and hence cannot be disclosed without the consent of the data subjects concerned.

Dr Fernando CHEUNG has proposed that the Government should disclose the procedure for appointing ASB members, including publishing the information on the vacancies in ASBs and the nominees, so as to facilitate members of the public in making nominations. I must point out that the membership of some ASBs, such as the Commission on Strategic Development, Committee on the Promotion of Civic Education, and so on, is not constant, and hence there is no question of vacancy. At present, individuals who are interested in the work of ASBs may submit their curriculum vitae to the centralized database kept by the Bureau and indicate clearly on the curriculum vitae their matters of interest. During the appointment process, the Bureau will, in accordance with the requirements and criteria prescribed by the appointment authorities, select eligible candidates from the database for the consideration of the authorities concerned. In addition, anyone who is interested in joining a certain ASB may directly submit an application to the responsible Policy Bureau as a self-nomination for consideration by the appointment authorities. While the disclosure of information on all nominees does not facilitate the entire selection process, inconvenience might be caused to nominees as a result. Furthermore, a nominee might be embarrassed if he or she is not appointed in the end. This proposal is therefore considered inappropriate.

Dr Fernando CHEUNG has also proposed that the Government should increase the ratio of women on ASBs, and allow more people of ethnic minorities and those with disabilities to serve on ASBs, so that people from different walks

of life can have equal opportunities to participate in public affairs. The Chief Executive has undertaken in the 2005-06 policy address that special attention will be given to the opportunities of participation in ASBs by women, youths, and disadvantaged groups.

The "merit principle" is the basic principle adopted in making appointments to ASBs. In appointing members to ASBs, in addition to meeting the requirements of the relevant bodies, we hope to achieve a greater diversity in their composition to enhance their representativeness, so that the views of people from different sectors and backgrounds can be fully reflected. In our opinion, the competency and experience of women, people with disabilities and people of ethnic minorities are, to a certain extent, helpful to the work of ASBs. Furthermore, these people can provide viewpoints and opinions often easily overlooked or neglected. Their participation in the work of ASBs will therefore enhance the impartiality and fairness of policy-making.

The participation rate of women in ASBs has always remained low. We are convinced that, through a balanced mix of male and female members in ASBs, not only can we ensure that the viewpoints and concerns of both genders will be fully reflected, ASBs can also solicit more fully the views of both genders, so that the effect of pooling collective wisdom can be achieved. According to a preliminary target set in January 2004, the minimum ratio for male and female members appointed to ASBs should be 25%.

In the past two years, the participation rate of women in ASBs has risen. In January 2004, of the 7 473 non-official members appointed to ASBs, 1 670 were female, with the participation rate of female members being a mere 22.3%. However, in late 2005, the benchmark objective of 25% was reached. As at March 2006, the participation rate of female members has further risen to 25.4%, with 1 263 out of 4 974 non-official posts held by females. We will continue to monitor the progress of enhancing the participation rate of women in the work of ASBs, and will discuss with the Women's Commission to actively consider raising the sex ratio benchmark with reference to local experience and overseas practices.

We will encourage Policy Bureaux and departments to actively identify suitable people with disabilities and those of ethnic minorities to be appointed as members of ASBs.

The Bureau has formulated a general guideline on matters relating to appointments to ASBs, including the "merit principle", the "six-year" rule and "six-board rule", ensuring a balanced ratio between male and female appointed members, and so on. Furthermore, a guideline has been drawn up on the operation of ASBs in relation to such matters as enhancing transparency, making arrangements for declaration of interest, and so on. We will begin compiling a guidebook on matters relating to ASBs by incorporating all rules and guidelines on ASBs so as to facilitate compliance with the relevant rules by the Policy Bureaux and ASBs.

Under the accountability system, Principal Officials are responsible for formulating and implementing government policies, including policies adopted by ASBs under their purview, and have to be accountable for members appointed to ASBs. Furthermore, appointments of some statutory bodies have to be made in accordance with the provisions of the relevant legislation. Hence, we consider it unnecessary to establish an independent commissioner to monitor appointments to ASBs.

We support Mr Howard YOUNG's proposal to enhance the support to new appointees so that they can commence work as soon as possible and contribute their expertise. In fact, some ASBs will arrange briefings for new appointees to help them grasp the work of the ASBs. We will encourage the Policy Bureaux and departments to render appropriate support to new appointees.

A number of Members have also proposed adopting the system of ASBs practised in other countries. However, I would like to point out here that the circumstances and systems of overseas countries are not entirely the same as those of Hong Kong. To rigidly impose overseas systems and models on Hong Kong might not be the most satisfactory and feasible option.

Madam President, we agree that it is essential to constantly review and update the system of ASBs to perfect their framework. Notwithstanding this, there remains a major difference in principle between Dr Fernando CHEUNG's proposal and the Government's notion of establishing the framework of ASBs. Furthermore, the proposed measures are practically infeasible for they have failed to take into account the functions, nature of work and requirements of ASBs of different categories. Therefore, I oppose the original motion and the amendments proposed by Mr Frederick FUNG and Mr Albert HO.

With these remarks, I urge Honourable Members to vote against the motion moved by Dr Fernando CHEUNG and the amendments proposed by Mr Albert HO and Mr Frederick FUNG. Thank you, Madam President.

PRESIDENT (in Cantonese): I now call upon Mr Howard YOUNG to move his amendment to the motion.

MR HOWARD YOUNG (in Cantonese): President, I move that Dr Fernando CHEUNG's motion be amended.

Mr Howard YOUNG moved the following amendment: (Translation)

"To delete "whereas" after "That," and substitute with "as"; to delete "and there have been queries" after "support the Government," and substitute with "which has led to public queries"; to delete "and as an important channel for public participation in politics for more equitable distribution of social resources" after "solicit public opinions"; to delete "upholding" after "(b)" and substitute with "adhering to"; to delete ", inviting the major stakeholder groups concerned to nominate representatives to ASBs, and reducing the appointments to ASBs *ad personam*" after "the principle of selection on merit" and substitute with "and, in inviting the major groups concerned to nominate persons to ASBs, at the same time disclosing information on the vacancies in ASBs; and strengthening the present self-nomination and nomination systems"; to delete "uploading onto the internet the agenda, minutes and relevant documents of all their meetings, and" after "transparency of ASBs by"; to add "to the public" before "the information on the members of the ASBs"; to add "and arranging post-meeting press briefings as far as practicable;" after "attendance rates at ASB meetings, etc;"; to delete "(d) disclosing the procedure for appointing ASB members, including uploading onto the internet information on the vacancies in ASBs and the nominees, so as to facilitate members of the public in making nominations;"; to delete the original "(e)" and substitute with "(d)"; to delete "equal" after "different walks of life have" and substitute with "adequate"; to delete the original "(f)" and substitute with "(e)"; and to delete "actively studying the appointment of an independent commissioner to monitor the appointment of ASB members by the Government" after "appointment of public

officers, and" and substitute with "enhancing the support to new appointees so that they can commence work as soon as possible and contribute their expertise".

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

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.

(Members raised their hands)

Dr Fernando CHEUNG rose to claim a division.

PRESIDENT (in Cantonese): Dr Fernando CHEUNG has claimed a division. The division bell will ring for three minutes, after which the division will begin.

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:

Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Tommy CHEUNG, Mr

Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG and Mr KWONG Chi-kin voted for the amendment.

Ms Margaret NG, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Miss TAM Heung-man voted against the amendment.

Dr Raymond HO, Mr Bernard CHAN, Mr Abraham SHEK, Ms LI Fung-ying, Mr WONG Ting-kwong and Mr Patrick LAU abstained.

Geographical Constituencies:

Mr James TIEN, Mrs Selina CHOW and Miss CHAN Yuen-han voted for the amendment.

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Dr YEUNG Sum, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Ronny TONG and Mr Albert CHENG 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 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, 24 were present, 12 were in favour of the amendment, six against it and six abstained; while among the Members returned by geographical constituencies through direct elections, 24 were present, three were in favour of the amendment, 13 against it and seven 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.

MS MIRIAM LAU (in Cantonese): President, I move that in the event of further divisions being claimed in respect of the motion on "Perfecting the framework of advisory and statutory bodies" or any amendments 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.

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority respectively of each of the two groups of Members who are present. I declare the motion passed.

I order that in the event of further divisions being claimed in respect of the motion on "Perfecting the framework of advisory and statutory bodies" or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): Mr Frederick FUNG, you may move your amendment.

MR FREDERICK FUNG (in Cantonese): President, I move that Dr Fernando CHEUNG's motion be amended.

Mr Frederick FUNG moved the following amendment: (Translation)

"To add "without regard to closeness of relationship" after "the principle of selection on merit" and to add "District Councils and other" after "inviting the"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Frederick FUNG to Dr Fernando CHEUNG's motion, be passed.

PRESIDENT (in Cantonese): I now call upon Mr Albert HO to move his amendment to Mr Frederick FUNG's amendment.

MR ALBERT HO (in Cantonese): President, I move that Mr Frederick FUNG's amendment be amended.

Mr Albert HO moved the following amendment to Mr Frederick FUNG's amendment:

"To add "avoiding conflict of interests, consulting the Legislative Council (LegCo) before appointing chairmen of important statutory bodies, accepting LegCo's nomination of its Members to be members of important statutory bodies," after "without regard to closeness of relationship,"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Albert HO to Mr Frederick FUNG's amendment, be passed.

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.

(Members raised their hands)

Mr Albert HO rose to claim a division.

PRESIDENT (in Cantonese): Mr Albert HO has claimed a division. The division bell will ring for one minute, after which the division will begin.

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, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Dr Raymond HO, Mr Bernard CHAN, Dr Philip WONG, Mr Timothy FOK, Mr Abraham SHEK, Mr WONG Ting-kwong and Mr Patrick LAU voted against the amendment.

Mrs Sophie LEUNG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM and Mr Andrew LEUNG abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Miss CHAN Yuen-han, Dr YEUNG Sum, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG,

Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung and Mr Ronny TONG voted for 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 CHEUNG Hok-ming and Mr Albert CHENG voted against the amendment.

Mr James TIEN and Mrs Selina CHOW abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, eight were in favour of the amendment, seven against it and nine abstained; while among the Members returned by geographical constituencies through direct elections, 24 were present, 13 were in favour of the amendment, eight against it and two 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 negated.

PRESIDENT (in Cantonese): I now put the question to you and that is: That Mr Frederick FUNG's amendment, to Dr Fernando CHEUNG's motion, be passed.

(Members raised their hands)

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

(Members raised their hands)

Mr Frederick FUNG rose to claim a division.

PRESIDENT (in Cantonese): Mr Frederick FUNG has claimed a division. The division bell will ring for one minute, after which the division will begin.

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, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Dr Raymond HO, Mr Bernard CHAN, Dr Philip WONG, Mr Timothy FOK, Mr Abraham SHEK, Mr WONG Ting-kwong and Mr Patrick LAU voted against the amendment.

Mrs Sophie LEUNG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM and Mr Andrew LEUNG abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Miss CHAN Yuen-han, Dr YEUNG Sum, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung and Mr Ronny TONG voted for 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 CHEUNG Hok-ming and Mr Albert CHENG voted against the amendment.

Mr James TIEN and Mrs Selina CHOW abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, eight were in favour of the amendment, seven against it and nine abstained; while among the Members returned by geographical constituencies through direct elections, 24 were present, 13 were in favour of the amendment, eight against it and two 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): Dr Fernando CHEUNG, you may now reply and you have three minutes three seconds.

DR FERNANDO CHEUNG (in Cantonese): Just as Ms Emily LAU has said, over the years, we have expressed concern for this subject. An organization called the Power for Democracy has conducted a series of studies, and it is found that the appointments made by the Government in the last couple of years did show favouritism. The situation has been slightly improved owing to the controversy it has aroused. The appointment arrangement of our advisory and statutory bodies actually performs a very important social function. It is only under the existing abnormal constitutional system that such appointments have been reduced to such political interest deals. It is most unfortunate indeed.

Secretary Dr Patrick HO mentioned earlier that the appointments can be made in an open manner as far as possible. He, however, stated that these vacancies could not be announced and that some appointees were appointed *ad personam* while some in the capacity of an organization, but actually the majority of these appointees were appointed *ad personam*. The original intention of my motion hopes to enable the Government to, by means of appointment and through these advisory and statutory bodies which are of the utmost importance, recruit a wide pool of talents and solicit opinions and expertise from all sectors, thus enhancing the effectiveness of governance. But, unfortunately, I just heard Secretary Dr Patrick HO urge Members to veto this motion. Actually, if the leadership is accommodating, far-sighted and concerned about the well-being of society governed by it, it must allow and accept political dissidents.

Many Members have mentioned overseas experience earlier, that is, even with the presence of an opposition — or the opposition camp which leading officials preferred to call us today — their views are often taken on board in some measure. Today, in proposing this motion, I believe I have already touched on a key problem related to the difference in closeness of relationship, or even the interest of individual parties in this Council. I believe the motion today will not be passed by this Council unanimously, just as Secretary Dr Patrick HO hopes. It reveals exactly the shortcoming of this difference in closeness of relationship. I therefore hope that with the proposal of this motion today, our Government will have the breadth of mind to seriously consider the motion. I also hope that Members of this Council of different political parties and groupings will also have the breadth of mind to accept and respect each other. I hope that one day we can really take full advantage of our advisory and statutory bodies to solicit talents extensively. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Dr Fernando CHEUNG, 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)

Dr Fernando CHEUNG rose to claim a division.

PRESIDENT (in Cantonese): Dr Fernando CHEUNG has claimed a division. The division bell will ring for one minute, after which the division will begin.

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, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the motion.

Dr Raymond HO, 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, Mr WONG Ting-kwong and Mr Patrick LAU voted against the motion.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Miss CHAN Yuen-han, Dr YEUNG Sum, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Ronny TONG and Mr Albert CHENG voted for the motion.

Mr James TIEN, Mrs Selina CHOW, Mr CHAN Kam-lam, Mr Jasper TSANG, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Mr LI Kwok-ying and Mr CHEUNG Hok-ming 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, eight were in favour of the motion and 16 against it; while among the Members returned by geographical constituencies through direct elections, 24 were present, 14 were in favour of the motion and nine 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.

PRESIDENT (in Cantonese): It is now 12 minutes to ten at night. According to the Agenda, this Council still has to process the second motion with no legislative effect. I consider that all Agenda items can be cleared before midnight, so the meeting will continue.

PRESIDENT (in Cantonese): Second motion: Strengthening the development of post-secondary education and upgrading the quality of sub-degree courses.

STRENGTHENING THE DEVELOPMENT OF POST-SECONDARY EDUCATION AND UPGRADING THE QUALITY OF SUB-DEGREE COURSES

MR CHEUNG MAN-KWONG (in Cantonese): President, the SAR Government announced last year that the objective of allowing 60% of our senior secondary school graduates access to post-secondary education has been achieved ahead of schedule. Thus, a myth is created for the education of Hong Kong.

The education myth of the SAR Government is not only achieving the objective five years ahead of the original 10-year schedule, but also achieving the objective without any additional injection of government fund. By increasing the number of self-financing associate degree places, the participation rate in tertiary education has increased from 30% in 2000 to 66% in 2005, exceeding the objective set for post-secondary education by former Chief Executive TUNG Chee-hwa.

However, behind the myth, the reality is our education has been afflicted with all kinds of ills, such as pretentiousness, vicious competition, discrimination against students, a bottleneck at universities, absence of quality assurance, and preference of quantity to quality. First of all, the Education and Manpower Bureau (the Bureau), in the name of providing a level playing field, substantially cut the subsidized places of the post-secondary institutions and withdrew most of the fund for higher diploma and associate degree programmes, which nearly eradicated the higher diploma programmes of The Hong Kong Polytechnic University and the City University of Hong Kong and, in turn, gave rise to a wave of student demonstrations. Government information reveals that in the years 2004 to 2007, a total of 5 800 associate degree and higher diploma places

have been cut. Along with the master's degree places, a total of over \$900 million of public fund has been cut over four academic years.

The act of smug calculation of the Bureau is the conversion of public subsidy into student loans. However, such loans are offered on an unequal basis, with different levels and categories which are discriminatory in nature. Even if self-financing associate degree students pass the means test and have similar family income, they will not be granted the same amount of loan as those students taking subsidized courses. Moreover, self-financing associate degree students are not granted any financial assistance for their living expenses. They have been forced to apply for loans at an interest rate as high as 7.359% to help cover tuition fees and living expenses. President, why does the provision of financial assistance vary in level and category for post-secondary students alike? Why does the provision of loan vary in level and category for poor students alike? It is both unfair and unreasonable of the Government to humiliate and discriminate against self-financing associate degree students in this way. Therefore, the Government should combine the Local Student Finance Scheme and Financial Assistance Scheme for Post-secondary Students as soon as possible to realize the principle of "fairness, justice and efficiency" adopted by the Student Financial Assistance Agency (SFAA), so as to eliminate the inconsistency of the policy and the inequality in the provision of financial assistance.

Mrs Fanny LAW, the Permanent Secretary for Education and Manpower, said that the Government had already made a strong commitment, which included the provision of over \$1.8 billion in financial assistance or loan to students with financial difficulties. However, the actual fact is: the \$1.8 billion commitment was the accumulated total of the grants and loans offered by the SFAA in the years 2001 to 2004, in which close to \$1.3 billion were for the non-means tested loans that were offered at no-gain-no-loss to the Government, that is, a guarantee against loss. Therefore, it was a high-interest loan with an interest rate always standing at 7% or above. This shows that, to the Government, the development of education is really an investment and not an expense. Moreover, it is an investment at the expense of students.

President, the conversion of subsidy to loan, and then from loan to high-interest loan has made students and institutions victims behind the myth. In order to achieve the objective set by TUNG Chee-hwa, the Government has given institutions huge amounts of loan for campus development to have the

number of places rapidly expanded. During the 2000 to 2005 academic years, the number of self-financing sub-degree places increased at an astonishing rate, with a more than ninefold increase from 2 400 to 23 000 places each year. Associate degree places are like the aliens in the sci-fi movie, which are easy to multiply but difficult to contain. The situation has gone out of control. The number of bachelor's degree and sub-degree places has also increased from 24 000 to 50 000, far exceeding the 34 000 A-Level candidates, as well as the 48 000 HKCEE candidates who meet the minimum admission requirement for Secondary Six each year. President, even if all of these A-Level or HKCEE candidates remain in Hong Kong to pursue further studies, they will not be able to fill the 50 000 post-secondary places each year. Besides, the provision of 50 000 places is not an upper limit. Along with the completion of more new campuses, as well as the declining student population, a severe over-supply of places will result, which is an exact repetition of the nightmare and disastrous course experienced by primary and secondary schools.

Given the over-expansion of the number of places and the over-supply of courses, in order to struggle for survival and to repay the Start-up Loan, institutions can do nothing but throw themselves into the market of vicious competition to offer popular courses like a swarm of bees; to relax the admission requirements; to lower the teaching standard of the courses; to expand the number of pre-associate degree places, and so on. In short, the most important mission of the institutions is student intake, loan repayment and survival. It is inevitable that the quality of education will be adversely affected and little attention can be given to whether students can put what they learn into practice.

Faced with the difficult situation of insufficient intake of institutions and repetition and mushrooming of courses, the Government has been enthusiastic enough to plan to increase the number of sites for campus development in order to push up the number of post-secondary students, which will result in a more miserable environment for institutions, more intense vicious competition, a lack of quality in education and a collective devaluation of academic qualifications. The Government has provided over \$4 billion of Start-up Loan over the past six years. Loan-bearing institutions have to repay in 10 years. But the responsibility of loan repayment has fallen on students, with a portion of their tuition fees being used for mortgage repayment for institutions. At present, for a teaching building built on a loan, the average building cost borne by each student is \$120,000. In other words, \$12,000 of every student's annual tuition fee has to be contributed to mortgage repayment for institutions for a period of

10 years. Take average tuition fee as \$45,000, close to one third of it will go to mortgage repayment. This is outrageously ridiculous. Why is it necessary for students to repay mortgage for institutions when the title will eventually fall into the hands of the latter? This policy of the Bureau is like borrowing a boat to cut the paddies, and simply treating students as dupes. Moreover, the repayment of mortgage by tuition fee will directly affect the quality of teaching.

President, students having to take out a high-interest loan to pursue university education is the first painful experience; students having to take out a loan to repay mortgage for universities is the second painful experience; and the quality of teaching being affected by such mortgage repayment is the third painful experience. After various deductions and cuts from the tuition fee, resources left for self-financing associate degree students are even less than those for matriculation students. And the interest rate of the loans taken out by self-financing associate degree students is much higher than that of the loans of general mortgagors. Mrs Fanny LAW said that the Government had already made a strong commitment. Was it a lie against her conscience? Was it empty talk covering up the truth? The Government should stop taking advantage of self-financing associate degree students. Instead, it should allocate additional resources to lessen the burden of institutions and students. One of the measures is to offer institutions an option to extend their loan repayment period, so as to relieve their financial pressure and enable them to utilize tuition fee directly on teaching, on the enhancement of quality of education, on the provision of campus facilities and on student development services.

President, self-financing associate degree students have suffered all kinds of discrimination. But they still hold on to their studies for the only hope of getting a second chance to pursue university education. However, their road to further studies has reached a bottleneck, and their aspiration for further studies has ended in a dream. At the time when associate degree was first introduced, the Government boasted that it was "an independent and valuable academic qualification", and pledged that associate degree "graduates could further their studies in degree courses and articulate with overseas universities, or they could opt for employment". However, the actual fact is: Associate degree students have encountered great difficulty both in pursuing further studies and securing employment. At present, the number of associate degree places has increased from around 20 000 in 2003 to 32 000 in 2005. But it was not until 2005 that the Government provided 840 second-year and third-year undergraduate places respectively for articulation purpose. Over 30 000 graduates have to walk

along a narrow path that allows only 800-odd of them to pursue university education. This is the biggest and narrowest ever bottleneck in the history of education in Hong Kong. When the number of graduates increases, the bottleneck in pursuing further studies will become narrower, and the disappointment of students will become greater. President, associate degree students are coming close to a dead end both in pursuing further studies and securing employment. They are unable to attain the best yet unwilling to make do with the second best. And they are caught between two stools. They are made orphans in the post-secondary education sector. Who should be held responsible for this situation?

The Bureau should admit that employers have set increasingly high academic requirements. And associate degree can no longer meet social expectation. Therefore, the 14 500 subsidized first-year undergraduate places, which has been a static figure in Hong Kong for 12 years, have lagged far behind the need of students for further studies. The over-expansion of associate degree places together with the stagnation of degree places have developed a bottleneck at the articulation pathway of associate degree students. President, it is necessary to free the capping of subsidized degree places at 14 500 each year. This figure has remained the same since the first year I joined the Legislative Council. Outstanding associate degree holders may then have access to pursue further studies and escape the fate of a trapped "palace graduate" caught in a dilemma. And more young people may then have access to employment and escape the fate of drifting in the impasse of associate degree.

President, quality is the lifeline of associate degree courses. The lack of quality assurance of the associate degree is the reason for it failing to gain social recognition. It is pitiful and sad that as graduates cannot secure a suitable employment after rounds of job search, they can only enrol in another sub-degree course and take out another loan. Some students have currently started their second associate degree course. And some students, in the end, were not eligible for professional examinations even they had graduated in some so-called professional programmes. The SAR Government should establish an independent mechanism for quality assurance to ensure the quality of associate degree courses and recognition of the qualifications conferred. Otherwise, when the number of associate degree holders begins to rise, their qualifications will only experience a collective devaluation and degrade to a pseudo-profession in name only. Graduation means unemployment, as well as an outstanding 10-year loan at high interest.

President, the associate degree sector is heading towards the engagement in false, big and empty talks. It is false because of the lack of quality assurance; it is big because of the over-supply; and it is empty because of the bottleneck at the articulation pathway. Therefore, I proposed today the motion of "Strengthening the Development of Post-secondary Education and Upgrading the Quality of Sub-degree Courses" to urge the Government to seize the opportunity to restore order and turn a crisis into an opportunity in order to promote the healthy development of the associate degree sector.

President, I strongly support more young people in upgrading their academic qualification. However, the academic qualification they acquire must be of good quality; must be worthy of the name; must be a means for them to gain broader access to further studies and employment. This is our immediate concern. This is also the responsibility of the Government in education that it cannot avoid, evade or fend off with sophistry.

With these remarks, President, I beg to move.

Mr CHEUNG Man-kwong moved the following motion: (Translation)

"That, although the Government has announced that it has exceeded the policy objective of providing tertiary education for 60% of senior secondary school leavers, a series of problems have arisen as a result of the substantial increase in the number of self-financing sub-degree places over the past five years, this Council considers that the Government should, apart from meeting the quantitative objective, also strengthen the development of post-secondary education and upgrade the quality of post-secondary courses; in this connection, this Council urges the Government to allocate more resources and adopt measures to address such problems as the varied quality of sub-degree courses, inequality under various student financial assistance schemes, and difficulties encountered by students in pursuing further studies and securing employment; such measures should include:

- (a) setting up a quality assurance mechanism to ensure the quality of sub-degree courses and recognition of the qualifications conferred;
- (b) facing up to the situation of over-supply of sub-degree places, and preventing vicious competition among institutions;

- (c) combining the Local Student Finance Scheme and the Financial Assistance Scheme for Post-secondary Students, so that all full-time students are treated equally and provided with the same level of assistance according to their financial needs;
- (d) providing appropriate facilities and student development services to post-secondary students, having regard to their education needs within and outside schools; as well as providing institutions with an option to extend their loan repayment period, so as to relieve their financial pressure and enable them to utilize most of the tuition received for teaching purpose; and
- (e) gradually increasing the number of degree places in keeping with the needs arising from social development and the academic structure reform, so as to allow outstanding graduates of sub-degree courses to pursue subsidized degree courses, thereby eliminating the bottleneck in pursuing further studies."

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

MR ALAN LEONG (in Cantonese): Madam President, I have just reviewed the policy address released in October last year and the Budget released in February this year in the hope of gaining some understanding of the major policy directions and specific measures of the Government this year in the development of post-secondary education. It has taken the Government only five years to achieve the objective of increasing the participation rate in tertiary education to 60% within 10 years. However, I cannot see any substantial self-commendation or reference made in either the policy address or the Budget.

Why has the Government kept such a low profile of its achievement in bringing forward the great plan in education into fulfillment in half of the scheduled time? Perhaps after today's debate, we will have learnt that the Government is not modest and discreet in words on the subject of post-secondary education. The Government actually has not much to write home about. Associate degree students who account for 65% of senior secondary school leavers pursuing post-secondary education are now facing a situation where both

the prospects of further studies and employment remain in doubt and unclear. A gloomy future is ahead of them, and a heavy burden of student loan is on their shoulders. It is absolutely not an overstatement to say associate degree students are students enduring great hardship in the modern time.

Madam President, the cause of hardship for associate degree students is the development concept of post-secondary education, which focuses on targets and achievements rather than directions and quality. The major strategy of the Government in increasing the participation rate in tertiary education is substantially increasing self-financing associate degree places. As a result, the proportion of self-financing sub-degree places has risen from 26% in 2000 to 71% in 2005. It is true that the substantial increase in self-financing sub-degree places has presented the grand picture of enabling 60% of our secondary school graduates to access post-secondary education, but it has also brought an unprecedented qualitative change to the local post-secondary education sector. In the end, teachers, students, parents, and even employers have all been put at a loss.

To put it simply, before the rapid expansion of the sub-degree sector, to the public, tertiary education means mainly publicly-funded undergraduate degree courses supplemented by external courses of universities and vocational courses of other institutions. However, after the rapid expansion of the sub-degree sector, the public has gradually recognized the significance of sub-degree and its status in post-secondary education, which is equivalent to an undergraduate degree. Nevertheless, the provisions for sub-degree and undergraduate degree programmes have been vastly different. Undergraduate places are mainly publicly-funded while some of the sub-degree courses are self-financed. In the past, the major target of matriculated students eligible for post-secondary education was the competition for publicly-funded undergraduate places. However, at present, a large number of matriculated students have shifted their focus to target sub-degree programmes as their next phase of studies. As opposed to the simple nature of the qualifications conferred by undergraduate degree, however, the qualifications conferred by the sub-degree sector are unclear. And its place in both the markets of further studies and employment has been rather obscure. As a result, sub-degree students may not be able to chart a direction for their own future.

Madam President, another fatal blow is that the sub-degree sector provides a small number of highly competitive publicly-funded places, as well as a large

number of self-financing ones. In fact, a lot of matriculated students put both undergraduate and sub-degree courses on their preference list in the JUPAS. However, due to some technical reasons, they were not allocated places in all of these courses and had no choice but to enrol in self-financing sub-degree courses. Faced with obscure academic qualifications plus all sorts of fee structures, matriculated graduates and their families have to weigh the odds and make a decision in a limited timeframe. This will only heighten the sense of powerlessness of students and parents towards the existing system. To enrol with apprehension and to graduate with anxiety are the present sentiments of sub-degree students in general.

The chaos of the sub-degree sector is merely a depiction of the blindness and recklessness of the post-secondary education system. Fiscal deficits and economic constraints of the past have led to a series of funding cuts in university education. Institutions can do nothing but bow to market interests to maintain resources they always enjoy. Targets and tests that loom upon teachers and students have been on the increase. And space for genuine academic pursuit has, in turn, been shrinking. I believe even the Government is not able to state categorically the significance of the sub-degree sector lies in giving students a qualification for employment or a foundation for further studies at degree level. Even if the participation rate in tertiary education has reached 60%, the only product of our system is a group of dispirited post-secondary students. How can we take pride in ourselves?

Officials of the Bureau should pay more attention to the sub-degree sector. They should instruct institutions to play the gatekeeping role stringently to ensure the quality of sub-degree courses; eliminate the secondary status of sub-degree students in financial terms; relieve the financial pressure of institutions in the provision of the courses; and increase undergraduate places in keeping with the reality of the expansion of the sub-degree sector so as to assimilate outstanding sub-degree students. In the long run, the Government should ensure that sub-degree students will acquire substantial qualification to secure employment and pursue further studies. For instance, consideration should be given to a definite recognition of the qualification of sub-degree graduates in civil service recruitment.

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

MR ANDREW LEUNG (in Cantonese): Madam President, first of all, before I come to the main part of my speech, I wish to declare my interest as the Chairman of the Vocational Training Council (VTC), which is, at present, the largest provider of sub-degree places in Hong Kong.

The evolution of Hong Kong into a knowledge-based economy needs support by a huge pool of quality talents. Take a look at the manpower produced by the existing pyramid academic structure of Hong Kong and a gap is found when compared with other advanced countries. There are around 85 000 Secondary Five students in Hong Kong each year. While 30 000-odd of them can pursue matriculated courses, only 14 500 of them can get a place in local university degree courses, representing only 18% of the student population. The present economic development of Hong Kong has not only targeted at the local market. In the past two to three decades, our scope of development has spread to Guangdong Province. And the future economic development of Hong Kong will rely on our ability to pool talents. Therefore, Hong Kong needs the support of a large number of local post-secondary young graduates. In fact, a wealth of talent is not only essential to the development of advanced technology, design and high value-added industries in Hong Kong, but also to many of the 80 000 Hong Kong businessmen with over 1 200 employees in the Pearl River Delta (PRD) who wish to recruit Hong Kong people as high and middle management and technological research personnel. We cannot merely rely on outside help. Therefore, it is necessary for the education and manpower policy of Hong Kong to cultivate a wealth of local talent.

Madam President, all young people have potential. It is most important that they are given suitable opportunities to identify their own interest and realize their potential. They will then set foot on the platform of lifelong learning to shine and glow. Therefore, I strongly support the Government in developing post-secondary education to enhance the quality of local manpower in order to tie in with the economic development of Hong Kong.

It was the policy objective of the Government in 2000 to gradually increase the participation rate in post-secondary education to 60% by 2010. Post-secondary education means degree courses at undergraduate level or above, as well as sub-degree courses, that is, higher diploma and associate degree courses. Over the past six years, the Government has given the private market active encouragement in the development of the sub-degree sector. And the set policy objective was achieved in the year 2005-06 with a participation rate as

high as 66%, exceeding the original target. This shows that there is a keen demand for post-secondary education in the community. And our young people are in bad need of a progression pathway after the completion of secondary schooling.

Although the quantitative objective has been achieved, our focus of attention should be on the quality of post-secondary education. After the development in the last few years, the quality of courses offered by the market has varied. It is necessary to establish a strict mechanism for quality assurance. I am very pleased that the Report on the Review of the Post-Secondary Education Sector recently released by the Education and Manpower Bureau (the Bureau) has arrived at the same conclusion, that future development should focus on quality rather than quantity in order to consolidate our advantage. I am also very pleased that the VTC has started the process of quality assessment with the Hong Kong Council for Academic Accreditation (HKCAA). And based on the student-oriented principle, our colleagues will spare no efforts in going through this stringent assessment.

There is merit in ensuring the standard of post-secondary programmes through the quality assurance mechanism of the Qualifications Framework. However, the existing arrangement of "one country, two systems" has left non-university institutions a sense of unfairness. The quality of the courses of non-university institutions is monitored by the HKCAA while the courses provided by community colleges or non-faculty units under universities with self-accreditation status are overseen by the Joint Quality Review Committee. To give all course providers a sense of fairness, the authorities need to show that the stringent standard and monitoring level of the two systems are consistent. Moreover, the cost of accreditation for courses is so expensive that a significant portion of it has been transferred to students. I suggest that the Government should consider the provision of proper financial assistance to lessen the burden of institutions and students.

As regards the recognition of the qualifications conferred by the sub-degree sector, the sub-degree sector actually includes higher diploma programmes with a history of several decades and the recently introduced associate degree programmes. Parents and students in general may not be able to differentiate the two programmes. In fact, some colleges have also confused the positioning of the two programmes, which will affect the community and the trades in the recognition of the qualifications conferred by the sub-degree sector.

Madam President, generally speaking, higher diploma courses place more emphasis on vocational knowledge and skills, which mainly prepare students for employment while associate degree courses lay stress on general skills, which mostly prepare students for further studies. Higher diploma programmes run by The Hong Kong Polytechnic University and the VTC have had a very long history and gained a general recognition of the trades. And graduates of these programmes have been well received by employers. Relatively speaking, the recently introduced associate degree has yet to make a strong impression on the trades. I believe it takes time for associate degree graduates to win the confidence of employers in their working abilities. In this connection, we hope the Government will take the lead to recognize associate degree as a qualification for civil service appointment so that more voluntary organizations and even corporations will be encouraged to follow its example.

As regards whether the 66% participation rate in post-secondary education is sufficient, I hold that if our policies are orientated to the needs of young people, and focus not only on Hong Kong, but also on the Great-PRD or Pan-PRD, given the present economic level of Hong Kong, the participation rate of 66% is on the low side. I suggest that the participation rate should be free of a ceiling to give young people more opportunities and options. Moreover, it is hoped that a progression ladder will be made available for sub-degree students. In particular, there is a serious lack of articulation opportunity for subsidized degree places. Although sub-degree graduates can opt for employment, from the angle of improving the overall quality of manpower, it is necessary for the authorities to expedite and encourage the provision of more subsidized or self-financed undergraduate degree places for articulation purpose to increase their opportunities of further studies.

Members have also mentioned the inadequacies in the arrangement of the provision of financial assistance for students. However, the Bureau already made a response in March by relieving the financial burden of self-financing sub-degree students, and by narrowing the gap in the levels of financial assistance between students under two different treatments. I support this revision. Thank you, Madam President.

MR LI KWOK-YING (in Cantonese): Madam President, talents with high academic qualification is an essential element of the development of a knowledge-based economy. In recent years, in order to improve

competitiveness, countries around the world have long started the active development of tertiary education. In the case of Hong Kong, the SAR Government has actively encouraged institutions to offer associate degree programmes to achieve the objective of universal tertiary education at an early date. However, in increasing the ratio of local tertiary education participants, it is necessary to assure the quality of associate degree and upgrade it to a recognized standard in order to foster true talents needed by society.

In fact, in recent years, in response to the promotion of the Government, the number of associate degree courses offered by major service providers has seen remarkable growth. As a result, the number of self-financing associate degree courses has progressively increased and soared from 20 in 2000 to 227 in 2005. At the same time, due to the growth of the associate degree sector, the local participation rate in tertiary education has increased from 33% a few years ago to 66% this year. On the one hand, an increasing number of students are given the opportunity to pursue post-secondary education, and on the other, due to the ample supply of associate degree courses, students are offered more options in selection.

However, behind these prolific opportunities and choices, students have to pay a huge price. As the recognition of the qualification of associate degree is in doubt, students have been subjected to a state of agony and helplessness both in pursuing further studies and securing employment. Regarding the recognition of the qualification conferred by the programmes, the Administration has claimed that the qualification of associate degree has gained general recognition, for instance, in the area of academic studies, it is recognized by all the local tertiary institutes and other institutions; and in the area of employment, it is recognized by over 20 professional bodies and 13 civil service grades, but in real life, associate degree students have suffered setbacks everywhere. It is impossible for the associate degree to match up to the higher diploma because the latter has a distinct edge in terms of history and application. And it is more likely for the latter to gain the confidence and recognition of employers.

Generally speaking, there are only two major progression pathways for associate degree students, namely, further studies and employment. For the sake of their own future, even though the majority of the associate degree students know that the programmes may not necessarily be publicly-funded and they may even become heavily in debt in future, they still wish to strive for an

additional progression pathway for their future. These associate degree students may think that should there be difficulties in securing employment, they will at most be over-qualified and forced to condescend to take a low-ranking post. This is at least a way out for them. On the other hand, their course to further studies is not smooth either. As there is an ample supply of associate degree places but only a limited number of undergraduate places, it is inevitable that the eight UGC-funded institutions have given preference to graduates from their own subsidiary institutions in the selection of associate degree students for university degree courses. On the one hand, there is the issue of articulation of programmes, while on the other, associate degree programmes offered by these subsidiary institutions will become more popular with students because of this selection procedure, thus giving them a competitive edge over other institutions.

Regarding the predicament of these students, as the Government has played an active role in the promotion of associate degree programmes, should it not be obligated to break the impasse faced by the students? There is no better way than to start with the three stakeholders: students, institutions and employers. In terms of students, no matter whether they are students of associate degree or other post-secondary institutions, in tandem with the popularization of tertiary education, the problem of devaluation of academic qualifications will arise in future, or it is here already. This means, at present, the social expectation of talents with high academic qualification pitches at the bachelor's degree. But no one can say for sure that in future, it will not pitch at the master's degree or above. Therefore, students should seize the opportunity at hand and prepare to condescend themselves in future job search.

In respect of institutions, in order to improve the progression pathway of the graduates, institutions can strengthen its connection with the outside world, in particular, the business sector, to enable employers to gain a better understanding of the associate degree courses. Besides, they can follow the example of university faculty programmes in joining hands with business to offer placements to undergraduate students to facilitate their early acquisition of working skills and experience. Moreover, institutions can enhance the application aspect of the courses and offer suitable courses in keeping with the trend of development of the community to meet the social requirement and expectation of talents.

In respect of employers, apart from improving the communication between institutions and employers, the Government should also take the lead to offer

more opportunities of placement and employment in government departments to allow associate degree students to realize their own potential. In particular, on the design of courses, the Government and institutions can jointly set up more channels of communication to seek the opinions of employers so that the course contents will better meet the needs of employers.

Madam President, in fostering an increasing number of talents with high academic qualification, a good balance must be struck between quality and quantity. Otherwise, it is impossible to have genuine talents with high academic qualification fostered for the community despite a much higher participation rate in tertiary education.

Madam President, I so submit.

MS AUDREY EU (in Cantonese): President, the achievement of a participation rate of 60% in post-secondary education is in itself really good. I also agree to what Mr Andrew LEUNG said earlier in his speech, that 60% is still not enough. We need an even higher percentage. However, it is only natural that the rapid expansion in such a short time has brought along a lot of problems. Members also mentioned earlier that there were 19 559 places in the 2003-04 academic year and 32 570 places in the 2005-06 academic year. However, it is not until this academic year that the Government has finally allocated 840 degree places to facilitate articulation of associate degree graduates. Mr CHEUNG Man-kwong also mentioned this issue earlier, which is in point (e) of his original motion.

Although the Government has doubled the number of degree places for articulation in the 2006-07 academic year to 1 680, the chance for associate degree graduates to pursue university education has remained at around 5% which is merely a drop in the ocean. Although the Government has all along stressed that university education is not the only progression pathway for associate degree graduates as they may opt for employment, experiences of the past few years have shown us that the qualification of associate degree has yet to obtain general recognition in the community. When compared with some vocational oriented diploma or higher diploma programmes, associate degree has given the impression of "being caught between two stools" no matter whether in pursuing further studies or securing employment. Many Members also raised this point earlier.

To solve this problem, the Government should, on the one hand, step up the monitoring of the quality of associate degree programmes — Mr Ronny TONG will speak on this issue later — and on the other, offer a reliable progression pathway to associate degree graduates, particularly in the provision of degree places for articulation. This will be a win-win option for both associate degree students and the community of Hong Kong because the provision of additional degree places not only serves as a progression pathway for associate degree graduates, but also satisfies the needs of Hong Kong as a knowledge-based economy. Hong Kong is no longer a manufacturing-based city. Similar to our neighbouring regions, we have evolved into a knowledge-based economy. We expect people working in different trades and businesses in the community, from hotel, logistics to kindergarten education, to acquire degree qualification. And we need talents with academic qualification and general knowledge instead of those trained for specified skills in the past. Therefore, the university admission rate of our neighbouring regions such as Taiwan and Singapore has been rising over the past few years.

However, just as Mr CHEUNG Man-kwong said in his speech earlier, there were 14 500 degree places when he first joined the Legislative Council. And the number has remained the same to date. Therefore, the participation rate of 18% mentioned by us will drop to 16%. If this trend continues, the university admission rate will drop to 15.5% five years later, which will lag far behind the 44% in Singapore, 68% in South Korea, 70% in the United States and 30% in the Philippines. Moreover, according to the current trend of development, the university admission rate of other regions will only rise instead of going down in the short run.

I recall attending a seminar titled Rethinking Hong Kong's Human Resources and Competitiveness held earlier by the University of Hong Kong, in which Prof Helen SIU, a professor of Anthropology at the Yale University and Prof Richard WONG, Deputy Vice-Chancellor of the University of Hong Kong took part in the discussion on the study of human resources of Hong Kong. They compared Hong Kong with New York which is also a financial city and found that 30% of the population of New York has currently acquired university qualifications, which is a higher ratio than that of Hong Kong. They also made a projection that even after a further development of 30 years, if government policies on education and immigration remained unchanged, only 20% of the population of Hong Kong would have acquired university qualifications 30 years later, which would still lag behind New York or London.

Of course, Hong Kong is now being troubled by the problem of ageing population. Therefore, faced with these trends, in drawing up long-term policies on population and education, the Hong Kong Government should consider the fostering of local talents apart from the import of talents to allow greater access to university education for the next generation and more articulation opportunities for associate degree students.

The development of the associate degree sector in Hong Kong proves that there is a huge demand in the community for further training, wider knowledge and greater opportunities. Therefore, my view is different from that of the other. I think the increase in the number of self-financing associate degree places is not an issue in itself. The assurance of quality and articulation is a far more important issue. Mr Ronny TONG will elaborate on the issue of quality assurance later.

To ensure the long-term development and competitiveness of Hong Kong, I hope the Government will allocate extra resources to put in more efforts in the provision of additional places and the assurance of quality.

Thank you, President.

DR YEUNG SUM (in Cantonese): Madam President, since the Chief Executive announced in 2000 the objective of increasing the participation rate in post-secondary education to 60% within 10 years, the participation rate in local post-secondary education has rapidly doubled within five short years. It has increased from 33% in 2000 to 66% this year, which can be said to have exceeded the original target.

Although the objective has been achieved five years ahead of schedule, problems arising from the rapid expansion of the sub-degree sector have gradually emerged. In view of this, the Legislative Council and members of the public have repeatedly expressed their concerns to the Government through different channels. In response, the Government established a steering committee to review post-secondary education last year. And the report of the committee on Phase 1 of the Review with the proposal of a number of recommendations was released in March this year. Although some of the recommendations such as bringing the means-tested grants under the Financial Assistance Scheme for Post-secondary Students on par with that of the Local

Student Finance Scheme will help relieve the burden of self-financing sub-degree students, the report has not touched on the series of impacts on the quality of courses, the tuition fees, as well as the prospects of further studies and employment of students after the conversion of the sub-degree programmes into a self-supporting model.

The motion proposed by Mr CHEUNG Man-kwong raised six issues concerning the sub-degree programmes, including the quality of sub-degree programmes, the provision of financial assistance to sub-degree students and the prospects of further studies and employment of sub-degree graduates, which deserve attention of the Government and the public.

Madam President, there are basically three major issues in the current development of the sub-degree sector: First, varied quality; second, inadequate funding and third, blocked articulation pathway. I wish to speak on the issue of varied quality first. In the past, the application-oriented approach gave publicly-funded higher diploma programmes a clearer positioning, which met the need of the market. It was not necessary for students to bear the full burden of tuition fees, and the graduates had brighter prospects of further studies and employment.

Unfortunately, since the Government made the decision on a substantial increase in sub-degree places, a basically self-financing policy has been imposed on the sub-degree sector where only some of the places are publicly-funded. Under these circumstances, the environment has undergone a major change. The resource cuts have triggered off a domino effect. Along with the funding cuts, the burden borne by students has increased. At the same time, it is also difficult to maintain the quality of teaching. It is only natural that recognition of the qualification of sub-degree programmes has been largely discounted, and the prospects of further studies and employment of the graduates have turned gloomy.

Second, on the issue of inadequate funding, it is a hard fact that funding for sub-degree programmes has been far from adequate. Take the average annual tuition fee of \$30,000 to \$50,000 of the majority of the currently-run sub-degree programmes as an example, around one third of it is used for the repayment of the Start-up Loan of the institution; another one third is used for the lease of university facilities such as library, sports facilities, and so on. It is possible that resources genuinely spent on sub-degree students are even less than

those on secondary school students. The Education and Manpower Bureau promised that the resource savings achieved from the cuts of publicly-funded sub-degree programmes would be used to benefit the sub-degree programmes. However, "financial assistance" actually means loans. As a result, students have to pay a higher tuition fee than that of a degree course in exchange for a secondary academic qualification. The Financial Secretary undertook earlier to study the possibility of providing tax concessions for sub-degree tuition fees. We hope that the study will be completed as soon as possible to lessen the burden of sub-degree students and their parents.

The Democratic Party is of the view that the cost of campus development for the provision of sub-degree programmes should not be borne by the post-secondary institutions on the grounds that such cost has been transferred to students. And in order to raise fund to repay the Start-up Loan, institutions have been forced to offer a greater number of courses resulting in repetition and wastage. In fact, the expenditure on campus development of privately-run schools such as those under the Direct Subsidy Scheme and the English Schools Foundation have been borne by the Government. We do not see any reason why the Government should require post-secondary institutions and students to bear the expenditure on campus development.

Third, on the issue of blocked articulation pathway of sub-degree students, apart from the financial burden of sub-degree students and the varied quality of sub-degree programmes, the articulation pathway of sub-degree graduates is also a matter of concern. As the "3-3-4" academic structure is due to be launched, the positioning of the sub-degree sector and its articulation to degree programmes should be reviewed.

Since the substantial increase in degree places in the early '90s, the number of places has been frozen at 14 500 for many years. It was not until 2005 that the Government started to increase the provision of publicly-funded second-year and third-year undergraduate places in phases. This proves that the cap on the number of degree places can be subject to change and there is a huge demand for degree places in the community. Even after the increase in the number of degree places, the fact that over 20 000 sub-degree graduates each year have to compete for less than 840 degree places for articulation shows that this measure of the Government is merely a drop in the ocean and a little better than nothing. We urge the Government to further increase the number of degree places for articulation to give outstanding sub-degree graduates more

articulation opportunities to subsidized degree courses in order to eliminate the bottleneck in the pursuit of further studies.

Madam President, with Hong Kong developing into a knowledge-based society, the trends towards universal post-secondary education and expansion of degree places are inevitable. It is the responsibility of the Government to invest in human resources. However, the rate of access to university education of local students warrants an increase. In fact, the report on education of the Organization for Economic Co-operation and Development in 2005 reveals that the ratio of the number of degree places to the population of the right age in Hong Kong is rather low, which is only 18%. We have lagged far behind other advanced countries such as Japan (34.2%), the United States (32.9%) and the United Kingdom (38.2%). These figures refer to degree courses, which show that the number of local degree places has great room for an increase.

Madam President, the sub-degree sector has seen rapid expansion. But it has also encountered great difficulties in quality, education and articulation opportunity, in particular, progression pathways for sub-degree students. I very much hope that the Secretary will pay due attention to these issues and propose relevant measures to improve the programmes in Phase 2 of the Review by the committee as it is a social obligation to invest in human resources for the younger generation.

Thank you, Madam President.

MR PATRICK LAU (in Cantonese): Madam President, there has all along been widespread criticism of the sub-degree programmes. Complaints voiced by students have been particularly loud and clear. For instance, the quality of the programmes run by different institutions varies greatly, and the progression pathways for graduates are limited no matter in pursuing further studies or securing employment. What exactly has led to the present situation where complaints are heard everywhere?

A large number of teachers and students have accused with one voice, that in order to fulfil the promise made in 2000 to increase the participation rate in tertiary education to 60% within 10 years, the Government of playing a numbers game in which the number of sub-degree places has been increased steadily to

succeed in exceeding the original target within five years. It is sad that relative to the present 30 000-plus sub-degree places, there are only 840 degree places for articulation provided by the Government in this academic year. To the majority of students who have aspirations for further studies, the sub-degree programme is utterly a "vain trip" down the road to further studies. Therefore, it is necessary for the Government to increase as soon as possible the number of subsidized degree places for articulation, so as to raise the ratio of articulation of outstanding sub-degree students who have aspirations for further studies.

Moreover, an open mechanism should be put in place in universities for the admission of "sub-degree students articulated to degree courses", in which the average credit requirements for admission to different degree programmes, and the exact number of places available for the articulation of sub-degree students in different universities should be clearly specified. In this way, confusions experienced by sub-degree students now under the existing system will be avoided.

Madam President, the lack of recognition of the qualification of the sub-degree sector has given another serious cause of concern. The blame for this scenario can be put on the considerably varied quality of the sub-degree courses. It is the opinion of some students that the teaching quality and integrity of some teaching staff of the institutions were unreliable and the course design a mess. One of the examples was the sudden "change of direction" in the mode of assessment of a particular course from specifying coursework early in the term to requiring examination in the last term. Although the Secretary told representatives of the Federation of Students in November last year that the Joint Quality Review Committee would oversee the quality of the sub-degree courses run by the eight universities, what is the quality assurance for courses run by other institutions?

Therefore, it is necessary for the Government to put in place a monitoring mechanism for the assessment and benchmarking of institutions in the sub-degree sector, in which different aspects of the sector such as the design of courses, the qualifications of teaching staff and the facilities of the campus (all of which are very important in my view) will be subject to strict supervision. After the introduction of this set of standards, credit transfer among institutions will be made possible. In this way, recognition of the qualification conferred by the sub-degree sector will naturally be increased, and sub-degree students will face a

smoother course in future no matter whether in pursuing further studies or securing employment. There may be concerns about vicious competition among institutions to "vie for students" after the implementation of the credit transfer system. However, I hold that as long as institutions are encouraged to focus on the running of courses in which they relatively excel and specialize resulting in a flourishing academic development, vicious competition will naturally be avoided. However, I have to put down a reminder here, that in the establishment of the mechanism for assessment, the past practice of filling in quality assurance forms and reports, which assesses "quality" in name but "quantity" in substance, should never be repeated.

Madam President, a large number of students are taking self-financing sub-degree programmes. Information provided by the Education and Manpower Bureau reveals that tuition fees range from \$24,000 to \$53,000, which is not a small amount to these young people. Although the Government has set up the Financial Assistance Scheme for Post-secondary Students for eligible sub-degree students, the arrangement under this Scheme is vastly different from that of the Local Student Finance Scheme for other full-time post-secondary students. The Student Financial Assistance Agency has even suggested that the amount of income students earn from part-time jobs, such as private tutorship, and placements should be deducted pro-rata from their grants and low-interest loans. In my view, this suggestion is most unreasonable.

Therefore, I agree to the proposal of combining the two financial assistance schemes in the original motion so that all full-time students will be treated equally. It is hoped that the Government will cease to evade its responsibility in the investment in education and transfer the costs to students and parents.

Thank you, Madam President.

MR LEE CHEUK-YAN (in Cantonese): I am very disappointed at the design of the associate degree programme. It is a typical system that lacks concept and long-term planning on the part of the Government. TUNG Chee-hwa's words were very pleasant to the ears at the time. He presented the public a figure, saying 60% of the people would acquire post-secondary qualification in future. When the general public heard about post-secondary qualification, some of them mistook it as the bachelor's degree. In that case, it would really be wonderful.

Should 60% of the people of Hong Kong acquire such a qualification, wouldn't we be "on top of the world" — 60% of the people would be university students. However, it turns out that this is not the case. It is not that 60% of the people will be university students. As Mr CHEUNG Man-kwong said, the number of university students remains at only 14 000-plus each year. The rest are actually associate degree holders.

Exactly which direction will the associate degree guide or lead students? Nobody knows. The Government has expressed the hope of having the qualification of the associate degree students recognized by employers. Does it mean the Government wishes employers will employ them? Subsequently, the Government has told us that associate degree students can pursue university education. However, it turns out that this is again not the case. Only 840 students can pursue university education. Among 28 000 students, there are only 840 places. It is only recently that the number of places has increased to 1 680. But the places are actually distributed at two different undergraduate levels, that is, second year and third year of the undergraduate programme. There are still only 840 places for articulation to the right undergraduate level. It is really a shame that the number of places provided at two undergraduate levels only adds up to as few as 1 680.

If university education is not for associate degree holders, what will they do? I really have no idea. I think this is the key question to which the Government has to give us an answer now. However, what exactly is the number of degree holders the Government plans for Hong Kong in its concept of governance? This is the most important question. We discussed the issue of competitiveness last week. Once competitiveness is brought up, everyone in Hong Kong will say that education is vital. If education is vital, we certainly hope that the number of holders of bachelor's degree, master's degree and doctor's degree will increase. However, this is not the thought of the Government. It only wishes there will be an increasing number of holders of associate degree instead of bachelor's degree.

However, members of the business sector and the community have pointed out that Hong Kong needs to enhance its competitiveness and Hong Kong is being marginalized. But while they are discussing the issue of competitiveness, they hope that the wages will not rise to too high a level. This is, in fact, not an issue of high wages. To develop a high value-added economy, it is essential to have a workforce with high academic qualification. It is really a problem if the

academic qualification is not high enough. But nobody will pay attention to this. Moreover, the Government completely has no idea about the number of university students and degree holders that can satisfy the need of Hong Kong.

Let us take a look at the figures now. In 2001, the number of bachelor's degree holders accounted for 12.3% of the total population of Hong Kong. It was 30.2% in New York and 25.6% in London of the United Kingdom. It is very clear to all of us that 30% of the people in New York are degree holders while we have only 12% in Hong Kong. We have lagged very far behind. As Ms Audrey EU said earlier, based on the current rate, it had been projected that the number of degree holders in 2031 would only account for 20% of the total population of Hong Kong. The most awful thing is, among those 20% of the people, the majority of them will be of old age. I do not know whether I will still be alive in 2031. But how old will we be then? In other words, all degree holders here will mostly have become very grey then. Therefore, the figure will become meaningless. Even though 20% of the people are degree holders in 2031, it is awful that the majority of them will be retirees. What about the competitiveness of Hong Kong? They will all grow old in 2031. Of course, there will still be some young people. But the figure of 20% of the total population will become meaningless because the majority of these people will be retirees.

The major problem with the associate degree is the lack of a clear vision from the Government of the number of degree places. If there are more degree places, associate degree students will naturally have an advantage over matriculated students in pursuing university education because they have taken more courses. Therefore, is it possible to allow outstanding associate degree students to articulate to university education? I have talked to some of the associate degree students. They said a bright future had been depicted in the advertisements, saying 70% of the students could go on to university education. I asked those associate degree students: Where exactly did the 70% come from? I do not know whether Members have examined those advertisements. If 70% of the associate degree students can go on to university education, how come it is 70%? I asked those associate degree students this question. And they also had no idea where the 70% comes from. It is apparent that there is little articulation opportunity to local universities. Overseas studies may be the only option. However, how many people can afford overseas studies? So this option is also limited. Then is it possible to mean distant learning, open universities or some degree courses unknown to us? I strongly doubt that the 70% is actually a

"made-up" figure. Therefore, the opportunity of associate degree students in pursuing further studies is very limited.

Apart from the bottleneck in further studies, President, the second major problem is the entire sub-degree sector is based on the market-oriented and privatization concepts. Vicious competition is a usual product of a market-oriented environment. If we examine the sub-degree courses currently on offer, I believe we will find that they focus on those popular with students. Courses popular with students do not mean they can foster talents that best meet the need of the community. In fact, the two can be completely mismatched. It is possible that it is the employment prospect of a particular course that attracts students to enrol, thus making it popular. However, if everybody enrolls in the same course, they may not be able to secure a job even after graduation. Therefore, there is the problem of mismatch. If the Government does not fund the courses and gives a free rein to institutions, popular instead of unpopular courses will usually be offered. However, if the Government is willing to fund the associate degree courses, guidance will be given on the talents required in the community and training will be focused on those talents. A mismatch will then be avoided.

Lastly, another major problem is once the sector is market-oriented, a very high tuition fee will be charged. At present, the tuition fee of a sub-degree course is tens of thousand dollars. And the interest rate of the loan is over 7%. The burden is completely transferred to the associate degree students. Although the Government has recently revised the level of financial assistance, why does it continue to discriminate against associate degree students? For instance, why are they not granted financial assistance for their living expenses and forced to take up private tutorship to meet their living expenses? These practices are also a form of discrimination. It is only fair that they are also granted financial assistance for their living expenses like other students.

Thank you, President.

MR RONNY TONG (in Cantonese): President, a flower can blossom again but a man can never be young again. We are now burning up our years in the Legislative Council. But it is far more miserable when young people are burning up their youthful years. They are now facing a lot more difficulties than we are. We are at most unhappy about motions not being passed.

However, they are facing a gloomy future. President, in the 2005-06 academic year, close to 25 000 students are burning up their youthful years. They have enrolled in associate degree programmes in the hope of gaining academic accomplishment. Instead, they are facing a miserable future.

In fact, to resolve the present difficult situation of associate degree students, an enhancement of the quality and recognition of the associate degree should be our prime concern. Why? Only a small number of associate degree students have the chance to pursue further studies after graduation. Mr CHEUNG Man-kwong told us earlier that there was a bottleneck of over 20 000 students competing for 800-plus articulated places. Although the Government has proposed in its present plan an increase of subsidized articulated places to 1 680, it represents only a 10% increase despite the raise.

According to the explanation given by the Government, associate degree is not primarily designed for articulation. It is an independent and valuable exit qualification. And the major progression pathway for associate degree graduates is suitable employment in the community to realize their potential. Therefore, an enhancement of the quality and recognition of the associate degree is of paramount importance to students. However, in order to gain recognition, it is most imperative to upgrade the quality of associate degree. To provide a remedy for the problem, first of all, we have to ask: Why is there the issue of quality in the associate degree sector? I think there are four reasons.

First, the quality of the associate degree sector, to a large extent, depends on the quality of students who enrol in the associate degree courses. However, the Government has not specified the admission standards for associate degree courses. Instead, it has just drawn up a set of recommendations for admission. For example, Secondary Five graduates are required to obtain five passes in the Hong Kong Certificate of Education Examination for admission. However, in the face of intense competition among associate degree programmes, students with qualifications lower than that recommended by the Government will also be admitted to some of the institutions.

Second, apart from enhancement of the basic quality requirement of students, it is also vital to upgrade the quality of the courses. Due to the inadequacy of resources, institutions offering associate degree courses are usually made powerless despite their good intentions. Information provided by the Government reveals that in the 2004-05 academic year, the average unit cost

of student of an associate degree place funded by the University Grants Committee (UGC) was \$121,600. However, the majority of the current associate degree courses are self-financed. And the tuition fee of these courses is surprisingly low, ranging from \$24,000 to \$53,000. Inadequacy of resources results in the quality having to make do with the price. It comes as no surprise that the quality of associate degree courses is varied. It is really necessary for the Government to review the existing funding criteria for associate degree courses.

Third, it is the problem of over-supply. In order to increase cost-effectiveness, quite a number of institutions have admitted as many associate degree students as possible, resulting in vicious competition. And the number of associate degree places has soared from 13 000 in the year 2000-01 to 25 000 in the year 2005-06. Recently, some universities have even offered scholarships amounted to hundreds of thousands dollars to attract students to enrol in the associate degree courses. This shows that the over-supply of associate degree courses is a hard fact. When supply exceeds demand, vicious competition will naturally emerge. It is the interests of students that will eventually be jeopardized. After all, "the fleece still comes off the sheep's back". Given the inadequate resources and the majority of them have to be used for promotion and publicity, one can well imagine the amount of resources left for improving the quality of the associate degree. In order to assure quality, institutions should not be allowed to increase the number of associate degree places unless the Government is prepared to inject additional resources.

Fourth, in the absence of an effective mechanism for quality assurance, although the Joint Quality Review Committee was established at the end of last year by the eight post-secondary institutions to examine whether associate degree courses run by these institutions meet the requirements and to ensure the quality is up to standard, the Committee is a privately-run organization that gives the impression of "peer examination" with a lack of impartiality and credibility. Moreover, the Committee has no solid authority. Even if the quality of the courses is found unsatisfactory, the Committee can only advise institutions to improve. Therefore, this is not an effective mechanism.

We welcome the undertaking made by the Government in the Report on the Review of Post-secondary Education Sector to conduct tracking surveys among associate degree graduates to examine their performance in further

studies and employment to facilitate consideration on the way forward of post-secondary education and to disclose the results for the reference of institutions and employers. However, we think the Government should not call a halt here. To ensure an effective examination of the quality of the associate degree, we suggest the establishment of a uniform external mechanism to monitoring associate degree, with the major functions of overseeing the quality of associate degree in a fair manner and increasing public confidence in associate degree. Another major function is the assurance of fair competition among associate degree students of different institutions in pursuing the scarce subsidized articulation degree courses.

There is a general opinion that it is reasonable for the UGC to play a gatekeeping role in monitoring the quality of publicly-funded programmes. But it is unreasonable for self-financing associate degree programmes to be subjected to the same treatment. I beg to differ. Why? First, the Government has actually subsidized the self-financing associate degree programmes, but the financial assistance has been given to students direct instead of institutions; second, education is an unshirkable responsibility of every government.

Lastly, on the issue of recognition, a large number of associate degree students have suffered discrimination in job search. The crux of the matter lies in the doubtful attitude of the different sectors in the community towards associate degree as it is a new product in Hong Kong with a history of only six short years. Therefore, I hope the Government will set an example to step up the promotion of the associate degree. In particular, it should take the lead to recognize the qualification of associate degree students and increase their employment opportunity in civil service appointment so that their position in the community can be identified. This is the best assurance to increase the recognition of the qualification of associate degree.

Thank you, President.

MR WONG KWOK-HING (in Cantonese): Madam President, it has been nearly six years since the former Chief Executive set in 2000 the objective of enabling 60% of the population of the right age in Hong Kong to acquire post-secondary qualification within 10 years and, in response, different self-financing sub-degree programmes have been offered by major institutions in

succession. At present, 66% of the population of the right age in Hong Kong has acquired post-secondary qualifications. And the objective set by the Government has been achieved about five years ahead of schedule. However, after the quantitative target has been achieved, what should we do next? Perhaps this is the time we reviewed our development in post-secondary education. Has the current provision of post-secondary education tied in with the economic structure and met the need of the manpower market of present-day Hong Kong? I will explore in the following the issues faced by students in further studies and employment.

In respect of further studies, at present, apart from first degree holders, graduates with post-secondary or university qualification in the community include students graduated from associate degree, higher diploma and diploma programmes. Among these programmes, higher diploma programmes are vocation-oriented that aim to train students for future employment. A total of over 22 000 self-financing sub-degree places have been provided by various institutions this year. Together with 9 000-plus publicly-funded sub-degree places, there are altogether as many as 32 000-plus sub-degree places. However, the Government has not provided any articulated undergraduate places for associate degree students over the past few years. The eight major institutions have only started offer to 840 articulated places for associate degree students since the year 2005-06. And an additional 127 articulated places will be offered in the year 2006-07, which add up to a total of 967 places. Doubtless demand far exceeds supply. These places are merely a drop in the ocean to students. And a bottleneck is thus formed. Secretary, the Alliance for the Concern of Sub-degree Education petitioned here today. They petitioned in a symbolic way. They brought with them a number of plastic bottles. Please have a look at these bottlenecks. I have no idea whether you have received any of them. But even if you have not, it really does not matter. I can tell you now. In recent years, when students of post-secondary institutions have complained successively of encountering difficulties in pursuing further studies and a lack of quality assurance of the programmes, what additional measures has the Government taken to improve the situation? It is only recently that the Government has released the consultative document on the Review of the Post-secondary Education Sector. And the relevant Legislative Council panel has invited deputations to express their views. Among others, the bottleneck in articulation is the prime concern of students. How many of their views have been heard by the Government?

In respect of employment, associate degree students have often faced the problem of recognition of their qualification in the course of securing employment. At present, 13 civil service grades accept applications by associate degree graduates. However, exactly how many associate degree holders have succeeded in their application for a civil service post over the past few years? I wish to see whether the Secretary will provide me with these figures later. What about the other civil service grades? I also wish the Secretary will provide some supplementary figures. In respect of private corporations, a large number of employers have opined that due to their lack of understanding of the structure of associate degree programmes and the relatively new design of the programmes, the business sector generally lacks faith in associate degree holders leading to their reluctance to employ them. Then does it mean the qualification of associate degree has contributed little to the employment prospect of the students? This situation is like the bubbles blown by the members of the student organization of the Alliance for the Concern of Sub-degree Education when they petitioned outside the Legislative Council Building today. These bubbles have symbolized the beautiful illusion the Government has given them. However, the illusion has vanished in a blink.

At present, self-financing associate degree students have to pay in general almost \$100,000 to complete an associate degree programme. They have got themselves heavily in debt before graduation. However, in the end, the qualification of associate degree cannot help them secure a suitable job. Moreover, a large number of associate degree students have to take out a loan for their studies. If they cannot secure a suitable job after graduation, how can they repay the loan? In addition, if associate degree students further enrol in a self-financing undergraduate programme, they usually have to take out another loan of around \$100,000. They are forced to retreat from further studies in the face of such a huge amount of loan. They worry that they cannot repay the loan and that they cannot secure a job in the present economic environment. The vast majority of the associate degree students are now caught in this predicament. In this connection, the Government has an unavoidable responsibility. It should address the problem squarely and find a solution.

I talked to several students and graduates of associate degree yesterday and gained some understanding of the difficulties encountered by them. They mentioned the difficulties and financial pressure associate degree students are

now facing. In fact, to students from grass-roots families in general, they have really been under great strain.

Madam President, talent is the foundation of social development. To tie in with the economic restructuring of Hong Kong, it is beyond doubt that the quality of the population should be upgraded through continuing and post-secondary education. However, is it the responsibility of the general public to bear the full expenses of education? It is a matter of course for those who can afford them. But to students from grass-roots families in general, the burden of \$100,000 in tuition fee has really put them under great strain. As the former Chief Executive said, "Every cent spent on education is an investment, not an expense." Is it the responsibility of the general public to bear the full costs of investment? To what extent should the Government bear the costs of investment in social development? I hope the Secretary will respond to these questions later.

Madam President, lastly, I have to point out that associate degree students are now receiving different and unequal treatments as opposed to those of undergraduate students whether in terms of loan application or quality of teaching facilities on campus. The SAR Government should eliminate as soon as possible such unfair treatment discriminating against associate degree students.

With these words, I salute to the students who are now striving for improvement of the existing system and to the students of the Alliance for the Concern of Sub-degree Education. Their efforts merit a salute because they are not striving for themselves but for students who will follow in their footsteps. However, the question is: Are the Secretary and the Government going to pay due attention to their requests?

Thank you, Madam President.

MR LEUNG KWOK-HUNG (in Cantonese): President, the considerably low ratio of the expenditure on education to the Gross Domestic Product (GDP) of Hong Kong is actually related to the messy reform dictated by the preference of the leader, that is, the Chief Executive who was elected without our participation. It is common knowledge that when Mr TUNG had found out 60% to 70% of the population in Singapore had access to post-secondary education, he wanted to

follow suit. Of course, he did not know at the time that there would be something wrong with his leg in future. He had only this grand and ambitious plan in his mind. And it ended up with the introduction of the associate degree. It is true that the associate degree can be seen as a "painkiller" for the so-called non-engaged youths. But why has it been so disappointing? Because it has turned out that he was unable to carry through this messy policy of his. It has turned out that the Government was unable to provide funding, that is, after he had put forward the policy, he found out there was actually no fund, or perhaps he did not want to allocate fund for the implementation of the policy. It was against the backdrop of his over-ambition and lack of accountability resulting from the small-circle election that the associate degree was produced.

First of all, let us take a look at the ratio of the expenditure on education to the GDP of Hong Kong. The figure this year is only 3.88%, which is below 4%. In 2002 — Secretary Prof Arthur LI might not have assumed the post of Secretary for Education and Manpower at the time — he said that it was almost 5%. It was because we had experienced deflation. Therefore, along with deflation, our GDP dropped. And since there was no funding cut in education, the figure became 5%. However, it was reverted to 3.88% within a very short time. Let us have a look at the experiences of other countries around the world. I wish to take Japan as an example. In terms of publicly-funded education, its ratio is definitely lower than ours. But if the privately-run sector is also counted, the ratio is 4.6%. And Turkey and Greece are at the bottom of the list on a par. Honourable Members, Greece and Turkey are the "poor relatives" of the European Union. Our GDP and fiscal surplus have made us rank on the "high order" of the European Union. Even the "big boys" of the European Union have recorded fiscal deficits. Therefore, when a comparison is made from this angle, it is apparent that this Government has not fulfilled its responsibility to do its utmost for the right to education of the people of Hong Kong.

The negligence of the right to education has led to such a comment: "If you want to receive welfare assistance from this Government, it has to depend on what sort of material you are." Therefore, our young people have to go through a selection process. As a result, those who have failed to meet requirements for university education in public examinations have become non-engaged youths. And the associate degree has been designed for them. At first, the Government boasted the associate degree was "unlikely to be equalled"; at the moment, it is "having no strength but a will left". It has turned

out that associate degree students are unable to go on to university studies. At present, there are 20 000-plus associate degree students but only 800-plus articulated places. Under these circumstances, they had better save their tuition fees.

I have heard that the number of places will increase to 1 600 — I met the Secretary just now and he said he had some good news today about an increase in the number of articulated places. Did he mean the number would increase to 1 600? Is this the case? If yes, how could he say this? He actually went too far. That means he has deceived a group of people, telling them they will have a bright future: "You go enrol in the associate degree programme, it is your 'life-saving straw'." However, when they have grasped it, they found it actually is a "poisonous vine". Why? It is because they have to pay over \$100,000 in tuition fees and living expenses without any subsidies from the Government. Although they belong to the group that should be eliminated in our education system, everybody's right to education should be respected. That means, relatively speaking, since they have contributed their share to the GDP, the Government should provide them with the so-called secondary benefit. They have only failed once. Has the Government not always urged people to stand by themselves? Has the Government not always urged people to hold their heads up? But when they try to do so, they are forced to risk the loss of all their family fortune and properties.

Honourable Members, the non-publicly-funded associate degree sector can be said to be just a divide between the ying and yang. This is because once students have "gone up the building", that is, have access to education at a higher level, that upper-level education will definitely be publicly-funded. Therefore, this is actually "a con trick". This is valid proof of the heartlessness of our wealthy Government. Although our inland revenue policy has maintained a low tax regime, and our Government has indulged in talks about its increasing expenditure on education, it has turned out that the expenditure in this area has only accounted for 3.88% of the GDP of Hong Kong, which is much lower than the mean among OECD members.

Mr WONG Kwok-hing has brought with him a small bottle. But it is a big one. President, it is an "air-cut bottle", that is, a "broken-necked bottle". In fact, a number of reporters long told me that nobody would film me. I just want to have my duty done. It is because even though the Secretary had noticed today some students' request for him to stay and talk, he went away instead.

Therefore, somebody said to me, "'Long Hair', you see, this is the bottleneck in pursuing further studies, that is, 'cropped-neck, cropped-neck' (in Putonghua) which have the same pronunciation as bottleneck on the Mainland." The situation is exactly like this, with the neck completely broken. Therefore, Secretary, I do not know what your good news is today. It is very easy for you to deceive me. But it is difficult to deceive the community, the parents and the students. In fact, it is very simple to reform the academic system of the associate degree. It only takes the Government to allocate anew the funding for universities to finance the associate degree as part of university education.

It is essential for the people of Hong Kong to equip themselves. But how can the poor in Hong Kong equip themselves? Therefore, a re-distribution of social wealth and resources is necessary in this community. As everybody is a member of the workforce, no matter whether he is rich or poor and whatever his social status is, why is the next generation of the poor denied the assistance of the Government? Why is the next generation of the poor denied the opportunity to prove their worth? This is the crux of the matter.

Therefore, the social democracy I have promoted here is such a concept that in order to enable all the people — or the majority of the people in the community — to have the best, social resources should be distributed on a democratic basis through close co-operation of the community as a whole. And education is one kind of such distribution.

Thank you, President.

DR FERNANDO CHEUNG (in Cantonese): I am one of the teaching staff of The Hong Kong Polytechnic University. So I am also one of the members of the tertiary education sector. The system of self-financing associate degree was first proposed by TUNG Chee-hwa in his policy address in 2000. We were sent in an uproar at the time because it was a really ambitious target to double the rate of post-secondary students within 10 years. Of course, we were ecstatic at the time. We thought it was, in fact, the right direction. We hoped that a higher participation rate in tertiary education could be achieved to enable members of the public to realize their potential and to have access to good education. However, our government officials are really amazing. To our surprise, they have achieved in five years the original target of having the rate of students

doubled within 10 years. This is a hundred percent great leap forward. How can they bring about such a great leap?

A number of colleagues have just provided information such as the sharp ten-fold increase in the number of places within a few years. I will not repeat the figures. The most amazing achievement of this great leap is that the target was attained when the Government continued to cut the resources for tertiary education. It is really not easy to double the achievement without any injection of funds. This has absolutely satisfied the mainland slogan of "achieving greater, faster, better and more economical results", which means the result is low cost and in excellent quality, as well as in a large quantity and economically achieved. I believe any government official who can achieve such a brilliant result in tertiary education in such a cost-effective way definitely deserves to be the Chief Executive.

Although resources have been subject to constant cuts, the number of post-secondary places has been on the increase. What exactly has brought about this myth? We really can do nothing but pay respect to the SAR Government and the responsible principal officials. They have solved all the problems by adopting the market-oriented approach. It seems that this approach is the panacea. Once any irregularity is spotted, it only takes the Government to reduce resources for public services and put it on the market to have it all straightened out.

It is true that education is an investment. However, we have found that the investors in this investment have no longer been the Government and the community. Instead, the responsibility has been transferred to parents and students. The resources for education have been cut. To enable the survival of the universities, they have been granted a licence to the endless provision of associate degree courses. Under this sort of pressure and policy, institutions have rushed to offer associate degree courses. Of course, some universities have had the foresight and their provision of associate degree courses has long become the order of the day, with branch offices spreading all over Hong Kong, Kowloon and the New Territories. Associate degree courses are offered in shopping malls, factory buildings, commercial buildings and places you cannot even imagine. Is Hong Kong not a great place? The opportunity for tertiary education is found everywhere.

Come to speak of it, I think it is actually very interesting. Mr LEUNG Kwok-hung said earlier that after students had been admitted to universities, sometimes, there was only a fine line between their enrolment in a degree course or an associate degree course. We have even seen that the results of students enrolled in associate degree courses were better than those admitted to universities. Those students were just unfortunate to have selected a wrong course in departments that were not easy to be admitted, resulting in their failure to have access to university education. As there was no other option, they could only enrol in associate degree courses, which has led to treatment poles apart from that of the undergraduate students. Once they set foot on this road, they will have to bear the full burden of tuition fees. And the resources genuinely spent on them will be poles apart from what the Government has currently spent on the 14 000 subsidized degree places. After spending two years to complete the associate degree course, they have to compete again for places at the bottleneck. I will not repeat those figures. This is simply unbelievable.

They have only a slim chance of gaining access to degree courses. But they still have a lot of opportunities to pursue further studies. The Secretary for Education and Manpower will certainly provide a lot of figures later to show that the articulation rate of associate degree students has been very high, with 60% to 70% of them having a chance to pursue further studies. However, exactly in what programmes have they enrolled? They are the self-financing degree programmes. At present, universities have become very smart in collaborating with overseas universities to establish a foreign connection because this is a lucrative business. Institutions will attract overseas universities to provide articulation courses. And their overseas counterparts will welcome this opportunity with pleasure as tuition fees will be charged. This is another business investment. As a result, the development of our tertiary education has been booming, with institutions indulging in operating businesses of their own. At present, institutions have to compete with each other. Not only to the extent that "intense competition has resulted in a rotten market", I have recently also learnt from colleagues in other universities that associate degree programmes have been competing with undergraduate programmes offered by the same university. In the face of resource cuts, institutions have to run self-financing courses in their undergraduate programmes, resulting in fierce competition. Moreover, measures such as giving concessions and money have recently been introduced. In short, every possible gimmick has been employed to attract students.

We are selling some saleable items non-stop. Let us take a look at these associate degree courses. Almost half of them are courses on business administration. What is the current performance of our tertiary education? Is there any education concept in it? What is the purpose for students to finish these courses and bear heaps of debts? At a meeting of the Panel on Education held earlier, that is, in March, I asked a question about the exact number of associate degree students the Government had employed. But I have yet to receive any reply from the Government. I wish to see whether Secretary Prof Arthur LI will give a reply to this question later. Exactly how bright is the future of the associate degree students? Thank you, Madam President.

MRS SELINA CHOW (in Cantonese): President, a number of colleagues mentioned earlier that over the past five years or so, the target for the participation rate in tertiary education, in particular, the sub-degree sector, and post-secondary education has been achieved ahead of schedule. The quantitative achievement is really something to be proud of. However, it seems that our colleagues have agreed unanimously that although a certain achievement has been made in terms of quantity, there is definitely room for improvement in terms of quality.

At present, there are around 20 course providers in Hong Kong offering a total of 20 000 to 30 000 sub-degree places. However, teaching methods have varied among institutions. Some of the courses have been conducted in lectures and some of the institutions have employed a large number of part-time teaching staff, which will definitely affect quality. It is inevitable that the quality has often varied. The situation we are now facing is: The Government has required inspections for primary schools and multiple assessments for secondary schools, why is there an absence of any assessment or even a basic mechanism for uniform assessment of sub-degree programmes which have charged on average an annual tuition fee of tens of thousands dollars? As pointed out in the report on the Review of the Post-secondary Education Sector released by the Education and Manpower Bureau (the Bureau), quality assurance is the cornerstone of our education system. Although course providers have the primary responsibility for the quality of their programmes, it is also essential to put in place an effective and credible mechanism for quality assurance to ensure the standards of our programmes.

Therefore, we support the efforts made in the area of academic accreditation. And we urge the authorities to call upon course providers as soon as possible to submit their sub-degree programmes to the Bureau for validation, and to further improve the assessment standards for the sub-degree sector. To this end, it is essential to put in place a mechanism for quality assurance to ensure the quality of these programmes and recognition of the qualifications conferred.

Mr CHEUNG Man-kwong suggested the allocation of more resources. I have noticed that we have often been divided on this issue in discussions on the sub-degree sector in this Chamber. In order to expand the sub-degree programmes, since 2001, the Government has allocated a number of sites and a one-off loan of \$4 billion to course providers for purchasing or building permanent campuses; it has also set aside \$30 million to assist course providers in pursuing academic accreditation with the Hong Kong Council for Academic Accreditation; it has also provided financial assistance to students with financial difficulties. Starting from the next academic year, the amount will increase considerably to over \$500 million. In order to give students more opportunities of pursuing further studies, the Government has undertaken to increase the number of articulated places. Although some colleagues may criticize that these measures are inadequate, the Government at least has been making efforts in these areas and it will continue to do so. As I mentioned earlier, the Government will increase the funding in the coming year. I understand that a series of measures will be taken for steady improvement in this area, and I believe Members have also learnt of these measures.

The Liberal Party has all along insisted on enhancing the teaching quality. We have to reiterate that there are various means to upgrade the quality of sub-degree programmes and to improve the prospects of further studies and employment. Under the objective circumstances that every education need has to be attended to at the same time, the allocation of additional resources or "the bringing in of a steady flow of cash" is not always the solution. I have just suggested the setting up of a mechanism for quality assurance. Moreover, it is the responsibility of the institutions to upgrade the school management quality and campus facilities on the basis of proper allocation of resources to allow students more opportunities in pursuing further studies and to provide them with an improved learning environment.

Regarding the suggestion in point (b) of the motion, that is, "facing up to the situation of over-supply of sub-degree places, and preventing vicious competition among institutions", the Liberal Party is of the view that although there is a temporary over-supply now, exactly how serious is the problem? It is still an unknown. Should the authorities waste no time in upgrading the quality by various measures and eliminating courses of lower quality to ensure the more efficient use of resources, we think this is the best solution. In addition, a proper integration of courses should be encouraged to avoid wastage resulting from repetition of courses.

Regarding the combination of the two financial schemes for post-secondary students, I have noted that the Bureau suggested in March this year in the Report on the Review of the Post-secondary Sector and Financial Assistance Schemes for Post-secondary Students that the Financial Assistance Scheme for Post-secondary Students be brought on par with the Local Student Finance Scheme to bring these two student financial assistance schemes to a very close platform. Is it necessary for the two schemes to be combined? A decision should not be made until the revised option has run for some time. In any case, should the financial assistance scheme be strengthened, market forces arising from the free choice of students will further eliminate courses of lower quality.

With these remarks, I support the motion.

MISS TAM HEUNG-MAN (in Cantonese): Madam President, a reform in the post-secondary education system was launched by the SAR Government in 2000 with the objective of enabling within 10 years 60% of secondary school graduates to have access to post-secondary education. To this end, the sub-degree system that had already become popular in the North America was specially introduced to offer secondary school graduates who fail to gain direct access to undergraduate courses another pathway in pursuing further studies. After five years, the set policy objective was achieved in 2005. Congratulations should be in order on the smooth delivery of the policy objective and the provision of additional pathways for students in pursuing further studies. However, our discontent at the present-day reality has nearly sent us "pounding on tables and chairs".

Associate degree has originally been designed as a progression pathway for students denied access to university education. However, in reality, to the majority of the students, associate degree has led them to a "dead end". After completing the sub-degree programmes, they have encountered difficulties in pursuing further studies and securing employment. Moreover, they have got themselves heavily in debt because of the high tuition fees. To put it in a nutshell, enrolment in the associate degree programme under the present circumstances is not a cost-effective decision. And the policy of associate degree is not cost-effective to the community either because this system cannot provide an effective answer to the problem of talent shortage in Hong Kong.

Take the accounting sector of which I am a member as an example. The mismatch of talents in the sector has been most apparent. Recognition of the associate degree qualification by many of the professional bodies in the accounting sector, in particular, the Hong Kong Institute of Certified Public Accountants, has remained considerably low. Graduates of accounting associate degree courses are unable to sit in the accountant qualification examinations direct as in the case of bachelor's degree holders in accounting. Instead, they have to attend articulation courses and examinations as in the case of non-degree holders of post-secondary qualification.

Moreover, different from degree courses whose holders of accounting degree awarded by recognized institutions are currently treated equally, the recognition of different sub-degree programmes by professional accountant bodies varies. This practice has created difficulties for students in the selection of associate degree programmes.

I received a telephone call from the parent of an accounting sub-degree student. She said that the student had not fully understood the level of recognition of the course accorded by different professional bodies at the time of course enrolment. She expressed a feeling of being deceived as she had thought that the qualification of all associate degree graduates would be recognized by all professional accountant bodies, but it was not the case in reality. She also pointed out that it was not quite fair to associate degree students as the tuition fees of associate degree programmes were higher than that of degree programmes but the recognition of the qualification of the former was much lower than that of the latter. Associate degree students suffered setback when they failed to gain admission to universities after graduated from secondary

schooling. They virtually suffered another setback when they encountered difficulties in further studies and employment after completing the associate degree programmes. The authorities have really let the associate degree graduates down.

On the other hand, employers' inadequate understanding of the associate degree has led to a mismatch of talents, that is, a situation where "some jobs are without workers while some workers are without jobs". At present, there is a serious lack of talents in the accounting sector. The freezing of manpower in recent years has led to the present succession gap. I have suggested to the partners of some small and medium accountant firms the recruitment of more associate degree graduates. But their responses surprised me. They actually asked: What exactly was the associate degree? Were these people able to perform the required duties? This shows that these employers are not unwilling to employ associate degree graduates, only that their lack of understanding of the associate degree has led to these worries. Even though they face a serious shortage of manpower, they have not had the nerve to employ associate degree graduates to temporarily relieve the shortage of talents.

Madam President, given the above situation, the authorities really have an unavoidable responsibility. I think the promotion of the associate degree should be stepped up, particularly among employers and professional bodies, to enable them to have a sound understanding of the academic level and working ability of associate degree graduates and to enhance their acceptance of the associate degree graduates. Only in this way will the problem of mismatch of human resources be solved; the talent of associate degree students fostered in great pains not be wasted; and the frequent complaints of manpower shortage by different trades and industries be brought to a stop.

Lastly, I wish to give my full support to the motion of Mr CHEUNG Man-kwong. And I hope the authorities will give a response as soon as possible to break the "dead end" faced by graduates of different associate degree programmes and to create for them a better tomorrow.

I so submit. Thank you, Madam President.

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

MR ALBERT HO (in Cantonese): Madam President, I am actually no expert on education, including post-secondary education. However, I wish to share the profound feelings I got after my encounter with some sub-degree students.

About a year ago, some sub-degree students called and earnestly invited me to attend an open meeting of the Lingnan University. On the one hand, it would be ungracious of me not to accept their kind invitation because they had called me several times to extend their invitation. On the other hand, Lingnan University is in Tuen Mun. I had witnessed its establishment in the '90s as a representative tertiary institution in the district. Although a Legislative Council meeting was scheduled on that day, I finally decided to take absence from the panel meeting and attended this meeting of the sub-degree students instead.

Almost two to three hundred students were there at the meeting on that day. Around a hundred of them sat in the centre of the hall, surrounded by over 200 young students. After listening to the speeches of the students, I became aware that those sitting in the centre of the hall were undergraduate students while those surrounding them were sub-degree students who perhaps did not dare to sit with the undergraduate students. A lot of the complaints of those sub-degree students were raised through the undergraduate students. When those sub-degree students were first admitted, the University had given them great expectations of the provision of articulated courses. Therefore, although they took out loans in great pains, they hoped to further their studies in degree courses of which the places should be subsidized after completing the sub-degree programme. They figured that after the completion of the sub-degree programme, they were still able to afford the degree course. However, when they nearly finished the sub-degree programme, they were informed by the time they were having examinations that there were inadequate subsidized places. All of them were arts students. But the University could only offer a limited number of business degree places for articulation. Others were non-subsidized places, and there were actually no subsidized arts degree places for articulation. Therefore, those sub-degree students were in a state of great helplessness, and they also blamed the University for giving them high hopes in the beginning.

Although I was no expert on education, I made a few comments. I said that as the Lingnan University was an institution aimed at the provision of liberal arts education, it was unreasonable to transfer students to the business department when they wished to read an arts degree. In fact, there should be a greater number of people in Hong Kong studying humanities or arts subjects.

Over-emphasis should not be placed on business or science subjects. I thought the balance would be lost if a community placed too much emphasis on business or science. It seemed that our community had little regard for humanities or liberal arts subjects. And the established tradition of the Lingnan University was hard to come by. In addition, I thought the University had the moral obligation to assist those students. I promised them to try my best to contact the University for them or strive for them the reallocation of resources to give them articulation opportunities to subsidized places, in particular, places in the Arts Faculty.

Only after the meeting on that day did I have the opportunity to talk to those sub-degree students. I originally intended to have another meeting with them to understand more of their situation. But I then found out it was very difficult to arrange a meeting with them because they were even busier than me. Why? It was because all of them needed to work part-time. They each ate the bread taken out from their bags before they went to work. I remembered it was around six o' clock in the evening. They went to work afterwards. They also told me that all of them had borne a large amount of debts. When I looked at those young faces, I was very sad. I thought, should they be my children, I would not mind how they did in their studies. As long as they were determined to study and to widen their knowledge for self-improvement, they deserved praises. Should I be their parent, I would be very contented. I would do my utmost to support their studies. Of course, the family background of every one of us is different. Perhaps their parents had already tried their best but still failed to support their children's studies. Therefore, they had to lead such a hard life of part work and part study.

I thought as our Government had always advertised its justice and humanity and its concern for people's well-being, and had promoted the need of our keeping abreast of the times and of lifelong and assiduous learning of the younger generation in this knowledge-based economy, how could we face the younger generation if we did not give them a helping hand? However, I eventually could not help them. I wrote to request a meeting with the President and attendance at some major meetings of the University. But all attempts were turned down by the University. I have long been acquainted with Prof Edward CHEN who is one of my senior alumni, and I have great respect for him. And I also know that he is held in high esteem by the students. I believed perhaps he had reasons of his own in refusing the involvement of Legislative Council Members to avoid the possibility of making the matter worse with our help. It

was possible that the Secretary and members of the University Grants Committee would be angered. And the matter might end up with more troubles than solutions first intended. Perhaps they had reasons of their own. However, I discussed the matter with Mr CHEUNG Man-kwong afterwards. And both of us agreed that it was necessary for us to voice our concerns as loud as possible to give our support to those students.

Lastly, I think that if any society, any country, or any nation does not have the vision to invest in education, this country, this society, or this nation will have no future. Education represents our commitment to the future, our expectation of the future. I hope our Government will fulfil this aim and spare no efforts in fostering our next generation for their benefit.

Thank you.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If no other Member wishes to speak, I now call upon the Secretary for Education and Manpower to speak.

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, to cope with the development of Hong Kong into a knowledge-based economy, we must expedite the upgrading of the quality and competitiveness of our workforce. To this end, the Government of the Special Administrative Region (SAR) proposed a clear policy direction as early as 2000 with the target of providing, within 10 years, 60% of Secondary Five and Seven graduates the opportunity to receive post-secondary education. Following the announcement of this policy, a series of initiatives were launched to promote the development of the post-secondary education sector. Over the past six years or so, post-secondary education institutions have fully capitalized on the support initiatives provided by the Government in organizing various types of post-secondary education courses, having regard to students' strong demand for further studies. At present, the ratio of senior secondary graduates receiving post-secondary education has exceeded 60%, more than double the ratio of 33% in 2000.

With the robust development of the post-secondary education sector, we have embarked on studying the way forward for the long-term development of the sector and invited representatives from the sector and members of the community to take part in the relevant task. The results of the Phase 1 of the Review were discussed in detail at a meeting held by the Panel on Education of the Legislative Council on 27 March. I am very grateful to Members for the views they expressed on the development of the post-secondary education sector at the meeting on 27 March and in the motion debate today.

I cannot agree more that the quality of programmes is crucial to the development of the post-secondary education sector. Quality programmes can ensure the recognition of post-secondary education qualifications. In this connection, the financial and other support measures provided to the sector apply merely to accredited programmes. Moreover, only students enrolled in accredited programmes are eligible to apply for financial assistance for post-secondary students. Insofar as accreditation is concerned, all the programmes offered by the eight existing self-accrediting universities and the teacher training programmes organized by The Hong Kong Institute of Education (HKIEd) must be accredited by their internal quality assurance mechanisms. Programmes offered by non-self-accrediting institutions have to be vetted by The Hong Kong Council for Academic Accreditation (HKCAA).

Actually, the standard of programmes and graduates is taken very seriously by various institutions, as it will directly affect their reputation, the recognition of their programmes and their enrolment capacity. To further ensure the quality of post-secondary education, institutions have, under the existing quality assurance mechanism, spontaneously taken measures to strengthen quality assurance. These include the Joint Quality Review Committee (JQRC), set up by the Heads of Universities Committee and attended by representatives from various institutions, which is responsible for monitoring the quality of University Grants Committee (UGC)-funded institutions' self-financing sub-degree programmes. At the same time, the HKCAA is responsible for accrediting programmes offered by other institutions. Some members sit on both the JQRC and HKCAA for the purpose of promoting communication between the two to facilitate the establishment of standards and benchmarks for various post-secondary education programmes. Furthermore, the UGC is planning to launch new initiatives to enhance quality assurance for degree and postgraduate level programmes.

I note that there have often been public comments that the supply of post-secondary places is imbalanced. Yet, people making such comments have overlooked the reality. It has been fully revealed by the enrolment figures provided by institutions that local students have actual and strong demands for post-secondary education. First of all, the development of the post-secondary education sector has, over the past six years, been operating in a self-financing manner. The fact that there has been a gradual increase in the number of places offered by various institutions to meet demands under free market operations well illustrates that there is no over-supply of post-secondary places in society. Furthermore, the ratio of students receiving post-secondary education in Hong Kong, when compared with other advanced cities, seems to offer further room for upgrading. Although the policy objective set in 2000 has been reached, I think that the post-secondary education sector should, on the basis of the "lenient entry, stringent exit" principle, closely monitor the quality of programmes and the standard of graduates to provide a wider variety of quality learning opportunities to students interested in pursuing studies. Actually, a considerable number of young people cannot achieve satisfactory academic results simply because they resist traditional learning methods or are uninterested in traditional disciplines. Post-secondary education precisely offers them alternative disciplines, modes of learning, and advancement ladders, so that they can regain self-confidence and interest in learning, and establish the target of continuing education and making constant self-enhancement. Over the past five years, we have seen a number of success stories demonstrating the value of sub-degree programmes in nurturing a diversity of talents in Hong Kong.

The Government accepted in 2000 the recommendations made in the Higher Education Review to gradually reduce financing sub-degree programmes by public fund, and instead directly injecting the resources to needy students. In doing so, the limited resources can provide more effective and direct assistance to students with financial hardship, so that more students can pursue self-financing post-secondary programmes. From the angle of overall social benefit, this option is most desirable. The Government also undertook at that time that the resources saved from reducing financing sub-degree programmes would be used for enhancing the Financial Assistance Scheme for Post-secondary Students. We have also decided to, as per the undertaking, make substantial improvement to the Scheme starting from the next academic year, so that the amounts of grants calculated under the Scheme will be brought on par with those offered for publicly-funded programmes under the Local Student Finance Scheme. Furthermore, we also propose to provide an annual grant, capped at

\$3,000, to help students meet learning expenses other than tuition fees. It is expected that the total amount of annual expenditure on grants will increase substantially from some \$200 million at present to more than \$500 million in the coming academic year, and to \$780 million in the 2010-11 academic year, bringing a nearly three-fold increase and benefiting more than 26 000 students. I believe the above proposal will greatly relieve the financial pressure on students pursuing post-secondary programmes. I also hope that the funding application will be supported by the Legislative Council at the meeting to be held by the Finance Committee on 19 May, so that the improvement initiatives can be expeditiously implemented for the benefit of our students.

We will continue to study Member's request to improve items of financial assistance in other areas. However, as requests in various areas, such as primary, secondary and early childhood education, have to be taken into consideration in the overall distribution of education resources, it is impossible for the Financial Assistance Scheme for Post-secondary Students to be further enhanced in the short term.

To promote the development of a self-financing post-secondary education sector, the Government has injected substantial financial resources through, for instance, a \$5 billion Start-up Loan Scheme for service providers and a \$30 million Accreditation Grant Scheme. Furthermore, a Land Grant Scheme offering sites at nominal premium is offered to non-profit-making course providers to enable them to develop campuses to run self-financing accredited whole-day post-secondary programmes. So far, five sites situated in Kowloon and the New Territories have been granted, providing a total floor area in excess of 100 000 sq m. These initiatives, which will greatly help institutions upgrade their teaching facilities and the quality of programmes, fully illustrate the Government's commitment to developing the post-secondary education sector.

We have once considered the proposal made by Members, that the 10-year repayment period for interest-free loans offered to institutions be extended. However, the repayment periods for all government loans do not exceed 10 years. To alter our overall financial policies, convincing justifications and evidence are required. The relevant information has yet been received so far. Furthermore, extending the repayment period will reduce returns from investment of government capital and, in other words, result in alternative expenditure. Given that public resources are limited, I disagree with the proposal of extending the repayment period. Instead, students and facilities directly benefiting

students should be given the priority access to resources. Furthermore, we are studying ways to strengthen learning support for students, including student development services, and so on, to further upgrade the quality of programmes.

We fully understand the expectations of sub-degree holders for pursuing further education and securing employment, and have hence examined the provision of more articulation places while developing sub-degree qualifications. To begin with, we have provided in phases, from the 2005-06 academic year, an additional 1 680 places in the second year and third year of publicly-funded undergraduate programmes. Provided that the academic levels are maintained, and subject to the availability of resources, we plan to gradually provide, over the next several years, an additional 2 000 or so articulation places (making a total of 3 700 newly created articulation places) to enable more sub-degree graduates with outstanding academic performance (I emphasize more sub-degree graduates with outstanding academic performance) to pursue university education. Apart from government-subsidized places, there are at present some 2 500 self-financing degree places in Hong Kong. With the increase in the number of self-financing sub-degree places, I believe there is scope for development in the market offering self-financing degree places to meet the demands of students for further studies. Furthermore, sub-degree graduates may opt for self-financing articulation programmes abroad. At present, a total of 150 institutions in 10 countries or regions recognize the qualifications of local sub-degree holders and allow the enrolment of local sub-degree graduates in the relevant degree programmes or transfer of credits. It is thus evident that there are lots of learning opportunities for students intent on pursuing further studies.

I think it is even more important for sub-degree students to understand that university education is by no means the only target or way out for pursuing sub-degree programmes. The reality is that not all sub-degree graduates are interested in or suitable for degree programmes. Therefore, it is impractical to insist on providing all or the vast majority of sub-degree graduates with subsidized degree places. As I pointed out earlier, the principal objective of the Government in proposing the sub-degree policy back then was to upgrade the competitiveness of the local workforce. Therefore, we should promote more actively the sub-degree qualifications as independent and recognized qualifications for employment in society. I also hope the general community can clearly understand that sub-degree graduates, upon completion of post-secondary programmes integrating the career-oriented and Liberal Studies elements, are already knowledgeable in and capable of taking up posts at the

basic management or ancillary professional level. At present, a number of sub-degree programmes have been recognized as professional qualifications by more than 20 professional bodies and, as a result, sub-degree graduates can be exempted from certain examinations. Sub-degree holders are also considered by 13 civil service grades as meeting their entry qualifications. To enable the business sector and employers to gain a better understanding of sub-degree qualifications and encourage them to employ sub-degree graduates, the Education and Manpower Bureau has planned a wide variety of promotional activities. Furthermore, employers' views on the work performance of sub-degree graduates will be collected through surveys with a view to further familiarizing members of the community with sub-degree qualifications.

In promoting the development of the post-secondary education sector, the Government has proposed, after detailed consideration and study, comprehensive support initiatives in response to a variety of foreseeable circumstances. A review of the post-secondary education sector has also been launched to further consolidate the development of the sector. With the completion of Phase 1 of the Review, Phase 2 will be commenced to examine ways to implement the proposals put forward in Phase 1 of the Review, examine overseas practices and experience, and so on.

I am very pleased that Members and the general public approve of the policy direction for post-secondary education and affirm the sustainable development of the post-secondary education sector. I hope that Members will, after listening to my speech, have a more comprehensive understanding of the quality assurance of sub-degree programmes and the support measures provided by the Government, instead of looking subjectively at sub-degree holders with a negative attitude and belittling their value, for this would only deepen the misunderstanding of members of the community. This is most unfair to the hard-working service providers, teachers, and diligent students.

In fact, sub-degree programmes provide a more comprehensive and greater variety of avenues of learning to Secondary Five and Seven graduates as a complement to traditional teaching ladders. We should recognize the value of sub-degree programmes and have confidence that sub-degree graduates can emerge as a new force of manpower conducive to Hong Kong's long-term socio-economic development.

Thank you, Madam President.

PRESIDENT (in Cantonese): Mr CHEUNG Man-kwong, you may now reply and you have two minutes 30 seconds.

MR CHEUNG MAN-KWONG (in Cantonese): First of all, I would like to thank colleagues for their support today. I would also like to take this opportunity to express my expectation and opinion of the associate degree sector.

I actually completely agree to what Ms Audrey EU said earlier. I earnestly hope that a greater number of young people of Hong Kong will have access to post-secondary or university education, with a participation rate higher than 66%. It is because they are the hope of the future of Hong Kong.

I have been totally aware that under the present distribution of funds, it is not possible for all students pursuing university education to be granted the same amount of financial assistance like that of the undergraduate students. Therefore, it is inevitable that students have to bear the expenses. But I hope these expenses will be within their affordability. In any case, even if they have to pay or take out a loan, the conditions of the loan must be fair. At least it should be fair to students no matter whether they are studying degree courses, subsidized courses or associate degree courses. The same formula should be applied. However, there are two formulas now. There remain two formulas even after the improvement, of which one of them is discriminatory in nature. I think this gap should be reduced. Moreover, the loan taken out by students should not be used for mortgage repayment.

However, regarding associate degree programmes, I understand the aspirations of young people for more articulation opportunities. The Secretary said earlier that articulation with university education was not the only progression pathway. It is true that not one hundred percent of the associate degree students wish to have articulation to degree places. But I can say that the number of students who earnestly wish to have access to university education is increasing. Therefore, the narrow bottleneck with the number of degree places capped at 14 500 should be eliminated. Only in this way can social expectations of young people be fulfilled and aspirations of young people for studies be satisfied. I also hope that in the course of developing the associate degree programmes, articulation opportunities will increase to allow students a glimpse of their future and hope in the studies, as well as a feeling of care and support from the community. And they will never be abandoned or discriminated against.

The Secretary said we should not look at them in a negative light. Our attitude is not negative. As Mr LU Xun said, "Discontent is the cartwheel for progress". Our criticisms of the associate degree system have meant to bring progress and improvement to the system so that students will become our wealth of talent and our hope. This is the aim of my motion today.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr CHEUNG Man-kwong 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 declared the motion passed.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 11.00 am on Wednesday, 17 May 2006.

Adjourned accordingly at six minutes to Midnight.

Annex

CHIEF EXECUTIVE ELECTION AND LEGISLATIVE COUNCIL
ELECTION (MISCELLANEOUS AMENDMENTS) BILL 2006

COMMITTEE STAGE

Amendments to be moved by the Secretary for
Constitutional Affairs

<u>Clause</u>	<u>Amendment Proposed</u>
3	In the proposed section 3(2A), in the Chinese text, by deleting “委任” and substituting “任命”.
17	<p>By deleting the clause and substituting -</p> <p>“17. Determination of election petition</p> <p>Section 37(1) is repealed and the following substituted -</p> <p>“(1) The Court shall determine -</p> <p>(a) an election petition</p> <p>questioning an election to</p> <p>which section 26A applies in</p> <p>which the Returning Officer</p> <p>declared under section 22(1AB)</p> <p>that no candidate was returned</p> <p>at the election by ruling that -</p> <p>(i) the only candidate</p> <p>nominated at the</p>

election is duly

elected; or

(ii) no candidate is

returned at the

election;

(b) an election petition

questioning an election at

which a candidate was declared

as elected by ruling that -

(i) the candidate is duly

elected; or

(ii) the candidate is not

duly elected."."

Appendix I**WRITTEN ANSWER****Written answer by the Secretary for Housing, Planning and Lands to Ms Miriam LAU's supplementary question to Question 3**

At a meeting between the Chief Secretary for Administration and the Shenzhen Mayor on 23 February this year, Shenzhen and Hong Kong agreed to set up a joint study group to look into the issues related to the new Liantang/Heung Yuen Wai Control Point. Since the construction of a new control point involves multi-faceted issues, the joint study group will first carry out a preliminary study to assess issues like the demand for and the function and benefit of a new control point. The study will cover cross-boundary traffic flow and the various implications of the proposal at the strategic and macro levels, including the economic, environmental and traffic implications. The time required for the preliminary study is subject to further discussion and finalization of the details of the study by both sides.

Appendix II**WRITTEN ANSWER****Written answer by the Secretary for Housing, Planning and Lands to Mr Howard YOUNG's supplementary question to Question 4**

As regards the number of tenants of Tai Wo Hau Factory Estate who participated in the tender exercises arranged by the Housing Authority and the number successful, since announcement of the clearance of Tai Wo Hau Factory Estate in April 2005, four restricted tender exercises were held for the affected tenants, with a total of 78 sets of factory units offered for bidding. Ten factory tenants participated in these exercises and eight have succeeded in securing premises of their choice. In addition, six open tender exercises had been arranged during the same period, providing a total of 226 sets of factory units for bidding. One operator in the Tai Wo Hau Factory Estate took part and his bid was successful.