

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 26 October 2005

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.

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

THE HONOURABLE LEE CHEUK-YAN

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

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

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

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

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

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

THE HONOURABLE VINCENT FANG KANG, J.P.

THE HONOURABLE WONG KWOK-HING, M.H.

THE HONOURABLE LEE WING-TAT

THE HONOURABLE LI KWOK-YING, M.H.

DR THE HONOURABLE JOSEPH LEE KOK-LONG

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

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

THE HONOURABLE MA LIK, G.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 KWONG CHI-KIN

THE HONOURABLE TAM HEUNG-MAN

MEMBERS ABSENT:

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE MRS SOPHIE LEUNG LAU YAU-FUN, S.B.S., J.P.

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

THE HONOURABLE ALBERT JINGHAN CHENG

PUBLIC OFFICERS ATTENDING:

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

THE CHIEF SECRETARY FOR ADMINISTRATION

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

THE FINANCIAL SECRETARY

THE HONOURABLE WONG YAN-LUNG, S.C.

THE SECRETARY FOR JUSTICE

THE HONOURABLE JOSEPH WONG WING-PING, G.B.S., J.P.

SECRETARY FOR THE CIVIL SERVICE

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

CLERKS IN ATTENDANCE:

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

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

TABLING OF PAPERS

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

Subsidiary Legislation/Instruments	<i>L.N. No.</i>
Road Traffic (Driving Licences) (Fee Reduction) Regulation 2005	170/2005
Road Traffic (Registration and Licensing of Vehicles) (Fee Reduction) Regulation 2005	171/2005
Road Traffic (Village Vehicles) (Fee Reduction) Regulation 2005	172/2005
Road Traffic Ordinance (Amendment of Schedule 5 — Charge Revision) Order 2005.....	173/2005
Road Traffic (Reduction of Fee for Designation of Driving School) Order 2005	174/2005
Hong Kong Science and Technology Parks Corporation Ordinance (Amendment of Schedule 1) Notice 2005	175/2005

Other Papers

- No. 14 — Audited Statement of Accounts and Auditors' Report for the Fish Marketing Organization for the year ended 31 March 2005
- No. 15 — Audited Statement of Accounts and Auditors' Report for the Vegetable Marketing Organization for the year ended 31 March 2005

- No. 16 — Marine Fish Scholarship Fund Trustee's Report and Audited Statement of Accounts and Auditors' Report on the Fund for the year ended 31 March 2005
- No. 17 — Agricultural Products Scholarship Fund Trustee's Report and Audited Statement of Accounts and Auditors' Report on the Fund for the year ended 31 March 2005
- No. 18 — Urban Renewal Authority
Annual Report 2004-2005
- No. 19 — Office of the Telecommunications Authority
Trading Fund Report 2004/05
- No. 20 — Hong Kong Council on Smoking and Health
Annual Report 2004-2005
- No. 21 — Hongkong Post
Annual Report 2004/05

WRITTEN ANSWERS TO QUESTIONS

Operation of Hong Kong Disneyland

1. **MR LAU KONG-WAH** (in Chinese): *Madam President, with regard to the operation of Hong Kong Disneyland (HKD) which opened on the 12th of last month, will the Government inform this Council:*

- (a) *of the average daily attendance of the HKD in its first month of operation, and how this compares to the forecast attendance; if the attendance is unsatisfactory, how the relevant authorities will step up promotion of the HKD;*
- (b) *of the respective percentages of local residents, mainland tourists and overseas tourists among the visitors to the HKD;*

- (c) *of the number of complaints from visitors so far received by the relevant authorities, details of these complaints as well as follow-up actions taken;*
- (d) *of the total number of breakdowns of the amusement rides in the HKD since its opening, details and causes of such breakdowns, and whether they have resulted in any injuries to visitors; and*
- (e) *whether the HKD authorities will consider offering annual passes at a concessionary price; if not, the reasons for that?*

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

(a) and (b)

The Hongkong International Theme Parks Limited (HKITP) has advised that park attendance and visitor mix figures are commercially sensitive information; and it has been the practice of The Walt Disney Company not to disclose such information for its theme parks. As a listed company, The Walt Disney Company will disclose the performance of its theme parks in its annual report.

The HKITP is optimistic about the full year attendance. Guest surveys conducted by the HKITP in the first month of operation show that over 80% of the guests have rated the overall experience at the HKD as very good or excellent. Similarly, over 80% of the HKD hotel guests were satisfied with their stay at the hotels and more than half said that they intended to make a return visit.

- (c) Up to 21 October 2005, the Tourism Commission and the Hong Kong Tourism Board have received three complaints or suggestions from park visitors of the HKD. Of these, one case is related to the arrangement of the Rehearsal Days; one case is about ticketing service, and one case is about performance of theme park staff. The complaints have been referred to the management of the HKD for follow-up and reply.

We have also consulted the Consumer Council, who has advised that it is their policy not to release complaint figures on individual companies.

The day-to-day operation of the HKD is the responsibility of the Hong Kong Disneyland Management Limited (the Management Company). According to the Management Company, they have received both compliments and suggestions for improvements. They take these comments seriously and would take follow-up actions. For example, in the light of feedback from visitors during the Rehearsal Days, the Management Company has added more than 600 seats in the restaurants, brought in additional mobile food and beverage stalls as well as outdoor benches and seats, and added new photo spots to meet customers' needs.

- (d) The safety of visitors is the top priority of the Management Company. It enforces rigorous safety standards in the planning, maintenance and operation of the attractions; and implements a safety inspection and maintenance programme. According to the statistics of the Management Company, the amusement rides in the theme park are in normal operation more than 99% of the time.

To enable close monitoring of the operation of the amusement rides of the HKD, the HKITP is required to report all cases of suspension of amusement rides to the Electrical and Mechanical Services Department, which will follow up the reported incidents to ensure the safe operation of the amusement rides. Since the opening of the theme park to the 18th of this month, the HKITP has filed 50 reports where the rides were brought to a halt because of technical reasons, or the triggering of the safety protection system due to external interferences or guest behaviour, but no passengers were injured. There were another six reports which involved guests reporting feeling sick or having minor injuries which caused the operation of the rides to be temporarily suspended.

- (e) The HKD is still in its initial operation period and has no plans to offer annual passes at this stage. However, the Management Company will review the visit pattern of guests from time to time and introduce new ticket products having regard to the market situation.

Study on Impact on Competition of Cross-sector Businesses of Real Estate Developers

2. **MR RONNY TONG** (in Chinese): *Madam President, in March last year, the Competition Policy Advisory Group (COMPAG) wrote to invite academics of local tertiary institutions to submit proposals on a consultancy study which aimed at examining the impact on the competition situation of the large real estate developers' practices of using the housing estates they build as platforms for expanding their cross-sector businesses. The COMPAG has not yet released the findings of the study, nor reported on its progress. In this connection, will the Government inform this Council:*

- (a) *whether the study has been completed;*
 - (i) *if so, of the findings of the study; the reasons for the COMPAG not releasing them nor reporting on the relevant details in its report; how the Administration follows up the findings; and*
 - (ii) *if not, the reasons for that; the current progress of the study, the expected time of its completion and the release of its findings; and*
- (b) *if the study has never been conducted or was terminated, of the reasons for that?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Chinese): *Madam President, in March 2004, the COMPAG invited eight local tertiary institutions to submit proposals for a consultancy study on the competition aspects of some real estate developers which are concurrently engaged in other businesses such as estate management and telecommunications, and making use of their housing developments as platforms to expand their businesses in these sectors. In the event, only one bid was received but it did not meet the selection criteria.*

The COMPAG noted then that the Office of the Telecommunications Authority (OFTA) was looking into the Banyan Garden case which involved complaints against, *inter alia*, subsidiary companies of a developer providing

building management and telecommunications services in a housing development of the developer. The COMPAG therefore decided to review the need for the consultancy study after the OFTA had concluded its investigation of the Banyan Garden case.

The OFTA completed its investigation in August 2004. Having considered the OFTA's report, the COMPAG was of the view that the issues identified in the Banyan Garden case concerned the availability of advance, comprehensive and comprehensible information on the types of services included in the management fee prior to the sale or occupation of the building. The COMPAG concluded that where building management services are provided by the real estate developer or management company before an Owners' Corporation could be formed, the real estate developer or management company should not enter into excessively long service contracts to deprive owners of the option to vary the choice of service later, and that tenders should be competitive, open and transparent. The COMPAG also noted that the Deed of Mutual Covenant and the Building Management Ordinance already provide a mechanism for the Owners' Corporation to be actively involved in the procurement process to ensure that the procurements by the building manager are made in a fair and transparent manner.

As regards the practice of some real estate developers making use of their housing developments as platforms for expanding other businesses, the COMPAG reckoned that exploring new business opportunities, developing new markets and diversifying into other business areas are common commercial practices. The COMPAG also noted that major economies, including the United States, the European Union and Australia, do not regulate or restrict enterprises expanding into other businesses. These places only have provisions in their competition laws against anti-competitive practices or agreements that would seriously affect the operation of the relevant sector or market. Whether the enterprises have cross-sector businesses is not a factor for consideration. In the case of the European Union, its competition law prohibits anti-competitive agreements and abuse of dominant market position. This notwithstanding, the provisions prohibiting anti-competitive agreements do not apply to intra-group agreements (such as leases between a subsidiary and its parent company). And, in determining whether a company with dominant market position has abused its position, the company's engagement in cross-sector business activities is not a factor for consideration.

In view of the OFTA's report on the Banyan Garden case, the stance of major economies on cross-sector business, and the response to the invitation for consultancy proposal in March 2004, the COMPAG decided not to conduct the consultancy study.

Participation of Single-Parent CSSA Recipients in Employment Assistance Schemes

3. **MR ALAN LEONG** (in Chinese): *Madam President, the revised proposals for single-parent recipients under the Comprehensive Social Security Assistance (CSSA) Scheme made by the Health, Welfare and Food Bureau in July this year require that single parents and other child carers on CSSA with the youngest child aged 12 to 14 must actively participate in the Mandatory Employment Assistance Programme or Intensive Employment Assistance Projects. Non-active participation and failure to meet the requirement of seeking at least part-time employment will result in a deduction of \$200 from the CSSA payment. The authorities intend to implement the proposals on 1 April 2006. In this connection, will the Government inform this Council whether :*

- (a) it has clearly defined the criterion of "to seek at least" stated in the requirement; if it has, of the details of this criterion, if not, the reasons for that;*
- (b) any mechanism is in place to ensure that the remuneration (in terms of wages and working hours) of the jobs allocated to the above CSSA recipients is at a reasonable level; if so, of the details of the mechanism; and*
- (c) it has assessed the impact of the proposals to compel as many as 18 000 such CSSA recipients to join the job market on the existing workforce; if it has, of the details and outcome of the assessment?*

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

- (a) In order to help single parents and other child carers on CSSA to move towards self-reliance and reduce the risk of social exclusion

through engagement in work as early as possible, those with the youngest child aged 12 to 14 will be required to seek employment. In fulfilling the requirement, besides full-time job, these single parents/child carers could also seek and engage in part-time employment which is defined as a paid job entailing not less than 32 work hours per month. Exemptions will be allowed where justified. For example, the recently bereaved, those who have recently been victims of domestic violence and those having to care for an elderly or disabled member will be exempted from job search. Other recipients, who have made a reasonable effort to seek employment, including part-time job, would not be regarded as breaching the requirement. "A reasonable effort" means fulfilling the job search requirement through making genuine job search effort and reporting to the Social Welfare Department (SWD)'s Employment Assistance Coordinators on such efforts made during the period on a monthly basis. In implementing the new arrangement, we will provide assistance to the single parents or child carers on CSSA concerned including:

- conducting advice-focus interviews and offering employment assistance by the SWD; and
 - providing intensive employment assistance and basic skills and skills upgrading training in the form of Intensive Employment Assistance Projects run by non-governmental organizations for those single parents and child carers with no or limited working experience (the "New Dawn" project).
- (b) The main purpose of the arrangement is to help these CSSA recipients build up early their capacity for self-reliance through engagement in work as soon as their family circumstances permit. Participation in employment, including part-time employment will provide the recipients not only with additional income on top of the original CSSA payments, through the provision of disregarded earnings but also a wider social network, first-hand knowledge on the labour market and bring their skills into full play. We do not intend to impose rigid criteria on the remuneration levels but will keep close watch of the discussions on minimum wages.

- (c) According to statistics compiled by the Census and Statistics Department, the estimated labour force stood at 3 596 000 during the three-month period July to September 2005. If 18 000 CSSA single parents/child carers whose youngest child is aged 12 to 14 were to join the labour market, the total labour force would increase by about 0.5%. It is difficult to assess precisely their impact on the employment market, bearing in mind that these CSSA recipients are only required to seek part-time employment and exemptions from the requirement will be allowed where justified.

Broadcasts of TV News and Advertisements by KCRC in Train Compartments

4. **MR ANDREW CHENG** (in Chinese): *Madam President, since July this year, the Kowloon-Canton Railway Corporation (KCRC) has arranged for broadcasts of TV news and advertisements in the train compartments of its East Rail, West Rail and Ma On Shan Rail. In this connection, will the Government inform this Council:*

- (a) *of the total number of complaints received so far by the relevant authorities about excessive volume of such broadcasts, and the outcome of such complaints;*
- (b) *whether it will advise the KCRC to make such broadcasts in the mute mode in order not to disturb passengers; if so, of the details; if not, the reasons for that; and*
- (c) *of the KCRC's estimate of the annual revenue to be generated from such broadcasts, and the accounts in which such revenue will be reflected?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS
(in Chinese): Madam President,

- (a) In August 2005¹, the KCRC introduced the "Newsline Express" service on East Rail, Ma On Shan Rail and West Rail. Audio and

¹ The "Newsline Express" service was put on trial on some trains in July 2005 but the service was not yet fully introduced in the same month.

visual news programme and advertisement are broadcast on TV panels installed in train compartments through wireless transmission. The number of complaints received by the relevant authorities (including the Environment, Transport and Works Bureau, Transport Department, Environmental Protection Department and Transport Complaint Unit) so far is as follows:

<i>Month</i>	<i>Number of Complaints Received</i>
August 2005	110
September 2005	67
October 2005 (up to 16 October 2005)	27

The Government noted some passengers' comments on the sound volume of the "Newsline Express". We have relayed the passengers' concern to the KCRC and requested the Corporation to put in place immediate measures to reduce the sound volume, improve the sound quality and the noise protection arrangements of Quiet Cars/Quiet Zones. We have also asked the KCRC to closely monitor passengers' feedback on the service, with a view to providing passengers with a comfortable travelling environment.

Taking into account the concerns expressed by the Government and passengers, the KCRC has taken active steps to implement the following measures to address the sound problems arising from the "Newsline Express":

- (i) deploy inspection teams on board to monitor the performance of the "Newsline Express";
- (ii) assess the sound quality fleet-wide through comprehensive acoustic measurements and explore appropriate measures to improve the overall performance of the "Newsline Express" in terms of sound volume and quality;
- (iii) adjust the sound volume in respect of the different ambient noise of each railway, that is, to reduce the sound volume of the "Newsline Express" for railways with lower ambient noise;

- (iv) strengthen the effect of the Quiet Cars/Zones by disabling the speakers close to them. Such modification works were completed in Ma On Shan Rail in August 2005 and proved to be effective in addressing the sound volume problems. Similar modifications are being implemented in East Rail and West Rail train compartments for completion by end October 2005; and
- (v) adjust the position of the speakers in the Quiet Zones in the First Class Compartments of East Rail so as to confine the audio coverage to areas in the proximity of the TV panels of the "Newsline Express". The modification works are expected to complete by end 2005.

The KCRC indicated that through the above improvement measures, the sound volume of the "Newsline Express" is now at a level acceptable to most passengers. According to the findings of a passenger survey conducted by the KCRC in August 2005, amongst the 6 000 respondents, 75% thereof considered the sound level of the "Newsline Express" "appropriate" or "too low". Over 90% of the respondents viewed that the overall performance of the "Newsline Express" is acceptable. The KCRC will continue to gauge passenger feedback on the "Newsline Express" through passenger surveys.

- (b) We have relayed to the Corporation the suggestions of broadcasting the "Newsline Express" in the mute mode. In response to this, the KCRC indicated that muting the broadcast would cause inconvenience to most passengers who wish to enjoy the "Newsline Express" service as they would be required to use radios and headphones to receive the broadcast. In addition, the KCRC's partner in the "Newsline Express" service is not ready to provide news programmes equipped with captions for broadcast in the mute mode. The KCRC is now liaising with its partner on the way forward in this regard. Yet since complicated technical and operational aspects are involved, further studies on this issue would be required.

The KCRC understands the different needs of passengers and therefore provides Quiet Cars/Quiet Zones on trains to cater for their needs. For East Rail which is served with 12-car trains, two cars are dedicated to be Quiet Cars, and one section of the First Class Compartment is dedicated to be Quiet Zone. For West Rail and Ma On Shan Rail which are served with seven-car and four-car trains respectively, one car is dedicated to be the Quiet Car. The KCRC said that it had considered passengers' comments in making the arrangements of Quiet Cars/Zones. According to a survey conducted by the KCRC in 2004 where over 2 000 passengers were interviewed, over 70% thereof indicated that they were "interested" or "very interested" in the programme. Less than 20% of the interviewees indicated that they preferred to travel in a Quiet Zone.

- (c) Since the "Newline Express" service has just commenced, the KCRC does not have its revenue figures at this early stage. According to the KCRC, all profits generated by the "Newline Express" will be included as non-fare revenue to benefit passengers by improving the railway services.

Insurance Cover Taken out by Primary and Secondary Schools

5. **MR MA LIK** (in Chinese): *Madam President, will the Government inform this Council of:*

- (a) *the number of cases of claims against the primary and secondary schools whose actions caused personal injuries and the amount involved in each of the past four years;*
- (b) *the details of insurance cover currently taken out by primary and secondary schools for the avoidance of loss arising from such claims, and the authorities' guidelines in this respect; and*
- (c) *the criteria currently adopted by the authorities as well as primary and secondary schools for deciding on the sum insured; how primary and secondary schools will deal with the deficiency in the sum insured to meet claims; and how the authorities will assist them?*

SECRETARY FOR EDUCATION AND MANPOWER(in Chinese): Madam President, the Education and Manpower Bureau (the Bureau) has arranged a Block Insurance Policy (BIP) for all aided and caput schools. The BIP covers insurance against public liability, employees' compensation and group personal accident risks.

- (a) The public liability insurance under the BIP offers indemnity in respect of the legal liability of a school for accidental injury to any third party, or accidental loss of or damage to any property due to the school's negligence. In the past four school years, the number of cases of claims and the amount of indemnity provided for or incurred in connection with public liability insurance are as follows:

<i>School Year</i>	<i>Number of Cases</i>	<i>Amount of Indemnity Provided for or Incurred (\$ million)</i>
2001-02	300	6.6
2002-03	701	5.0
2003-04	174	7.5
2004-05	197	2.6

- (b) The current limits of indemnity for various insurance items under the BIP are as follows:

<i>Class of Insurance</i>	<i>Limit of Indemnity</i>
Public Liability	\$100 million per any one occurrence
Employees' Compensation	\$100 million per any one event for each insured school
Group Personal Accident	Up to \$100,000 per person

The Bureau Circular No. 11/2005 dated 24 August 2005 already sets out the details of the BIP and schools have been reminded of the issues requiring special attention.

As for kindergartens, private schools and schools under the Direct Subsidy Scheme, the Bureau has advised them via the Bureau Circular No. 16/2004 to acquire adequate insurance to cover public liabilities for damages arising from fire, accidents and injuries to students and other persons as well as the employees' compensation as required by the Employees' Compensation Ordinance.

- (c) Before taking out a BIP for schools, the Bureau will appoint an independent professional insurance consultant to advise on matters such as coverage of the policy, limits of indemnity, amount of premium, latest development of the insurance industry, and so on. The consultant will also be required to assist the Bureau in the related tendering exercise. The Bureau will set the limits of indemnity for various insurance items under the BIP in accordance with the professional advice given by the insurance consultant.

The current limits of indemnity for public liability insurance and employees' compensation insurance are both \$100 million, which is considered adequate in providing protection to the schools concerned.

Regulation of Mainland Enterprises Listed in Hong Kong

6. **MR WONG TING-KWONG** (in Chinese): *Madam President, it has been reported that although the number of mainland enterprises listed in Hong Kong is growing, their main businesses are carried out in the Mainland, and their management and the largest portion of their assets are located outside Hong Kong. Furthermore, since China is not yet a signatory to the Multilateral Memorandum of Understanding of the International Organization of Securities Commission, the local monitoring authorities have difficulties in finding evidence when such companies are suspected of malpractices. Hence the regulatory work of the Securities and Futures Commission (SFC) and the Stock Exchange of Hong Kong are adversely affected. Even if the local monitoring authorities have obtained relevant evidence, law-enforcement officers in the Mainland are often reluctant to come to Hong Kong to give evidence. Moreover, there is no extradition law between the Mainland and Hong Kong to provide for the extradition of suspects to stand trials in Hong Kong. In this connection, will the Government inform this Council:*

- (a) *how the authorities address such problems as finding evidence, securing witnesses to come to Hong Kong to give evidence and extraditing suspects in the process of combating the malpractices of the above companies in order to safeguard the interests of Hong Kong investors and to maintain Hong Kong's reputation as an international financial centre; and*

- (b) *given that the local monitoring authorities have proposed to strengthen the regulation on sponsors by requiring them to take up the same responsibilities as the management of listed companies in relation to the contents of the prospectus so as to reduce the risks to Hong Kong shares caused by the listing of poorly managed mainland enterprises, whether the authorities have assessed the feasibility of the proposal and if it will be supported by the industry; if they have, of the assessment results?*

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

- (a) The regulatory structure of the securities and futures industry is enshrined in the Securities and Futures Ordinance (SFO) (Cap. 571). Under this regulatory structure, the SFC is an independent statutory regulator responsible for, *inter alia*, maintaining and promoting the orderliness of the securities and futures industry, providing protection for members of the investing public and for minimizing crime and misconduct in the industry. To enable the SFC to discharge its statutory duties effectively, it has been vested with a wide range of investigative powers such as obtaining documents and explanations from listed companies and parties closely connected with them, and disciplinary powers in respect of its licensees, including sponsors.

The SFC's reply to part (a) of the Member's question is appended below:

"SFC has maintained an excellent working relationship with the China Securities Regulatory Commission (CSRC), who has been rendering assistance to SFC to the extent that it can. SFC has entered into a Memorandum of Understanding with CSRC, which provides for exchange of non-public information.

"SFC has to rely on voluntary co-operation from witnesses, suspects, and companies in the Mainland. CSRC has assisted SFC in

conducting interviews in the Mainland. SFC will continue to discuss with CSRC to further strengthen co-operation. However, where local government agencies are involved, co-operation from CSRC alone is not enough.

"On the domestic front, SFC maintains regular communication and good co-operation with local enforcement agencies such as the Police and the Independent Commission Against Corruption, and such co-operation facilitates information sharing among the authorities and co-ordinated investigations on corporate crimes including cross-boundary cases. SFC will also continue to work closely with the Hong Kong Exchanges and Clearing Limited, the front-line regulator, to strengthen listing regulation and raise the standards of intermediaries like sponsors."

- (b) Sponsors are regulated by the SFC under the licensing regime enshrined in the SFO. Under the SFO, sponsors are required to obtain a licence to carry out Type 6 regulated activity, that is, advising on corporate finance. The regulatory regime enshrined in the SFO empowers the SFC to set standards, investigate into misconduct and impose disciplinary sanctions on sponsors.

The SFC's reply to part (b) of the Member's question is appended below:

"Sponsors play an important role in assessing a company's suitability for listing and bringing such company to market. Under the Listing Rules promulgated by the Stock Exchange of Hong Kong, a sponsor must be closely involved in the preparation of the prospectus and conduct reasonable due diligence inquiries to satisfy itself as to the disclosures in the document. In view of the critical assessment required to be done by sponsors on the accuracy and completeness of the information given by the company and its directors, and their significant economic interest in the success of an offer, there is justification for imposing liability on sponsors for untrue statements/material omissions in a prospectus in the same manner as directors of the company are so liable.

"In line with those jurisdictions which specifically impose liability on the underwriters of an offering (including Australia, Singapore and the United States), a due diligence standard is proposed to be built into the existing statutory framework in order for defendants to discharge the 'reasonable belief' defence in legal proceedings for untrue prospectus disclosures/material omissions.

"The proposal for extending civil and criminal liability for misstatements in prospectuses to sponsors is one of the subjects discussed in the Consultation Paper on Possible Reforms to the Prospectus Regime. The consultation will end on 30 November 2005. As no formal submissions on the above proposal have been received to date, we are not currently in a position to assess the level of support by the industry."

Staff Remuneration Expenses of Hospital Authority

7. **MISS CHAN YUEN-HAN** (in Chinese): *Madam President, will the Government inform this Council whether it knows:*

- (a) *the total expenses on staff remuneration of the Hospital Authority (HA) in each of the past five years; together with the number of staff and amount of expenses on staff remuneration for each rank; and*
- (b) *the respective ranks at management level and those in the front-line health care staff category under the HA's existing human resources structure?*

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

- (a) The yearly expenditure by the HA on personal emoluments (including salary, allowance and staff on-cost), with a breakdown by staff groups, for the past five years are given in the table below:

<i>Staff Group</i>	<i>2000-01 (\$M)</i>	<i>2001-02 (\$M)</i>	<i>2002-03 (\$M)</i>	<i>2003-04 (\$M)</i>	<i>2004-05 (\$M)</i>
Management	229	229	227	207	199
Medical	6,044	6,608	6,616	6,587	6,431
Nursing	9,389	9,846	9,949	9,804	9,405
Allied Health	2,693	2,847	2,885	2,906	2,841
Professionals (non-clinical)	729	763	758	753	724
Support and Other Staff	4,486	4,670	4,675	4,484	4,269
Total	23,570	24,963	25,110	24,741	23,869

The number of staff in each staff group are given in the table below:

<i>Staff Group</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>
Management	102	96	98	90	87
Medical	4 229	4 461	4 618	4 872	4 859
Nursing	19 727	19 682	19 568	19 308	19 162
Allied Health	4 527	4 637	4 721	4 891	4 830
Professionals (non-clinical)	906	913	927	892	914
Support and Other Staff	21 448	22 810	22 826	22 398	22 273
Total	50 939	52 599	52 758	52 451	52 125

- (b) The management staff group encompasses the following ranks: the Chief Executive, Directors, Deputy Directors/Functional Heads, Senior Executive Managers, Chief Legal Counsel and Executive Managers at the HA Head Office; and at the hospital level Cluster Chief Executives, Hospital Chief Executives, General Managers (Nursing) and General Managers (Allied Health). The vast majority of medical, nursing, allied health, and support and other staff are front-line health care staff.

Return of Overpaid Disability Allowance

8. **DR FERNANDO CHEUNG** (in Chinese): *Madam President, recently a number of parents approached my office for assistance. They said that their*

children had been receiving Higher Disability Allowance (HDA) for a number of years but the Social Welfare Department (SWD) had suddenly said that their children had been living in school dormitories, which was against the requirement that recipients of such allowance must not be receiving care in a government or subvented residential institution. The SWD therefore asked them to return the overpaid allowance they had received. In one case, a parent was asked by the SWD to return \$160,000. In this connection, will the Government inform this Council:

- (a) of the number of cases over the past five years in which the SWD asked HDA recipients to return the overpaid allowance because it had discovered that their residential status had breached the above requirement, broken down by whether they have lived in school dormitories, serviced hostels or hospitals, and the amount involved in each case; and*
- (b) among such cases, of the number of recipients whose families had to apply for Comprehensive Social Security Assistance (CSSA) because they had to return the overpaid allowance to the SWD?*

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

- (a) Disability Allowance (DA) includes Normal Disability Allowance (NDA) and HDA. According to the existing provisions, a person is eligible for NDA if his/her disabling condition is certified by a public medical officer to be in a position broadly equivalent to a person with a 100% loss of earning capacity. To be eligible for HDA, in addition to meeting the eligibility criteria for NDA, the person:
 - must be certified by the Director of Health or the Chief Executive of Hospital Authority to be in need of constant attendance from others in his/her daily life; and
 - must not be receiving care in a government or subvented residential institution or a medical residential institution under the Hospital Authority.

In the process of handling each HDA application and review case, the SWD will explain the above eligibility criteria to the applicant. The SWD will determine the eligibility of HDA according to information reported by the applicant on whether he/she is living at home or has been admitted to a government or subvented residential institution. The applicant is also required to report to the SWD immediately any change in his/her circumstances, including admission to an institution.

As the Computerized Social Security System (the System) of the SWD has come into operation since October 2000, we can only provide the data on overpaid allowance during the past four years as follows:

<i>Year</i>	<i>Cases involving admission to residential institutions*</i>		<i>Cases involving admission to hospitals</i>	
	<i>Number of cases</i>	<i>Amount overpaid in million (\$)</i>	<i>Number of cases</i>	<i>Amount overpaid in million (\$)</i>
2001-02	239	1.7	641	1.9
2002-03	282	2.6	904	2.7
2003-04	204	1.4	969	2.2
2004-05	249	1.4	1 260	2.5

* The records available in the System of the SWD cannot provide the number of overpayment cases by different types of institutions, such as school dormitories or serviced hostels. It can only provide information on two major types of cases involving applicants' admission to residential institutions or hospitals.

Over the past four years, the abovementioned overpayment cases and the amount of overpayment involved account for about 1.1% of the total number of DA cases and 0.2% of the total DA expenditure on average. The overpayments were mainly caused by the applicants' failure to report immediately to the SWD their admission to residential institutions or hospitals, or the change in the applicants' circumstances were later discovered by SWD staff when conducting case reviews and data matching. The SWD has already worked out repayment arrangements, including repayment by installments, with the majority of applicants for recovering the overpayments.

DA is non-contributory and funded by general revenue. To safeguard public funds, it is necessary for the SWD to follow its usual practice of recovering any overpayment incurred by the applicants. When handling these cases, SWD staff will find out the reasons leading to overpayment and negotiate with the applicant to agree on a reasonable repayment plan. The provision stipulating that applicants admitted to residential institutions or hospitals for residential care are only entitled to receive NDA is meant to prevent double benefits and ensure the proper use of public money.

- (b) The SWD does not have records available to show how many cases in the table above have ended up having to apply for CSSA because of the need to repay the overpaid allowance. Application for CSSA is an option for anyone in financial difficulty to meet basic needs of livelihood. While CSSA applicants must pass both the income and assets tests, applicants for DA are not subject to any means test.

Mosquito Infestation in Hong Kong Disneyland

9. **MISS CHOY SO-YUK** (in Chinese): *Madam President, I have received many complaints from the public about mosquito infestation in Hong Kong Disneyland (HKD). They point out that as only non-fruit-bearing trees have been planted in the HKD, few birds frequent the place, which does not help control the mosquito problem. In this connection, will the Government inform this Council of:*

- (a) *the number of trees planted in the HKD at present, with a breakdown by their species and whether they are fruit-bearing;*
- (b) *the preventive measures adopted in the HKD against mosquito infestation; and*
- (c) *the number of complaints by visitors to the HKD authorities about mosquito bites so far, and the details of the complaints?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Chinese): Madam President, according to the Hong Kong Disneyland

Management Limited (the Management Company), there are about 18 000 trees in the HKD and its hotels, of which 70% are flowering trees that are fruit-bearing. There are altogether about 150 species, including *Tamarindus indica*, *Gnetum gnemum*, *Artocarpus* species, *Syzygium jambos*, *Syzygium cumini*, *Feijoa sellowiana*, *Illicium verum*, *Sterculia monosperma*, *Dillinia indica*, *Pongamia pinnata*, *Mimusop elengi*, *Terminalia catappa*, *Tabebuia* species, *Garcinia subelliptica*, and so on. According to the Food and Environmental Hygiene Department (FEHD), the main cause of mosquito infestation is water accumulation and not the species of trees.

We understand from the Management Company that they have implemented an active pest monitoring and control programme since July 2005 to improve the sanitary condition. This programme includes measures such as installation of mosquito traps, regular monitoring of fluctuations in pest population, frequent checking of any accumulation of stagnant water and elimination of all potential mosquito breeding grounds. These measures have proved to be effective.

For public areas in the vicinity of the theme park, the FEHD is carrying out regular mosquito control measures which include the clearing of stagnant water and other potential mosquito breeding grounds, and the application of insecticide or larvicidal oil as necessary.

Since the opening of the HKD, the Management Company has received four cases of pest-related complaints. No complaints have been received over the past three weeks. The Management Company observes that the implementation of the pest monitoring and control programme has been effective in dealing with mosquito infestation.

Public Transport Arrangements to and from Hong Kong Disneyland

10. **MR LEUNG YIU-CHUNG** (in Chinese): *Madam President, currently, visitors to the Hong Kong Disneyland (HKD) can use the Mass Transit Railway, franchised buses, non-franchised buses and taxis, but not green and red minibuses. In this connection, will the Government inform this Council:*

- (a) *whether the present public transport arrangements can effectively cater to the flows of visitors travelling to and from the HKD;*

- (b) *of the reasons for forbidding some public transport service operators from operating routes to and from the HKD; whether it has assessed if this practice is fair, and if it will result in relatively high fares for trips to and from the HKD; if so, of the outcome of the assessment; if not, the reasons for that; and*
- (c) *whether it plans to change the decision so as to enhance competition, offer visitors to the HKD more choices and create additional job opportunities; if so, of the details of the plan; if not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): Madam President, currently, public transport services available to visitors to the HKD include railway, franchised buses, non-franchised buses, taxis as well as cross-boundary coaches for visitors from the Mainland. Transport arrangements for the HKD were formulated before the commissioning of the HKD based on the estimated number of visitors, passengers surveys, existing transport and traffic network and other transport statistics. The public transport demand to and from the HKD is mainly recreational in nature and concentrate at the peak hours in the morning and evening. In order to accommodate the projected pattern of passenger demand, mass carriers with higher passenger capacity are necessary for provision of services to and from the HKD. While planning for the transport arrangement for the HKD, we have therefore included railway, a mass carrier, as the major service provider, to be supplemented by franchised buses, non-franchised buses and taxis.

Franchised buses provide convenient and efficient mass transit service to and from the HKD. Non-franchised buses can meet the demand of particular groups of passengers (for instance, organized tour groups). Taxi provide convenient, personalized, and point-to-point services, especially for visitors who are not familiar with local public transport. As for public light buses (PLBs), according to our existing transport policy, the primary function of green minibuses is to provide regular transport services to supplement and serve as feeders to the mass carriers, serve areas where demand does not justify the provision of high capacity services. Red minibuses, on the other hand, provide a relatively flexible service within their existing service areas. Taking into account the mode of passenger demand of the HKD, the passenger capacity and operating efficiency of PLBs are relatively low when compared with mass

carriers such as railways and buses. Based on the principle of efficient use of transport service resources, we currently consider that there is no need to arrange PLB service to serve the HKD.

In fact, we have been monitoring closely the passenger demand of the HKD since its commissioning on 12 September 2005, including the period during festival days and holidays such as Mid-autumn Festival and the National Day "Golden Week". The service levels and daily passengers throughput of various modes of transport show that the existing public transport services have surplus capacity, demonstrating that the public transport services to and from the HKD is adequate and can effectively cater to the flows of visitors to the HKD.

Besides, the various public transport modes offer a wide selection of transport services to the HKD's visitors. There is competition both in terms of service quality and fare, providing the public with multiple and reasonable choices. We will continue monitoring the public transport services to and from the HKD and make adjustment when necessary.

CSSA Recipients Unable to Pay Fines

11. **MR ALBERT CHAN** (in Chinese): *Madam President, recently, I have received many complaints from elderly persons that they had been caught by law-enforcement officers and fined \$1,500 when they left rubbish in public places inadvertently. As they have limited means and many of them even have to live on Comprehensive Social Security Assistance (CSSA), they have difficulty in paying the fine. Furthermore, it has been reported that if CSSA recipients decline to pay the fine on grounds of inadequate means, the authorities may subject them to community service orders (CSOs) in lieu. Should the persons concerned feel aggrieved, they may request the Food and Environmental Hygiene Department to refer their cases to the Court for adjudication. In this connection, will the Government inform this Council:*

- (a) *of the number of fixed penalty notices (FPNs) issued, and the total amount of fines collected, in each of the years since the fixed penalty was raised at the end of June 2003, as well as the number of cases in which FPNs were issued to recipients of CSSA or Old Age Allowance over 60 years old; and*

- (b) *whether it will consider encouraging the Court to make CSOs on elderly littering offenders of limited means in lieu of the fixed penalty; if so, of the details; if not, the reasons for that?*

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

- (a) Since the increase of the Fixed Penalty of Public Cleanliness Offences to \$1,500 in late June 2003, the seven enforcement departments issued around 55 100 FPNs up to end August 2005. The figures and amount of fines collected for each year are as follows:

<i>Year</i>	<i>No. of FPNs*</i>	<i>Amount of Fines Collected# (\$ million)</i>
26 June to 31 December 2003	12 800	17.1
2004 (Full Year)	25 600	38.6
1 January to 31 August 2005	16 700	25.8

* The numbers of FPNs were rounded to the nearest hundred.

The amount of fines was rounded to one decimal place. As some offenders paid their fines late and due to other reasons, the amount collected in a particular year did not necessarily come from the FPNs issued in the same year.

Among the some 55 100 FPNs mentioned above, around 16% involved persons aged 60 or above. The Government does not have information on the number of offenders who were recipients of CSSA or Old Age Allowance.

- (b) The CSO can be imposed on persons convicted of a littering offence (not including spitting, unauthorized display of bills/posters, and dog fouling). However, the Government does not have the power to direct an offender to serve a community service order in lieu of the fixed penalty. If an offender wishes to dispute the issue of a FPN on littering, he/she can ask the concerned enforcement department to arrange a hearing of the case by the Court. If the offender is convicted by the Court, the Court would impose the

sentence it deems most appropriate, including the level of fine and/or imprisonment terms or a CSO, on the offender. Should the offender have financial difficulties in paying the fine, he/she might appeal to the Court for a lower fine. We believe that not all elderly persons wish to replace the fine with a CSO. According to the Community Service Order Ordinance (Cap. 378), the Court cannot make a CSO against an offender unless with the latter's consent and other provisions as stipulated in the Ordinance have been fulfilled.

Health Care Expenditure

12. **MR FREDERICK FUNG** (in Chinese): *Madam President, regarding the health care expenditure and demand for public and private out-patient services in Hong Kong, will the Government inform this Council:*

- (a) *of the respective percentages of expenditures on private, public and overall health care services in the Gross Domestic Product (GDP) in the past five years, and whether the authorities have compared these figures to those of other developed countries or regions; if so, of the results; if the results show that Hong Kong's figures are lower than those in other countries or regions, the reasons for that;*
- (b) *of the percentage of the expenditure on primary health care in the total public health care expenditure in each of the past five years; if these figures have shown a downward trend, the reasons for that; whether it is partly attributable to the Government not accepting the view that primary health care can help to reduce public demand for the more expensive secondary and tertiary health care services;*
- (c) *as the authorities have pointed out, in the consultation paper on the future service delivery model for the health care system, that if the existing service models are not reformed, the estimated percentage of the expenditure on health care services in the tax revenue will increase from the current 22% to more than 50% by 2033, of the relevant assumptions and statistics on which this estimate is based, and the respective estimated percentages of expenditures on private, public and overall health care services in the GDP by then; and*

- (d) *how the total number of attendances at private specialist and general clinics in the past five years compares to that at public specialist and general clinics?*

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

- (a) The percentage of total health expenditure as a percentage of GDP from 1999-2000 to 2001-02 was around 5% (see Table 1). These figures are derived from the Domestic Health Accounts (DHA) which adopt the International Classification for Health Accounts (ICHA) developed by the Organization of Economic Co-operation and Development (OECD) in 2000 in coming up with the figures. All health expenditures are grouped according to standardized classifications. The DHA can provide a more complete picture of the health expenditure and facilitate international comparison. However, the DHA data are only available until 2001-02. Figures on health expenditure for 2002-03 and 2003-04 are being compiled and will be available later. At present, we can only preliminarily estimate the figures for 2002-03 and 2003-04 based on the public expenditure on the policy area group of health and the estimates of private consumption expenditure on medical care and health expenses. The estimated total, public and private health expenditure as a percentage of the GDP in 2002-03 are 5.2%, 2.7% and 2.5% respectively. The corresponding figures in 2003-04 are 5.3%, 2.8% and 2.5%. Given the different basis for calculation, the figures of these five years are not directly comparable.

Table 1: Total Health Expenditure as a percentage of GDP

<i>As a percentage of GDP</i>	<i>1999-2000</i>	<i>2000-01</i>	<i>2001-02</i>
Public health expenditure	3.1%	3.1%	3.3%
Private health expenditure	2.4%	2.4%	2.4%
Total health expenditure	5.5%	5.5%	5.7%

The total health expenditure as a percentage of GDP varies substantially among selected economies, ranging from 4.3% to 14.6%. The variations are accounted for by the differences in health care financing sources, modes of provision of services and efficiency of the health care systems.

Compared with other economies, Hong Kong's total health expenditure as a percentage of GDP is not particularly high. However, it should be noted that our public health expenditure is financed mainly by tax. Hong Kong has a low tax rate when compared to other economies and a narrow tax base. The ratio of our public health expenditure to our total tax revenue is also among the highest when compared to other developed economies. For every \$100 we have received from tax revenue, we are spending about \$22 on health care.

- (b) The scope of public primary health care services is very wide, including maternal and child health service, student health service, elderly health service and health promotion activities of the Department of Health (DH), general out-patient clinics (GOPCs), community nursing service, community psychiatric service and community geriatric service of the Hospital Authority (HA). At present, the Administration does not have the costing data for individual service items. Similar figures are also not available from other countries.

The Administration has always emphasized the importance of primary health care. As a result, the Administration has in recent years allocated extra resources in strengthening the public primary health care services, for example, the setting up of an integrated computer system for patient registration, consultation, prescription and dispensary, together with the increase in the number of pharmacists in GOPCs, and the development of Visiting Medical Officers scheme in residential care homes for the elderly. In the recent discussion paper "Building a Healthy Tomorrow" released by the Health and Medical Development Advisory Committee, chaired

by the Secretary for Health, Welfare and Food, the importance of primary health care to the entire medical system and people's health has been emphasized at great length.

(c) The Administration has since 2003 commissioned the Department of Community Medicine & Unit for Behavioural Sciences of the University of Hong Kong to update the DHA. The same Department has also worked closely with the Administration to project the health expenditure of Hong Kong through 2033, including the development of best possible assumptions. The assumptions adopted are as follows:

- the total government expenditure maintains at a maximum of 20% of the GDP;
- 65% of government revenue comes from tax revenue;
- population demographics in 2033 is the same as projected by the Census and Statistics Department;
- the health care utilization rate of the public remains at the present level, and
- a net 1% annual increase in medical cost.

According to the above assumptions, the total health expenditure will stand at about 10% of the GDP in 2033, 6.4% of which will be public spending and 3.6% will be private spending. The projected increase in public expenditure will amount to more than two folds from the present 2.8% to 6.4% in 2033. There is therefore a need to develop new health care financing options to meet the increased expenditure.

(d) The number of attendances at public GOPCs and specialist out-patient departments (SOPDs) for the past five years (with year-on-year comparison) are listed in table 2.

Table 2: Public out-patient attendances

<i>Financial Year</i>	<i>Number of Attendances (Year-on-year percentage change)</i>	
	<i>SOPDs</i>	<i>GOPCs¹</i>
2000-01	5 775 448	6 566 970
2001-02	5 943 653 (+ 2.9%)	6 462 599 (-1.6%)
2002-03	6 078 683 (+ 2.3%)	6 632 364 (+ 2.6%)
2003-04 ²	5 486 710 (-9.7%)	5 323 330 (-19.7%)
2004-05	5 833 849 (+ 6.3%)	5 302 779 (-0.4%)

Note:

1. The figures include attendances at all daytime, evening and mobile GOPCs under the DH (before July 2003) and the HA.
2. Attendances were affected by the occurrence of SARS in 2003.

Although a decrease in attendances at the GOPCs is noted, it does not reflect any reduction of public resources injected into the corresponding service. The drop in attendances can be accounted for by various factors:

- After the transfer of GOPCs from the DH to the HA, there has been much smoother transfer of patients among the different levels of medical care. The HA also put in additional resources at GOPCs to enhance the effectiveness of service, including the deployment of more pharmacists and establishment of new nurse clinics, and so on. As a result, the need for follow-up consultation has decreased.
- The HA has also implemented a number of measures to improve the quality of GOPC services, which include the introduction of "family medicine" concept at some GOPCs and the improvement of medical record system for evening sessions to allow for individual medical records to be kept at clinics. All the above measures have allowed patients to be seen by doctors for a longer period of time. This has caused a corresponding reduction in the total number of cases that could be seen per day but at the same time, these measures have provided more comprehensive and all-rounded care to patients hence have reduced the need for follow-up consultation.

- The HA has also computerized their registration system which reduces instances whereby patients attend several GOPCs on the same day.

The Administration does not have statistics on the attendances at private specialist and general clinics.

Granting Refugee Status to Asylum Seekers

13. **MS EMILY LAU:** *Madam President, will the executive authorities inform this Council of the following over the past three years:*

- (a) *the total number of asylum seekers whom the Office of the United Nations High Commissioner for Refugees (UNHCR) interviewed at the Hong Kong International Airport and, among them, the number of those who were under 18 years old;*
- (b) *the number of cases in which the Office of the UNHCR made decisions on the asylum seekers' applications shortly after receiving them at the airport; and*
- (c) *the respective numbers of such cases in which refugee status was refused and granted and, among them, the respective numbers of those involving applicants under 18 years old?*

SECRETARY FOR SECURITY: Madam President, since the 1951 Convention Relating to the Status of Refugees (the Convention) has not been extended to Hong Kong, a person who wishes to lodge his claim for refugee status under the Convention has to submit his application to the Office of the UNHCR here. We accordingly do not have the statistics on such applications and their detailed breakdown. According to a report published by the UNHCR in June 2005 on the global refugee trends, claims for refugee status by 670 persons were being processed by the Office of the UNHCR in Hong Kong at the end of 2004.

Stench Emitted from Refuse Collection Points and Landfills

14. **MR LI KWOK-YING** (in Chinese): *Madam President, will the Government inform this Council:*

- (a) *whether the authorities have received complaints about stench emitted from refuse collection points (RCPs) and landfills in the past three years; if so, of a breakdown of such complaints involving off-street RCPs, village-type RCPs and landfills, as well as the details of how they have followed up these complaints;*
- (b) *whether it has assessed the health implications for people exposed to such stench for a long time; of the mitigation measures taken by the authorities in this regard, and how they monitor the performance of the personnel concerned to ensure that they implement these measures in an earnest manner; and*
- (c) *as it has been reported that the concentrations of volatile organic compounds at a number of RCPs in various districts in Kowloon and Hong Kong are generally on the high side, whether the authorities will consider establishing safety standards for outdoor concentrations of these substances; if so, of the details; if not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): Madam President,

- (a) In the past three years, the Food and Environmental Hygiene Department (FEHD) has received 104 complaints about stench emitted from RCPs out of which 53 were from off-street RCPs and 51 were from village-type and other on-street RCPs. The FEHD has investigated the above cases by inspecting the hygiene condition of the RCPs and seeing whether the ventilation, deodorizing and exhaust systems are functioning properly. The investigations revealed that most of the RCPs under complaint were operating in a proper manner with no emission of stench. Amongst the some 100 complaints, only 16 cases were substantiated. Appropriate improvement measures were taken to enhance the hygiene of those

RCPs by better housekeeping and more frequent washing, proper covering of refuse bins, closing of roller shutters and proper maintenance of the ventilation, deodorizing and exhaust systems.

In 2002, 2003 and 2004, the Environmental Protection Department (EPD) has also received 18 complaints against stench from RCPs in public places and 40 complaints against odour from landfill sites. Upon the inspections by EPD staff, most cases were found unsubstantiated. For those few substantiated cases, the odour generated was mostly due to inadequate house-keeping practices. The problems were resolved after the EPD had provided advice to the facility operators.

- (b) According to the Department of Health, stench in the environment is not only irritating, but may also cause headache, nausea and even breathing difficulties. The FEHD has all along been highly concerned about the operation of the RCPs to ensure that it is done in a hygienic manner. For permanent off-street RCPs, the Architectural Services Department (ArchSD), in making reference to the requirements and guidelines of the Hong Kong Planning Standards and Guidelines, designs and constructs permanent off-street RCPs with the provision of standard facilities to tackle the odour problem. These include activated carbon deodorizing systems, water scrubbing systems at RCPs and exhaust extraction systems for refuse collection vehicles (RCVs). In addition, the RCPs are properly cleansed immediately after each collection operation. The FEHD has also put in place operational guidelines and monitoring mechanisms, such as regular checks and surprise inspections, to ensure proper operation of the RCPs.

Odour nuisance associated with landfilling operation has been assessed in detail during the project feasibility stage and mitigation measures during the construction and operation stages have been incorporated into the performance requirements of the landfill contracts. These measures include prompt compaction and covering up of the waste after waste deposition, confining the size of the active tipping face to be as small as possible, and sealing off the active tipping face with suitable inert materials on a daily basis. Such measures could prevent the generation of odour nuisance to the surrounding environment.

In addition to close management of the landfilling operation by the contractors on site, the EPD also monitors the contractors' performance to ensure compliance with the stringent performance requirements of the contracts as well as the statutory requirements in the relevant pollution control legislation.

- (c) As for "Volatile Organic Compounds", it is a general term covering a large number of different chemicals. For those chemicals which may have an impact on health, irrespective of whether they are odorous or not, relevant acceptable ambient concentrations for health protection have been established in the Technical Memorandum under the Air Pollution Control Ordinance.

Disposal of Valuable Gifts Received by Government

15. **MR LAU KONG-WAH** (in Chinese): *Madam President, regarding the disposal of valuable gifts received by the Government, will the Government inform this Council:*

- (a) *of the number of valuable gifts presented by mainland provincial and municipal governments as well as foreign governments to the Government of the Hong Kong Special Administrative Region (SAR) since the reunification with China and, among these gifts, the number of those given to congratulate Hong Kong on the reunification;*
- (b) *of the existing site(s) for keeping these gifts; and*
- (c) *whether it will follow the Macao Special Administrative Region Government's practice of setting up an exhibition gallery dedicated to displaying the reunification gifts for viewing by the public; if not, the reasons for that?*

CHIEF SECRETARY FOR ADMINISTRATION (in Chinese): Madam President, the SAR Government had received 34 reunification and first

anniversary gifts from the Central People's Government, different provinces, cities and autonomous regions of the Mainland. Please see the attached list for details of the gifts. These gifts are currently displayed at various venues including the Hong Kong Convention and Exhibition Centre, Hong Kong International Airport and VIP Lounge, several Government Offices and Departments Headquarters Buildings, Hong Kong Museum of History, Hong Kong Heritage Museum, Hong Kong Central Library and Hong Kong Cultural Centre, and so on, to facilitate public viewing.

The current display venues at government and public locations are not intended solely for facilitating viewing by the citizens of Hong Kong. Some of them also carry protocol meanings thus enabling tourists and overseas guests to view and appreciate the gifts. The Government does not have any plan to build an exhibition gallery dedicated to displaying the reunification gifts.

Annex

**Reunification Gifts and First Anniversary Gift
Presented by Central People's Government, Provinces and Municipalities**

<i>Presented by</i>	<i>Name of Gift</i>
Central People's Government	Painting (Magnificent China) [#]
Jiangsu	Suzhou embroidery (Return Journey)
Anhui	Iron picture (The Sunlight Shining Forever)
Hubei	Gilded bronze sculpture (The Yellow Crane Returns)
Tibet Autonomous Region	Tapestry (High Mountains and Long Rivers)
Shaanxi	Sculpture (Shaanxi Celebrating Hong Kong's Return)
Qinghai	Tapestry (The Surging Tide in Qinghai Lake Welcoming Hong Kong's Return)
Xinjiang Uygur Autonomous Region	Woolen tapestry (Rejoicing over Hong Kong's Return)
Central People's Government	Bauhinia (Forever Blooming)

[#] First Anniversary Gift

<i>Presented by</i>	<i>Name of Gift</i>
Chongqing	Sculpture (Auspicious Coloured Ribbons)
Hebei	Crystal bottle painted inside (National Jubilation)
Inner Mongolia Autonomous Region	Sculpture (Steeds Galloping Towards the Future)
Shanghai	Jade (crystal) carving (The Pujiang People Celebrating Hong Kong's Return)
Liaoning	Lacquer ware sculpture (Spirit of the Chinese Nation)
Central People's Government	Miniature of the Bauhinia (Forever Blooming)
Beijing	Cloisonne vases (Worldwide Jubilation)
Shanxi	Wood carving (Yingxian County Wooden Pagoda)
Jilin	Giant inkstone (Songhua and Bauhinia All Rooted in China)
Heilongjiang	Vase (Bauhinia Blossoming Once Again in Spring)
Hainan	Shell carving (The Whole World Sharing the Joy)
Gansu	Tao River inkstone (Dragons Originated from the Same Root and All Soaring to the Sky)
Henan	Porcelain vases (Henan Elephants Presenting Treasure)
Yunnan	Bronze vase (Auspicious Bird)
Sichuan	Redwood carving (Sichuan Joining Celebrations with Hong Kong)
Guangdong	Jade carving (Smooth Sailing)
Ningxia Hui Autonomous Region	Helan stone carving (Return from Herding)
Shandong	Redwood screen (The Towering Mount Tai Greets Hong Kong's Return)

<i>Presented by</i>	<i>Name of Gift</i>
Guangxi Zhuang Autonomous Region	Wood Carving (Bridge of Unity)
Tianjin	Tapestry (The Great Wall)
Fujian	Lacquered screen (The Fraternal Feelings of the Fujian People Towards Hong Kong)
Zhejiang	Wood carving (Sailing Back)
Guizhou	Silk and batik decorated Redwood screen (Mountains Singing in Joyful Celebration of Hong Kong's Return)
Jiangxi	Porcelain patchwork (Bauhinia Returns to the Embrace of the Peony)
Hunan	Embroidered screen (spring in Dongting Lake)

Progress of Study on Competition of Auto-fuel Market in Hong Kong

16. **MR RONNY TONG** (in Chinese): *Madam President, last December, the authorities decided to appoint a consultancy firm to study the competition situation of the auto-fuel market in Hong Kong, with a view to finding out whether the local oil companies had engaged in any anti-competitive practices. In February this year, the Administration advised that it had started work on recruiting the consultancy firm, and would report the findings of the study to this Council and the public. In this connection, will the Government inform this Council of:*

- (a) *the name of the appointed consultancy firm, reasons for selecting it, and its relevant experience;*
- (b) *the total consultancy fee, responsibility of the consultancy firm and the methodology adopted for the study; and*
- (c) *the progress of the study and the anticipated timing for releasing the findings?*

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

- (a) The Government commissioned Arculli and Associates (A&A) in July 2005 to conduct a study on the competition situation of the auto-fuel retail market in Hong Kong. The Consulting Team, comprising legal experts and economists from A&A, Gilbert + Tobin, and NERA Economic Consulting, has extensive experience in competition law and enforcement; economic analysis of competition and regulatory matters; and analysis and assessment of the competition situation in various markets and industries (in particular the auto-fuel retail markets in various major economies). The Team has also provided expert advice to governments as well as competition regulatory agencies in other economies.
- (b) The Consultancy fee is on a time-charge basis, subject to a cap of \$7.5 million, inclusive of all expenses and disbursements.

The Consultant is required to assess the competition situation in the auto-fuel retail market in Hong Kong; examine whether local oil companies might have engaged in any anti-competitive practices; and make recommendations on whether measures, including legislation, might be required to ensure fair competition in the Hong Kong auto-fuel market. In this connection, the Consultant is required to examine and analyse the structure, including operating costs and retail pricing, of the local auto-fuel market; conduct interviews; make in-depth research including making reference to competition laws, policies and situations in the auto-fuel market in other economies such as the United States, European Union and Australia.

- (c) The Consultant has completed preliminary studies on the size and structure of the auto-fuel retail market in Hong Kong. The Consultant is looking into the competition situation in the market and will draw comparisons between the local market and those in other major cities, such as Singapore, Tokyo, Sydney, London and New York.

The study is expected to be completed by the end of 2005. The Government will report the findings to the Legislative Council and the public.

Drugs to Carry Labels and Product Description in Chinese

17. **MR ANDREW CHENG** (in Chinese): *Madam President, regarding the drugs sold in Hong Kong, will the Government inform this Council:*

- (a) *whether the language used in the labels and product description of drugs is subject to regulation by existing legislation and administrative arrangements;*
- (b) *among those drugs which may be sold in the absence of pharmacists or without doctors' prescription, of the number and percentage of those carrying labels and product description in Chinese;*
- (c) *whether it has assessed the extent of inconvenience caused to users by drugs not carrying labels and product description in Chinese, and if the lack of such labels and description has led to improper use of drugs; and*
- (d) *whether legislative amendments will be introduced to stipulate that all drugs must carry labels and product description in Chinese; if so, when such amendments will be introduced; if not, the reasons for that, and the measures in place to help patients and their family members who can read Chinese only to understand the information about the drugs to be taken?*

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

- (a) The Pharmacy and Poisons Ordinance (PPO) stipulates the statutory labelling requirements for pharmaceutical products sold in Hong Kong. In addition, the Pharmacy and Poisons Board (PPB), which is the statutory body set up under the PPO, has promulgated administrative guidelines in relation to drug labelling for the purpose of registration approval for the drug.

In accordance with the statutory and administrative requirements, all drugs are required to be labelled with general information covering

name of the product, name and quantity of each active ingredient, name and address of the manufacturer, specific storage conditions, if any, Hong Kong registration number, batch number and expiry date. Information in respect of administration of non-prescription drugs which are readily available over the counter is also required to be set out.

At present, the statutory and administrative requirements contain provisions in respect of the language requirements on the labelling information.

There is no requirement obligating the provision of package insert and the content of such inserts.

- (b) For non-prescription drugs which are readily available over the counter, they all have to comply with the language requirement in respect of storage conditions and drug administration which has to be bilingual. For those which contain a package insert, we understand roughly about 40% of such inserts are in Chinese.

(c) and (d)

Prescribed/supervised pharmaceutical products are not required to contain bilingual labelling on drug administration. In providing a prescription or dispensing a drug, the doctor or the pharmacist, as the case may be, is professionally obligated to ensure that the user is provided with the necessary usage and precaution information concerning the drug in question so that it will be administered safely and effectively.

We are not aware of these arrangements causing inconvenience to drug users and improper use of drugs. Nonetheless, the PPB will review from time to time the adequacy of the labelling requirements, with a view to seeking improvements. The PPB will consult the stakeholder groups as appropriate, and will consider whether any new labelling requirements should best be introduced through administrative or legislative amendments.

Travellers Bringing in Excessive Duty-free Cigarettes or Liquors

18. **MR WONG TING-KWONG** (in Chinese): *Madam President, it has been reported that the number of cases in which travellers brought in excessive quantities of duty-free cigarettes has been on the rise, from 158 cases in 2002 to 268 cases last year. The Customs and Excise Department (C&ED) therefore plans to try out the "Red/Green Channel System" in November this year at the airport and various land boundary control points, in order to check whether members of the public have brought in excessive quantity of duty-free cigarettes or liquors at customs clearance. In this connection, will the Government inform this Council:*

- (a) of the trial period of the above new customs clearance practice;*
- (b) of the estimated expenditure on publicity and installation of the system;*
- (c) of the details of the anticipated reduction in the manpower of the C&ED upon the introduction of the new system;*
- (d) how it will ensure that those members of the public who have brought in excessive quantities of duty-free cigarettes or liquors will voluntarily use the "Red Channel" for customs clearance; and*
- (e) whether it knows the experience and effectiveness of using the "Red/Green Channel System" by law-enforcement departments in the Mainland and overseas?*

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

- (a) The C&ED will officially introduce the "Red and Green Channel System" on 1 November this year at all entry points in Hong Kong. The effectiveness of the system will be regularly reviewed for further improvement.
- (b) To tie in with the introduction of the new customs clearance system, the C&ED will launch extensive publicity which includes

broadcasting announcements of public interest (APIs) on TV, radio and incoming passenger aircraft as well as displaying posters, broadcasting APIs and distributing guideline leaflets at various control points. The C&ED has allocated \$800,000 for the production of such publicity materials. Channel display units have also been installed at the control points (including the Hong Kong International Airport, five land boundary crossings and two cross-boundary piers) at a cost of about \$4.7 million.

- (c) The "Red and Green Channel System" is designed to provide passengers with more convenient and higher quality customs clearance services, enhance revenue protection and bring our customs clearance system into line with international practices. It is not aimed at reducing manpower. The C&ED has looked into the possibility of saving manpower in considering the introduction of the "Red and Green Channel System". As the operation of this new customs clearance system will not reduce the number of officers required for or procedures involved in customs clearance, the introduction of the system will not save any manpower.
- (d) Under the new customs clearance system, passengers should enter the appropriate channel to make declaration. Passengers found making false declaration are liable to prosecution. The C&ED will publicize this message and select passengers for examination based on risk management.
- (e) The "Red and Green Channel System" has proved to be effective since its introduction in the Mainland and overseas. The World Customs Organization also recommends this customs clearance practice and encourages its members worldwide to adopt it.

Size of and Installations at Bus Stops

19. **MR FREDERICK FUNG** (in Chinese): *Madam President, it has been reported that in recent years bus stops erected on the roadside in urban areas by franchised bus companies have become bigger in size and occupy larger areas on the pavements, and many of them are installed with illuminated advertisement boxes and other advertising decorations which obstruct the pavements and the*

view, causing inconvenience to pedestrians and operators of nearby shops. In this connection, will the Government inform this Council:

- (a) of the number of complaints received by the authorities in the past three years about the size of and installations at bus stops, and whether the authorities and the bus companies have followed up these complaints;*
- (b) whether, in addition to their building structure and electrical installations, the design and size, and so on, of bus stops erected by franchised bus companies are also regulated by the authorities, and whether they have assessed the impact of these bus stops on pedestrians and shop operators; and*
- (c) whether it will regulate the installation of illuminated advertisement boxes and other advertising decorations by franchised bus companies at their bus stops to earn advertising revenue, and whether appropriate fees will be imposed on them so as to prevent the public places occupied by bus stops from being used by bus companies to make profits?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS
(in Chinese): Madam President,

- (a) In the past three years, the Transport Department (TD) has received a total of 15 complaints concerning individual bus shelters causing obstruction to pavements or nearby shops and has taken follow-up investigation. Investigation into 13 of these cases were completed. Among these cases, five out of the bus stops concerned were found causing obstruction to waiting passengers. The TD has subsequently asked the franchised bus companies concerned to take improvement measures. Bus companies have immediately either removed the advertisement panels or replaced the existing shelters with other appropriate designs. Investigation into another eight complaints indicated that no obstruction to pavements or nearby shops was caused. The two remaining cases are being investigated by the TD.

- (b) The layout of and material of the bus stops and shelters are subject to assessment and vetting by the Advisory Committee on Appearance of Bridges and Associated Structures (the Committee) set up under the Highways Department (HyD). The Committee is primarily tasked to scrutinize individual design proposals for bridges and associated structures from the aesthetic visual and greening points of view and to accept proposals or recommend design revisions on behalf of the Director of Highways. Bus shelter is a roadside structure and therefore its appearance is subject to the approval of the Committee which consists of representatives from relevant government departments, the Hong Kong Institution of Engineers, the Hong Kong Institute of Architects, Departments of Architecture of The Chinese University of Hong Kong and the University of Hong Kong as well as School of Design of The Hong Kong Polytechnic University. Since the physical conditions of various pavements, such as width of the pavement, layout of underground utilities and pedestrian flow, and so on, vary, franchised bus companies have drawn up a number of designs on bus stops and shelters to meet different pavement conditions.

It is necessary for franchised bus companies to seek approval from the TD before installing a bus shelter at any location. When submitting the application, a company needs to provide information on its proposal in relation to the location and shelter design of the bus stop, size of the stop and number of advertisement panels. Upon receipt of the application, the TD will examine the implication of the proposal on pedestrian flow, sightline of other road users as well as impact on the nearby shops and seek the views from all departments concerned. The Home Affairs Department, for instance, will consult the nearby shops and the local community concerned and the HyD will examine the implication of the proposed bus stops on other road works.

- (c) Bus shelter is provided mainly to improve the waiting environment of passengers by protecting passengers from rain and sunshine. Light box extended from the bus shelter can be used for displaying service details and other information for passengers' reference. Since bus companies need to bear the costs for installation and maintenance of bus stops, the Government normally raises no

objection to the installation of advertisement panels at bus shelters provided that service details are appropriately displayed at the bus stops and that pedestrian flow and business operation of nearby shops will not be affected. According to the current regulating arrangements for franchised bus companies, revenue generated from advertisement will credit to the overall revenue of the companies to help relieving the pressure for fare increase.

Trees in Country Parks Being Sawn

20. **MISS CHOY SO-YUK** (in Chinese): *Madam President, on 13 July this year, 188 large trees in Tai Lam Country Park were found to have been sawn down. In this connection, will the Government inform this Council:*

- (a) *of the latest progress of the police's investigation into the incident;*
- (b) *of the number of staff members now deployed by the Agriculture, Fisheries and Conservation Department (AFCD) to patrol various country parks; together with a list of the average area patrolled by each staff member in each country park; and*
- (c) *whether it has stepped up patrols in country parks after the incident; if it has, of the details and whether this measure will be a long-term practice; if it has not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS
(in Chinese): Madam President,

- (a) The case is still under investigation. The police have appealed to the public through the television programme "Police Report" to provide information on the case and made enquiries with hikers and villagers in that area. No arrest has been made so far.
- (b) The AFCD manages 23 country parks, which cover a total area of about 41 000 hectares. There are about 120 park wardens responsible for patrolling the country parks. Since they are deployed based on service needs and not stationed in a designated

country park, we are unable to provide the breakdown of the average area patrolled by each park warden in each country park. In addition to the AFCD's park wardens, the police would patrol the country parks for detection and prevention of crime. The Civil Aid Service also patrols the country parks and hiking trails to provide assistance to the public.

There are another 650 front-line staff of the AFCD involved in the daily management and maintenance of the country parks. They also assist in monitoring activities in the country parks and will report inappropriate activities to the relevant authorities for follow-up action.

- (c) After the incident, the AFCD has increased the frequency of morning and night patrols and tightened ingress control at the barrier gates of the Tai Lam Country Park. The AFCD has also shared information about the incident with the local people and village representatives. The AFCD will continue to adjust the frequency of patrols in different areas of the country parks according to the prevailing situation, remind all their frontline staff to exercise constant vigilance against any inappropriate activities and maintain close liaison with the police to prevent recurrence of similar incidents.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions.

Motion of Thanks. Ms Miriam LAU will move the motion. I have accepted the recommendations of the House Committee. Ms Miriam LAU will have up to 15 minutes for moving her motion and in reply and another five minutes to speak on the amendments. Subject to the overall 30-minute speaking time limit for each Member, a Member may speak in one or more of the five debate sessions. However, all Members may each speak once in each session.

In each session, I will first call upon those Members who wish to speak to speak. Council will then be suspended for 10 minutes for the Administration to co-ordinate its response. Only public officers may speak when Council

resumes. The total speaking time limit for public officers in each session will depend on the number of speakers, but the minimum is 45 minutes.

At the conclusion of the five debate sessions, Ms Miriam LAU may speak on the amendments and in reply.

MOTION OF THANKS

MS MIRIAM LAU (in Cantonese): Madam President, in my capacity as Chairman of the House Committee, I move the motion "That this Council thanks the Chief Executive for his address."

Madam President, this is my third year moving the Motion of Thanks. As in the past two years, I wish to say a few words on the relationship between the executive and the legislature. The Chief Executive said on 13 October in the Question and Answer Session that improving the executive-legislature relationship has become Members' pet phrase since the '90s for it was mentioned almost every year in the Motion of Thanks debate. However, if there is still room for improvement in this relationship, how could we avoid discussing this important issue?

During the Question and Answer Session that day, the Chief Executive stated that he wanted to improve the relationship between the Government and Legislative Council by actions and facts. I would like to put forth here several concrete proposals which are not difficult to achieve for the Chief Executive's consideration.

The Chief Executive stated in his policy address that he and his colleagues, in full recognition of the status, powers and functions of the Legislative Council, would strengthen communication with Members, let them understand as early as possible the Government's thinking on legislation and policy, listen to their views and foster co-operation. The Chief Executive can certainly meet with Members in different formats and on different occasions to exchange views. However, I have to reiterate painstakingly that meetings in other formats or on other occasions are no substitutes for the Chief Executive's attendance in meetings of the Legislative Council to receive questions from Members on issues and problems of public concern, so that the public can understand the Government's policy objectives and plans.

The House Committee requests that the Chief Executive should attend meetings of the Legislative Council once a month within the Session and that the Chief Executive's Question and Answer Session should last for one and a half hours. When I met with the Chief Secretary for Administration on 17 October, I already conveyed Members' request to him and hoped that the Chief Executive can agree to it.

As for officials under the accountability system, Members are of the view that they should attend as many meetings of the panels of the Legislative Council as possible to explain government policies and measures, in order to foster communication between the Government and the Legislative Council, thereby enabling the accountability system to fulfil its due function. The relevant Policy Bureaux should also consult the panels concerned on important or possibly contentious legislative or financial proposals, before tabling them to the Legislative Council or the Finance Committee.

Madam President, an important power and function of the Legislative Council is to scrutinize and enact laws. Over the years, Members have time and again reminded the Administration not to table a large number of legislative proposals at the same time, in particular those that are complicated and contentious, so as not to affect the scrutiny of bills by the Legislative Council. However, there is still room for improvement in the arrangement in this respect. Take the last Session as an example. According to the Legislative Programme, the Government originally planned to table 37 bills to the Legislative Council, but ultimately it only tabled 29 bills with another five bills that were not in the Legislative Programme, so the Government tabled 34 bills in total. I want to point out that among these bills actually tabled, two third of them (in other words 23 bills) were tabled in or after April this year, approaching the end of the Session, some of which were considered urgent by the Government and had to be passed and become effective within a short span of time.

I have to emphasize that there are proper procedures for the scrutiny of bills. The Government has to allow sufficient time for the Legislative Council to study the bills with regard to their overall pros and cons, and their principles and detailed provisions, to consult the public and the relevant sectors, as well as to deliberate on amendments proposed by the Government or Members. Only after all scrutiny procedures and work have been completed will the bills be arranged for the resumption of Second Reading debate. In this regard, Members hope that the Government can continue to make improvement and table bills to the Legislative Council as early as possible.

Members also request the Government to complete the necessary consultation before the tabling of bills. In the last Session when scrutinizing certain bills, for example, the Public Health and Municipal Services (Amendment) Bill 2005 (the Bill), Members discovered that the Government had not completed the consultation with the relevant stakeholders and organizations. In the end, the Bills Committee had to suspend scrutinizing the Bill and wait for the Government to complete the consultation before it could proceed further. It is improper for the Government to table bills in this manner.

The executive and the legislature should respect and co-operate with each other. Other than making proper arrangements for the tabling of bills, Members also request the Government to brief the Legislative Council on important matters before announcement of the same to the media. Madam President, Members are dissatisfied that the media had made extensive and detailed reports on the Government's proposals on the West Kowloon Cultural District development project and the constitutional reform package before the Executive Council actually made decisions on the two issues. Some Members are of the view that the information came from the Government because the media was able to carry accurate and detailed reports on the issues and the Government did not seek any investigation on whether officials were involved in leaking such important and confidential information. Members hope that in future the Administration would brief and provide Members with relevant information on important matters or decisions as early as possible before it makes public announcements.

Madam President, the Chief Executive stated in his policy address that he hoped all Members of the Legislative Council would try to understand more national affairs, establish more communication channels and conduct more exchanges with the Mainland. I know that some panels already have plans to visit relevant authorities in the Mainland to discuss issues within their portfolios. I hope the Administration can try to provide the necessary assistance to the panels on their mainland visits.

Madam President, both the executive and the legislature serve the people. I sincerely hope that we can respect and co-operate with each other, so that there will not be a need to discuss again in the future policy address debates how best the executive-legislature relationship can be improved.

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

Ms Miriam LAU moved the following motion: (Translation)

"That this Council thanks the Chief Executive for his address."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That this Council thanks the Chief Executive for his address.

PRESIDENT (in Cantonese): Mr LEE Wing-tat and Dr Fernando CHEUNG have respectively given notice to move amendments to this motion, and Miss TAM Heung-man will also move an amendment to Mr LEE Wing-tat's amendment. At the conclusion of the five debate sessions, I will call upon them to move their amendments.

The motion and the proposed amendments will now be debated together in a joint debate.

PRESIDENT (in Cantonese): We now proceed to the first debate session.

The policy areas for this session are "administration of justice and legal services, constitutional affairs, public service and security".

MR MA LIK (in Cantonese): Madam President, on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB), I am going to express its opinions on constitutional development and the Government's governance, as well as presenting our general views on the policy address. Later on, Honourable colleagues from the DAB will also comment on the various policy areas covered in the policy address.

We can see that constitutional development in the SAR is currently a focal point of governance for the Government. This area is only mentioned briefly in the policy address due to the division of labour and this we can understand. Last Wednesday, the Chief Secretary for Administration released the Fifth Report of the Constitutional Development Task Force (the Fifth Report) and proposed amending Annex I and Annex II to the Basic Law. It is proposed that the number of people in the Election Committee (EC), which selects the Chief

Executive, be increased from 800 at present to 1 600 in 2007 and the number of nominators for a candidate be increased from 100 to 200. In addition, he also proposed that the number of seats in the Legislative Council be increased from 60 at present to 70 and the seats returned by geographical constituencies through direct elections and the seats returned by functional constituencies will increase by five respectively. The DAB believes that this package of proposals shares some similarities with the one we proposed earlier on to the Government. It is also in line with the Basic Law and the decisions made by the Standing Committee of the National People's Congress (NPCSC) last year, so it will be possible for constitutional development in Hong Kong to make orderly and gradual progress. It also meets public expectations, so we support this proposal.

The package of proposals on constitutional development proposed by the Government allows all District Council (DC) members to join the EC and all the seats in the newly introduced functional constituencies will be returned by election from amongst DC members. From an objective viewpoint, we believe that some changes will occur in the roles played by the DCs and their members. Will the DC's function of serving the districts be weakened as a result? Will there be any impact on the public? We hope that the Government will handle this issue carefully in future. Furthermore, we understand that although some Honorable colleagues in this Council no longer talk about dual elections by universal suffrage in 2007 and 2008, they believe that this package of proposals is undemocratic and say that they will oppose it. However, we also know that before this package of proposals was floated, some of these people had never expected the SAR Government and the Central Government could be so open and that this so-called DC proposal with such a democratic component in it would be proposed.

I remember that last year, there was a discussion concerning patriots in society. At that time, an overwhelming majority of people considered themselves patriots, only that there were different ways of manifestation. In our present discussion on constitutional development, many people also stress that they belong to the pro-democracy camp, support democratic beliefs and the aim stated in the Basic Law of ultimately introducing universal suffrage. However, we can also see that we actually hold different views on the pace of democratic development.

Nowadays, very few people in society will say that they do not support democracy or that they are not patriotic. I believe that apart from demanding

dual elections by universal suffrage, people who really support democracy should tolerate different opinions and seek to reach a consensus with other people. Nobody thinks that this package of proposals put forward by the Government is the best. We also think that this package is not perfect and believe that it cannot please everybody. However, if we keep haggling, there is no telling when a package acceptable to all will come into being. People who advocate democracy should have liberality and vision. Promoting democracy is not all about the pursuit of results and the process matters even more. We should be tolerant, take into account different views in society and strive to foster a consensus in society. One cannot say that one has monopoly over democracy and no one else can lay any claim on it, still less should we consider which faction or group will derive the greatest advantages or benefits out of this package of proposals. If we do so, it is practically impossible for a proposal to gain support from two thirds of the Members of the Legislative Council and win the support of the Central Government at the same time.

There is no doubt that in the proposals put forward by the Government, the electorate of the indirect election of the EC will be expanded to include all eligible voters and the electorate of the newly introduced functional constituency seats will also be expanded to include all eligible voters. Within the framework of the Basic Law and the decisions of the NPCSC, this is a major step in substantially developing the political system of the SAR. It is neither a step backwards nor marching on the spot, but a major step forward. As people say, if we make a step forward, the world will open up before us. If a consensus can be reached in society and this step forward can be taken, the progress on the road of constitutional development can be even smoother. Conversely, if this package of proposals cannot be passed, constitutional development in the SAR will only march on the spot. We believe the Hong Kong public surely do not want to see this happen. I also believe that regardless of the positions that Honourable colleagues of this Council have insisted on in the past, the public will understand that people who truly support democracy are those who are willing to support any package of proposals that will bring about material progress in democracy. If people advocating democracy are actually doing a disservice to democracy, so that an odd situation is created eventually, the public will not find this acceptable. Therefore, we hope that Honourable colleagues who oppose this package of proposals can change their uncompromising stance and look at this matter from the angle of fulfilling their historical missions and taking forward the development of democracy substantially, so as to deal with the proposals put forward by the Government in a positive and responsible attitude.

Madam President, if the arrangements for constitutional development in 2007 and 2008 can be put into practice, this will take the point of departure to the next level. Concerning the way forward for constitutional development after 2008, the DAB believes that it should be orderly and gradual progress in the light of the actual social conditions. Various parties in society should work hand in hand to actively create the conditions, so that the ultimate goal of universal suffrage can be attained at an early date. We still hold the view that it is necessary to bear in mind four conditions: first, to strive towards the successful restructuring of the economy, since it is only when the public can live and work contentedly that a solid economic foundation can be laid for constitutional development; secondly, to groom an adequate number of political talents who represent various sectors, so that the principle of balanced participation can be realized while implementing universal suffrage; thirdly, to enhance the public's understanding of the "one country" concept, their national identity, the status of the laws of Hong Kong and the meaning of universal suffrage by enhancing national education; fourthly, and lastly, to further consolidate the status of the Basic Law as a piece of constitutional law in Hong Kong through extensive publicity campaigns and education on the Basic Law. Mr LEE Wing-tat once asked me who was the expert who had taught me these four points. I told him that these four points are the understanding that we gained in our exploration of the road towards democracy. I hope Mr LEE Wing-tat can also gain the same understanding.

In addition, we should also actively explore the complementary measures that are conducive to constitutional development. After election by universal suffrage has been introduced into the Legislative Council, how will the relationship between the executive and the legislature be like? What sort of mechanism will serve to promote harmony between them? For example, should any change be introduced into the existing structure, which consists of two levels of representative councils? Will the relationship between the Central Authorities and the SAR Government experience any change as a result? How can more political talents be nurtured? We believe that it is necessary to consider these issues carefully. It is by doing so that the democratic component and the Government's ability in governance can be enhanced at the same time, that the general public and people in various sectors, including those in the business sector, can truly benefit from the development of democracy and the misgivings in society about democratic development can be gradually dispelled.

Madam President, apart from constitutional development, after the new Chief Executive has come into office, the general public is also particularly concerned about how the governing team of the SAR Government can raise its standard of governance. In this regard, the policy address proposed a number of measures and some new personnel arrangements were subsequently announced. The DAB has always advocated that internally, the SAR Government should streamline the decision-making mechanism and externally, it should take on board more public opinions by increasing the number of non-official members in the Executive Council and co-opting elites from various sectors, so that they can have greater involvement in the decision-making process. We also advocate that the Government should co-opt more people of different backgrounds and with different political views into the advisory framework as well as enhancing the functions of the DCs. We put forward these proposals at the consultative stage, when the policy address was being drafted by the Chief Executive, and we are glad to know that some of these proposals have been adopted.

Madam President, if considered as a whole, the measures proposed in the policy address represent a major shift in the Chief Executive's approach to administration and governance in future and offer us a glimpse of a new style of governance. However, I wish to point out that one cannot rely on transient public opinions. We hope that the SAR Government can continue to exercise prudence, draw conclusions from experience and raise the standard of governance. As regards the new appointments to the governing team, the reaction in society has been favourable and we can see that the SAR Government has the courage to use the right persons. We believe that this will serve to eliminate the stalemate and confrontation between people holding different views in society and foster a harmonious social environment. We hope that the new governing team can work in concert and unity and shoulder the responsibilities required of them in implementing the Basic Law and the principle of "Hong Kong people ruling Hong Kong".

We hope that the Chief Executive can grasp the political situation and public opinions fully, assume the roles and carry out the work expected of political leaders. We believe that it is indeed necessary for the Government to strengthen internal co-ordination and external liaison and formulate a proactive communication strategy, so as to interact with public opinions and the views in society. As regards expanding the membership of the Commission on Strategic Development, we believe that this organ must not discuss only matters that are

abstract, more importantly, it must be pragmatic and identify issues that are practical and stay focused, so that the public can see that its work can yield results and it can influence government policy, rather than just being an organ engaging in empty talks. Otherwise, even though there are elites from various backgrounds in the Commission, it will not serve to enhance the community's trust in the Government in any significant way.

In addition, as pointed out in the policy address, in the day-to-day operations of the Government, all Directors of Bureaux will report to the Chief Secretary for Administration and the Financial Secretary. The Policy Committee, comprising all Secretaries of Departments and Directors of Bureaux, will serve as the main platform for policy co-ordination and initial clearance. We believe that the Chief Executive should focus his work on the macro level and there is no need for him to do everything personally. In order to do so, the system certainly matters, but it also depends on the enforcement by his subordinates. Whether members of the governing team can be united, co-operate with each other and implement his concepts of governance faithfully is a crucial factor. We also notice that under the new arrangement, the Secretaries of various Bureaux will attend meetings of the Executive Council only if issues relating to their policy areas are discussed. Under such a new arrangement, the delineation of power and balancing political responsibilities are very important. Only when these issues are dealt with properly can the official and non-official members of the Executive Council work harmoniously together, co-operate with one another to the fullest extent and assist the Chief Executive in his governance even better.

On the accountability system, the Chief Executive affirmed in the policy address that it is in line with the direction of constitutional development in Hong Kong. We agree with such a view. The accountability system paves the way for people aspiring to playing a part in public affairs and serving society to join the Government. On the one hand, it has taken into account the neutrality of the Civil Service, and on the other, it also meets public expectation for better governance, therefore, we support further developing the political accountability system. Concerning the Chief Executive's plan to establish new positions dedicated to political affairs to support the Chief Executive and the Principal Officials in their political work, we believe that it is impossible for the mode of governance of the executive to remain constant. It is necessary to make adjustments in response to the overall constitutional arrangements stipulated in the Basic Law, create conditions and put in place support measures for future

constitutional development. Therefore, we should keep an open mind and consider any support measure conducive to constitutional development, as long as they are in line with the long-term overall interest of Hong Kong society. In addition, we can see that be it at present or in the future, issues such as the accountability system, the grooming of political talents and even the development of political parties are interlinked and it is not possible to deal with them in a fragmented way. If we consider the support measures for constitutional development to be important, we have to study these issues holistically and cannot be biased.

Madam President, under the Basic Law, the constitutional arrangement for the SAR is executive-led and the public also hopes that the operation of the Government can be efficient and co-ordinated. However, we have to know that what we call the Government in fact entails a broader context and refers not just to the executive but also to the legislature. Therefore, in talking about co-ordination and efficiency, we cannot merely look at the work of the executive and also at whether its relationship with the legislature is co-ordinated and marked by efficiency. Just like the executive, the functions of the Legislative Council are also clearly prescribed by the Basic Law. It is necessary to take the role of the Legislative Council as the watchdog over the executive seriously and this issue cannot be evaded. We hope that the Legislative Council will not become a forum where accusations are exchanged with the Government. We hope that the Government and the Legislative Council can communicate more directly with each other. The Chief Executive said that the issue of one bypassing the other does not arise. We hope that the communication between the Legislative Council and the executive will not take a tortuous route, still less relying on the media as a relay. The interaction between the two can surely be more co-ordinated and more efficient. It is most imperative for the executive to improve its political skills and it should not engage in a so-called competition for public opinion with the Legislative Council, such that in the end, each side claims to have the backing of public opinions and the situation becomes a zero-sum game. All of us should consider the welfare of the public to be our ultimate goal and both sides should perform their duties duly. We hope that people can show respect for one other, thereby creating a win-win situation.

Madam President, on the whole, the Chief Executive emphasizes in his policy address that he has consulted the public extensively and is being positive and pragmatic. Some people may think that this policy address lacks pleasant surprises or any grand plans, however, I wish to cite a couplet by CHENG Zuluo

of the Qing Dynasty, "On nothing superfluous attempt, on nothing important relent and all would be serene; no personal favours bestow, no mendacity show and true feelings will flow.". Basically, the policy address has got the priorities right, has set raising the Government's standard of governance as its primary task and has adopted feasible measures to promote harmony and develop the economy. It strives to honour its promises and be practical and responsible. We believe that since society and the economy is at present developing steadily and the public want to have stability, adopting such a strategy in governance will help enhance the public's confidence in the governance of the SAR Government and reduce unnecessary social disputes. It is worthy of our approval and support.

Concerning the amendment proposed by Mr LEE Wing-tat, we notice that its wording does not directly negate the package of proposals put forward by the Government in the Fifth Report. Rather, he only requests that the Government expeditiously propose a timetable for introducing universal suffrage and put forward concrete proposals on the relevant democratization processes. I believe those Honourable colleagues in this Council who support this amendment actually have different understandings of the amendment and can choose the bits that they want. As regards the further amendment proposed by Miss TAM Heung-man, it rejects the package proposed by the Government outright, therefore, we obviously cannot agree with her position. In any event, we always hold the view that it is not appropriate to affix any amendment to the Motion of Thanks on the policy address. Concerning various policy areas mentioned in the policy address, various Members have their expectations and demands and this is only natural. For example, Dr Fernando CHEUNG has expressed his concern about the policy on helping the poor. However, this is only one of the issues and if we express our regret on the policy address simply because of this issue, we believe that it is not at all reasonable. The DAB will not support any of the amendments.

With these remarks, I support the original motion.

MR LEE WING-TAT (in Cantonese): Madam President, on behalf of the Democratic Party, I will present our views on the policy address.

On the whole, this policy address does not seek to implement a host of ambitious schemes within a short time, as Mr TUNG's did in his. We approve

of the relatively pragmatic attitude adopted this time. For more than a decade, the Democratic Party has advocated various proposals, including commencing the work of enacting a fair competition law, carrying out reforms on food safety, expediting the implementation of small-class teaching, commencing the discussion on a minimum wage, and so on. This time around, the Chief Executive has commenced the work in these areas and we welcome this. In particular, since 1992, the Democratic Party has initiated four or five debates on enacting a fair competition law. We also proposed a private bill, however, Mr TUNG did no more than taking a look, so I hope we can have some genuine discussion this time around.

However, on the constitutional system, we feel very disappointed. Although the report on constitutional reform was tabled only after the policy address had been delivered and we should not bring forward the discussion on the former, having looked at the two documents in conjunction, we found that we could not support the proposal put forward by the Government. All along, the Democratic Party has been advocating four proposals which we believe are constructive. Firstly, there must be a timetable and roadmap for universal suffrage; secondly, all appointed seats must be abolished; thirdly, the corporate votes in functional constituency elections must be changed to individual votes and fourthly, the membership of the Election Committee has to be significantly expanded.

I will first focus my discussion on the timetable, and other Honourable colleagues from the Democratic Party, including Dr YEUNG Sum and Mr CHEUNG Man-kwong, will talk about the other points in detail. When it comes to a timetable, I want to recount a story. Mr MA Lik has mentioned my name just now. I remember that it was in 1985 that I met Mr MA Lik for the first time, and that was 20 years ago. At that time, I was 29 years old — I do not mind disclosing my age, which is now 49 years. Mr MA Lik and Mr SHIU Sin-por were the Deputy Secretary General of the Basic Law Consultative Committee (BLCC) at that time, Mr LEUNG Chun-ying was the Secretary General and Mr James TIEN and I were its members. Why did I mention these Honourable colleagues? For more than 20 years, I have had many heated debates with them on constitutional issues on various occasions. I am happy to find that in some aspects, things have become more democratic. However, in some other aspects, things have never changed and I feel very disappointed. Actually, as Members all know, prior to the debate on the Basic Law, in 1980,

when the Joint Declaration was signed, our country had already begun to broach the subject of whether a democratic political system would be put in place in Hong Kong after the return of sovereignty in its negotiations with Britain. At that time, we were labelled as "leftists" because we supported the reunification. However, what we supported was reunification under democratic conditions. I believe Members all know about this piece of history. At that time, whenever the issue of democracy was mentioned, it looked as though members of the BLCC regarded it as anathema — I believe Mr MA Lik also knows about this, moreover, I was also a member of the political subgroup at that time — whenever the issue of democracy was raised, the business sector, that is, the people now seated opposite me, including Mr James TIEN — sorry about that, Jimmy — showed great aversion to it.

After 20 years of initiation, including the initiation into direct elections, I am glad to find that Mr James TIEN's views on democracy now are different from those 20 years ago. Of course, compared to us, he is still not democratic. However, Mr James TIEN at least supports introducing universal suffrage in 2012 but the DAB is not even willing to propose such a timetable. As all of us can see, the discussion on a timetable did not begin only in these days. Many people say that constitutional reform has to be orderly and gradual and for the time being, it is necessary to discuss slowly, like putting together some building blocks, in order to work out a timetable. I believe that this is a delaying tactic. To members of the public who have all along taken part in the discussion on democracy for Hong Kong as well as to other people, giving them this sort of treatment is unreasonable. This group of people did not demand democracy only nowadays, nor did they begin to talk about a timetable only nowadays. Since the discussions on the Basic Law began, we would hold a heated debate on constitutional development every one or two years. We had this kind of discussions on constitutional issues when the Joint Declaration was being discussed, in the four or five years during which the Basic Law was being drafted, when the Basic Law was promulgated in 1990, when Chris PATTEN proposed his political reform proposals in 1992, when voting was carried out on them in 1994, when the issue of through-train emerged in 1997 and when the term of the Provisional Legislative Council expired in 1998. Together with the wrangling from 2003 or 2004 up to this year, if Members do some counting, they will find that over the past 20 years, we have been at loggerheads with one another on more than 10 occasions due to the lack of a consensus and a clear timetable on constitutional reform.

On one occasion, when Honourable colleagues from the Democratic Party and I met the Chief Secretary for Administration, Mr Rafael HUI, we said that the Democratic Party would never give up this principle. Without a timetable on constitutional development, society will neither be harmonious nor peaceful. Without a timetable on constitutional development, people who support universal suffrage and the pro-democracy camp will raise this issue for debate every one or two years. Therefore, even though the State Vice President said that we have to seek development and harmony, I am sure society will not enjoy harmony if there is no consensus or a timetable on democracy.

It is true that the economy has now changed for the better and the unemployment rate is falling, however, this does not mean that the aspiration of the public for democracy will be dampened. Why am I so insistent on having a timetable? Often, the arguments put forward by the Government have reversed the cause-and-effect relationship. This is also the case insofar as the DAB is concerned. The DAB has spelt out four conditions in its theory on the conditions for democracy. In fact, as academics or people with some knowledge of the development of democracy know, democracy is a concept of development and it is not true that democracy will emerge only when certain conditions are ripe, otherwise, not a single country or area can have democracy. These conditions and the emergence of democracy can either be the causes or the effects and they change roles in this relationship and they have a positive effect on the emergence of one another. Democracy in Hong Kong has been developing for more than two decades. Universal suffrage was introduced into the elections of the district boards in 1982 and into the elections of the Legislative Council in 1991 and two decades have passed since then. Therefore, I believe that the DAB's claim that it is not yet time for a roadmap or a timetable is totally untenable. On the contrary, if we can have a clear timetable and roadmap, every stakeholder, be it the business sector, professionals, political parties, civil organizations, religious groups or the public, can all make preparations for the dawn of such a day.

If we set the timetable at 2012, I am sure that all political parties will expand their memberships significantly, devote greater efforts to research and learn how to develop into a potential ruling party. What I mean is that when it comes to policies, they will not just make decisions in terms of being the opposition to the Government but will consider how they can do better than the present Government should they come into power seven years later. Every political party will think in such a term. The reason that political parties in

Hong Kong are subjected to so many limitations is that they do not have the capability or opportunity to rule. This is the situation that has to be changed first of all.

Secondly, after setting a timetable, I believe the business sector will also make preparations and form its own political party. If the business sector forms its own political party, I am sure it will be able to create a major political party in the short span of one or two years because they have lots of money and talents. The point is that for many years, these talents have not taken part in political activities. Since they are now enjoying the benefits of a convenient and protective arrangement, why should they exert themselves mentally and physically by paying door-to-door visits to the tenants in buildings to solicit support, distributing leaflets and doing something so strenuous as to attend forums at seven in the morning? I know that Jimmy does not like to get up early (*laughter*) but he has already changed his habit. In fact, the business sector is capable of participating in politics, the point is, under the protectiveness of the present system, there is no need for them to do so. If they have any views, they can just give Chief Secretary Rafael HUI or Mr Donald TSANG a call, or even relay them to Beijing. Air tickets are cheap and a first-class return ticket costs only above \$20,000. They do not have to be as unwise as Mr James TIEN or Mrs Selina CHOW, who took part in popular elections and distributed leaflets from seven in the morning every day for a couple of months. What is more, they have to be accountable to their constituents. However, at least I support what they did. Although very often, my views differ from those of Mr James TIEN and Mrs Selina CHOW, taking part in direct elections is a magnanimous move. As the Chairman of the Democratic Party, I encourage the business sector to take part in politics. However, if people are unwilling to set a timetable, as the DAB is, the business sector will wonder why they should form political parties. Why should they encourage their subordinates or friends to take part in politics? Therefore, I call on the DAB to consider whether its position will be conducive to democracy. In fact, it will cause the greatest setback for democracy.

The issue of a timetable was not raised by the Democratic Party or the pan-democratic camp alone, nor was it raised by Mr James TIEN. Last year, a news report said that the General Chamber of Commerce also supported the principle of having a timetable, although it did not say whether universal suffrage should be introduced in 2012 or 2017. In the representation submitted by the New Century Forum to the Government, it also supported setting a timetable and

the time was set at 2017. The University Graduates Association of Hong Kong also supports having a timetable. Although I have yet to find the time to look at the two reports, a lot of people do agree with the principle of having a timetable, including Mr LAU Nai-keung, a delegate to the Chinese People's Political Consultative Conference, since only in this way can the disputes over the constitutional system in Hong Kong for more than two decades be resolved. Although some people suggested 2012 and others suggested 2017, these are the dates that most people opt for when expressing their views. In view of this, I hope the Government will procrastinate no more, particularly in view of the fact that Chief Secretary Rafael HUI often talks about the building blocks.

A few days ago, I saw a comic about putting building blocks together. If there are six pieces in a box of building blocks, the job is done as soon as these six pieces are put together. However, some of these games are just like puzzles and consist of over a thousand pieces. How long will it take to assemble all of them? I think Chief Secretary Rafael HUI should no longer evade the issue in this way. How many pieces are there in the box of building blocks he is talking about? Are there three pieces or four pieces? In the past, the BLCC already discussed such issues as party politics, the relationship between the executive and the legislature, how to reform the taxation system and the absence of a bicameral system. If he wants to look at the reports, I can show them to him. The issue of whether it is necessary to have a braking system when the ideas contemplated by the upper house are too drastic or too short-sighted has also been debated a number of times over the past 20 years. I do not know why these stale issues have been revived again in order to stall progress. If we consult academics on these issues, they can resolve them in three months or half a year. The point indeed is whether the Government has the determination and intention to draw up a timetable as soon as possible. If it has, it will not be very difficult to solve the problems cited by the Government.

Madam President, yesterday, when the Chief Executive, Mr Donald TSANG, was on visit to Canada, he made some comments and I learned about them from the newspaper. I am going to quote from the newspaper, "Mr Donald TSANG, when interviewed by the *Globe and Mail*, held out little hope that democracy is coming any time soon to Hong Kong as Hong Kong requires time to develop the political structures and culture for democracy after more than 140 years of British colonial rule. It took more than 100 years after U.S. independence for women to receive the right to vote. It was unfair to blame Hong Kong leaders for not bringing in democracy immediately." (End of quote)

Madam President, after reading this report, I felt very concerned. This is actually what Mr Donald TSANG thinks in his mind, but I cannot subscribe to this view. Such a viewpoint is actually nothing new. In the past, in discussions in the BLCC or when the leftists opposed democracy several years ago, this viewpoint, which we considered trite, was also advanced. What it means is that it will take us about the same period of time as it took other countries to develop democracy. We all know that academically speaking, this point is actually not sound in any way and in terms of actual examples, it is also untenable. When countries developing democracy draw on the experience of countries practising democracy, they will avoid the mistakes already made by other countries in the course of development. I do not believe that it will also take 200 years, as it took the United States, for China to develop democracy. We should not display such a lack of confidence in our compatriots, and still less do we believe that it would take Hong Kong 200 years as it took the United States.

In political science, there is a theory known as the catching-up development theory and even year-one students of political science know about it. It says that up and coming countries will learn from advanced countries, understand the conditions for developing democracy and the mistakes that have been made, so that they will go the wrong way less often. This is in fact nothing new. In this vein, since there used to be no telephone in rural China a decade ago, should we say that telephones would be introduced only several decades later? Technological developments can be acquired. I oppose copycat democracy insofar as democratic development is concerned, that is, to duplicate what others did, however, we can learn from other people, that is, to learn from other people's merits and reduce the likelihood of going in the wrong directions as other people did. Democracy is not all about elections but also about press freedom, the rule of law, party politics and a multi-party system. Not all these features are present in all democratic countries and Singapore is an example. It is possible to learn from other people insofar as democracy is concerned, therefore, Donald TSANG's argument cannot hold water and his very first point is untenable.

As regards the second actual example, the juntas in many countries, for example, Spain under Franco and Korea under PARK Chung-hee, were toppled in the '70s. That was over 20 years ago. Do these countries now practise democracy? The answer is in the affirmative. A formal democratic system has been established in Spain and also in Korea. Have these countries enjoyed economic progress? The answer is in the affirmative. The economy of Korea

is developing very well and Spain is also one of the southern European countries that have made good progress in democratic and economic developments.

Therefore, it is not always necessary to refer to the example of the United States, which developed democracy in the course of over 200 years. I hope Mr TSANG will read more when he has time, or if he has no time, he should consult academics. This morning, I called up an academic for this purpose and asked him if the remarks made by Mr TSANG could live up to the standard expected of a first-year student in political science. He told me that they could not because first-year students would surely know such a theory of development. In fact, what I am most concerned about is that this is what Mr Donald TSANG thinks in his mind, that is, he privately harbours anti-democracy beliefs and actually does not want to introduce democracy, so he has made such remarks in order to procrastinate.

Madam President, another point that I wish to comment on is the issue of party politics and coming into power. I am very disappointed by the fact that up to now, even the senior level of the Government has no understanding whatsoever of party politics. The relationship between the legislature and the executive is not, as Ms Miriam LAU claimed, simply a matter of engaging each other in communication, but a process of sharing powers and responsibilities and the powers are commensurate with the responsibilities. If the Legislative Council has no right to assume power, it will have the propensity to resort to populism or it will be inclined to voicing opposition. This is only natural. However, if the 30 people from the DAB, the Liberal Party and The Alliance form a ruling coalition — something that I have always supported — their job in the Legislative Council would no longer be to oppose the Government but to step forward and defend its policies. Since they will form part of the ruling coalition, at the same time as they share powers, they also have to stand up for the Government's measures in the Legislative Council. Of course, at present, even when the Liberal Party and the DAB express their opposition, they will not be too radical, but still, they will fire a shot or two at the Government from time to time — Stephen is smiling now — for example, by refusing to attend meetings, dragging their feet, and so on.

Throughout the world, there is no representative assembly in which there is no ruling coalition that supports government policies. Without such a practice, it will be impossible to improve the quality of governance. The reason is that no matter how good the quality of the officials is, their greatest

shortcoming is that they lack the mandate conferred by the people. Even if the people do not like the policies implemented by these officials, they cannot tell them that the latter can refrain from voting for them four years later. The DAB, the Liberal Party, the Democratic Party and all Honourable colleagues can tell the public that they may as well refrain from voting for them but it is impossible for officials to say so. In debates, officials may sometimes appear a little apprehensive, precisely because they lack the backing of public opinions. I still hold the view that in order to develop party politics, our Governments, including the SAR Government and the Central Government, should both recognize that it is necessary to introduce party politics. A ruling coalition can develop gradually into a ruling party. If not, the relationship between the executive and the legislature will never see any improvement.

I also mentioned during the summer recess this year that I would support including more representatives of political parties in the Executive Council. The Government can choose to either include any member from the Democratic Party or not to do so because we are not part of the ruling coalition. However, it is a pity that this expectation has fallen through. Our view is not founded on the desire to enable political parties to share powers but on the ground that in a more mature political system, it is impossible to do without such an arrangement. It is a shame that the Government did not do so, nor did the DAB give any indication. Originally, Mr James TIEN had some views on this matter but later on, he did not say anything further. I hope Mr James TIEN will persevere because it is necessary to insist on introducing a ruling coalition and party politics. Even though the Government has not taken on board this piece of advice, it is still necessary to continue with the lobbying, otherwise, I cannot see how the relationship between the executive and the legislature can be improved.

Even though the Commission on Strategic Development has criticized the Government for the lack of any notion of political parties, the Government is still telling the public and the media that the chairmen of political parties are appointed to the Commission on Strategic Development in their personal capacities. I do not know if this is true. The logic of such a claim, that is, the chairmen of political parties are appointed to the Commission on Strategic Development in their personal capacities, is absurd. The reason that the Government appointed a certain person is that he is the chairman of a political party, so how can it say that it is listening to his views as individuals? Why is the Government so afraid of political parties? Why does it always dissociate each policy, each announcement or each barrier from political parties? Why

does it not graciously say that it is because someone is the chairman of a certain political party that he is invited to join a certain body or to express the views of his political party? Of course, it is not absolutely necessary for the Government to take on board their views, however, it should not resort to such tactics as further belittling the stature of political parties. Such is the contradiction on the part of the Government. On the one hand, the Government says that it wants to develop party politics, yet it does not even know the basics of party politics; on the other hand, it does not want political parties to offer any advice on its policies. Madam President, if the Government goes on in this way, I cannot see how the relationship between the executive and the legislature can be improved.

Finally, I wish to spend a few minutes responding to Mr MA Lik's comments. Mr MA Lik hopes that the pro-democracy camp will be not so adamant and will not oppose for the sake of opposing. In fact, the pro-democracy camp has persevered for 20 years in the hope of seeing the advent of democracy. We are adamant on that which is righteous. We hope that Mr MA Lik will appreciate the fact that the pro-democracy camp has always adopted the most peaceful and rational means to campaign for democracy in Hong Kong and our demands have the backing of the public. Honestly, he used to belong to the pro-democracy camp because he once supported introducing universal suffrage in 2007 and 2008, however, he changed his position later and supported introducing universal suffrage in 2012. In the end, he no longer advocates anything. In view of this, he is a proponent of conditions but not a proponent of democracy. Although he has spelt out the conditions, he is not prepared to foster their creation. Chairman MA Lik, if you are not prepared to foster the creation, how can you possibly achieve anything?

Mr James TIEN has proposed a timetable with 2012 as the goal. I believe that this is at least an acceptable timetable for introducing universal suffrage and all of us should strive towards this goal accordingly. Just now, Mr MA Lik pointed out the conditions, such as making people live and work contentedly, grooming political talents, enhancing national education and developing the constitution, but what have they got to do with a timetable? Of course, I would not say that economic development must be synchronized with democratic development, since I know that the two are unrelated or their relationship is at best tenuous. However, if people can take part in voting and elect their Chief Executive on account of their national identity, it is not surprising that due to such a decision, other conditions will be fulfilled, and very

quickly for that matter. Therefore, I hope that the DAB will consider if such a claim is backed by any sound justification.

If the political parties in Hong Kong dare not even propose a timetable, I find it hard to believe that they can face the public and make any undertaking. Madam President, I totally disagree with Chairman MA Lik's comments and I hope the public will continue to campaign for democracy. If the Government is not willing to set a timetable, we have no alternative but to stage a peaceful rally and make petitions on 4 December to make voices heard again. Thank you, Madam President.

MR JAMES TIEN (in Cantonese): Madam President, first of all, I wish to state clearly that the Liberal Party supports and welcomes this policy address. However, since this debate session is about effective governance, the focus of my speech will be on voicing the views of the Liberal Party on effective governance.

Firstly, the Liberal Party believes that for any government, in particular, any local government, two or three conditions must be fulfilled in order to achieve effective governance. First, if a proposed policy is correct and has the support of the public, the policy will be approved easily and it will also win the support of Members. Second, it is certainly necessary for policies to win the approval of the Legislative Council. When it comes to effective governance, I have never seen any government in the world which can maintain effective governance even though it does not have any vote in the local representative council. This is precisely the situation in Hong Kong now. The Government does not believe that there are differences between a governing coalition and a ruling coalition. I think that since the Chief Executive is not allowed to be affiliated with any political party, it is of course necessary for him to have his governing team, that is, the three Secretaries of Departments and 11 Directors of Bureaux, plus the non-official Members of the Executive Council. These people have formed his think-tank. However, none of the three Secretaries of Departments and 11 Directors of Bureaux or any of the non-official Members of the Executive Council is returned by direct elections, nor can any of them claim to represent a certain sector or district. At present, only the Honourable colleagues in the Legislative Council can say so because they were returned either by direct or indirect elections.

I wonder if it is necessary to use the Chinese term "強政勵治" to express the goal to govern effectively. "強政" (strong governance) gives people the impression that the policies will be very hard-line. As regards "勵治" (strict administration), the first thing that we have to ask is whether what is being implemented is a desirable initiative. The Chief Executive has to first of all decide that a certain policy is a good one before it can carry out strict administration. If a policy is considered a good one, how can all Members of the Legislative Council returned by elections possibly oppose it? However, if a policy forms part of strong governance, in that case, we have to ask how the policy is formulated. How can Members of the Legislative Council take part? Of course, the Chief Executive has already hinted that some improvements will be made to the operation of the new Executive Council.

We often say that the non-official Members of the Executive Council cannot read the documents on issues on which decisions have been made until Saturday, yet they have to declare their support or opposition in the meeting on Tuesday. There is no opportunity for them, in particular, for the new Members of the Executive Council, to take part in any deliberation, which should be carried out in several rounds, and voice their views, so that the policies formulated can become part of good governance.

I believe that there is a small difference between "good governance" and "strong governance". "Strong governance" gives people the impression that policies, once decided, will definitely be implemented no matter what, and to put it negatively, this approach is autocratic and authoritarian. I do not mean that the Government is like this. I only think that if the Government does not make any improvement to such an approach, it will be difficult to achieve effective governance.

As regards a governing coalition and a ruling coalition, Mr LEE Wing-tat and Mr MA Lik have both said that as representatives of political parties, of course, we hope that there is the notion of a ruling coalition. We are not asking the Government to share powers; we only wish to represent our constituents and express our views on certain policies and hope that the Government can do better in implementation. Moreover, Members returned by functional constituencies also have to assume the responsibility of expressing the concerns of their sectors, be it those about fresh water fish or a smoking ban. Although generally

speaking, we support these policies, is it necessary to implement them across the board and without exceptions? Can the actual extent of implementing such policies reach only 90%, or can some leeway be left? I believe that as representatives of political parties and of the public, when expressing our views to the Government, we should bear in mind the concept of a ruling coalition rather than that of a governing coalition. That is to say, Members should play the role akin to that of a board of directors and political parties should not become part of the governing coalition after the Government has made its decisions by voting in the Legislative Council in favour of the relevant policies. I believe that in the long run, such an approach will give rise to problems.

Another area that I wish to comment on is constitutional development. In the Basic Law, three phrases or 13 words are used to describe this matter, that is, "balanced participation", "gradual and orderly progress" and "in the light of the actual situation". In the past, Mr LEE Wing-tat would often ridicule me, saying that I am a businessman who does not really understand these political issues. At that time, I also believed that constitutional development should not be considered in such a light. However, I now believe that this is indeed how the reality should be looked at, that is, it depends on the actual situation and how the public want society to be like. People throughout the world all want to lead a decent life and a decent way of life of course includes financial freedom. Simply put, if one does not have money, all talk about freedom is just empty talk. If people have no money to travel, no money to study, no money to watch movies, how can one talk about financial freedom? Of course, other areas are equally important, for example, people should enjoy the freedom of speech, the freedom of expression, human rights, and so on.

However, if we place our emphasis on maintaining a decent way of life, can this end be achieved only by way of election through "one person, one vote"? True enough, this is the case for many countries. In some countries in Africa, South America or Southeast Asia, such is the situation. They have many problems, including racial and religious problems. However, I think that Hong Kong is comparatively speaking a harmonious society and I think one of the problems that is arguably more pronounced is the disparity of wealth, that is, the overwhelming majority of the Hong Kong public are Chinese and they can generally be classified into "haves" and "have-nots". Since the differences among us are not great, the most important thing is that our way of life will remain unchanged. This is what we mean by the "actual situation".

Throughout the years, we in the Liberal Party always believe that so long as we do our parts well, we can stand for the beliefs of the business sector and take part in politics by standing in the elections of functional constituencies and then in direct elections. We have all along been doing that. In the elections of the District Councils (DCs) and even in the Legislative Council elections to be held in 2008, we will surely make even greater efforts and try to win more seats by standing up for the beliefs of the business sector. Of course, this will also depend on the efforts that we make. We will equip ourselves well and campaign with the greatest effort to achieve the goal of electing the Chief Executive by universal suffrage under the concept of a nomination committee in 2012. On this point, the Liberal Party has already expressed its views a number of times. We will continue to work in this direction and will not say one thing and do another, that is, we will not say something but lie back and make no effort, then say in 2008 that we cannot make it, so why not defer it to 2012, so on and so forth. We will not do things this way but will strive to equip ourselves well.

Another point is: About constitutional development, we have also raised two other issues, one of them being expanding the electorate of the Election Committee. In fact, the Liberal Party has also raised this point in the past. Concerning corporate votes, we are of the view that if every employee in a company is given a vote, this is *de facto* direct election and we will not support this. However, if a company originally has only one vote and if such a corporate vote can be extended to the management, for example, if it is proposed that the one vote given to the board of directors is expanded to six votes, the electorate can then be expanded in such a way and we believe that consideration can be given to such an arrangement. However, this proposal does not simply seek to increase the number of corporate votes. Take HSBC as an example, it originally has only one vote. If the 10 000-odd employees working in HSBC are each given one vote, HSBC will all of a sudden hold over 10 000 votes. This is not consistent with the concept of functional constituencies. Instead of adopting such an approach, it is better to adopt a gradual and orderly approach in reducing the seats of functional constituencies and turn them into directly elected ones. This approach is in line with the Basic Law and will be adopted sooner or later, so the Liberal Party is in favour of it.

Secondly, the Government now proposes that all the five new functional constituency seats should be given to the DCs. This proposal differs from the one put forward by the Liberal Party. The Liberal Party was of the view that

functional constituencies should enshrine the concepts of functional constituencies. Having looked at the present general distribution of functional constituency seats, we proposed that one or two of these five new functional constituency seats be allocated to small and medium enterprises in the business sector or to professionals. However, the present proposal put forward by the Government is intended to favour gradual and orderly progress and the Government's explanation of "balanced participation" is that among the more than 520 DC members, one fourth of them belong to the business sector and one fifth are professionals. Their numbers account for nearly half of the total. If they take part actively in DC elections, they will also stand to win, so the idea of balanced participation and gradual and orderly progress can also be realized in this way. After discussions with its members and representatives of the business sector, the Liberal Party accepted this arrangement made by the Government. We will do our utmost to win one of the five seats allocated to the DCs in the Legislative Council Election to be held in 2008.

Madam President, finally, concerning effective governance, I wish to raise another matter that the Government must accomplish, that is, the issue concerning the Civil Service. We always hold the view that the number of civil servants, which has been reduced from 180 000 persons to 160 000 persons, is generally sufficient for governing Hong Kong. However, the Government holds a different view insofar as civil servants in the directorate grade are concerned. Put simply, the Government believes that the world trend nowadays is that if there are more people working with their brains, fewer people working with brawn will be required when doing things. This means that it wants to increase the number of posts in the directorate grade. We are of the view that if the efficiency of operation in society can be enhanced by increasing the number of posts in the directorate grade, we will support this move. I notice that the views of other political parties on this matter is that it is the Government's intention to make the upper level bloated but the lower level emaciated, so they are not in favour of such a move and they have rather strong views on the Government's move to increase the number of posts at the upper level but to reduce the number of officers at the lower level.

On this notion, the greatest difference between the Liberal Party and those political parties is that we believe if more officials can be recruited to implement what is called good governance at the upper level and do a better job, we are in favour of increasing the number of such posts. However, the worst thing is that

according to our observations in recent years, the more the number of officials at the upper level, the greater the impact on the business environment. When a new policy is proposed, it will lead to the recruitment of more people working as officials at D1 and D2 grades. The papers are subject to the approval of these newly recruited officials at D1 and D2 grades and will have to remain on some people's desks for a week longer. The cases will accumulate from one case to five cases, then from five to 10. If the Government succeeds in convincing us that more directorate posts are needed in the Civil Service to provide greater intellectual input at the planning stage, so that a greater number of good policies can be formulated, the business environment can be improved and effective governance can be achieved — and I stress effective, not ineffective governance — and if it will not be necessary to spend 200 days to deal with one matter and another 200 days to deal with another matter, and that we will face less problems, it is possible for us to adopt an open attitude and again study together with the Government if these additional posts can be created. We believe that to achieve effective governance, it is necessary for the Government to do this. At present, computers have been installed in most offices. Is so much manpower still required to do the work? Or is it possible to reduce the manpower, so that more directorate grade officials can be recruited to carry out better planning on major policies?

However, even if we support the Government in doing so, it cannot take for granted that it will always secure the approval of the Legislative Council, so that whenever the Legislative Council passed a new piece of legislation, it would make applications to establish additional posts on the grounds that officers had to be deployed to handle the relevant matters. If this is the case, we must ask why, given that some jobs no longer need to be done or handled, does the Government not delete the posts established to handle those matters? If those posts are not deleted but new posts are established, then the papers will have to pass through more hands.

Generally speaking, apart from the Liberal Party, which finds that the business environment has been affected from the viewpoint of the business sector, I believe the general public also shares the same view. Many members of the public look at the civil service establishment in terms of the public's livelihood. For example, in the present exercise to replace identity cards, how many people queue up to have their identity cards replaced and how many officers are deployed to distribute the identity cards at the counters? A file will have been pushed to and fro a number of times. In this exercise to replace identity cards,

is it necessary to deploy so many officers to do the job? This may be the impression that the public gets. Therefore, is the number of civil servants too great? Can the Government save more money? The Government fully understands this matter. Of the annual recurrent expenditure standing at some \$200 billion, 70% (about \$140 billion) is spent on the salary and fringe benefits for civil servants, whereas when it comes to helping the poor — I am also a member of the Commission on Poverty and understand the thinking of Honourable colleagues — although we have had discussions for a long time, it seems that not even a cent has been approved and allocated. Therefore, if the Government can do better in this area, will it not then be able to accomplish the work in other areas?

Madam President, concerning effective governance, one last thing that I wish to stress is that when prominent Members or political parties in the Legislative Council engage in interactive communication, there is a concept known as "cooling off" involving the panels and I believe the Government can do more in this area. What I mean is that when important new policies undergo the process of cooling off, I hope that the Secretaries concerned will come here more often to give an account because very often, not only did the Secretaries concerned fail to attend panel meetings, even the Permanent Secretaries, that is, officials at D8 rank, would refuse to come and would simply arrange for their assistants to attend the meetings. Only yesterday, I joked with Dr KWOK Ka-ki that we would soon become a DC (*laughter*) because the rank of the officials attending panel meetings is getting lower and lower. They could not respond immediately to the questions we asked and would only say that they would go back and study them. If the Government wants to enhance the effectiveness of its governance, in the future, I believe that the Secretaries concerned should come here in person to give an account when proposing new policies. I believe doing so will enhance the effectiveness of governance. Thank you, Madam President.

MS EMILY LAU (in Cantonese): Madam President, the Chief Executive said in the policy address that there were only 20 months left in his term of office, so we have a fair idea of how much he can achieve in these 20 months. We have always held the view that constitutional development is the most important part in governance, however, for no apparent reason, he did not include this component, which I would call a hot potato, in his policy address but delegated it

to the Chief Secretary for Administration, Mr Rafael HUI, for action. What is more, the Chief Executive is now on holiday overseas, thus leaving Chief Secretary Rafael HUI to toil in Hong Kong. Maybe one cannot consider this drudgery because the Chief Executive keeps heaping praises on him, saying that he is very competent and will surely handle this matter properly. I do not know how competent the Chief Secretary really is, however, in the next few weeks, we will see.

Madam President, constitutional reform was mentioned in the policy address, although not in detail, and the Chief Executive said that his proposal was an important milestone in the democratization of Hong Kong. I would say that his proposal "should be" an important milestone in democratization, but now it is not. What else did he say? He said that his proposal would enable the general public to have greater room and opportunity in participating in the election of the Chief Executive and the Legislative Council, so that the representativeness of these two electoral systems can be enhanced. However, can this really be achieved?

In August, when I met the Chief Secretary, I told him that we agreed with the goal of expanding the electorate and we considered it to be most important. How many members are there in the existing Election Committee? 800 persons and 160 000 persons can vote for them. How many people in Hong Kong have a vote or are willing to register as voters? 3.2 million people. I told the Chief Secretary that in order to make the change meaningful, so that all political parties are willing to discuss with the Government seriously, it is necessary to give more than half of the voters, that is, over 3 million voters, the opportunity to cast their votes before everybody would find this change meaningful and think that there is room for discussion.

However, what is the outcome that we got now? The participation of several hundred DC members in the elections. However, insofar as the election to be held in March 2007 is concerned, some people are still saying that they want to seek a judicial review. What is the reason? This is not a call made by those people who were appointed, although some appointees also want to seek a judicial review. Therefore, we can see that there will be a lot of applications for judicial reviews. Incidentally, I also want to talk about the Secretary for Justice. We want to extend our welcome to the Secretary for Justice, Mr WONG, to this Council meeting. We wish the Secretary every success in his

work. Most importantly, he must defend the rule of law. If there are instances of violating the rule of law or judicial independence, I hope the Secretary will not support any of them.

Coming back to those people, why do they want to seek a judicial review? They said that when they voted for the existing DC members in the last election, they originally knew what the functions of DC members were under the relevant legislation and they decided who to vote for accordingly. However, these DC members now find all of a sudden that an emperor's robe will be put over them and they have been given a new function, so the situation has changed. I do not know if the judicial review on this issue will be successful, however, I can tell the two Secretaries of Departments that those people seek judicial reviews even on such matters because they believe we cannot confer additional power on a certain group of people without justification. In sum, such an approach does not give the public at large the feeling that they can participate. Of course, the Government can make the plausible claim that the public can participate in the Legislative Council elections in 2008 because the elections of DC members will be held again at the end of 2007 and by then, they will know in advance that DC members will perform an additional function, so they can decide how to vote accordingly. However, in the election to be held in March 2007, the public definitely cannot do so, so this will not give them the feeling that they can participate. True enough, DC members will be able to participate, however, the public do not even know how the DC members in their districts are returned, so please do not try to hoodwink them.

What did Mr MA Lik say just now? He asked us to support this package of proposals that will enable democracy to make substantive progress. I do not think that the progress is so substantive. He also said that the democrats should not do a disservice to democracy. Our voters all know that we stand for democracy, that the word democracy has been etched on our foreheads since long ago; moreover, we have worked for democracy for many years. As Mr LEE Wing-tat said, we have worked for it for several decades, and I am a few years older than Mr LEE Wing-tat. Therefore, when it comes to democracy, Mr MA Lik needs not worry for us. He also called on us to let go of our uncompromising stand. Frankly, we have already let go of a great deal. We have campaigned for democracy from the '80s, through the '90s to the millennium. What further compromise can we make? Do we have to prostrate on the ground? We cannot possibly compromise any further. Mr MA Lik said that he was pleased to learn that some people no longer demand

universal suffrage in 2007 and 2008. However, we will definitely continue to make this demand. There should be no mistake about this. We will raise this demand again in the rally on 4 December.

When we mention the year 2012, what we mean is that we want to campaign for the introduction of universal suffrage in 2007 and 2008, however, if it is really not possible to do so, then the authorities have to explain why this cannot be done and what are the matters that cannot be done in 2007 and 2008 and can be done only in 2012, or why we will not get anything if we do not accept the proposals. If we will get nothing, then so be it; if we will get nothing, we will simply oppose the proposals. I believe many members of the public also support our opposition to them. The Chief Secretary himself also said that the survey conducted by him had found that over 60% of the people surveyed supported introducing universal suffrage in 2007 and 2008. Therefore, we believe that the Government should no longer deceive the public on this. Mr MA Lik also said that the Government would often try to sow discord in the hope of winning over some public opinion to counter us. Even the DAB finds that the Government's approach objectionable. Therefore, we hope that more people will come together to express the wish of Hong Kong people on 4 December.

Madam President, just now, Members have been talking about the concept of governance espoused by the Chief Executive, that is, strong governance. Mr James TIEN has also commented on this point, and what does he mean by strong governance? He said that it depended on the governing ability, unity and co-operation of the leadership. I hope that Secretary for Justice WONG Yan-lung, who has come into office recently, can effect unity with his team. However, as we see it, political development in Hong Kong should take the direction of party politics. Both groups mentioned just now are political parties and they certainly have their own interests. However, a lot of people in them also support the development of political parties. I do not belong to any political party. The Frontier is only a small political group, however, we still hope that the political system in Hong Kong can develop in the direction of a multi-party system. I oppose one-party dictatorship. Madam President, we hope that there can be a multi-party system to enable members of the public with different political leanings to join various parties and adopt an orderly approach in expressing their wishes. Those who like the Liberal Party can join the Liberal Party, those who like the DAB can join the DAB, and members of the public can of course also join the Democratic Party. However, the Government now wants to form a government party.

The members of the government party include former civil servants or people who share the same views as the Government. Actually, this is not a bad thing, however, Madam President, the question is: How are they going to achieve strong governance? Mr TIEN was right in asking if we could put a knife to someone's throat to achieve it. However, having said that, I really do not know what the several parties, including the DAB and the Liberal Party, were driving at. In fact, Mr Jasper TSANG has said that they should share both the honour and the shame instead of getting their share of shame but no honour because he has joined the Executive Council. On hearing him say this, I was dumbfounded. Madam President, I then said to myself, what else do they want? Just show him some colours. What have Members got in their hands? Votes. What did the Chief Secretary for Administration entreat us for? Votes. However, I would also advise him not to do this. He really should not lower his personal esteem to make entreaties. If he really wants to make entreaties, he should go to Beijing and ask Beijing for democracy. However, political parties got votes. In the past, a Member (I do not wish to disclose his name now) said that if we had 10 votes, although we will not necessarily ask the Government to dance on our palms, we can exert great influence. In fact, Madam President, Members should ask themselves why they do not exert their influence. Why is the situation like the one described by Mr James TIEN? Mr James TIEN said that he has looked at the governments throughout the world and found that no government can achieve effective governance without votes in representative councils. I wonder if he thinks that the Government is able to govern effectively, however, since at present, the Government really does not have votes in this Council, political parties have to ask themselves such a question.

However, I think that the present arrangements on constitutional development are entirely intended to belittle the stature of political parties and marginalize them. How can political talents possibly be groomed in this way? How can the relationship between the executive authorities and the legislature be improved? Madam President, I am not trying to sow discord among Members of the Legislative Council. They know full well what they have to do, and, they will do so of their own accord. However, Mr James TIEN has said explicitly that he wanted to form a ruling coalition and Mr LEE Wing-tat also said that he fully supported this idea. Actually, even if a ruling coalition can be formed, we in the pro-democracy camp will probably play no part in it, but this does not matter. If control over some 30 or 40 votes in the legislature can be described as a coalition but Mr James TIEN said that the original aim of a coalition was not

to share powers, then why is the aim not to share powers? It has to share powers as well as responsibilities. In future, when the Government encounters problems, these several political parties will have to step forward and face the public, whereas the Government can hide behind them. Political parties must step forward to give an account to the public. More importantly, in future elections, it is possible that they will not be re-elected. This is precisely the most important aspect of democratic elections. Democracy cannot ensure that the most capable people will join the Government, however, it will give people the opportunity to regularly say whether they support the people in power. At present, the Hong Kong public does not have such an opportunity. Originally, we thought that this report on constitutional development will give the public such an opportunity, however, in the end there is none and our hope has been dashed. I wonder how the Chief Secretary can persuade several million members of the public and tell them that they can actually play a part in governance. The Chief Secretary said that in the election to be held in March 2007, the electorate would be doubled and several million Hong Kong people would be able to express their wishes. However, may I ask through what channels they can express themselves?

Madam President, recently, I heard that Mr Ronald ARCULLI, a member designate of the Executive Council under the new administration — he has not yet assumed office and will do so only on the first of next month — had said on the radio (I was not aware of this) that in the Chris PATTEN era, Chris PATTEN once told him that it was only necessary to identify 10 or 12 Members who could represent various political parties. Whenever the Government wanted to implement something important, it was only necessary for the Government to reach an agreement with these Members. Mr Ronald ARCULLI said that later on, this could not be successfully implemented, not because Chris PATTEN was not willing but because it did not work in the legislature. Mr Ronald ARCULLI explained that at the time, party politics was still not too mature, so it was not possible to reach a consensus and the 12 Members could not be identified.

However, the situation nowadays has undergone significant changes and it is no longer necessary to identify the 12 Members. It is only necessary to identify six or seven Members to get this job done. I believe the Government should do so, and it is absolutely necessary to do so. The Commission on Strategic Development or the other committees are only think-tanks, so there

should not be any problem with that. However, it is necessary for the ruling team to have representativeness and legitimacy. The Government must not find someone who has retired but does not wish to spend seven days a week on ball games, thinking that such a person can assist in the governance of Hong Kong. I really think that the Government should not choose such people, even though I have had any personal grudge against Dr Marvin CHEUNG. *(Laughter)*

Madam President, another point that I wish to raise is on enhancing the work at the district level. A number of DC members have expressed their views in this regard and I also want to add a few words. If the DCs will only be allowed to manage libraries, community halls, open spaces, swimming pools, and so on, they can already do so at present. What they want is real power and this is a matter of sharing powers and responsibilities. They must have the power to deploy resources and manpower, otherwise, I believe whatever the Government says are just empty words. I also hope that people who aspire to playing a part in public affairs can have the opportunity to accumulate administrative experience in the DCs or even at higher levels, however, I do not want the Government to appoint any so-called administrative assistants. We do hope that these people will be elected and will have the opportunity to accumulate administrative experience, so that when they stand in elections for top posts in future, the public will feel greatly at ease. If we look at other countries, the heads of those countries have also stood in elections of mayors and governors and all the way until they became presidents. However, such channels are all blocked in Hong Kong, so how can talents be nurtured? If the Government only nurtures talents by means of appointment, how can other people not criticize the Government for attempting to form a "government party"?

Madam President, finally, I also wish to comment on the issue of strengthening the ties with the Central Authorities and the Mainland. When I put a question to the Chief Executive the other day, although he did not fly into a temper, he was already standing akimbo when speaking. Why did he appear so touchy? I certainly understand that Hong Kong is under Chinese sovereignty but I do not understand why senior officials have to go to the Mainland publicly, privately or even secretly so often. I asked the Chief Executive if this kind of visits were called for, and I am now asking the same question again. Some matters are within our scope but others involve both sides and of course, I understand this. However, Madam President, the most important thing is that after return, they did not give people any account, so other people would wonder

if they had gone to the Mainland to receive orders from above. Therefore, I hope the Chief Secretary can understand this concern of mine and that it is necessary to give explanations on such trips. I only wish to invite them to the Legislative Council to answer questions about this or to give an account, however, they still said that they could not do so.

Concerning our relationship with the Mainland, Madam President, you surely know that at present, a dozen or so Members of the Legislative Council are still not allowed to visit the Mainland. Although the Chief Executive, Mr Donald TSANG, has taken us on a trip to the Mainland for a couple of days, in future, we still cannot go to the Mainland. If so many Members of the Legislative Council still cannot go to the Mainland freely, it will not be possible for the relationship between the SAR and the Mainland to become normal. Therefore, I hope that the Chief Secretary and others can do something about this as far as possible.

Finally, I agree with the view of Mr James TIEN on creating additional posts for senior officials. I believe that the present number of senior directorate posts do not conform to the wish of Members. Actually, I do not really know since I myself have only one vote, however, I know that the political parties in this Council have said that the number of directorate posts is 1 488 and the Chairman of the Establishment Subcommittee, Ms LI Fung-ying, also expressed the hope that political parties can consider if it is absolutely necessary to impose such a ceiling. I believe the Government has to give an explanation on this because many members of the public have asked me if it is necessary to increase the number of directorate posts. They queried that since the costs of a directorate post is so high, what sort of work are such posts intended for? I believe that if the authorities want to create a dozen or two dozens more directorate posts, or any number for that matter, it is absolutely necessary to give a very clear account. In the same vein, Mr James TIEN also queried why it was necessary to create such posts. I myself am a member of the Economic and Employment Council. I once asked the Chief Secretary if he had ever repealed any legislation or streamlined any procedure, and his answer was that he had never done so. Now, the Government keeps increasing the number of posts and procedures. In this way, things have become more complicated. In view of this, I hope the authorities will handle this issue carefully.

I so submit.

DR PHILIP WONG (in Cantonese): Madam President, on behalf of the Chinese Chamber of Commerce, I support the package of proposals on constitutional development put forward by the Government. This package is consistent with the Basic Law, as well as the Interpretation and Decision made by the Standing Committee of the National People's Congress (NPCSC), and is thus acceptable. The response from different sectors of the community is also rather positive. The majority of the public also agrees that if this package is endorsed, the constitutional system will be able to move forward towards democracy from the existing foundation, while the room for public participation in and discussion of politics will be enlarged, facilitating the enhancement in the governance of the Government, the building up of a harmonious society and full economic development. Now, I would like to raise three points.

The first point is related to the District Council (DC) proposals. I agree that the seats of the Legislative Council should be increased from 60 to 70, with the number of seats for geographical constituencies through direct elections and for functional constituencies to be increased by five respectively. And this complies with the Decision of the NPCSC that the 50:50 ratio of Members returned by functional constituencies and Members returned by geographical constituencies through direct elections should be maintained.

In my opinion, the DCs, with a membership of 529 people coming from different walks of life, will carry a certain popular mandate. If all DC members are allowed to take part in the Chief Executive election and if their number of seats is increased in the Legislative Council, the electoral and democratic element will be increased.

I support the Government's appointment of elites with commercial and professional background and are accountable to the DCs, so as to achieve balanced representation. This practice is time-honoured, and can greatly facilitate in enhancing the quality of political discussion, in expediting district development and in promoting the development of various trades and industries. Since both appointed and elected DC members are legally obliged to carry out the same duties, they should enjoy the same statutory status and voting rights.

The second point is related to the Election Committee (EC). In view of the principles of gradual and orderly progress as well as balanced representation, I support that the number of members in the EC be increased from 800 to 1 600,

and among them, the number of members from the first, second and third sectors, namely industrial, commercial and financial sectors, the professions, as well as labour, social services, religious and other sectors, should be increased from 200 to 300 respectively. Besides, the fourth sector, which originally comprised Hong Kong Deputies to the National People's Congress (NPC) and representatives of the Hong Kong members of the National Committee of the Chinese People's Political Consultative Conference, should be extended to include all DC members.

The third point is related to the timetable. Some Members in this Council oppose the Government's package on the pretext that a timetable for universal suffrage is not mentioned in the package. In fact, these Members should know it so well that this package proposed by the Government only makes suggestions on the method for the selection of the Chief Executive in 2007 and the method for the formation of the Legislative Council in 2008, and has nothing to do with future elections.

As regards the amendments to the method for the selection of the Chief Executive in 2007 and the method for the formation of the Legislative Council in 2008, there are mainly two principles, namely such should proceed in the light of the actual situation and in a gradual and orderly manner. These are the legal as well as political principles. During the meeting on 26 January this year, I pointed out that between these two principles, "gradual and orderly progress" only comes second, while "in the light of the actual situation" is the most essential prerequisite. At that time, I cited some examples to illustrate that for purposes of formulating a timetable for universal suffrage, a consensus should be reached by all parties concerned. This could not be decided by Hong Kong unilaterally. If the actual situation does not permit and the necessary conditions are not ready, but we rush to formulate a so-called timetable for universal suffrage, the result would only be counter-productive.

In my opinion, the package proposed by the Government can enable Hong Kong to take a major stride towards a democratic political system, which is the greatest progress that we can attain for the time being. We must not miss this opportunity as it may not return. Since the package has far-reaching implications, I hope that the Government and Honourable colleagues of this Council can, for the sake of the overall interest of Hong Kong, make good use of this period of time to strengthen our communication, seek common grounds

while reserving differences, minimize arguments and build up a consensus. This is the wish of the great majority public.

I hope that Honourable colleagues can faithfully honour the pledge of upholding the Basic Law, be pragmatic and weigh the pros and cons of this package. Only in this way can we get the support of the public. If the package is not endorsed simply because some Members oppose for the sake of opposing and thus no progress could be made in constitutional development, how can we answer the public?

Madam President, I so submit.

MR ALBERT CHAN (in Cantonese): Madam President, I categorically and resolutely oppose the constitutional reform package and proposal because it is a political proposal that is a retrogression in democracy and creates a super "small circle".

Many people (including certain members of the pro-democracy camp) propose that there must be a roadmap; others say that if the appointment system of District Councils is abolished, then they can accept the constitutional proposal. I feel that all these have violated the basic principles of democracy as well as the promises made by the 25 pan-democratic Members when they ran for the elections last year. In the platforms of these 25 pan-democratic Members in last year's Legislative Council Election, they single-mindedly, resolutely, categorically and without reservations demanded the implementation of universal suffrage in 2007 and 2008. I have not come across any platforms stating that if universal suffrage was not implemented, then there must be a roadmap; nor did any of them say that if universal suffrage was not implemented in 2007 and 2008, then they would support the introduction of universal suffrage in 2012. With the lapse of exactly one year, not long ago, and while the Government has just introduced its constitutional reform proposal, under the influence of the cold wind in winter, many people have already made their "U-turns" from their original stance, forgetting the promises they made during the election last year, forgetting the significance of fighting for democracy.

Madam President, in overseas parliaments, if any government or political party (especially the ruling party) wishes to change its election pledges or major policies, very often they would have to dissolve the parliament, reorganize the

government, announce the holding of a new election, so as to gain a new mandate from the people through a new election. Last year, the pro-democracy camp won the support of 60% of voters with a categorical declaration of demanding the implementation of dual elections by universal suffrage in 2007 and 2008. This is a mandate of the people. The people have given us the mandate to raise this with the Government, to convey the message to the Government (including the Beijing Government) that we demand the implementation of dual elections by universal suffrage in 2007 and 2008, that we are not aspiring for dual elections by universal suffrage in 2012, nor do we want a roadmap. Therefore, I have to call on my friends in the pro-democracy camp: Do not abandon our aspiration of demanding the implementation of dual elections by universal suffrage in 2007 and 2008 so easily.

"Uncle Wah"'s comments are widely reported in today's newspapers. "Uncle Wah" also categorically and resolutely insists on one single demand without any reservations, that is, the demand for universal suffrage in 2007 and 2008. With such admirable remarks from "Uncle Wah", I hope my friends in the pro-democracy camp can study and consider them carefully.

Madam President, I would like to discuss the proposal of the newly added seats to be returned through election by District Council (DC) members from among themselves, that is the "five-five system". Maybe Chief Secretary Rafael HUI often plays mahjong — so apart from the "three-three system" and "four-four system", he also likes the "five-five system", which may entails a higher stake in the game. However, let us take a look at the actual situation of the "five-five system". The logic advanced by the Government is, the newly added functional constituency seats will be returned through election by DC members from among themselves. So the functional constituency is composed of DC members who will hold an election among themselves, and this is thus called a democratically progressive proposal. I feel this is pure nonsense, and there is no logic in it at all. "A small circle" is always "a small circle". There are altogether 529 DC members, inclusive of the appointed ones. Even if the appointment system is abolished, there will still be 427 DC members left — which is a smaller "small circle".

If it is claimed that these DC members are popularly elected, then we can say that many members of the Heung Yee Kuk are also returned by popular elections; so are many of the representatives of the Hong Kong Federation of Trade Unions (FTU) and many other labour unions. However, in the Heung

Yee Kuk, its functional constituency seat is returned through election by 149 members from among themselves. But for the DCs, six Legislative Council seats will be returned by only 529 DC members. In comparison, is this not a super "small circle" election? How can the pro-democracy camp support such a super "small circle" election? Even if appointed members are excluded, such a practice is still depriving the 6.8 million Hong Kong people of their basic voting right. The demand for universal suffrage indicates that we believe in the universal suffrage mechanism. Fighting for universal suffrage means that we are insisting that the people should enjoy their basic democratic rights. Supporting any small-circle elections is tantamount to depriving and sacrificing the rights of the people. This is a stark violation of the principles of openness, fairness and impartiality in democracy.

We cannot say that since the DCs consist of members from the pro-democracy camp, the number of them may well exceed a hundred, then we can consider the small-circle election of the DC constituency acceptable. It is still unacceptable because this has violated the basic stance and principle of democracy. I feel that, should anyone find such a small-circle election acceptable, then he no longer deserves to call himself a member of the pro-democracy camp.

If we look back on some incidents that took place in the DCs in the past — some of which involved certain members of the pro-democracy camp — we will find that some of them had been prosecuted by the ICAC for their misconduct in the DCs, and eventually lost their seats as a result. Certain scandals that took place after the DC elections when their members had to elect among themselves a Chairman and a Vice Chairman fully demonstrate that "small-circle elections" are "small-circle elections". In such small-circle elections, many people, including some members of the pro-democracy camp, would resort to trading interests, relying on network of social connections in order to achieve their targets. They may even work to the extreme of betraying their own conscience, their own fundamentals or even abandoning the positions of their own political parties. Therefore, people who do not believe in small-circle elections must be categorical and resolute in resisting and opposing small-circle elections, and they should not support such a super small-circle election just because of the abolition or otherwise of the system of appointed members.

Madam President, one year has passed, and no change has taken place actually. Last year, when the Legislative Council Election was held, we knew

very well that the Beijing Government would not allow Hong Kong to hold its own democratic elections, and we knew equally well that no matter who was in charge of the Hong Kong Government, universal suffrage would not be implemented in Hong Kong in 2007 and 2008. This is the political reality. When members of the pro-democracy camp ran for the election last year, we already knew clearly that this was the political reality, which has not undergone any changes so far. Therefore, our fundamental position should not be changed as well. As such, I shall oppose the amendments proposed by Miss TAM Heung-man and Mr LEE Wing-tat because their amendments imply that we no longer insist on demanding the implementation of dual elections by universal suffrage in 2007 and 2008.

With regard to constitutional reforms, especially the reforms that involve the DCs, I hope Chief Secretary Rafael HUI can prudently consider their impact on the DCs. Regarding the constitutional reforms, all DC members will become members of the Election Committee (EC), and that six Legislative Council seats will be returned by election among all DC members. These measures will bring about great impact and destructive effects on the political well-being of district administration of DCs, in addition to depriving the people of their rights to universal suffrage. We must handle these issues very cautiously. This is because, should all the 520-odd DC members (inclusive of appointed members) really become members of the EC, then they will account for almost one third of all the 1 600 members of the EC, and six seats out of the 70 seats in the Legislative Council. These are very significant ratios, which will bring about very abrupt changes to the entire DC system, and it may change the purpose and mentality of members taking part in the work of DCs.

Recently, rumour had it that soon after Chief Secretary Rafael HUI had proposed that all DC members would become members of the EC, certain consortia started to plan, organize and pool together some funds to sponsor some candidates to run in future DC elections. Besides, some individuals have also approached me in the hope of finding some districts in which they may take part in the relevant DC elections. Of course, I welcome the participation of consortia in DC elections. However, DCs are the councils for the districts. The Government must ensure that the purposes of establishing DCs and their original purity can be maintained. If there are people taking part in DC affairs just for the purpose of running for the office of the Chief Executive as well as the seats of the Legislative Council, then it will completely defeat the real purposes of district administration. By then, these people will be more inclined to put on

political shows than serving the residents. I think the Government cannot afford the luxury of not taking these side-effects and adverse reactions into consideration.

Nothing like this has ever happened in any parts of the world. Elsewhere, three-tier councils are three-tier councils, each tier of them being independent of one another. The municipal government is the municipal government, the provincial government and the state government are what they actually are, and both the federal government and the central government have their own unique identities. They will not link together the different levels of councils by way of elections. DCs will become very dominating in future: Do you want to run for the office of the Chief Executive? Then you must first provide some benefits to us in the DCs. In future, all the affairs in the Legislative Council must also take the interests of DCs into consideration. This is a complete distortion of the purposes of district administration when the district boards were first established some 20 years ago, and this will distort the real purposes of members in taking part in DCs. Therefore, we cannot underestimate the significance of such implications. In the overall constitutional reforms, in particular the reforms to the two-tier councils, we cannot underestimate the disastrous impact to be brought about by this type of changes. Therefore, apart from the reason that the addition of DC members to the EC will create a super "small-circle" election, my opposition to the reform proposal is also due to the fact that such a change will cause another disastrous impact on the DCs. I hope the DCs can maintain their purity.

Mr LAU Wong-fat is the DC member with the longest service record. Starting from 1980, he has been a DC member for 25 years. As for myself, I have also served 20 years as a DC member without any interruption at all. Therefore, regarding the operation of DCs, I believe I have far more personal understanding of it than many government officials and Members. I hope the Chief Secretary can seriously consider the issue and would not, just for the sake of pursuing strong governance, force through the implementation of the constitutional reforms at the expense of the original essence of the DCs, thereby changing completely its original qualities.

The Secretary for Justice, Mr WONG Yan-lung, has just returned to the Chamber. I hereby welcome him to join this big family of ours. I hope through this new personnel change and the emergence of a new face, we can bring about a new atmosphere to facilitate the fulfillment and maintenance of the

rule of law in Hong Kong. This is very significant. I think many people, including myself, have high expectations of him. I hope we can have happy co-operation in future. Apart from arguing with each other in the Council, I think we will have many opportunities to exchange viewpoints, thereby facilitating the fulfillment and maintenance of the rule of law in Hong Kong.

Madam President, apart from constitutional reforms, I would like to discuss two minor issues in the security aspect — the Secretary for Security has just left the Chamber. These are two simple security issues. First, it involves the issues of family reunion of Hong Kong people with their mainland children. I think this is a disgrace of Hong Kong, and it is also a tragedy of Hong Kong people. The Chinese people attaches great significance to family reunion and harmony is often stressed. But if the members of a family cannot live together, and instead, they often weep because they are frequently separated from one another, how can they enjoy harmony in the families? In this connection, I think that the Government should employ all means, by hook and by crook, to address specifically those cases involving persons who are over 18 years of age and left to live alone in the Mainland, thus unable to seek family reunion in Hong Kong. On the other hand, cases in which mainland authorities allow the mothers, but not the children, to come to Hong Kong should also be expeditiously dealt with — that is, the situations in which only the mothers but not the children, or the *vice versa*, are allowed to come to Hong Kong. With regard to such individual cases, the Government should make use of some special mechanisms and methods to facilitate the reunion of such families. I think it is the responsibility of any government to address such issues.

Secondly, it is the issue of debt collection agencies. About this issue, I feel very angry because eventually the Government decided not to accept the advice of the Law Reform Commission which recommended that legislation be enacted to impose regulatory control over debt collection agencies. We find that the problem has caused great impact on the livelihood of the people, as reflected in the districts, in individual cases as well as by the great number of complaints provided by the police. What is most sarcastic is the fact that even major consortia, banks and credit card companies in Hong Kong hire the services of debt collection agencies. The people have no way of distinguishing between "loan sharks" of triad societies and debt collection agencies of reputable consortia because the materials sent by them to the people are very similar. This is most absurd indeed. The major consortia in Hong Kong are also learning the debt collection tactics from the triad societies. Sometimes even the

wordings used are very similar. For example, "We hope you can reply promptly, otherwise you shall be liable to any consequences that may arise in future", and so on. I can tell you, several major consortia are also employing such tactics in collecting debts. So this is very ridiculous. However, it appears that the Government is condoning these major consortia. So it is not exercising any control over them even when they have adopted triad tactics in collecting debts. What kind of society is it actually? In future, the situation of "triads ruling Hong Kong" may really emerge.

Madam President, I hope Chief Secretary Rafael HUI can consider this issue. I had once raised this issue with the Chief Secretary. They seemed to have made a decision. However, in such a significant civil society — the Chief Secretary often stresses the significance of a harmonious and stable society — if millions of people are living in fears and worries every day, how can we promote harmony? A resident has received a letter from a debt collection agency. Out of fears and worries, he could not sleep for the whole night. The elderly members of the family were crying as well. However, the agency in question is a decent company, a subsidiary of a certain consortium. But this is already sufficient to make the elderly live in worries and fears. On such issues related to people's livelihood, if the Government does not implement the policies well, it will be very difficult to find harmony in Hong Kong.

Thank you, Madam President.

MR WONG KWOK-HING (in Cantonese): Madam President, as a representative of the labour sector in the Legislative Council, I would like to express my views on issues about the Civil Service in this session.

Madam President, during the eight years after the reunification, a number of reform measures focused on the civil service system have been adopted for the purpose of achieving the major objective of enhanced productivity. From top to bottom, these measures range from structural reform, expenditure envelope and enhanced productivity to contract system, corporatization, privatization and out-sourcing of services. Under the pretext of enhanced productivity and streamlining, all this has in effect dealt a heavy blow to the morale of the Civil Service. The contract system and outsourced services, in particular, have dealt a severe blow to the morale of civil servants.

Though it has been set down in Article 100 of the Basic Law that "pay, allowances, benefits and conditions of service" should be "no less favourable than before", in the absence of long-term planning and in the direction of going after short-term effect, the Government makes use of the contract system and outsourcing as its usual tricks of staging a reform. Apart from satisfying the instruction of suppressing expenditure, it also serves the purpose of securing sufficient manpower to cope with the so-called enhanced productivity and workload. This arrangement of "fattening the top at the expense of the bottom" is of course welcomed by senior government officials at directorate level. In addition, as it is impossible for directorate posts to be outsourced, in the threatening upsurge of pay cut, they can still enjoy an annual salary of a few million dollars while complaining that they are being paid below the market rate.

As for civil servants at the lower level, in the face of various reforms in downsizing the establishment, increasing workload and work pressure, they are feeling gloomier about their future. Given the strange phenomenon of unequal pay for equal work, in a single rank, we can find staff employed on four to five different employment terms. At present, more than 11 000 temporary workers who have no job security are forced to accept heavier workload than their civil servant counterparts, so as to get their contracts renewed. The outsourced cleaning workers of the Leisure and Cultural Services Department (LCSD), for instance, are paid less with a heavier workload, nonetheless, they can only have short-term contract or even have to renew their contract on a three-month basis. In addition to bringing more pressure on the workers themselves, the insecure working condition has indirectly increased the responsibilities on the part of civil servants on permanent establishment. Under this mixed establishment, conflicts have become inevitable. They are co-workers, but because of unreasonable employment conditions, they have no choice but to engage in vicious competition.

Furthermore, as contracting out services is similar to contracting out responsibilities, once the service has been contracted out, the government department would hardly have any knowledge about the staff deployment of the contractor companies. As a result, we are hearing increasing cases about staff exploitation. It has been a common practice to combine two posts into one, and on the face of it, cost-effectiveness may be achieved, but it is often heard that workers have to work more than 10 hours a day to get paid at some \$3,000 a month. As these workers are employed on a short-term basis, they are afraid of

losing their job if they lodge a complaint. Hence, in most cases, they just put up with the unreasonable contract terms. The Government is in fact maintaining the cost-effectiveness by leaving the dirty work of exploiting workers to others. The enhanced productivity as recorded on the account is in fact derived from exploiting contract and temporary workers. May I ask our government officials of directorate level whether it is fair, reasonable and equitable to do so? How does our Secretary, Mr Joseph WONG, respond to this question?

Madam President, it is the duty of the employer to provide a stable working environment, so that staff will not work in fear all day. As the largest employer in Hong Kong, the SAR Government not only has the duty towards our 160 000 civil servants and more than 10 000 temporary workers, but also to set a good example for the private sector. As the "minimum wage and standard working hours" as advocated by the Hong Kong Federation of Trade Unions has yet to be implemented in Hong Kong, the working population has no choice but to go with the tide of enhanced productivity by working overtime without pay, thereby winning our workers the international reputation of working the longest hours. Now even the SAR Government has to resort to these means to achieve cost-effectiveness, we can imagine the plight of employees in the private sector.

Madam President, we have no time to lose in planning, reviewing and formulating a comprehensive, long-term, continuous and assuring civil service policy, so as to avoid the emergence of unreasonable workload, unchecked downsizing of establishment and outsourcing of services. Otherwise, we will see more and more of our working population living in poverty which in turn imposes a heavy burden on the community as a whole. Thank you, Madam President.

MR LEE CHEUK-YAN (in Cantonese): Madam President, on behalf of the Hong Kong Confederation of Trade Unions (CTU), I would like to speak on the issues of governance and democracy. While the CTU is an organization that promotes the rights and benefits of workers, democracy is a major goal in our platform. We are well aware that if we cannot strike a balance in society, all the policies will tilt towards a specific social class, and consequently the rights and benefits of wage earners will be exploited. Therefore, democracy and the rights and benefits of wage earners can never be separated.

With regard to the policy address with particular reference to the section of governance, my opinion is that the Chief Secretary — no, it should be the Chief Executive — intended to pursue something similar to the meaning of the name of the Secretary for Justice. We welcome Mr WONG Yan-lung to attend the meeting of this Council today. The Secretary for Justice is named Yan-lung (仁龍). The Chinese character "Yan" (仁) means kindness and benevolence. I believe it is the same as the benevolence and justice that the Government of the Hong Kong Special Administrative Region (SAR) constantly identifies itself with, is it not? Benevolence is what he wants to achieve, but whether he can achieve it is something I will discuss when I come to the session on economic and labour affairs. What about the character "Lung" (龍), which means dragon in Chinese? In fact, there is utterly no dragon in this world. The political system of Hong Kong resembles a "Lung" — we do not even know what it is. The Chief Executive wishes to pursue strong governance, presumably as strong as a dragon; however, given the lack of public mandate, it has become neither fish nor fowl. Even if it happened to be a dragon, it could only be a very poor dragon. If the dragon spits fire, it would turn out to be a tyranny, which would be most disastrous. Now the Chief Executive aspires to become a dragon, but I hope he would not turn out to be a fire-spitting dragon that would burn the people. As a matter of fact, the political system of Hong Kong today is neither fish nor fowl. It is just a totem resembling a dragon, but it does not carry any public mandate after all.

The Chief Executive once said his philosophy was "to exercise the power for the people, to fight for the benefits of the people and to work with regard for the feeling of the people". But after having gone through the part of his policy address on governance, I feel that what he actually wants to do is "to exercise the power for the leaders, to fight for the benefits of the tycoons and to work with regard for his own popularity ratings." It is said that the mode of his governance is entirely based on "pie-sharing", facilitating business and boosting popularity ratings in order to overcome the present problems in governing Hong Kong. However, I think this method of "pie-sharing", facilitating business and boosting popularity ratings is not feasible at all, because what he is doing now is adopting the dual practices of centralizing power and "pie-sharing".

With regard to the practice of "pie-sharing", we can see that the entire section on governance in the policy address is a process of "pie-sharing". The first type of "pie-sharing" is obviously the exclusion of all Directors of Bureaux from the Executive Council. Consequently, all that the Directors have to do is to take care of their respective spheres of responsibilities, and they are no longer

members of his cabinet. As for the part on increasing the number of non-official Members of the Executive Council, many people have commented that this is a restoration of an old practice, which was used in the colonial days. This is very obvious indeed. During the process of "pie-sharing", seats in the Executive Council are allocated to people whom the Chief Executive finds trust-worthy, or, in his own words, people who share common beliefs in governance. Yet I cannot help asking the Chief Executive, "How can it be so coincidental that all these people come from the commercial and industrial sector?" Apparently, this is an arrangement tilted towards the business sector: Of the 15 Members, 10 are related to the business sector. Naturally, in a Question and Answer Session, the Chief Executive said that Mr CHENG Yiu-tong was one of the Members of the Executive Council. In my opinion, the physical shape of Mr CHENG Yiu-tong does not resemble that of a vase, yet he is now serving the function of an ornamental vase. Whenever it is argued that representatives from the labour sector have been left out, then it will be pointed out that there is the participation of Mr CHENG Yiu-tong. It is apparent that when only one among the 15 Members comes from the grassroots, such composition of the Executive Council is absolutely tilted towards the business sector. As such, to what extent has the old practice of the Executive Council been restored?

Madam President, I think in future it will no longer be necessary for the Executive Council to hold its meetings at Government Headquarters. They can hold the meetings at the Hong Kong Jockey Club instead. This is because the Chairman of the Hong Kong Jockey Club is a Member of the Executive Council, whereas most of the Members of the Executive Council are horse-owners too, I believe. I remember two or three decades ago when we had this discussion on the political system of Hong Kong, I was told that Hong Kong was virtually ruled by the Jockey Club, because during the colonial days, all the people involved in the ruling of Hong Kong were all members of the Jockey Club. Given that the Executive Council has been restored to the conditions of two or three decades ago, there is every reason to conduct the Executive Council meetings at the Jockey Club. In this regard, instead of having their meetings on Tuesdays, the Executive Council could have their meetings re-scheduled to Saturdays, in which case everyone can have a good time, in addition to having fun celebrating for the winning horses. And the Chief Secretary will definitely be there. This is a practice that will take the overall constitutional development of Hong Kong back to a state where there is an increasing level of participation by people with vested interests.

The second type of "pie-sharing" apparently involves the Commission on Strategic Development. Now we do not have any idea as to how the Chief Executive will allocate these 100 appointments. Who are these 100 appointed people actually?

The third type of "pie-sharing" is the creation of the posts for Administrative Assistant to Directors of Bureaux. When this issue was debated in this Council, I asked repeatedly whose turn it was to get these posts. It appeared that the professionals would be allocated such posts, whereas the civil servants and people from political parties would also be allocated some of these posts. All in all, it was like training up talents, but then where do these talents come from in the first place? There is no ruling party in the Government. In overseas countries, whoever rules the Government has the right to fill up the assistant posts with members of the ruling party. That is just normal, because they have the mandate of the people. Now this practice is like a "closed shop" which is in fact neither fish nor fowl, as mentioned by me just now. The Government has to appoint some people, but where do these people come from? Nobody knows yet, and nobody knows who will end up getting these posts. Anyway, he does not really have the mandate of the people to authorize him to do these "pie-sharing" jobs.

Madam President, we can see that, eventually after the Government has completed the "pie-sharing" jobs and finished centralizing the powers, the most significant issue left is to handle the relationship between the executive authorities and the legislature. In terms of the overall planning, I feel that the Government has done everything to dwarf the Legislative Council. Of course, the Chief Executive has tried to patch it up. In the Question and Answer Session, he said a lot to the effect that he had not devoted too much coverage in the policy address to the discussion on the relationship between the executive authorities and the legislature. Next he said that we still needed to co-operate with each other. However, when it comes to co-operation, I think the key lies in the overall planning of the Government.

The Chief Secretary also confessed that his overall idea was to centralize the power of policy formulation and development on the SAR Government. The Legislative Council shall play the role as a monitoring body with no authority for policy formulation. Apparently, he has no intention whatsoever of building up a partnership with the Legislative Council in drawing up policies together. His idea is that, having formulated the policies, the Government will

then pass them to the Legislative Council, which will then solicit public support for the policies together with the Government. The Chief Secretary for Administration would then solicit public support so as to corner the Legislative Council and to force it to endorse his policy. Of course, if he can solicit sufficient public support, the Legislative Council certainly will not act against public opinion. However, in the whole process, it is apparent that the role of the Legislative Council as a partner of the Government in policy formulation has been suppressed. If this should be allowed to go on, the two sides will only be drifting further and further away from each other.

The executive authorities cannot lose sight of the fact that it does have an Achilles' heel after all. What is the Achilles' heel of the Government? After making so much efforts, eventually it still has to admit that it does not have any public mandate. Without any public mandate, no matter how great they have described themselves, no matter how good their popularity ratings are, government officials still do not need to undergo the test of elections like Legislative Council Members did last year. No matter how the people are dissatisfied with the Government, at the end of the day, they still do not have the power to force it to step down through voting. After all, it is still a "small-circle" election.

Therefore the Achilles' heel of the Government is its lack of public mandate. How does the Government govern Hong Kong with this Achilles' heel? It has to resort to public relations tricks, or to govern with Chinese spaceship Shenzhou VI. Now, the Government has extended an invitation to the Chinese astronauts of Shenzhou VI to visit Hong Kong so as to compete for media attention with the development of events in the constitutional review. It also governs with opinion polls and turns itself into the manifestation of public opinion, but ultimately it still does not carry any public mandate. Strong governance without democracy will only end up as an illegally strong administration. All along, we have been organizing so many pro-democracy activities just because we hope to have a government that is legally formed. We can have an effective administration and enjoy harmony with the people only if the Government has the mandate of the people. It is because public mandate is a prerequisite for the authorities to achieve strong governance.

The second Achilles' heel of the Government is the fact that it has the power but not the votes. As this has been mentioned by several colleagues before, I prefer not to repeat this point here. I think that the Government

should form a ruling coalition in the Legislative Council so as to foster the emergence of a genuine pro-royalist party. It does not matter for us to have a pro-royalist party in the Council as it is established to share both the successes and the failures with the Government. If they feel that "the king" deserves their support, then they can support him all the same. Just let this party announce its policies and let the people decide whether they should vote for them. Now the worst part of it is, the Government has never opted for this alternative. I do not understand the reasons. The Government does not have its own votes among all the 60 Legislative Council Members. Of course, the Government may adopt the old tricks of offering some benefits to certain Members in exchange of some votes on certain issues. But once they are not co-operative, the Government can do nothing but feel miserable and dejected. I think this is still a kind of unhealthy development. From the colonial period through the era of TUNG Chee-hwa and up to the present moment, there has been virtually no change at all.

Madam President, I would like to speak on the constitutional reform. Having spoken so much by far, I just want to point out the fact that the Government does not have any public mandate. We very much hope to see that the SAR Government can have legitimacy and a public mandate, and be returned by a democratic election. Many people had actually cast their votes by taking to the streets to support the demand for the implementation of universal suffrage in 2007 and 2008. The two mass demonstrations participated by 500 000 people fully showed their aspiration for speeding up the process of implementing democracy in Hong Kong. However, the Chief Secretary said that we were required to do it gradually, like playing a building blocks game. However, the Chief Secretary should not forget that this game should have been started a long time ago. We should not forget that the review of the issue of introducing universal suffrage in 2007 and 2008 was actually a promise in itself. However, when the review was about to be conducted, with all those blocks gathered before us and everyone prepared for the building process to commence, someone brushed aside all the blocks — it was declared that universal suffrage would not be implemented in 2007 and 2008. Everything seemed to have come to a standstill. People who had wanted to play the building blocks game could not proceed any further. Now, after all the building blocks have been brushed aside, you now come to us to extend your goodwill by saying that we have to play the building blocks game now. Madam President, how much longer do we have to go on playing this game?

Madam President, I am also very disappointed with the remarks made by Chief Executive Donald TSANG in Canada and the United States. He said that American women had waited for 100 years before they had universal suffrage. Did he want us to wait for 100 years as well? We should not forget that when the American women fought for universal suffrage, the telephone had just been invented, and it was also the oldest type, but now we are in the cyber age and do we still have to wait for 100 years? Chief Secretary Rafael HUI said that everyone can be a democrat. He claims to be a pragmatic democrat, but the worst thing about it is that Mr Donald TSANG is a snail democrat. So we have a hard time. If he moves on slowly, shall we also crawl forward slowly and democracy will only come after a century?

Donald TSANG insisted that people generally support the proposal put forward by the Government. I do not know on what ground he made the remark that the proposal enjoyed popular support of the people. Is it based on the opinion poll referred to by Mr HUI? However, as we said, the opinion poll (the one listed in Appendix 4 of the Fifth Report of the Constitutional Development Task Force) itself was conducted rather stealthily. At that time, the public had yet to start any discussion, but Mr HUI said that the survey had been done and the proposal had won the people's support. In addition, how the questions of the questionnaire were drafted is also very crucial. If the Government was courageous enough, it should have asked the people whether they supported the implementation of universal suffrage in 2007 and 2008, or this stealthy proposal and let them have the real freedom to choose. But the Government did not. It just conducted its opinion survey stealthily, and said that it had won the popular support of the people. This was "foul play" and it was not a genuine and rational debate. Therefore, I hope Mr TSANG can come to this Council to explain whether he is a snail democrat.

Now we have another democrat: Mr MA Lik of the DAB. He said that there were four conditions before universal suffrage could be implemented. Insofar as their position on the issue of universal suffrage is concerned, we can see that the DAB has become more and more "cunning", so he is a cunning democrat. Our original demand is to implement universal suffrage in 2007, but it has been reduced to his four conditions, which are all nonsense. With regard to his first condition, I can hear it clearly, but cannot make anything out of it, namely, "the successful transformation of the economy." Oh, my buddy, sorry, Madam President, you are not my buddy. But the service industry has already accounted for 85% of the local economy. It has been transformed. So what is

"transformation"? I really cannot understand what he meant. Does the "successful transformation", as mentioned by him, imply that the economy of Hong Kong has already been successfully transformed and there is no unemployment? Presently, the unemployment rate of Hong Kong is 5.5%. Is this why he said the economy had not been successfully transformed? How does he quantify "successful transformation"? Shall we wait for the unemployment rate to drop to 2%? However, Financial Secretary Henry TANG once said that he would not be able to see this figure in his life. Does it imply that we shall never have universal suffrage in the remainder of our life? This is really misleading and extremely ridiculous. I hope Honourable colleagues from the DAB who are present now can explain to me what is meant by "successful transformation of the economy?" Does it refer to the fading out of the fishery and agricultural industries? And if that sector really fades out, then Mr WONG Yung-kan would lose his seat, is this really successful transformation? I guess it is not the case. How can we use "successful transformation of the economy" as an indicator?

Much has already been said about the training up of political talents from various sectors, and we all know these sectors mean the commercial and industrial sectors. Madam President, the establishment of the functional constituency sectors in 1985 did aim at training up political talents. We have been training them for 20 years, but only James TIEN and Selina CHOW were willing to take the challenge of direct election. How many years will it take to train all the people from the commercial and industrial sectors? Will it take another 20 years so that we can have another two persons joining direct elections, that is, two persons for every 20 years?

If someone claims that universal suffrage can only be implemented after sufficient political talents have been trained up, is this not very ridiculous indeed? In my opinion, as long as the commercial and industrial sectors continue to enjoy special privileges, they will never go into the water to learn swimming. If a kid has to learn swimming, you must push him into the water. If you just train him dryfoot, he will never learn to swim. Nowadays, people in the commercial and industrial sectors seem to be some pampered fops with a family fortune inherited from the ancestors. They are now enjoying special privileges. While they are well taken care of, why should they take part in direct elections? Unless their privileges are forfeited by the Government, and their leisurely birdcages are taken away, they would never really come forth to take part in direct elections. Therefore, that we are still told to discuss the issue of political talents, I really

feel strongly disappointed. With regard to the comments made by the Liberal Party just now, I am also gravely disappointed. While discussing the issue of converting corporate votes into individual votes, they said that employees would not be considered. At most, company directors can be considered. As such, the Liberal Party has become the director democrats, as they said that only directors are allowed to vote. Should this trend be allowed to go on, we shall never know when universal suffrage can be implemented in Hong Kong.

Madam President, regarding the third and fourth conditions put forward by Mr MA Lik, I really do not know what they are. What is national education? What is the publicity..... on the Basic Law? What is identification with one country and identification with the Basic Law? How can these be quantified? Is he saying that people of our younger generation are not patriotic enough? That is why he requests them to love the country first? What is patriotism? Maybe we had better be frank — does he mean to say that without the Communist Party, new Hong Kong will never have emerged? In this way, we can do the quantifying job. Do we have to agree that Hong Kong and the Mainland belong to the same country before we can implement universal suffrage? Madam President, democrats are everywhere in the streets. But the people have their own judgement, and know what is good for them. If we want to have equal participation and balanced participation, then democratic elections and universal suffrage are the most balanced forms of participation. With each person having one vote, and everything being 100% fair, this must be the most balanced form of participation.

Madam President, lastly, I would like to discuss the problem of our Civil Service. Firstly, the Government aims at reducing the size of the civil service establishment to 160 000 by 2006-07. However, in August 2005, the number of civil servants already dropped to 158 700, an over-achievement, so to speak. Although the establishment of civil servants is still shown to be 163 000, it was only a false phenomenon as the actual figure had not been submitted. So, the existing number of civil servants is already very small. We strongly object to limiting the size of the civil service establishment to 160 000 without any justifications. We do not know how the figure of 160 000 was arrived at. We think the Government should decide whether new civil servants should be recruited on a need basis. We request the Government to reconsider the issue and conduct new recruitment exercises again without setting the ceiling at 160 000. The Government should consider whether it is necessary to conduct recruitment exercises according to the needs of society. Regardless of which

grades are involved, be they security guards, firemen, ambulancemen, clerical staff and immigration officers, the manpower should be increased whenever great pressure is found in the relevant working environments. For example, pressure has been created by the restructuring of the Food and Environmental Hygiene Department into the Food Safety, Inspection and Quarantine Department. So the Government should recruit more civil servants to cater for the needs of society.

Secondly, we must not forget the problem of succession gap, which does not only occur in the directorate officer level, that is, the Administrative Officers, but in all levels of the Civil Service. This is a very major problem because there should be no succession gap in the civil service system.

Thirdly, though "Uncle Ping", Secretary Joseph WONG, is not present now, he should know that we have long been demanding the Government to convert non-civil service contract staff into civil servants. These staff members have been cheated by the Government for over a decade. For example, the Hongkong Post has employed more than 1 000 non-civil service contract workers. They have been employed for over 10 years. Now these non-civil service contract staff have to work overtime frequently without any compensation leave, but their terms cannot be changed to those of civil servants. In fact, why should they be cheated for so many years? Another obvious example is the Leisure and Cultural Services Department, which has also recruited some contract staff for more than a decade. These staff members cannot be converted to civil servants because the Government has not conducted any recruitment exercises. Nevertheless, we can see that these people are doing the same work as the civil servants, but they are receiving different remunerations. This is most unfair.

Recently, I received a letter from an employment officer of the Social Welfare Department, in which the officer said that non-civil service contract staff would be employed to assist Comprehensive Social Security Assistance (CSSA) recipients in finding jobs. In fact, it should be a long-term policy for the Government to offer employment assistance to CSSA recipients. Why should the responsibility of facilitating employment of people be assumed by non-civil service staff? Why does the Government not recruit them as civil servants formally so as to give them a sense of belonging in work? Why should the Government employ non-civil service contract staff to follow up such cases on a long-term basis? This is very simple logic. I am very disappointed to learn

that this time the Government will only increase the manpower of certain directorate officers, while the manpower situation of other non-directorate positions will be reviewed by the individual departments concerned, and the ceiling remains at 160 000. Therefore, I think this should also be reviewed anew.

Finally, I wish to talk about the remarks of Mr James TIEN, that is, the point on the emergence of excessive division today. Are we promoting division between the public and the civil servants? He said that 70% of our government expenditure was used for paying the salaries and welfare of civil servants. If all our shops and commercial business are labour-intensive, it is not unusual at all if labour cost should account for 70% of the total expenditure. I hope such divisive comments can be minimized. Thank you, Madam President.

DR RAYMOND HO: Madam President,

Overall views

The maiden policy address of Mr Donald TSANG, our new Chief Executive, brings us new thinking and direction. He correctly affords priority to economic development. Economic development and politics are always interwoven. History tells us vividly that livelihood is the foremost in the minds of Hong Kong people. Political stability comes with economic development. However, the economic downturns in the past years have spawned lots of discontent in Hong Kong. The discord in society has further weakened our ability to make a speedy recovery from the Asian financial crisis as our neighbouring countries did. Simply speaking, economic development is conducive to social harmony which is the foundation of political stability.

With the change of sovereignty, Hong Kong has been sharing a closer economic relationship with mainland provinces and cities. The "Nine plus Two" Pan-Pearl River Delta Region economic co-operation framework provides us with a solid platform for turning the region into one of the world's strongest economic powerhouse. Instead of wasting too much energy on political wrangling, we should reset our focus on economic development. Nevertheless, the Government has the responsibility to inform the people about the economic potential of Hong Kong in the context of the Pan-Pearl River Delta Region economic co-operating framework. They should be encouraged to take full advantage of the economic integration of the region.

Indeed, Hong Kong benefits from CEPA and the individual travellers scheme. Although some sectors, like the construction industry, do not feel the same level of positive effects, nor does the Government recognize the seriousness of the situation, these arrangements have provided Hong Kong economy with the much needed economic stimulus. Moreover, the recently signed CEPA III has introduced further liberalization measures on trade in goods and services, including the engineering professional services. Its impact has yet to be determined.

Constitutional affairs

I welcome the expansion of the Executive Council and the Commission on Strategic Development. The inclusion of more non-official Members in the Executive Council will allow more different voices to be heard. Unfortunately, most of the newly appointed members come from the business sector. I am concerned that the lack of input from professional sectors will tilt the balance to the business sector. This may not be a good thing for Hong Kong. Past experience tells us that a predominance of views from a particular sector is surely a recipe for social discord.

But the Chief Executive is right to give the Chief Secretary for Administration and the Financial Secretary the role in policy co-ordination. All Secretaries of Bureaux will report to them. The lack of co-ordination among Secretaries of Bureaux in the past has led to duplication, confusion and ineffective policy implementation. As a result, people have simply lost confidence in them. I believe that the new arrangement will ensure higher operational efficiency and better use of public resources.

With regard to the recently released Fifth Report of the Constitutional Development Task Force, the proposal on increasing the members of the Election Committee from 800 at present to 1 600 is certainly a step forward. The Government suggests that the proposed arrangement will enhance the representativeness of the Election Committee, and with the inclusion of all members of the District Councils in the Election Committee, over 3 million voters in Hong Kong will have greater influence, though indirectly, on the selection of the Chief Executive.

With regard to the formation of the Legislative Council, the proposal on increasing the number of seats returned by the District Council Functional

Constituency, from one at present to six as from 2008, will surely help raise the status of the District Councils and enhance their roles and responsibilities in local affairs. This will be in line with the promise given by the Government when the two Municipal Councils were disbanded.

Basically, I support the notion of expanding the electorate base of functional constituencies. In this connection, I am in the process of consulting my constituents on the Government's proposed political reform, as indicated in the Fifth Report mentioned earlier, as well as broadening the electorate base of the Engineering Functional Constituency to include Graduate Members and Associated Members of the Hong Kong Institution of Engineers as eligible electors.

Therefore, I cannot yet give an affirmative conclusion as to my final stand on the Government's proposed political reform.

Public Service

The Civil Service has taken the brunt of the economic downturn in the past seven years. The number of its staff has reduced from over 180 000 to the current 160 000. However, the across-the-board reduction has produced a lot of adverse side effects. Among them, staff on contract terms have been hired to meet operational needs.

Nevertheless, such practice does not fit the requirements of some departments. Take the departments involved in works as an example. Their projects usually take several years to complete. Continuity is an important consideration in staff deployment. However, it is doubtful if contract staff will be stable enough.

In the past, stability had been guaranteed, as graduates would undergo a highly structured professional training programme before joining the Government on permanent terms. Then, they moved along the well-established career path in the Government. But it has all been changed since the Government has determined to reduce the size of the Civil Service. Graduates have to continue to work in the Government as contract staff even many years after they have completed their training and obtained their professional qualifications. Hence, we cannot blame some of them for opting to leave the Government for the private sector. The departure of these experienced

government trained engineers who are conversant with government procedures means that the Government's investment in them, in the form of training and time, will simply go down the drain. The non-existent career path for contract engineers has also created another problem in the department, that is, the vital succession problem. On top of this, employment on contract basis is surely a deterrent to bright young engineers joining or staying in the Government.

I understand that the Government has already made some changes and offered permanent terms to some of the 96 graduates working in the Government. It is a good start. I hope that the Government will simply resume its past recruitment exercise, that is, qualified young engineers can join the Government on permanent terms after having completed its structured training programme.

I must state that the Government's current policy in eliminating positions being vacant under its across-the-board reduction policy is an arbitrary and wasteful measure. I strongly believe that the department heads should be given the discretion according to their actual operation requirements and planning of works projects.

Mr TSANG, with his civil service background, only knows too well that a strong and dedicated Civil Service is one of the pillars of Hong Kong. I am sure that Mr TSANG will not let the civil servants down, but will strive to address their immediate problems.

With these remarks, Madam President, I so submit. Thank you.

DR YEUNG SUM (in Cantonese): Madam President, I have been listening attentively to remarks made by Honourable colleagues because this policy address does have far-reaching effects. On behalf of the Democratic Party, I would like to give a brief response to the remarks made by Mr Albert CHAN on the content of the amendment proposed by the Democratic Party. He said that by abandoning our insistence on introducing universal suffrage in 2007 and 2008, the Democratic Party was violating the mandate of the citizens and discarding our democratic stance. He further asked why it was necessary to discuss the District Council (DC) package and other improvement measures to the institution of functional constituencies, as well as why we were asking for a timetable. Madam President, I have to briefly clarify these matters here. This is because

unity among the existing 25 Members of the pro-democracy camp is very important to the political development of Hong Kong. I certainly do not wish to see that the public is misled by certain misconception to think that an internal disintegration is taking place within the pan-democratic camp.

Basically, it is the fundamental principle of the Democratic Party to strive for democracy and to oppose any retrogression. Naturally, striving for democracy refers to the introduction of universal suffrage in 2007 and 2008. However, even if it is impossible in reality to have universal suffrage in 2007 and 2008, it does not mean that we should wash our hands off the whole matter — that would be really retrogression. Our opposition to retrogression means abolishing the system of appointed seats in the DCs, converting the corporate votes of the functional constituencies into individual votes, and regardless of whether universal suffrage will be introduced in 2007 and 2008, the Government of the Hong Kong Special Administrative Region (SAR) should promulgate a timetable for the introduction of universal suffrage for Hong Kong people. Therefore, I would like to clarify these matters here. Maybe Mr Albert CHAN was able to find a loophole in the wordings used by Mr LEE Wing-tat, but this technicality does not mean that the pro-democracy camp or the pan-democratic camp no longer insists on having universal suffrage in 2007 and 2008. I hereby make this declaration.

Madam President, by introducing the concept of strong governance, the Chief Executive has brought a new working style to the Government. As a matter of fact, in order to achieve strong governance, matching efforts in virtually all areas are required. First of all, the co-operation of the Central Authorities is essential. Acting with the speed of a lightning, the Central Authorities had wasted no time in imposing a framework for the political development of Hong Kong, thereby leading to the so-called "birdcage politics". Based on the "decision" made by the Standing Committee of the National People's Congress (NPCSC) on 26 April last year, the framework ruled out the introduction of universal suffrage in 2007 and 2008, but stipulated that the Legislative Council should be composed of an equal number of functional constituency seats and directly elected seats. The framework also stipulated that any amendments to Annex I and Annex II to the Basic Law must be initiated by the Government, whereas no such amendments could be initiated by Members of the Legislative Council. This lightning-style manoeuvre in laying down a framework for the political development of Hong Kong was tantamount to creating a *fait accompli* through administrative measures to contain democracy

aspirations in Hong Kong, like freezing the scene of a moment by taking a snapshot. Hong Kong people are basically pragmatic in disposition. Since the Central Authorities have already come up with a decision, and in view of the fact that such a decision cannot be overturned by the SAR Government, shall we consider accepting it, or shall we ask the pro-democracy camp to accept, willingly or unwillingly, the package proposed by the Government? Based on this constitutional decision, the Government kept telling the people that the abovementioned arrangements represented the maximum concessions the Government could consider, and that was a decision made by the Central Authorities after two mass demonstrations on 1 July in two consecutive years. The Mainland has a practice of tightening its policies whenever there are signs of disorder, and once tightened it will become very stringent. The fact that we have been put under this situation is, to me, most regrettable. The "decision" of the Central Authorities has set a very bad precedent for the implementation of a high degree of autonomy in Hong Kong too. I hope the Central Authorities can learn a lesson from this incident and not to rush to such an unwise "decision" every time there are boisterous public opinions in future — I would even go so far as to state it publicly that it was an unwise decision. It has left a stain on the political development of Hong Kong, for which I feel most sorry indeed.

Second, on the composition of the Commission on Strategic Development (the Commission). Our friend, Ivan CHOI, said Chief Executive Donald TSANG had learnt from Chris PATTEN and even surpassed him. In my opinion this was too much of a compliment. Basically, the approach of appointing candidates into the Commission was adopted with reference to the traditional practice of the Hong Kong British colonial government and it is an attempt to absorb political forces into the administration. In the past there was the Executive Council, now we have 100 elites from our society, classifying them into four categories. And certain newspapers have speculated that certain members of the Democratic Party would be appointed into it as well. The authorities believe that by absorbing political forces into the administration, coupled with the existing civil service structure, the political situation in Hong Kong can be stabilized, thus making Hong Kong a harmonious society capable of moving forward. However, in my opinion, history will prove that all these conjectures will fail to materialize.

Third, the Government has launched a massive public relations campaign, in which the Chief Executive acts in co-ordination with the very experienced Chief Secretary for Administration Rafael HUI in implementing an appeasement

policy towards the people. They have tried to appease the media through various means. I feel that the media are dancing to the tune of the Government. In fact, the media play a very important role in ensuring a high degree of autonomy of Hong Kong. The media are the mouthpiece of the people. They should play the professional and independent role of monitoring the Government, and it is not their job to "give cheers" to the Government. In this regard, I wish I may urge the media to live up to its professional spirit and conscience. This is because their ability to reflect public opinions and monitor the Government independently and professionally is critical to the future development of Hong Kong. I earnestly hope that the media will not abandon its fundamental responsibility just for the sake of some short-term interests.

Fourth, naturally we also face the issue of economic development on all fronts. This too requires complementary efforts from the Central Authorities, such as the Individual Visit Scheme and CEPA. I believe, as many government consultants do, as long as the economy of Hong Kong can develop well, the people's yearning for democracy will not be so strong. However, I think this conjecture will not materialize either.

Madam President, the four points mentioned above are the measures adopted by the Government to achieve strong governance. But I want to stress that the practice of the Hong Kong British colonial government of absorbing political forces into the administration will, in my opinion, fail in the future. Time has changed. Given the different circumstances, what was once feasible under the governance of Chris PATTEN may not work anymore now. Using old tricks to tackle new problems will not achieve any positive result. The major reason is that, and the Government has to reconcile to this fact too, the civic awareness of the people of Hong Kong is now different. Just take a look at the mass demonstrations held on 1 July in the past two years. Several hundred thousands of people took to the streets in a peaceful, calm and orderly manner on the whole. These people had a common voice. They knew that under the legal system of Hong Kong, it was most important for them to respect the law. However, having given due respect to the law, they had to fight for their own rights under the principle of the rule of law. Those moves have taken the world by surprise, making the world realize that, apart from pursuing economic development, Hong Kong has also become a mature or a maturing civil society. The people now have some completely new demands, or aspirations, towards the Government and will no longer accept the past colonial arrangement of absorbing the elites into the administration.

Second, Honourable colleagues who are present in this Chamber may also realize that party politics is gradually maturing now in Hong Kong. Over the past decade, despite the limited room for political manoeuvring, people of different backgrounds and political aspirations have come together to form political parties. Nowadays, each and every political party has its own supporters. Over numerous elections in the past, I have observed that the pro-democracy camp has managed to secure approximately 60% of the votes, the pro-Beijing camp about 30%, whereas 10% are undecided votes. The proportion is 6:3:1. This tendency has been reflected in many elections. Therefore, with regard to the emergence of political parties, the people, though they may have different backgrounds, will all have some expectations of these parties. And these political parties will have their own roles to play with reference to the expectation and aspirations of the people. As such, the conceptualization and development of party politics have become an inevitable trend. The emergence of party politics has also led to the growing civic awareness among the people, as mentioned by me just now. The two trends are supplementing and complementing each other.

Third, Madam President, since the reunification, we can see that Hong Kong people now hold a different perception towards themselves as well as the Government. Recently, the *South China Morning Post* has published the findings of a survey on the self-understanding of Hong Kong people. It was published at a time when we were celebrating the National Day, so everybody was overwhelmed by national sentiments. There was once a survey in which the following question was asked: Are you a Hong Kong Chinese or are you a Chinese? Strange question, but maybe it is not that strange at all. We all know that the majority of Hong Kong people are Chinese. According to the findings of the survey, Hong Kong people now have a higher degree of identification with the country; however, they would instantly identify themselves as Hong Kong people before they would come to think of themselves as Chinese people living in Hong Kong. According to the survey, the way Hong Kong people identify themselves with society of Hong Kong and the country, particularly after the reunification, is distinctly different from how they did in the past. What I am trying to say is that, as Hong Kong people now have a better self image and a greater sense of belonging to society, they have a greater aspiration for making their own decisions, and they have greater expectation of the Government as well. Many people nowadays regard themselves as the master of society, and they regard the Government as the public servant. Therefore, the power of the Government must be originated

from the people. In other words, as the foundation of democracy is strengthening, so no matter how bad the performances of political parties are, there is no way of stopping the growing awareness of democracy among the people.

Madam President, with regard to strong governance, I personally would like to put forward three points for the consideration of the Chief Executive. First, party politics should be taken seriously, and opportunities should be provided for its development. Mr Jasper TSANG of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) used to talk a lot about this in the past, but he has stopped talking about it recently. Instead, Mr James TIEN of the Liberal Party has raised this topic again today. Recently, we asked Mr TIEN why he did not talk about this topic anymore. Was it because the Government regarded him as an undisciplined person and thus had rescinded his status as a representative of the industrial and commercial sector? Was this why he refrained from talking about this topic? Well, these are mere speculations. However, in my opinion, even if the Government had once thought of this idea, it would not be possible for it to put this into practice anymore because Mr TIEN has his own power and influence. Now he is bringing up the idea of a ruling coalition again, which has long been one of the convictions of the Democratic Party. As we are all aware, so far the Democratic Party has only been able to play the role of an active opposition party. Yet, party politics must be given a role to play in the political arena of Hong Kong, and this will be an important yardstick for the political development of Hong Kong. Therefore, in the formation of the Commission, or in making appointments to the Executive Council, the Government can certainly absorb some elites from society, such as Secretary for Justice WONG Yan-lung, who is now sitting just opposite to me. However, no amount of personal efforts by any individuals can compensate the inadequacies of the system, which call for the eventual development of party politics. If there were a ruling coalition within the Government — whether the Democratic Party is included in it is unimportant, nor will it be necessary — and if this ruling coalition accounted for the majority of seats in the Legislative Council, then it would be very easy for bills in general and financial arrangements to be passed in this Council. Should this happen, we can call it an effective government, which can accommodate the interests of different parties, stabilize society and demonstrate the strong governance of the Government. Even if the Government is able to come up with countless publicity initiatives, they are little more than packaging after all, and no matter how well something is packaged, ultimately it is the quality that counts. If something is of poor quality,

if it is rotten in nature, then no matter how presentable its outlook is, it is still of no value. I wish Chief Secretary Rafael HUI can take party politics seriously and provide room for its development. The Government must delegate its power and allow the ruling coalition to take part in policy formation, to share political rights, and to play a role in the political arena. When proposals prepared by the Government are submitted to the Legislative Council, the ruling coalition has to assume the political responsibility of enabling their passage through the Legislative Council. Allowing a ruling coalition to exercise its political power and to take up political responsibility is fundamental to strong governance. Employing the colonial practice of absorbing political forces into the administration is really out of fashion today. I think the Government is now unable to get a clear perspective of what lies ahead: That there is now an increased level of self-identification among the people; the emergence of party politics; and an increased level of civic awareness.

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

Second, let us come back to constitutional reforms. As regards the implementation of constitutional reforms, the Democratic Party naturally asks the SAR Government and the Central Government to reconsider introducing universal suffrage in 2007 and 2008. The "decision" made on 26 April last year totally went against the public opinions. The Central Government has, as I said just now, formulated a birdcage framework, to which I have to express my gravest regrets. However, since this is the *fait accompli*, a timetable for the introduction of universal suffrage should be formulated under reasonable circumstances. Given that the Central Authorities have denied the introduction of universal suffrage in 2007 and 2008, it is very hard for the SAR Government to overturn this decision, and no such rights have been stipulated in the Basic Law either. However, the Government should formulate a timetable for introducing universal suffrage. Hong Kong people are voicing their democracy aspirations in a pragmatic manner, and if the Government can formulate a timetable, I stress, a reasonable timetable, for the introduction of universal suffrage, I believe it will be conducive to the stability of society. As Mr LEE Wing-tat of the Democratic Party mentioned earlier, an election timetable can provide objective goal posts towards which preparations can be made, and political parties can be formed beforehand. In my opinion, by setting a target, that is, a reasonable target, it can reduce the repercussions caused to the public.

Enabling political parties and even professionals and academics to be fully prepared will encourage the emergence of political talents. As a matter of fact, the participation of such talents into the political arena is a matter of opportunity. If these people, the professionals in particular, got no chance at all in forming a government, the opportunity cost for them is very high. However, if there is a chance for them to take part in politics, and if they have an opportunity to form a government, I believe there will be a phenomenal emergence of political talents. The so-called Administrative Assistant, the so-called policy posts and all those trivial mechanism absolutely do not deserve our consideration.

Furthermore, Madam Deputy, if a timetable for the introduction of universal suffrage can be put forward, then even if we cannot implement universal suffrage in 2007 and 2008, society will still, as I said just now, become more stable, and the Government will command a higher degree of acceptance, because the people know that they will be able to cast their votes to decide who shall rule in future. This target, or expectation, is very conducive to the stability of society. Apart from the formulation of a timetable, the appointment system has to be abolished as well. If, according to Chief Secretary Rafael HUI, it is the aim of the Government to progress towards universal suffrage, then the revival and expansion of this system is certainly working against the democratization agenda. This is just simple logic and it is unnecessary for me to argue with the Chief Secretary over this. Besides, I remember clearly the remarks made by Justice WOO Kwok-hing of the Electoral Affairs Commission. Being a Judge himself, how could he have said that there was no space for vote planting in the election of the Chief Executive by appointed DC members? In fact, being a Judge himself, he should be well aware that justice should be seen to be done. Subjectively, the Government should do everything to avoid any arrangement in the election of the Chief Executive that will give the people any association of vote planting or conflict of interests, not to mention if any such arrangement would have such effect objectively. Being a senior Judge himself, he has completely ignored the very basic legal principles and he has implicated himself in a political dispute. When he asked people to produce the evidence if there were any questions, he was merely giving cover for the Government. Since he is in charge of electoral affairs, he should distance himself from such political disputes. I am now openly stating my disappointment with him. As a Judge, he should be well aware of the need for the Government to avoid any possible moves or situations which will cause associations with vote planting or conflict of interests. His basic argument is: DC members appointed by the

Chief Executive may not necessarily support the Chief Executive. However, who said that it was necessarily so? Who said it would be 100% so? As a matter of fact, those who were appointed by the Government normally support the Government, do they not? There are two main reasons for that: First, a person is appointed by the Government usually because he shares similar views with the Government. Second, and this is based on practical consideration, for if a person wants appointment for a second term, he dares not offend the Government in public; therefore, it would develop into a situation where appointed members generally support the Government. Whatever the case may be, if there is anything people may find suspicious about the system of electing the Chief Executive, it should be avoided by all means. If it develops to a stage where one has to prove his innocence, it would simply be too late. By then, the general image of the Government will have been tarnished to an unimaginable proportion. Furthermore, the corporate votes of functional constituencies should be abolished as soon as possible and be replaced by individual votes.

Lastly, Madam Deputy, I would like to talk about issues concerning the Central Authorities. Just now I have said in no equivocal terms that I feel most sorry about the "decision" made on 26 April. I am aware that the Central Authorities have the right to do this. However, the fact that they have the right to do something does not mean that they should do it. In this regard, he who created the problem should be responsible for working out a solution to it. The SAR Government and the Liaison Office of the Central People's Government in the SAR should arrange a visit to Beijing for Members of the pro-democracy camp before the end of this year, so that the latter can explain in detail to state leaders of the Central Authorities why they are so unhappy with the current arrangements of the Government, so that they can have the opportunity to convey directly the democracy aspirations of Hong Kong people to the state leaders. As regards the timetable, Madam Deputy, read the Basic Law carefully and we will find that a timetable is already in place. In those days JI Pengfei, then Director of the Hong Kong and Macao Affairs Office, said the ten years from 1997 to 2007 was a ten-year plan. Come 2007, the political system should be reviewed, so as to take the political system forward. However, not a single word about this is mentioned now. Universal suffrage has been denied. No timetable is mentioned. In fact, without any explicit endorsement from the Central Authorities, it is very hard for Chief Secretary Rafael HUI to come up with anything. Therefore, in my opinion, in order to make way for working out a solution, arrangements should be made promptly for Members of the

pro-democracy camp to visit Beijing before the end of the year, so that they can explain to leaders of the Central Authorities in person the reasons why they oppose these arrangements, and to stress to them the significance of democracy aspirations to Hong Kong people.

In fact, the Central Authorities have always been cautious about the development of party politics in Hong Kong. Mr Jasper TSANG once remarked in an interview with an English newspaper that although he and his political party had been given due respect by the Central Authorities, he could feel that the Central Authorities were cautious about party politics. No wonder the existing political system has dwarfed political parties. Even if it is not rejecting political parties, it is dwarfing them. I hope the Central Government can understand that the pro-democracy camp is just putting forth some dissenting views. In the Mainland, this would be known as the internal contradictions among the people, and the pro-democracy camp has no intention whatsoever to position itself as an antagonistic enemy. I hope the Central Authorities will respect the democracy aspirations of Hong Kong people. Only by doing so can we make "one country, two systems" even more successful.

Lastly, I would like to add that the success of "one country, two systems" depends on the expeditious introduction of universal suffrage. If universal suffrage can be expeditiously introduced under "one country, two systems", I believe it will be conducive to the peaceful reunification of the Mainland with Taiwan. Madam Deputy, you can imagine how the people of Taiwan will feel if they see that birdcage politics is being implemented in Hong Kong, and when they see that the democratization process of Hong Kong is subject to direct guidance from the Central Authorities. This being the case, will they consider adopting "one country, two systems"? What are the incentives for them to accept the model of "one country, two systems" for the purpose of achieving peaceful reunification across the Strait? That would be out of the question, and they would be laughing their way out. Look how smart the people of Taiwan are. They just do not accept "one country, two systems". How could the Hong Kong style of birdcage democracy bring Hong Kong down the avenue of democracy and openness? Therefore, when the people strive for universal suffrage, and when Members of the pro-democracy camp are resolute in insisting on universal suffrage, it carries a grand implication which does not just affect the development of Hong Kong. Instead, it is also setting a positive example for peaceful reunification across the Strait. This is a responsibility bestowed onto

us by our time. I hope Chief Secretary Rafael HUI can hear the suggestions raised by me today, particularly the consideration of arranging a visit to Beijing for Members of the pro-democracy camp, so that we can explain in person to the leaders of the Central Authorities the democracy aspirations of Hong Kong people, and the importance of democratic development for ensuring the stability of Hong Kong and for promoting peaceful reunification across the Strait. Thank you, Madam Deputy.

MR CHEUNG HOK-MING (in Cantonese): Madam Deputy, as a result of the assumption of office of the new Chief Executive, there has been of late apparent changes in the atmosphere within the Government of the Hong Kong Special Administrative Region (SAR) and the community as a whole. In particular, after the visit to the Pearl River Delta Region by all Legislative Council Members, also known as the ice-breaking journey, the relationship between the community and the Central Authorities has presented a picture of harmony overflowing with vigour. The Chief Executive, Mr Donald TSANG, also grasped this social harmony as a starting point in his maiden policy address.

To promote harmony further, I think we should adopt a rational attitude in discussing the constitutional reform package proposed by the SAR Government, with a view to embodying the genuine meaning of impartiality. First of all, I wish to point out that the constitutional reform package proposed by the SAR Government is by no means retrogressive, though there has been criticism that appointed members of the District Councils (DCs) should not enjoy votes for electing the Chief Executive. As a matter of fact, in the last election of the new Chief Executive, there were 42 representatives from the DCs. They were elected from among all DC members (including appointed members), and in the end, some appointed members did successfully obtain votes for electing the Chief Executive.

While colleagues in the Legislative Council had not raised any objection in regard to the votes given to appointed DC members for electing the Chief Executive at that time and they even took part actively in the election, I fail to understand why, after a few months, they would raise objection so vehemently on the same issue. Were they unaware of the arrangement then? Or were there other reasons?

Some people stressed that if they were to support the proposed package, then the right of appointed DC members to elect the Chief Executive must be removed. This, I also find most incomprehensible. In a community where we uphold fairness and justice, why can certain DC members not enjoy the same right as the others do?

Apart from the issue of appointed DC members, I have also noticed recently that some people have expressed reservations about the right to elect the Chief Executive and Legislative Council Members as enjoyed by 27 ex-officio members in the nine New Territories DCs. I would like to point out clearly that these people, who were appointed as ex-officio members in their capacity as Chairman of Rural Committee, have all gone through election and they represent definitely the views of rural electors. They have been returned in accordance with the existing Village Representatives Election Ordinance (Cap. 576). They can stand in the election for Chairman and executive members of the Rural Committee only after being elected as village representatives, and they can gain access to the DCs only after they have been elected as the Chairman of the Rural Committee. Since they have gone through a lot of electoral procedures, they should have the mandate.

Furthermore, in the current constitutional reform package, it is proposed that the membership of the Election Committee (EC) electing the Chief Executive should be expanded from 800 to 1 600, to include 80% of DC members returned by election. In my opinion, it has enhanced greatly the elected element in the EC, so how can it be regarded as a step backward? On the other hand, it is also proposed that the five new seats for the functional constituencies would be returned through elections by DC members from among themselves, thus enhancing indirectly the opportunity for elected representatives to gain access to the Legislative Council. This is indeed providing a forum for grooming political talents and leaders, with a view to creating conditions for universal suffrage. How can we describe it as a step backward?

Madam Deputy, I would talk about another issue now, that is, the question of Heung Yee Kuk as mentioned in the policy address. It is because I am also the Deputy Chairman of the Kuk. We are glad to learn, in the policy address this year, that the Chief Executive, Mr TSANG, has made an exception to affirm the contribution of the Kuk in rural affairs and social stability over the past few decades, and stressed that the Government cherished the valuable functions and

contributions of the Kuk and would vigorously forge a strong partnership with it. I very much hope that the Chief Executive can honour his words and to start concrete discussions on Article 40 of the Basic Law which deals with the legitimacy of traditional interests and rights of indigenous residents. Besides, concerted efforts are required to conduct focused discussions on other issues such as land rent, rates, emergency access, rural improvement, drainage, small house applications, and so on.

Madam Deputy, I so submit.

MR HOWARD YOUNG (in Cantonese): Madam Deputy, earlier Mr James TIEN stated the views of the Liberal Party on such issues as constitutional development and matters relating to the Civil Service. Since the Secretary for Security has just returned to this Chamber, I would like to focus on the area of constitutional affairs. A small part of my speech shall be related to the affairs under the purview of the Secretary, but they are not within his ambit of work.

First of all, after the reunification in 1997, the SAR Government has endeavoured to adopt a visitor-friendly policy in the immigration control of the territory. Relentless efforts have been made to secure visa-free access or visa-on-arrival for SAR passport holders from different countries and regions. To date, Hong Kong has been accorded such treatment by 135 countries. Before the reunification, the people of Hong Kong were worried about whether they would still be able to move in and out of Hong Kong freely after 1997. Today, we know that the SAR passport is far more superior to the BNO passport in many ways in terms of treatment accorded by other countries. The efforts of the Government over all these years really merit our praise. This is not just the comment made by members of my sector, but it is also the opinion commonly shared by all Hong Kong people.

I am aware that the Government will introduce a new SAR passport with biological security features for enhanced security while ensuring travel convenience for SAR passport holders. The travel industry supports this move. As I mentioned previously in a panel meeting, although the Government aimed at introducing the new passports by the middle of 2007, we would like to draw the attention of the Government to the fact that the passports should have a validity period of six months in order to provide the maximum convenience to their

holders. In this regard, if the new passports can be introduced in the first half of 2007 as far as is practicable, we believe everyone will find it more convenient. Of course, we are eager to see that subsequent to being given visa-free access by Japan and Taiwan, we can soon achieve a breakthrough in securing visa-free access to the United States, which has posed the greatest challenge in this area of work.

What I am going to speak on next will be related to the Secretary responsible for transport affairs, or maybe they are related to the Security Bureau or the Constitutional Affairs Bureau as well. What actually is this subject matter? It is about the clearance formalities for cross-boundary vehicles. The Immigration Department (ImmD) will be introducing clearance auto-gates for vehicles and drivers at immigration control points to facilitate better cross-boundary traffic. However, apart from the time required for clearance at crossing the boundary, the licensing formalities for cross-boundary vehicles are very time-consuming as well. Therefore, I hope the Government and the mainland authorities can examine ways of substantially streamlining the formalities for renewing the licences of cross-boundary vehicles, and this, of course, may involve the Secretary for Constitutional Affairs, because he is responsible for conducting more communication with the Mainland.

As far as I know, any drivers of any vehicles, coaches or trucks who wish to drive across the boundary are required, under the existing practice, to apply to the ImmD for a closed-road permit three months to a year in advance. In addition to that, a permit for travelling between Hong Kong and the Mainland issued by the Guangdong Provincial Public Security Bureau is needed. These are complicated formalities. Furthermore, these licences have to be renewed annually, which is a burden both in terms of money and time. Even if no alternation of information is involved, drivers of cross-boundary vehicles have to conduct a blood test in Shenzhen to determine if they have liver problems or if they are AIDS carriers, and so on. I do not know how these issues are related to driving, but they do present a hindrance to the drivers when they are handling all the cross-border formalities. I hope the Secretary for Constitutional Affairs can get in touch with the mainland authorities and let them know it is outdated for them to require the drivers to go through these complicated formalities which are just intended for the issuance of international health certificates and quarantine permits. Furthermore, in order to obtain the driving licences, these drivers have to attend special learning classes before their licences can be renewed. While renewing their customs permits, they have to go all the way to Meilin for

collection of the permits too. There are just too many formalities and it takes more than one or two days to complete all of them. As far as the drivers are concerned, the requirement of going through all these formalities every year is really a nuisance.

In order to promote better traffic flow between Hong Kong and the Mainland, the Liberal Party hopes that the authorities can work with the mainland authorities to examine ways of streamlining such formalities and to abolish requirements that are either unreasonable or outdated. For matters concerning quarantine, customs, border clearance or transportation, and so on, the authorities may consider accepting applications by post or online. This will provide greater convenience to drivers in commuting between Hong Kong and the Mainland for such purposes as travel, shopping, business trips or cargo transportation, thereby enhancing cross-boundary trade. Of course, the Secretary for Security may recall that while he was still working at the ImmD, the Government had already proposed to implement a "co-location arrangement" at Huanggang, which was later changed to the Western Corridor. I once remarked that if we failed to address this problem, it would hinder the development of both Hong Kong and the Mainland. I hope the original "co-location" plan can be implemented at Huanggang expeditiously instead of having to wait for the Western Corridor.

The next subject I would like to speak on is the admission of talents into Hong Kong. Of course, I may instead bring this up when we come to the session for discussing issues relating to the affairs of the Economic Development and Labour Bureau. However, I have noticed that in the policy address, matters relating to admission of talents and professionals are placed under the ambit of the Security Bureau. As such, I am raising this topic at this juncture. As the number of visitors coming Hong Kong has kept on rising, the number of hotel rooms has been increased to cope with the demand. By the year 2005-06, the number of hotel rooms will increase by 36% as compared with 2004. Consequently, the hotel industry will face the problems of manpower shortage and management personnel shortage. According to members of the hotel industry, with the completion of several major hotels in Macao recently, hotel personnel are in great demand there, and these hotels are luring our people to work in Macao with higher salaries. Meanwhile, new hotels are being built and completed in Hong Kong as well, resulting in a succession gap in staff at the management level. An alarm has already been triggered to alert us of the manpower shortage problem in the hotel industry.

In order to retain our talents, the hotel industry has made enormous efforts to improve the various aspects of the industry such as remunerations, welfare and benefits, promotion prospects, and so on. The industry hopes that the Government can allocate more resources to this area, that is, to assist them in increasing manpower resources for the industry through encouraging more interested young people to join the hotel industry. Meanwhile, it is hoped that more training and better promotion prospects can be given to those who are already working in the industry. The industry has indicated their support for the new admission scheme which is being considered by the Government for implementation next year. If the scheme can be implemented expeditiously, it should be able to address the pressing need as well as the manpower shortage problem for many industries, including the hotel industry.

The admission schemes in the past imposed stringent criteria, and the time required for processing applications was very long. Under those schemes, only graduates from 36 major universities of the Mainland, or those who had graduated from overseas universities with a master degree would be allowed to look for a job in Hong Kong. After they had secured a job, they still had to lodge an application and produce supporting documents. As far as I know, because of the industry's lacklustre response to the previous schemes in the past, there will not be any such formalities under the proposed new scheme of the Government. Under this new policy proposed by the Chief Executive, relevant talents are allowed to come to Hong Kong first and then start their job search here. In this connection, I hope a bottomline can be drawn, whereby priority can be given to certain categories of persons to come to work in Hong Kong, such as those who possess working experience in the hotel industry, graduates from the 36 major universities of the Mainland, and graduates of overseas universities with master degrees. We hope the Government can formally announce details of the scheme, such as the timetable for its implementation and whether there will be industry-specific classification or quota for admission, and so on, so that the industry can take corresponding actions accordingly. Take the tourism industry as an example. They think that, apart from graduates from the 36 major universities of the Mainland and graduates of overseas universities with master degrees, there are also some graduates from certain types of schools in the Mainland, such as professional schools for tourism, which are not found in Hong Kong. Can graduates from such schools come and work in the Hong Kong hotels? This is an idea worth considering, particularly because they can serve mainland visitors, bring in a different culture to Hong Kong and some of them may even become middle management executives. These are questions

that members of the industry may bring up. We hope the scheme can be implemented as soon as possible.

Another issue is also related to security, that is, the issue of the frontier closed area. I believe Mr LAU Wong-fat will also give his views on this issue. On the advice of the Security Bureau, the Chief Executive proposes to reduce the size of the frontier closed area. Both the Liberal Party and the travel industry support this proposal. As a representative of the travel industry, I believe opening up the frontier area is conducive to the development of the industry. This is because the frontier closed area is adjacent to the wetland of the Deep Bay area and the national forest park of Shenzhen, and it is like our backyard garden with values in both tourism and nature conservation. We support the Government in proceeding with the planning of this issue in a prudent manner. Furthermore, the travel industry would also like to see the opening up of Chung Ying Street, but the Government has ruled out such a possibility now. If Chung Ying Street is opened up, tourists would then be able to visit this street of historic significance without having to apply for a closed road permit.

With regard to the proposal of setting up the river-loop industrial zone near the border for strengthening our industrial development, the Economic Development and Labour Bureau may wish to implement it. However, the proposal can be implemented only if the Secretary for Security agrees to relax some control there. These proposals have the support of the Liberal Party, because the opening up of the border area will pull Hong Kong closer to the Pan-Pearl River Delta Region. We should take advantage of the opening up of the area to build up innovative industries on the premise of not damaging the natural environment. By working together with the Mainland, we can supplement the strengths and weaknesses of each other. Not only are there economic values in these proposals, they are also conducive to the long-term development of Hong Kong as they can foster the industrial and economic development of Hong Kong and provide employment opportunities. The Liberal Party believes that with careful and comprehensive planning, the area of land thus made available near the border can facilitate the co-existence of the travel industry, the manufacturing sector and what we call the light industries. It may even provide an opportunity for diversified development which can promote better passenger and cargo flows as well as economic development of both Hong Kong and the Mainland.

I so submit.

DR JOSEPH LEE (in Cantonese): Madam Deputy, I now speak on constitutional affairs. In the past few years, the Hong Kong community has been criticizing the Government for discussing without deciding, deciding without implementing and implementing without achieving. It seems that the unenviable image of the Chief Executive, the three Secretaries of Departments and the 11 Directors of Bureaux has rooted deeply in the hearts of the people. In this policy address, the Chief Executive proposes to strengthen the roles of the Chief Secretary for Administration, the Financial Secretary and the Office of the Chief Executive, making them responsible for co-ordinating work and policies within and without the Government. I hope such a move can ameliorate the overlapping of government policies and the lacking of a free hand in enforcement so that the Government can be clear and resolute in making policy decisions and can really enforce some effective measures.

The Chief Executive stated that he was planning to expand the functions of the District Councils (DCs), handing over to them the management of some district facilities. However, matters involving government grades and manpower and financial arrangements would be outside the ambit of the DCs, and the Leisure and Cultural Services Department (LCSD) will be responsible for implementation. We are concerned whether this arrangement would bring about a "one district, two systems" scenario, and whether grey areas would exist between the DCs and the LCSD, with both parties shirking their responsibilities. Although each district can make policy decisions in accordance with its needs, giving it greater flexibility in serving the people, the policy address has however failed to give an account on overall planning. Will this arrangement make the governance of Hong Kong more regionalized and bring about a situation whereby Hong Kong would have "regional kings", thus plunging society into a situation of successive policy changes?

On political development for Hong Kong, the Chief Executive has not said much in the policy address. He only stated that the issue would be addressed through the Chief Secretary for Administration in the Fifth Report. Nonetheless, after going through the whole Fifth Report, we are disappointed because the Government has neither mentioned a timetable or roadmap for universal suffrage, nor has it told the public how Hong Kong should develop "progressively" to achieve universal suffrage. Does the Government hope that we will accept such a report on political development? If so, I really do not know how to make myself accountable to those people who have stood behind me in the fight for universal suffrage in 2007 and 2008!

The mere increase in the number of members in the Legislative Council and the Election Committee (EC) electing the Chief Executive does not mean anything, apart from an increase in figures. In fact, the change it brings to the quality of democratization would not be substantial. The Government must enhance the representativeness of the Council, scrap all company votes or corporate votes and broaden the electorate of the EC. This is the pace of democratization which we are really longing for.

Since the DCs are district bodies, why can residents not directly elect those whom they favour to be their representatives? Why do they have to be appointed by the Chief Executive instead? This is a big retrogression. The Government must abolish the appointment system for DCs and make all seats directly returned. It is then that the room for democracy in Hong Kong can be expanded.

At present, many reports are saying that if this Fifth Report is voted down, political development in Hong Kong would become stagnant. This is tantamount to saying that "Take it or leave it. If you do not take it, this will be the end of it". If that happens, those who oppose it will become sinners of a thousand generations. In fact, we do not want to leave it, but the Government is not giving us what we want. We are very happy to communicate with the Government and the Central Authorities, and express to them Hong Kong really hopes to seek a consensus on the pace of democratization.

I hope that the pace of democratizing the political system of Hong Kong can be forward-going and making headway. Instead of wasting so much time and efforts on publicity, the Government had better sincerely introduce a timetable or roadmap for universal suffrage, so that the people can have a good discussion.

I so submit. Thank you, Madam Deputy.

MS LI FUNG-YING (in Cantonese): Madam Deputy, a fortnight ago, the Chief Executive, Mr Donald TSANG, delivered his first policy address entitled "Strong Governance for the People" to this Council. After the policy address had been delivered, the University of Hong Kong conducted an opinion survey, in which the findings show that, on a scale of 100, the first policy address by Chief Executive Donald TSANG obtains a score of 66.4, which is even higher

than what Mr TUNG Chee-hwa had scored in all his policy addresses during his terms of office. 48% of the respondents are satisfied with Mr TSANG's policy address, whereas 46% believe the measures proposed in the policy address can effectively enhance the governing capability of the Government. In an open, pluralistic society with an executive-led government, what else can be more welcoming than a policy address that is generally welcomed by the people? However, in the face of a policy address that enjoys high ratings from the people, shall we, or shall we not, offer our congratulations to Chief Executive Donald TSANG? I have serious hesitation about this though.

After the policy address was delivered, many commentators are of the opinion that the policy address this year represents an attempt to reverse what Mr TUNG Chee-hwa reversed in the past. The former Chief Executive, Mr TUNG Chee-hwa, had a famous remark to the effect that he was strong at formulating policies but weak at doing public relations work and dealing with the media. To twist this saying around and apply it to Chief Executive Donald TSANG, it can be said that he is strong at doing public relations work and dealing with the media but weak at formulating policies. After going through the policy address, I have got this feeling somehow. The most detailed and most specific part of his policy address is how the Government will govern and conduct its business, whereas the least specific part is what concrete measures will be put in place to help the people. He has even avoided mentioning issues of the greatest concern to the working class and grass-roots organizations currently. For example, the Government is considering the importation of workers for the textile industry, but there is no clarification at all in the policy address on the policies in respect of the textile industry. Another example is that while the policy address does mention the integration with Guangdong Province and the Pearl River Delta, there is no mention of the continuous outward drain of job opportunities in Hong Kong as a result of this integration. I shall continue to raise questions and express my opinions on these issues in the next part of the debate. Grass-roots and labour issues are not the only issues that have been avoided in the policy address. Even for other significant decisions that definitely call for accountability, such as the West Kowloon Cultural District development project and the constitutional reform proposal, the Chief Executive has chosen to handle them separately, so as to minimize any possible impact on the policy address caused by dissenting views. It is exactly because the policy address is avoiding so many issues that makes me hesitant in offering my congratulations to Chief Executive Donald TSANG. I vaguely feel that the policy address is not trying

to win the support of the people with policies; instead, it is trying to guide public opinion by way of avoiding problems.

The notion of "one country, two systems" is something novel to both the Central Authorities and Hong Kong. From day one when "one country, two systems" was implemented, I have never expected that it would be all the way smooth sailing. We always try to ensure that the policies are good and free of errors, but in fact it is inevitable to have inadequacies in our policies. While we should not be afraid of these inadequacies, we do have to be aware of the reasons for the emergence of such inadequacies, so that we can avoid making the same mistakes again. Furthermore, a proper mechanism must be in place to ensure that any inadequate policies can be rectified in a timely manner. In the policy address, Chief Executive Donald TSANG proposes a number of measures for effective governance, which are different from those proposed by Mr TUNG, such as authorizing the Chief Secretary for Administration and the Financial Secretary to assume the important role in policy co-ordination, and all Directors of Bureaux are made to report to the two Secretaries in day-to-day operations. This is different from the Accountability System for Principal Officials advocated by the former Chief Executive, under which Directors of Bureaux are "accountable to the community under the leadership of the Chief Executive". These are material changes for the SAR Government in governance, and they will have far-reaching effects like the accountability system did. I do not think that the brief remark of "to allow me to focus on political issues" in the policy address is a sufficient explanation for such moves. If the Chief Executive can change an important policy by only saying a few words in the policy address, then when a new Chief Executive assumes his duty in the future, can he change the policies that Chief Executive Donald TSANG has changed now just by saying a few words such as "to achieve stronger leadership over the Directors of the Bureaux"?

On the issue of whether the Government can achieve the two major goals of the policy address, that is, pursuing excellence in governance and fostering harmony in the community, the answer lies in the Fifth Report of the Constitutional Development Task Force released last week. It also depends on how the Government will conduct the public discussions and how the final decisions are made. Currently a seemingly familiar atmosphere is gradually gathering force and that is not a good sign either. I am not sure if this is the destiny of the Hong Kong people, or whether it is because the officials are not imaginative enough to pave a new path for Hong Kong.

It is an indisputable fact that many Hong Kong people would like to have universal suffrage in place as soon as possible for the elections of the Chief Executive and the Legislative Council. Regardless whether these people represent the majority or the minority of the 7 million Hong Kong people, if the SAR Government fails to secure their support, it will bring about some negative effects on effective governance and social harmony in Hong Kong. We cannot say that the recommendations contained in the Fifth Report are an excellent package, because the package itself is in violation of certain principles of democracy. Yet we cannot say it is a bad proposal, because there are indeed more democratic elements in the future elections of the Chief Executive and the Legislative Council.

Chief Executive Donald TSANG said in the policy address, "a good relationship between the Central Authorities and the SAR is the cornerstone for the successful implementation of 'one country, two systems'. It is also a prerequisite for our sustained economic growth and constitutional development." This illustrates that the democratization of Hong Kong depends not just on public opinion. In this regard, I believe it does not serve any purpose for Chief Secretary for Administration Rafael HUI to promote the constitutional reform package by emphasizing that it has the general support of Hong Kong people. Instead, it will only trigger a public opinion war from people with dissident views. For the constitutional reform package to be accepted by people with dissident views, the key lies not in who can solicit more public support, but in allowing people with dissident views to identify points for which they can support the proposal. I hope Chief Secretary for Administration Rafael HUI will consider re-aligning the direction in which he promotes the constitutional reform package. If this can be done, then the idea of pursuing excellence in governance and fostering harmony in the community will not degenerate into some empty talks that cannot withstand empirical tests.

The Government intends to table the constitutional reform package to this Council in December, but I would like to remind the Government that this is not a very appropriate arrangement in terms of timing. As far as Hong Kong is concerned, December is a sensitive month. During this month, the problems that the Government has to tackle with all-out efforts are not just confined to the constitutional reform package, but also the Ministerial Conference of the World Trade Organization (WTO). During the period when the WTO Ministerial Conference is held in Hong Kong, dignitaries as well as opponents of the WTO

from around the world will gather in Hong Kong. Hong Kong will be closely watched by global media. I am not sure why the Government chooses to table the constitutional reform package to this Council during this sensitive period of time. Insofar as the constitutional reform package and the WTO Ministerial Conference are concerned, it is like adding oil to the fire and bringing about additional difficulties and variables to the Government during this sensitive month.

With regard to raising the capability of governance, we have to mention the Civil Service. Over the past few years, the Government has stressed what it calls "big market, small government". Carrot-and-stick measures have been used on the civil servants with the aim of streamlining manpower and reducing the number of civil servants to 160 000. In a meeting of the Finance Committee of this Council, both Mr LEE Cheuk-yan and I had questioned the Government why it had to include the Labour Officer and Labour Inspector grades into the second Voluntary Early Retirement Scheme and enquired what criteria were employed in determining which civil service grades had or would have surplus staff. The Acting Permanent Secretary for the Civil Service who answered our question indicated that it had been put forward by Directors of Bureaux and Heads of Grades having regard to their future manpower needs and various streamlining and efficiency initiatives, and it was guaranteed that services provided to the public would not be affected. While these words are still fresh in our minds, in a briefing session of the policy address in this Council, the Secretary for the Civil Service indicated that recruitment exercises for the Labour Officer grade will be conducted again. First of all, let me say that I do not oppose the recruitment of candidates to fill such posts. I recall this example just because of the absurdity of the entire matter. In this case, is public money saved or wasted? This incident has exactly shown that there are shortcomings in using the number of employees as an indicator for implementing the civil service reform.

Yet Chief Executive Donald TSANG has inherited these shortcomings in his policy address. The Government has stipulated that in year 2006-07 the civil service establishment will be reduced to 160 000. But on the other hand, we are witnessing an ever-increasing demand for public services. A Food Safety, Inspection and Quarantine Department will be set up because of the food safety problems. Continual efforts of improving the city's hygiene conditions are necessary in order to tackle problems like SARS and avian flu.

A Mandatory Building Inspection Scheme will be launched because of the need to address building safety problems. Extra efforts are needed to cope with an increasing number of visitors to Hong Kong as a result of the initiatives to promote economic development and tourism in the territory. All of these tasks will bring about additional workload to the civil servants. If the Government continues to be concerned only about whether the target of slashing the number of civil servants can be achieved, instead of caring about whether civil servants can cope with all the additional workload or caring about the impact on front-line civil servants, then the Civil Service will continue to suffer from a low morale, and the standards of service provided to the public will also be adversely affected. In the end, something absurd will happen again, as in the case where carrot-and-stick measures were used to lure Labour Officers to take early retirement, after which recruitment exercises for exactly the same posts were again conducted.

Madam Deputy, although the first policy address of Chief Executive Donald TSANG is welcomed by the people, to me, I really cannot regard it as a satisfactory policy address. In the policy address, I do not see any effective measures to help the socially disadvantaged groups, the unemployed and workers suffering from working poverty. From a macro point of view, there are still many hurdles before us. There are still disputes regarding the West Kowloon Cultural District development project, the agenda for the constitutional reform, as well as the choice of locations for the future Government Headquarters, and so on. All these make me feel that I really cannot share Mr TSANG's optimism of "being in the right place at the right time" (一水護田將綠繞，兩山排闥送青來). On the contrary, I think it would be more befitting for us to describe the present situation as starting anew to overcome all the hurdles before us (雄關漫道真如鐵，而今邁步從頭越).

Madam Deputy, I so submit.

MR TAM YIU-CHUNG (in Cantonese): Madam Deputy, the Chief Executive, Mr Donald TSANG, has received a lot of praises for the first policy address he delivered after taking office. In addition, a couple of successive opinion surveys indicated rising public support for the Government of the Hong Kong Special Administrative Region (SAR). The policy address has indeed painted a picture of "plain sailing after storms". We hope the SAR Government can take

full advantage of the favourable timing and human relations to actively improve governance and raise the standard of living for the community.

Hong Kong is a cosmopolitan city, and at the same time shares the same origin with and is closely linked to the Motherland like lips and teeth. As once pointed out by the DAB, in striving for social progress and improvement to the people's livelihood, the Chief Executive of the SAR should accomplish "five musts" so as to lay a firm foundation for our long-term stability and prosperity by applying his own competence, conviction, charisma and affinity.

Having carefully read this policy address, we find that the Chief Executive has made a lot of efforts in accomplishing the "five musts". On the need to strictly comply with the principle of "one country, two systems", uphold national unity, and be fully committed to implementing the Basic Law and the principle of "Hong Kong people ruling Hong Kong" with "a high degree of autonomy", the policy address reiterates the need to govern in strict accordance with the Basic Law, formulate measures to improve the relationship between the Central Authorities and the SAR, be fully committed to improving the governance team, expand the Executive Council and the Commission on Strategic Development, and strengthen district work. All these are effective means to vigorously promote the concept of "Hong Kong people ruling Hong Kong". On the need to uphold and develop the spirit of the rule of law in Hong Kong, and safeguard the human rights and freedoms of Hong Kong people in accordance with the law, the policy address puts great emphasis on the importance of upholding social justice, proposes legislation on prohibition of racial discrimination and ensuring equal opportunities, especially equal opportunities in receiving education, in the community, and promotes specific measures to achieve such goals as fair competition.

The policy address has also given much thought to the need to unite all strata of the community to strive to improve the standard of governance and promote constitutional development in Hong Kong. From reorganizing the policy-making framework to improving the Chief Executive's Office and giving more support to politically-appointed officials, the policy address has set out the specific direction and steps. As regards the promotion of constitutional development, the Fifth Report of the Constitutional Development Task Force (the Fifth Report) published last week gives a full account of the specific methods for conducting the two elections in 2007 and 2008, enabling democratization to make a bold step forward in Hong Kong.

The policy address has also highlighted the need to persevere in the "people-oriented" spirit, strive for improvement to the people's livelihood, and raise the standard of living for the community. New initiatives have also been proposed in promoting social welfare causes, helping the poor, putting emphasis on family values, upholding labour rights, improving the environment, protecting public health, and so on. As regards the fifth requirement, that is, the need to exert all efforts to promote co-operation between Hong Kong and the Mainland, enhance public understanding of the Motherland, and open up a new phase of mutual trust in politics, reciprocal economic benefits and cultural exchanges, the policy address has taken on board a number of proposals made by the DAB on strengthened regional economic co-operation and economic development on all fronts. Furthermore, more offices will be set up on the Mainland to strengthen co-ordination and liaison in respect of mainland affairs, and so on. All these initiatives will help promote mutual trust and reciprocal benefits between Hong Kong and the Mainland.

"Approving what is worth approving and disapproving what is not worth approving" is the basic attitude held by the DAB towards the administration by the SAR Government. The policy address delivered by the Chief Executive this time is able to satisfy our "five musts", the standard laid down by the DAB, for the purpose of fully safeguarding the stability and prosperity of Hong Kong and the rights and interests of Hong Kong people. We therefore support the policy address. We hope the SAR Government can, in putting various initiatives into concrete implementation, properly deal with every detail to ensure full achievement of its policy objectives. While we understand that the tenure of the Chief Executive of the current term is limited, and the policy address seeks to thoroughly implement the Chief Executive's manifesto, we sincerely hope that the policy address can act as a starting point for improvement in policy formulation, so that the community can benefit more from a good policy address.

At present, the Government is facing lots of challenges in ensuring good governance. Recently, there have been changes in the social and political milieu, the media environment, as well as demands on, and expectations of, the Government on the part of the public at large. That being the case, the Government must realize that it can no longer lay sole emphasis on efficiency and technicalities. Rather, it should respond more positively to the people's pursuit of various social values, such as fairness, transparency, and so on. There is no doubt that government policies must be forward-looking and must take account of possible problems. However, society has been changing so

rapidly that a scheme formulated just several years ago may soon be overtaken by events and fail to meet the needs of society today. For this reason, whether the mechanism for implementing government policies can keep abreast of the times or can be adjusted in a timely manner has a bearing on the standard of governance. One of the problems now is that despite changes in the objective circumstances, the officials responsible for policy enforcement are usually reluctant to alter the original plan, and they will just press on, thus rendering an otherwise good initiative undesirable. The insistence on constructing new schools despite surplus school places is a typical example. Is this due to the absence of any internal review mechanism for assessing the desirability of a project right before its actual implementation? Or, is this due to the "I know best" mentality of those responsible for policy enforcement? In many cases, government officials will just cite a huge array of statistics and technical reasons to reject the demands of the public. By doing so, they may well succeed in proving that their decisions are correct, but little do they realize that such a mentality of "professional supremacy" will create even more conflicts between the Government and the people.

Professional and political matters are not to be mixed together. Enhancing political accountability is a road not to be avoided. The DAB has all along been urging Bureau Directors and Permanent Secretaries to conduct more district visits, so that they can listen to the people's opinions direct. In the future, the Government should implement various measures to ensure that all those officials responsible for policy enforcement can gauge the sentiments of the people more accurately and gain a better understanding of the practical problems faced by the districts. Only by doing so that the Government can change its style of governance and improve its standard of administration.

Likewise, in respect of constitutional development, we must not mark time either. It is stipulated in the Basic Law that the constitutional development of Hong Kong must follow the principle of "gradual and orderly progress". And, the interpretation of the Basic Law by the Standing Committee of the National People's Congress (NPCSC) and its decision on the methods of selecting the Chief Executive in 2007 and forming the Legislative Council in 2008 already laid down a clear scope for Hong Kong's constitutional development. A major package for the two elections to be held in 2007 and 2008 has been proposed in the recently published Fifth Report of the Constitutional Development Task Force. There is a general view among the public that the package is practically feasible and progressive.

The most striking feature of the package is that the electorate base of the Chief Executive and Legislative Council elections will be widened with an enhanced democratic element. The Fifth Report proposes to allow all District Council (DC) members to join the Election Committee and to give the five new seats for the functional constituencies of the Legislative Council to the DCs so that their members can elect among themselves their representatives to the Legislative Council. In doing so, DC members can elect the new Chief Executive and elect among themselves Legislative Council Members. As a result, the electorate base will undoubtedly be significantly broadened, and the pace of democratization in Hong Kong greatly speeded up. This will in turn provide a greater scope for the constitutional development of Hong Kong. Representing a stride forward towards the goal of universal suffrage, this will help society nurture talents for participating in or discussing politics and lay a good foundation and create the conditions required for the full implementation of universal suffrage.

It is stipulated in the Basic Law that the constitutional development of Hong Kong must follow the principle of "gradual and orderly progress". For this reason, the two election methods for 2007 and 2008 ought not lead to a "big leap forward". Neither should they mark time. The decision made by the NPCSC on 26 April has provided the constitutional development of Hong Kong with a clear scope. It is neither pragmatic nor positive to insist on demanding the implementation of universal suffrage in 2007 and 2008 or repudiation of the decision of the NPCSC. Should there be further confrontations between Hong Kong and the Central Government because of this, the overall interest of Hong Kong will be hurt severely. The package proposed by the Fifth Report has already broken the long-running mode of functional constituency development and significantly enhanced the electorate base of the two elections. Should this Council deliberately boycott the package, the *status quo* of the two elections will be maintained. This will do no good at all to Hong Kong's strive for pushing forward democratization.

To speed up the pace of democratization in Hong Kong, all parties must be united in making concerted efforts to reach a certain measure of consensus before proposals can be implemented. The package proposed in the Fifth Report is, relatively speaking, acceptable to society. I would like to quote the following two lines, "Do not invalidate the words of others because of your own prejudice; Do not abandon the greater picture by embracing small advantages", in hoping

that the opponents of the package can give concrete consideration to its feasibility and constructiveness, and put aside their insistence. Neither should they hide their fondness for, or acceptance of, the package. Rather, they should frankly make responsible decisions in the interest of taking forward democratization in Hong Kong and safeguarding the overall interest of society. I believe the public at large will definitely applaud such a constructive act of theirs.

Next, Madam Deputy, I would like to say a few words on the civil service policy. The development and prosperity of the SAR hinges on a top-class and dedicated Civil Service, and the stability of the Civil Service is the very foundation of the SAR Government's effective governance. However, over the past few years, civil servants have sustained many unprecedented impacts owing to the civil service reform and the urgency of eradicating the fiscal deficit of the Government. The Government must reduce expenditure and the civil service establishment, and it must ensure the quality of public services at the same time. In order to avoid any instability within the Civil Service, it must enhance its communication with civil servants and civil service groups.

The Government has been downsizing its establishment, but the demand for public services has not thus decreased, which is why over the past few years, it has had to employ large numbers of contract staff and outsource its services. Therefore, the Government must formulate strict measures and step up its inspection efforts, so as to ensure that the wages and holidays of outsourcing contractors' employees will not be unreasonably deducted, and that contractors will offer all the due benefits to their employees in strict accordance with their contracts with the Government. That way, we can prevent outsourcing from giving rise to any unscrupulous employers who may tarnish the image of the Government. Besides, the Government must also devote more resources to the training of non-civil service contract staff, so as to ensure the continuous upgrading of government services.

On the other hand, in respect of some of the most fundamental protection for the people's livelihood, such as security, food safety, and so on, the Government should not be too strict in containing its establishment. Over the past few years, we have seen an across-the-board freezing of recruitment for disciplined forces. This has led to the present problem of manpower shortage, which affects public order protection and the safety of the public. Despite the Government's recent conditional offer to allow disciplined forces to recruit a

small number of staff, a lot of time has been wasted owing to the complex application procedures undergone by departments, and the approvals by different levels are required even for the filling of vacancies arising from natural wastage. As it takes months of training before the new recruits can start working, the establishment of disciplined forces has often failed to catch up with the actual need. We hope the Government can suitably relax its recruitment restriction on disciplined forces expeditiously.

Effective governance hinges also on the prevention of government officials from being implicated in any conflicts of interests. In this connection, it must be noted that the people have attached increasing importance to the impartiality of the Government in administration. For this reason, the people have expressed great concern about the incidents in which retired civil servants were given permission to work in private-sector organizations. In order to avoid any conflicts of interests between the work of directorate officers before and after their retirement, the Government must tighten its policy on allowing retired directorate officers to work in private-sector organizations. And, such a policy must be strictly enforced, so as to impose effective regulation on the employment of resigned or retired government officials by private-sector organizations. This is the only way to maintain the impartial image of the Government.

(THE PRESIDENT resumed the Chair)

I so submit. Thank you, Madam President.

MR CHEUNG MAN-KWONG (in Cantonese): Madam President, Donald TSANG's policy address focuses on political reform and pursuing excellence in governance. The direction of his constitutional reform can be summed up as follows: centralization of power administration-wise and pursuit of birdcage democracy constitution-wise.

Serving a second term is the greatest wish of Donald TSANG. To achieve this, however, restructuring of the political system established by TUNG Chee-hwa is necessary to better enable the Government to centralize power and become more executive-led.

The Executive Council and the accountability system established by TUNG Chee-hwa were the root causes of political chaos and internal struggles. With senior government officials involved in intrigue competing for the office of Chief Executive, administration was in a state of disunity, and there were a number of strongholds under the control of senior officials. With the replacement of TUNG Chee-hwa by Donald TSANG, how can the Executive Council and the accountability system remain unchanged and trouble-free?

With his emphasis on strong governance, Donald TSANG seeks to enhance the role of the Chief Executive's Office, water down the Executive Council, reduce the accountability system, and assume strong leadership. Strong governance is directed also at the Legislative Council. The policy address has made this very clear: the executive and the Legislative Council have "their own powers and functions". Donald TSANG will exhaust all his powers to bypass the surveillance of this Council to turn "power for the people" into "power for Donald", and "strong governance" into "power politics". This has become the source of conflicts between the executive and the legislature, and a blunder of Donald TSANG in governance.

However, we are most disappointed by the birdcage democracy espoused by the constitutional reform. These are the words of Donald TSANG, "The package has not come by easily. The pro-democracy camp should stop behaving in such a stubborn manner. It would be a political tragedy should the Legislative Council veto the package." But what sort of package is this? In the package, universal suffrage, for which Hong Kong people have been striving during the last two decades or so, is still absent, and there is not even a timetable. According to the package, half of the Members of this Council will still come from the functional constituencies; there will still be appointment of District Council (DC) members for purposes of vote planting; and there will still be separate voting to create internal depletion. With such a huge gap between the package and the aspiration for, and the value of, democracy, can the pro-democracy camp not argue strongly on just grounds to free democracy from the birdcage as soon as possible so that Hong Kong people can at least see the traces and footsteps of universal suffrage, even if universal suffrage cannot be achieved immediately?

With democracy continuing to recede further and universal suffrage seeing no date of realization at all, the pro-democracy camp cannot keep its mouth shut. It must strive to pursue its cause. However, that does not mean we have not offered any compromises. Many of us share this view: "If there is no universal

suffrage in 2007 and 2008, please let Hong Kong people have it in 2012. If the DCs become a functional constituency, please scrap the appointment of DC members." It is the earnest hope of the pro-democracy camp that we can have a timetable and a roadmap for universal suffrage to lay a real milestone for democratization in Hong Kong. In the eyes of Donald TSANG, however, these goodwill compromises and measured concessions have become insistence on democracy and a tragedy of Hong Kong. We really feel regretful and sorry about it.

These were the real tragedies facing Hong Kong in the past two decades: Too many major consortia, accustomed to be treated with political lunches, who were quick to get a slice of the development of the West Kowloon Cultural District as if sharing a piece of pork; too many conservatives treated democracy like a scourge and believed democracy would make Hong Kong subside; too many utilitarians relying on the Central Authorities and power never listened to the cries of the people; too many wise people, who would always make "a U-turn" at critical moments, gave their votes to the highest bid; too many reticent people succumbing to the burden of living suffered hardship in silence and underestimated the power of putting up resistance. Lastly, while the privileged are allowed to get a slice of the interest of Hong Kong, the right of Hong Kong people to universal suffrage is exploited. People fighting for democracy in vain are regarded as stubborn. On the contrary, the rejection of the birdcage package is seen as a tragedy, and people rejecting the package are held responsible for the stagnancy of constitutional development. In this era where right and wrong are reversed, we can see the ridiculous logic of Donald TSANG: power represents the truth, and democracy has even become stubbornness.

These were the remarks made by Donald TSANG in Canada: "The blocks for building universal suffrage have still not taken shape, so we can hardly see the grand plan and come up with a specific timetable." Rafael HUI made it even harder: "The universal suffrage timetable is like the launch of a spaceship. Infrastructural and supportive preparatory work must be properly completed before we can eventually decide when the spaceship can be launched." Both the blocks theory and the spaceship theory advanced by Donald TSANG and Rafael HUI respectively deliberately hide an important fact and that is, everyone has the natural right to election by universal and equal suffrage. This right has nothing to do with the increasing number of blocks built by Donald TSANG or the unattainable spaceship launch mentioned by Rafael HUI. Such right to universal and equal suffrage was provided for in the United Nations Universal Declaration of Human Rights, with China being one of its signatories, a long

time ago, as well as in the Bill of Rights Ordinance, enacted before the reunification of Hong Kong, only that they have yet to be implemented and enforced.

Madam President, universal suffrage is a human right; democracy is an institution. A democracy based on universal suffrage is definitely not perfect. It should be constantly improved with the changes of the times and according to voters' will. However, we cannot be deprived of this right simply because of the will of the Chief Executive. The so-called blocks theory and spaceship theory are nothing more than excuses to procrastinate democracy, false reasons for rejecting universal suffrage. These obsolete comments, as old as an antique record-player, are still repeating themselves after more than two decades. Hong Kong will thus forever remain in the colonial period. Hong Kong people will thus forever remain as second-class citizens who have no voting rights.

These were again the remarks made by Donald TSANG in Canada: "We do not believe in a big bang. It took the United States more than 100 years for women to receive the right to vote. Just as democracy cannot be achieved in one step, constitutional reform has to be conducted in a gradual and orderly manner." I wonder if Donald TSANG is aware that the Universal Declaration of Human Rights was passed six decades ago, in 1948, and representative government was introduced in Hong Kong two decades ago. Now that a timetable for universal suffrage is still not forthcoming, how can he compare the implementation of universal suffrage to a big bang seeking to achieve democracy in one step? His words are really alarmist! For the past two decades or so, gradual and orderly progress has become synonymous with a snail named democracy or an ostrich named universal suffrage. Will Donald TSANG not feel ashamed of this? It took the United States more than a century to struggle for the abolition of its slavery system. With the resumption of freedom by black slaves, slavery systems all over the world also met collapse and challenges. The value of human justice, once affirmed, will become a power to sweep through the entire world. How can gradual and orderly progress be used as an excuse for delay?

Madam President, I recently read an article about the memory of a 10-year-old girl during the fight for the right for women to vote in the United States a century ago. I would like to share with Members some of the very touching words spoken by her: "My mum would not allow me to join the march

because I was too small. I told her that we had to go fighting for the right to vote so that I would be able to vote when I grew up. This was why I had to go." These words, spoken by an American girl in such a steadfast and plain manner, are like a timely, thought-provoking warning to us. Instead of giving Donald TSANG an excuse to oppose universal suffrage a century later, these words serve to inspire Hong Kong people who are still fighting for direct elections a century later since.

Madam President, a joke circulating in the official circle lately teases the pro-democracy camp about its intention to celebrate for the constitutional reform package. The so-called criticism is nothing more than "having the cake and eating it too". Madam President, in this Council, many of my friends from the pro-democracy camp have been striving for democracy for more than two decades. From being a young democracy advocate to a middle-aged democracy advocate, from pursuing direct elections in 1988 to direct elections in 2012, they know only too well the joys and sorrows, as well as the difficulties and setbacks, encountered in this fight for democracy.

We truly regret that the expectation of Hong Kong people is not met, as universal suffrage has yet to be achieved. Democracy is by no means a grace. Everyone is born equal to enjoy such an inborn right. On what ground can Hong Kong people be accused of "having the cake and eating it too"? Frankly speaking, by the time universal suffrage is achieved, we should have already left this Council in retirement. How can we "have the cake and eat it too"? The ruler is really like a knave who measures democracy by his own yardstick, thus completely revealing his snobbery and ignorance. He cannot even measure up to that 10-year-old American girl a century ago.

Stephen LAM said, "We must be fair. It is impossible for the pro-democracy camp to insist on winning before the ball game has not even started. Neither can you insist on 2012 and expect the entire community to follow you. Discussion must be conducted." If the Central Authorities and the SAR are willing to set a timetable for universal suffrage, the pro-democracy camp will definitely be pleased to discuss. However, as the constitutional reform package before us involves the Annexes to the Basic Law, it is simply impossible for the pro-democracy camp to amend, add, delete or change anything. It is like a tennis competition in which we are denied the right to serve. How can the competition be considered fair, and how can we win?

As such, the only thing the pro-democracy camp can do is to insist on uniting the only 25 votes we have to force the Government to withdraw its birdcage package after learning about the difficulties, and enable fair discussions to be conducted in the community. It is now the greatest moment of the democracy movement. It is also our golden opportunity to campaign for universal suffrage through using the critical 25 votes from the minority Members to strive for greater scope for democracy: to abolish the appointment system of DCs; to fight for a clear timetable and roadmap; to give an account to voters and history of the democracy movement; and to lay the firmest possible milestone for democratic politics in Hong Kong.

Donald TSANG said that Hong Kong is not a sovereign state and therefore approval from Beijing has to be sought for constitutional reform to be carried out. We hope the Central Government can hear the voices of the pro-democracy camp and the Hong Kong people it represents for harmony and democracy. In the past two decades or so, history has shown that without democracy, institutional harmony and political stability would not be possible. The fact that 500 000 people took to the streets in opposition to Article 23 of the Basic Law has demonstrated how a non-elected government acts entirely according to the orders of the higher authorities, how it is detached from the masses, how it despises parliamentary assemblies, and how it acts obstinately. The digging of its own grave, thereby leading to its quiet collapse eventually, has merely brought social turmoil and public grievances. How dare we ever forget such a historical lesson?

Though universal suffrage is by no means all-mighty, it can make the Government maintain its vigilance, prudence and modesty at all times. It represents checks and balances, people's power and truly "power for the people". Hong Kong is an international city; democracy is a universal value of all mankind. How can democracy be curbed forever? How can universal suffrage be rejected forever? Democracy has been absent from the territory for more than two decades. We can no longer remain silent and retreat. We can only stubbornly act in solidarity, say "no" to the birdcage package proposed by the Chief Executive, and stride forward along the path of democracy.

Madam President, I so submit.

MR LAU WONG-FAT (in Cantonese): Madam President, throughout the ages, capable rulers have been striving for nothing more than "good administration and harmonious society".

I first learned the expression of "good administration and harmonious society" when I read "Yueyanglou Ji", one of the masterpieces written by FAN Zhongyan, a famous politician of the Northern Sung Dynasty. The passage told of the demotion of TENG Zijing, a best friend of FAN Zhongyan, to Baling prefecture. The talented TENG, however, not discouraged by the demotion, brought forth a new scene of "good administration and harmonious society" the following year. Today, nearly a thousand years later, Mr Donald TSANG, even further up the ladder, has become the Chief Executive and has two years' time to give play to his ability to build "strong governance". We will very soon find out whether he can really achieve the goal of "good administration and harmonious society" in Hong Kong.

There is no doubt that the constitutional development package before us is the first mountain to be conquered by the Chief Executive and his team. Whether and how he can succeed is not just a matter of "collecting his first trophy". His success has a bearing on his ability to implement strong governance and create harmonious society.

Mr TSANG makes it very clear in the policy address that the constitutional development proposals must comply with the Basic Law and the Interpretation and Decision made by the Standing Committee of the National People's Congress (NPCSC) last year and the proposals should give the public more say and more channels to participate in the Chief Executive and Legislative Council elections. In the Fifth Report of the Constitutional Development Task Force published afterwards, the Government proposes the inclusion of all DC members into the Election Committee electing the Chief Executive. Moreover, DC members may elect among themselves their representatives to fill the five new Legislative Council seats to be returned by functional constituencies.

In my opinion, the constitutional development package basically meets the abovementioned conditions. I have always held the view that stability holds the key to constitutional development and democratic development. As long as the agenda can be taken forward steadily, with no twists and turns nor repeated changes, constitutional development will surely be heading in the right direction. The Chief Secretary for Administration, Mr Rafael HUI, has called himself a pragmatic democrat. Not only am I older, I am even more prudent than Mr HUI. If we are to divide ourselves into factions, I have to admit frankly that I am a prudent democrat.

Madam President, can constitutional development and democracy be classified as good or bad simply by their speed? If the answer is yes, the system adopted by the Hong Kong Special Administrative Region (SAR) is definitely better than that of the British Hong Kong Government because it will definitely not take us more than 50 years to achieve universal suffrage. What about the 100-odd years during which Hong Kong was under British rule? If not for China's decision in the early '80s to resume sovereignty over Hong Kong, would the British be interested in pushing for the system of representative government, or political reform, in Hong Kong? This is questionable.

In my opinion, the package proposed by the Government for electing the Chief Executive in 2007 and forming the Legislative Council in 2008 can at least push forward constitutional development in Hong Kong. Citing the reasons that the package has conferred on the appointed DC members the same right to elect the Chief Executive and that the Hong Kong Government has failed to draw up a timetable for universal suffrage, some democrats would rather oppose the passage of the package, even if that would mean bringing the political system to stagnancy. It is indeed most regrettable that their opposition is penny wise and pound foolish.

At present, the 102 appointed members from various sectors, representing only one fifth of the total number of DC members, can be described only as the minority, not the mainstream party, of the DCs. Their rights and obligations have all along been the same as those of other DC members. The Government simply has no right to suddenly deprive them of their political right. As for the timetable for universal suffrage, I believe the people in actuality merely seeks a timetable for implementing universal suffrage in 2012. Any other timetables later than 2012 will not be acceptable to them. I think the issue of whether universal suffrage can be implemented in 2012 can be discussed further. I am afraid, however, the SAR Government is being asked to do the impossible if it is forced to make a decision at this very moment. Firstly, the current-term Government has only 20 months to go; and secondly, the SAR Government alone cannot make all the decisions in the constitutional development issue.

DC members, being at the grass-roots level of the representative assembly, can best get close to public sentiments and opinions and, at the same time, best reflect them. The constitutional development package, proposing that DC members elect among themselves representatives to fill five additional Legislative Council seats to be returned by functional constituencies, will not

only help realize the vision of "people-based" governance but, at the same time, provide a broader platform to train and select people who have the aspiration and potential to participate in politics. I believe many DC members, including a considerable number of pro-democracy DC members, will be very disappointed at the loss of an opportunity to rise to the fore for no reason at all.

Madam President, for many years, there have been continuous calls by the Heung Yee Kuk New Territories and a number of locals for the Government to open up the border closed area. Given Hong Kong's reunification with the Motherland a long time ago, the continued designation of such a vast piece of land at the boundary as closed area is, first of all, absolutely outdated. Second, land resources will thus be wasted and, third, it is unfair to the local residents who have been inconvenienced for such a long time.

Soon after taking office, Chief Executive Donald TSANG swiftly and resolutely decided to significantly reduce the size of the closed area. His move to bring a new atmosphere of governance indeed deserves our applause. I believe the wide stretch of land thus released will definitely play a significant role in maintaining Hong Kong's stability and sustainable development too. As for the specific planning of land use, the Government will certainly conduct extensive consultation. I suggest that it may consider building a new town at the boundary to accommodate the growing population and provide more job opportunities.

Madam President, I so submit.

MISS TAM HEUNG-MAN (in Cantonese): Madam President, "Hong Kong people ruling Hong Kong" and "a high degree of autonomy" are the very essence of Hong Kong. Without them, this place would no longer be Hong Kong, no matter how prosperous our economy and how harmonious society are, but any common municipality in China. We thus have to establish a system of governance that is highly efficient, transparent and recognized, so as to give full play to the autonomy the Central Government has given Hong Kong. Meanwhile, in the absence of a stable political environment and a highly efficient administrative framework, there is no way for Hong Kong's economic achievement and cultural development to flourish. By arranging governance and constitutional affairs of Hong Kong as the first session of the policy debate, it shows that the Administration fully understands this logic.

"Strong governance" is a major theme in the policy address. Before delivering his policy address, the Chief Executive indicated in a high profile that he would outline his blueprint for enhancing governance in the policy address. Two weeks ago, I came here expecting that the Chief Executive would put on a good show. By the time when I left the Chamber, as far as the political system and governance are concerned, I could find nothing new but lots of questions. I truly want to ask the Chief Executive, "Is this what you meant by strong governance?"

I believe that a highly transparent and recognized administrative framework entails a democratic government. Thus, I would like to speak on the subject of constitutional development in the policy address first. I understand the Chief Executive highlighted the division of labour between the Chief Secretary for Administration, Financial Secretary and him, so I do not mind the policy address not saying a word on the concrete direction of the constitutional development, but only laying down three principles on constitutional development, on which he claimed that proposals on constitutional development would be based. To our disappointment, the Chief Executive is merely paying lip-service here, for when we turn to look at the Fifth Report of the Constitutional Development Task Force (the Fifth Report), we cannot help but ask, "How are the proposals in the Fifth Report compatible with the principles laid down in the policy address? Is the Chief Executive cheating the people?"

It was mentioned in the policy address that as far as constitutional development is concerned, there is a need to enlarge public participation in election. Yet, in no where we could find public participation is being enlarged, be it in the proposal of increasing the number of seats of the Legislative Council or increasing the number of members of the Election Committee or allowing Legislative Council seats to be returned through election by District Council (DC) members from among themselves. How could such a reform package win public support? When there is no increase in the proportion of directly-elected Members in the Legislative Council, when there is no broadening of the electorate base of the Functional Constituency election and when appointed DC members still exist, the very nature of the political system has indeed not changed at all. Do you call this "gradual and orderly" progress?

As compared with the day when I, relying on my faith in democracy, weathered fierce competition in the election and became a Legislative Council Member, I am sure that the constitutional reform package tabled by the Government now cannot win the support of the accountancy sector, or the people

of Hong Kong, for it is poles apart from the constitutional development principles laid down in the Chief Executive's policy address. Today, I solemnly urge the Government to face up to public opinion, conscientiously broaden the electorate base and abolish the system of appointed DC membership, so as to truly make a forward stride in democratization. Otherwise, administrative efficiency could not be enhanced and society would not be harmonious.

Other than the proposals on constitutional development, the Chief Executive also proposed in the policy address expanding the role of DCs by allowing DC members to take part in the formulation of management plans for district facilities. This proposal also brings forth a major question. Superficially, it seems that the DCs are finally given the opportunity to transform from purely consultative bodies to organizations possessing the power to manage district affairs. Yet, if we think about it carefully, we would discover that "the devil is in the details". The policy address only mentioned that relevant departments would discuss management plans with the DCs, in that case, would the DCs be vested with real powers? We do not know. In the end, the DC members might only be able to make suggestions, while the government departments might accept the suggestions but not making real changes. If this is the case, I believe not only the DC members, but also the public would not accept the proposal. I think the Chief Executive owes us an explanation here.

Madam President, another major point in the policy address concerning enhancing governance is the expansion of the Executive Council. However, this proposal is, in nature, reverting to the era of the British Hong Kong Government when the Executive Council was an elitist advisory body instead of a cabinet now. By so doing, does it mean that the Government would no longer carry out the Accountability System for Principal Officials? How is the responsibility divided between the Bureau Directors and the non-official Members of the Executive Council? Who would be accountable to whom? If policies fail, who would be held responsible?

Talking about the Executive Council, we have to mention the executive-legislature relationship. The Chief Executive told us in the Question and Answer Session that he would improve the executive-legislature relationship by actions, so there was no need to spend time explaining it in the policy address. If that is the case, what actions would the Chief Executive take in order to improve the executive-legislature relationship? It would of course be a

welcoming move if he would come to the Legislative Council a few more times a year to answer questions, but I hope it would not be as simple as that. I hope the Chief Executive can take the lead to create a good culture, which is to conscientiously respond to and actively follow up every motion passed in the Legislative Council. I believe all Members here would do their utmost to help the Government to take forward its work, right?

Finally, I would like to briefly speak on the proposal of creating politically accountable posts. Hong Kong will be developing into a highly democratic society and there will be an increased need for political talents. It is a good thing that the Government has a stern wish to nurture political talents, but the Administration should take note that these posts should not become a political rebate, but rather the Administration should employ people on the basis of their ability, absorbing elites from different sectors and backgrounds into the Government, so as to consolidate the Accountability System for Principal Officials to cope with the future democratic development in Hong Kong.

For eight years, we have put up with an administration that was hardly satisfactory and a democratic system that has seen no progress. I hope the Chief Executive can lead Hong Kong out of this dead end in governance and revitalize our political environment. Only by so doing can people live in peace and enjoy their work, can investors set their mind at ease and make investments; and only by so doing, can all sectors in Hong Kong be united to work for a better future. I so submit. Thank you, Madam President.

MR BERNARD CHAN: Madam President, the Chief Executive delivered his policy address at a very interesting time.

Just a month ago, virtually all Members of this Council visited Guangdong Province and had an opportunity to exchange views frankly with the Party Secretary. For some of our colleagues here, it was their first visit to the Mainland for the last 16 years.

A couple of weeks ago, the Chief Executive announced some new Members of the Executive Council. One of the new Members, Prof Anthony CHEUNG, is one of the founders of the Democratic Party and a strong and persuasive supporter of universal suffrage.

Then, just last week, the Chief Executive announced the appointment of Mr WONG Yan-lung as the new Secretary for Justice. Mr WONG is not part of the traditional pro-Beijing camp. Indeed, he attended protests against the interpretation of the Basic Law.

I mention these things because I think we need to see the policy address in this context. Hong Kong's political scene is undergoing change. The Chief Executive wants a more open, inclusive system, and less of the "them and us" atmosphere of the past. The Central Government shares this view, and I am 100% certain that the vast majority of Hong Kong people feel the same way.

It is also important to see the Government's proposals on constitutional development in this same context.

I know many people are disappointed that these proposals did not go further, and I know the majority of Hong Kong people would prefer faster progress towards full universal suffrage. However, we have to accept that Beijing is insisting on a cautious approach at this stage. Indeed, some conservatives there and here are not totally happy with giving more political power to the District Councils and their mainly democratically elected members, and they are not happy with the shift away from the so-called "small circle" functional constituencies to much broader-based ones.

If we put these proposals in the context of our visit to Guangdong and the appointments of Prof Anthony CHEUNG and Mr WONG Yan-lung, we can see that a real shift has taken place. Beijing wants to see a more harmonious Hong Kong, and it accepts that a more inclusive political environment is necessary for that.

This is an opportunity to build up trust and confidence between the Government and the opposition, and between Hong Kong and Beijing. We need to take this opportunity. We need to show the Central Government that a broader-based political system will make the Government more effective. When Beijing sees that we can be trusted with it and we can make it work, our chances of having more significant future reform will be much better.

This is why we need to think in terms of boosting the District Councils and encouraging more talents to get involved in politics. It would also help if we could reassure Beijing, and some members of the local business community, that universal suffrage will not lead to Populism.

Some people are afraid that the majority of voters who pay no tax would vote for politicians who promise lots of free lunches. It may be that these fears are unfounded, but it is the sort of thing which makes Beijing nervous. Moving ahead with a broadening of the tax base would specifically address that concern. It would remove an obstacle.

Until we sort out issues like this, there is no point in asking Beijing for a timetable, because there will not be one. I have spoken in favour of having a clear timetable on several occasions in the past. But this is something we have to accept at this time. We need to prove ourselves to Beijing first.

I can understand why the pro-democracy camp is promising to fight these proposals. That is a good tactic if you think you can get concessions. But at the end of the day, it would be an extremely bad strategy to kill these proposals. This package is better than no change at all, and more importantly, it paves the way to more change.

It is the only route we have to further change later on. If the pro-democrats succeeded in killing these reforms, they might also be killing all hopes for serious moves towards universal suffrage for many years to come. I do not think that Hong Kong people would forgive them for that.

Madam President, the Chief Executive announced in his policy address that he would set up a Mainland Affairs Liaison Office within the Constitutional Affairs Bureau. The new office will oversee Hong Kong's offices on the Mainland and the Hong Kong-Guangdong Co-operation Co-ordination Unit.

This might be a good time for the Government to start to pay more attention to the social welfare side of cross-border affairs. We pay a lot of attention to promoting economic integration with the Pearl River Delta and the surrounding region, and this is very successful. However, we have not yet started to address the human side of this process.

More and more Hong Kong people are going to live on the Mainland in the future. Some of them will be businessmen and entrepreneurs, but there will be many other sorts of people. There will probably be more children and families. There will probably be more elderly people. If the incentives were different, we would probably see more of our less-skilled workers enjoying a better standard of living in more affordable locations across the border.

At the moment, our welfare agencies are essentially barred from operating on the Mainland. But increasingly, there will be work for them to do there for clients previously in Hong Kong. I would therefore encourage the Administration to begin to look at this issue. I know the NGOs themselves are ready to start discussing it.

Madam President, I support the motion because I believe this policy address, and the other developments of recent weeks, reflect a positive shift in direction for Hong Kong. We have opportunities for better relationships within this community, and between us and the Mainland, and I hope we make the most of these opportunities. Thank you.

MR LI KWOK-YING (in Cantonese): Madam President, I would like to express on behalf of the DAB our views on judicial and legal matters. It is a pity that the Secretary for Justice has just left the Chamber. But I am sure our views will be heard.

Madam President, the focus of this year's policy address is on strengthening the co-operation and exchanges between Hong Kong and the Mainland. However, it seems that the Government of the Hong Kong Special Administrative Region (SAR) has not fully utilized the Mainland/Hong Kong Closer Economic Partnership Arrangement (CEPA) to further facilitate and promote the development of our legal services profession in the Mainland.

CEPA III has further relaxed the restrictions on the practice of our legal professionals in the Mainland. These include allowing the mainland offices of Hong Kong law firms to associate with their mainland counterparts in provinces and cities outside their own locations, and Hong Kong lawyers who have acquired qualification for admission in the Mainland need not give up their relevant qualification in Hong Kong when they practise in the Mainland. However, the DAB opines that there is still much room awaiting exploration for the development of Hong Kong lawyers in the Mainland, such as waiving the minimum residence requirement for the representatives of Hong Kong law firms in the Mainland. For Hong Kong law firms which are proactively seeking to establish their offices in mainland cities other than Shenzhen and Guangzhou, the relaxation of residence requirement of staying in the Mainland for at least two months imposed on their mainland representatives will enable them to have more time to practise in Hong Kong and gain more experience. Thus, they can

provide more legal services to all sectors and people in the Mainland in a more professional manner.

Besides, the SAR Government should strive for relaxation of the requirement that Hong Kong law firms should set up offices in the Mainland before applying for joint operation with their mainland partners. This will further facilitate the development of our small and medium law firms in the Mainland.

In the long term, the Government should look into the problem that law firms in both places are prohibited from forming partnerships. Such a restriction will not only hinder the operation and development prospect of law firms in both places, it will also prevent lawyers in both places from adjusting and strengthening the future development strategies of their law firms through merger, acquisition and joint venture. The DAB holds that by forming a joint venture alone cannot meet the need of the legal professionals in both places for expanding the scope of their co-operation in legal services and the enhancement of their service quality. In our opinion, there is still much room for co-operation and development in a variety of models for law firms in both places. So, the SAR Government should proactively consider how the co-operation and development of the legal services in both places can be deepened further. We are of the view that with the support of the Governments of Hong Kong and the Mainland, the legal professionals of both places can continue to co-operate and complement each other. In the end, they can establish professional and international law firms, thus enabling them to rise to the competition and challenges from their counterparts from all parts of the world.

The DAB hopes that the SAR Government can keep discussing with the relevant mainland departments on further enhancement and expansion of the scope of legal services. As relevant legislation and mechanism have improved, it will help facilitate the co-operation and exchanges between the legal professions of Hong Kong and the Mainland.

Madam President, I so submit.

MS MARGARET NG (in Cantonese): To start with, Madam President, please allow me to congratulate and welcome the new Secretary for Justice. There has been general support in the legal profession and the community for his appointment. I am looking forward to pleasant co-operation with him in this

Council in making concerted efforts to uphold and consolidate the rule of law and legal system in Hong Kong.

In his policy address, the Chief Executive reiterated the Government's determination to safeguard the rule of law. One of the cardinal principles of the rule of law is that the Government must abide by the law and manifest the constitutional spirit. For the Secretary for Justice, his foremost task is to provide legal advice and ensure that all acts of the Government are lawful. Should the Government refuse to assume its legal and constitutional responsibilities, he should see himself to be no longer trusted by the Government. Then, he should set an example by resigning from the Government and returning to his old practice as Senior Counsel. A man of insight ought to act in such an upright manner.

Yet, the resignation of the Secretary for Justice cannot turn a government with no respect for the rule of law into a law-abiding one. It cannot turn an arrogant government treating legal systems as nothing into one which is constitutional and law-abiding. In the manifestation of authority, whether the executive voluntarily abides by the law and respects the rule of the law and the constitution hinges on the existence of a real force of checks and balances, and the necessity of the Government to pay a price for defying the law. In other words, only a political force really capable of exerting a check on the Government can ensure that the Government is law-abiding, constitutional, and respectful of the rule of law.

While a Court can rule that the Government has lost a case, it cannot force the Government to comply with its ruling. Likewise, a Court can make a judicial declaration in a judicial review that a certain act of the Government is unlawful and unconstitutional. However, if the Government adopts an indifferent attitude, there are no ways for the Court to force the Government to change its behaviour. Under a system where there is inadequate power to exert checks on the Government, whether the Government respects the rule of law hinges very much on its willingness to exercise self-restraint.

So, is the Special Administrative Region (SAR) Government willing to exercise self-restraint? What will happen if it is unwilling to do so? It is unfortunate that this Council has too rich an experience in this respect. Let me cite a couple of recent examples. The most prominent one is the Government's act of covert surveillance which is against Article 30 of the Basic Law. There

has been a clear court ruling in two cases that covert surveillance carried out by the Independent Commission Against Corruption, an act in breach of Article 30, is unlawful and unconstitutional. Any repeated offence after the court ruling shall be deemed to be in breach of integrity and contempt of the Court. Yet, the Administration has indicated to this Council repeatedly that it takes exception to the view of the Court.

Madam President, under the constitution, with the exception of interpretation of the Basic Law by the Standing Committee of the National People's Congress, the Court is the only organ that can exercise power to interpret the law independently. Like ordinary citizens, the Government must accept the Court's interpretation of the law, including the provisions of the Basic Law. The Government cannot act according to its own wish on the ground that it disagrees with the court finding. Even if an appeal has been made, the Government should still regard the original ruling as law for strict, voluntary compliance, as long as the appeal is not yet allowed by a higher Court. The Government should, if legislation is considered to have created unnecessary troubles to administration, negotiate with the legislature with a view to expeditiously amending legislation to plug the loophole. An unlawful act, even if it lasts one day, is in breach of our responsibility to abide by the law.

In this connection, the Government should, if covert surveillance is considered necessary in the interest of public safety and for the sake of investigating criminal cases, take immediate action to amend legislation in accordance with Article 30 of the Basic Law to ensure that the people's freedom and privacy of communication is safeguarded, and lawful covert surveillance carried out by law-enforcement agencies is properly monitored under the relevant legislation.

Despite its indication that legislative proposals will be tabled to this Council, the Administration is still acting slowly by declaring that proposals will not be tabled for consultation until the spring of 2006 at the earliest. In the interim, however, the Administration has no intention at all to stop such unlawful and unconstitutional acts. It has even argued that the executive order issued by the Chief Executive, Donald TSANG, in mid-August has provided a sufficient legal base.

Such an argument is merely self-deceiving. Article 30 of the Basic Law reads, "The freedom and privacy of communication of Hong Kong residents

shall be protected by law." Law-enforcement agencies, even if they have valid reasons, must carry out surveillance in accordance with legal procedures. The executive order is not a law, not to mention a law for safeguarding the freedom and privacy of communication. So, how can it provide the legal procedures to make covert surveillance, ruled unlawful by the Court, lawful? Despite the substantiated and forceful counter-arguments put forward by the Bar Association, The Law Society of Hong Kong and a number of Members of this Council, the Government is still treating the matter with indifference, and has shown no intention to take stepped-up actions to plug the loophole by way of legislation.

Why is it possible for the Government to act in this way? It is because the legislature is powerless to exert checks on the Government. Neither is it necessary for the Chief Executive to be seriously accountable to the public at large. The Government can at any time claim that it has the support of public opinion, as Hong Kong people are denied the right to vote in the Chief Executive election.

Covert surveillance is not the only example. Although the Interception of Communications Ordinance was passed eight years ago, there is still no intention on the part of the Government to enforce it. Furthermore, it has yet to submit a review report to this Council to explain the reasons for failing to enforce the Ordinance and inform this Council of the problem areas and whether there are any plans to amend or repeal this law. The repeated attempts of this Council to pursue the matter have been to no avail.

Similarly, legislative amendment is required to subject the Chief Executive to anti-corruption regulation. This Council has pursued this matter for eight years. In this policy address, the Chief Executive finally made this commitment in the 30th paragraph, "..... the Government will introduce legislation into the Legislative Council as soon as possible to put in place the necessary legal regulatory procedures within the framework of the Basic Law." However, no specific indication is given as to when legislative proposals will be introduced. Is there any difference between the expression "as soon as possible" mentioned this time around and the one mentioned previously? Do we have to wait another eight years, when even the second term of the Chief Executive, Mr TSANG, would have already expired, before such a law will be passed and implemented?

There are simply too many examples of the Government stubbornly refusing to legislate or to amend the law. I can hardly deal with them one by one in detail here. There will be countless examples if the provisions of amendment bills, which are in breach of legal procedures, human rights, freedom and constitutional rights, as well as the failure cases of perfecting the legal system and services provided for consolidating the rule of law, are taken into account as well. Examples are the supplementary legal aid scheme with an enhanced self-financing element and the legal advice service for providing timely answers to questions raised by the public for the avoidance of unnecessary litigation. However reasonable and urgent the abovementioned scheme and service are, nothing has been achieved year after year. On the one hand, we are witnessing the corruption and decline of the rule of law and, on the other, we keep hearing the Government insist, year after year, that it is determined to "safeguard the rule of law". One can simply not help feeling aghast and ridiculous.

The ultimate limit of the rule of law is defined by the manifestation of authority. In the SAR, the rule of law has fallen short of restraining the Government's exercise of authority. This explains why some legal professionals seeking to safeguard the rule of law have chosen to give up their practice in law and join the line to promote constitutional reform. We can see that there is already a governance crisis, as well as unbalanced public policies and distribution of wealth, as a result of the Chief Executive's lack of public acceptance and public accountability and, the excessive influence, and even control, by the business sector. Moreover, we can see that the legislature, representing the interest of 3 million voters, is perpetually curbed and vetoed by representatives of vested interests returned in an undemocratic manner. Do we still have to produce more evidence to explain why the rule of law and social justice can hardly be employed as a yardstick to measure the standard of governance?

The purpose of promoting constitutional reform is not to reform for its own sake, nor to pursue democracy for its own sake. An even more pressing task is to build a stable and progressive society, where people can work and live in peace and have faith in justice. A harmonious society, as pointed out by XIAO Yang, President of the Supreme People's Court, is a just society. Society cannot be considered to be fair and just if there is a widening gap between the rich and the poor, and if people still cannot earn enough to feed their families even after toiling round the clock.

Why can the Government not make a painful decision to improve air quality? Why can a cultural project be used as a veil to hide a property development project? Why is it that it is always the people who suffer from high land prices and negative assets? This is an unavoidable outcome of an unbalanced political framework. The SAR Government, no longer able to maintain impartiality or placate the local vested interests, has to seek the intervention of the Central Authorities. Besides the Central Authorities, the only force that can avert the collapsing is the primitive force pooled by the 500 000 people who took to the streets. Hong Kong society has really fallen ill. Constitutional reform is the only medicine, albeit bitter to the tongue, capable of curing the ills.

The acceptability of the Government's proposed constitutional reform must be assessed from the angle of whether it can administer the right medicine for the illness. All rational considerations must be analysed from the angle of the means and ends. Can the Government's proposed package achieve the goal of correcting the imbalance of powers?

Madam President, is it not clear enough? Are there any more reasonable doubts? With the doubling of the size of the Election Committee, the number of nominators will double accordingly. Given the unchanged emphasis on the business sector and corporate votes, coupled with the drastic increase in the number of appointees, the retention of the "imperial appointment" and the inclusion of hundreds of people to the "small circle", will the so-called Chief Executive election be changed in reality? Will the balance of powers be altered a bit? Will more people be allowed to directly participate in the election in 2007? Will consultation continue? Will the Central Authorities continue to placate the relevant parties behind the scene?

Will this Council become more open-minded by increasing its seats to 70? With the addition of five District Council representatives and five directly elected Members, does it mean that the directly elected Members, representing the majority, will not be counterbalanced by vested interests and the functional constituencies comprising "small circle" representatives? The "District Council proposal", in whatever packaging, seeks merely to revive the "indirect election" introduced in 1985. The so-called "election" conducted under "indirect election" is carried out in two steps, and there are two kinds of "admission tickets": "VIP tickets" for appointed members and "public gallery tickets" for elected members. To secure a "public gallery ticket", only some 1 500 votes

are required. The election to be conducted, after admission, among District Council members is actually conducted mainly by way of consultation. The absence of appointed District Council members means nothing more than doing away the most prominent retrogressive measure. But still, it can in no way alter the nature and emptiness of the proposal.

Should the vetoing of this "reform" be considered tragic? Madam President, it will be really tragic should such an absolutely irrelevant "reform" be approved. It is already extremely tragic for us to have to put aside our work to improve the people's livelihood, the rule of law and cultural infrastructure, and even sacrifice our rest time to deal with the "reform" with all our might.

The act of giving a patient requiring a surgery a piece of plaster and several vitamin tablets cannot be described as "gradual and orderly progress". Instead, it should be seen as "shutting one's eyes to a dying person", or "making wrong diagnose like a charlatan".

During an interview by the media in Canada, the Chief Executive, Donald TSANG, sought to justify why Hong Kong could not have democratic elections by universal suffrage. He said it took American women 100 years to fight for the right to vote. Moreover, he did not believe a democratic system should be implemented in Hong Kong immediately after more than 140 years of British colonial rule. We really have to thank the Chief Executive for attracting world attention back on Hong Kong's situation. In the eyes of Beijing, the new Chief Executive was politically correct in revealing to foreigners their inglorious past in fluent English. In the eyes of Hong Kong people, however, the Chief Executive was demonstrating to the whole world the backward thinking of our leading officials and his complacency for having no intention to move forward. Was he implying that the Hong Kong SAR could have democracy only after China had already had democracy? Was he helpful to upgrading Hong Kong's international status?

Our calls for a timetable and roadmap have been ridiculed by Chief Secretary Rafael HUI as unrealistic. Madam President, the atmosphere of Hong Kong would definitely change instantly if the SAR Government made this announcement tomorrow: "The Chief Executive, to be nominated by the Election Committee, shall be returned by universal suffrage for appointment by the Central Authorities in 2012" — I am not declaring, as Mr James TIEN said

earlier, our campaign for the implementation of democratic elections by universal suffrage in 2012. I was just talking about the possibility of the SAR Government announcing the implementation of universal suffrage based on democracy in 2012 to elect the Chief Executive in a "one-person, one-vote" manner. Should that happen, the roadmap leading to 2012 can be drawn up instantly. We will then be able to discuss the timing of achieving full universal suffrage, the final mode of elections, and so on. Political parties will also have their goals in respect of nurturing talents, training, and so on. Given the willingness of the pro-democracy camp to make concessions, why does the Government stand firm in its refusal to back down?

However, the Government is no longer prepared to discuss this with us. It said, "There will be no other proposals if this one is rejected. After all, it is better than staying put." Madam President, what difference does a changeable package make? Can this package ensure that the rule of law is safeguarded? Now that the new Secretary for Justice is not responsible for constitutional reform, does it imply that the constitutional system is no longer within the scope of the rule of law? Has the curtain been quietly raised for a tragedy?

Before concluding my speech, Madam President, I would like to say a few words on the civil service policy, as Mr James TIEN and Ms Emily LAU have also expressed their views on the policy. My view is slightly different from theirs. In my opinion, we should not concentrate too much on the size of the Civil Service or the proportion between the number of directorate staff and that of the staff of other ranks. Neither should we focus on slashing the remuneration and benefits of civil servants. Instead, we should focus on re-engineering and introducing a new civil service culture to enable members of the public to, under the established policies, fully gain the expected benefits by the fastest and most direct means. This should be our prime goal. In considering the policy on universal suffrage based on democracy, this is especially important.

I hope Members can examine the issue from this angle. If one day you or your political party comes into power, what sort of a civil service team will you like to inherit? You will definitely want an elite Civil Service which is strong, superb, loyal, structurally flexible, efficient, and one that can enable you to command public confidence and support. Emphasis on formulation of policies

alone will not suffice for achieving effective governance. A policy compatible with the needs of the people is merely a direction. Implementation is everything if the goal of benefiting the people is to be achieved.

Madam President, starting from today, we will have to build up such a civil service structure. I so submit.

DR FERNANDO CHEUNG (in Cantonese): Madam President, I come from the social welfare sector, so politics has nothing to do with my own profession. However, I attach great importance to political reform and the constitutional development of the entire Hong Kong Special Administrative Region (SAR) because our political system has not provided the necessary channels for the people to make their voices heard. Nor has it provided adequate checks and balances to resolve the problems of disparity between the rich and the poor and poverty, issues of the greatest concern to us. The needs of many disadvantaged groups in society, including single parents, new immigrants, disabled persons, elderly people, so-called non-engaged youths, and many poor children and families are not duly reflected in the formulation of policies and distribution of resources. As a result, their needs are not satisfied, and they are not given any opportunities.

Ms Margaret NG earlier quoted the Chief Executive, Mr TSANG, as saying during his trip to the United States that it had taken American women 100 years to receive the right to vote. The 100 years mentioned by the Chief Executive seems to have a bearing on the universal suffrage timetable, earnestly pursued by the pro-democracy camp in the Hong Kong SAR and the people represented by us.

Looking back at the current constitutional reform package, we find that the Election Committee had a membership of 800 in 1997. According to the Government's current proposal, the membership will expand to 1 600 in 2007, or double in 10 years. I have done some rough calculations. If we progress in this way, our electorate will rise to more than 3.2 million, close to the number of voters in the territory at present, in approximately 120 years' time. In other words, we can say that the timetable for universal suffrage is 120 years from now. Therefore, we should not say that the Chief Executive has no timetable. He has indeed got one. However, is it worthwhile for Hong Kong people to support

this universal suffrage timetable and this constitutional reform package? Judging from the standard of the voters in Hong Kong today, is it really necessary to wait for 120 years?

Why do we take universal suffrage so seriously? On the day following the publication of the policy address, the Chief Executive, Mr TSANG, attended a Question and Answer Session in this Chamber, during which he exposed one of the shortcomings of "small-circle" elections when answering a question raised by Mr WONG Yung-kan. He indicated enthusiastically that he was greatly encouraged by the agriculture and fisheries sector during the election campaign, implying that the sector had voted for him. The Chief Executive went on saying that he would definitely answer the aspiration of the sector. Such a response precisely indicated his determination to repay those people who had given him power, votes or helped him ascend to the throne of Chief Executive. This is just a normal way of repayment. It has, however, at the same time shown that people with no right to vote can never elect the Chief Executive. Like the disadvantaged groups in Hong Kong, now under his leadership, they cannot possibly become the target of his concern or repayment.

At present, about 160 000 people in Hong Kong are living in poverty, with a monthly income of less than \$3,000. At the same time, more than 350 000 people work over 10 hours daily like a non-stop machine. However, it is not necessary for Mr TSANG to repay these wage earners because they have no votes. This explains why although we can continue with the discussions and studies on "minimum wages and maximum working hours", the outcome will only be delays after delays.

Another example is the elderly problem. According to the Census in 2001, nearly 260 000 elderly people aged 65 or over, or approximately one third of the elderly population of the territory, were low-income households. They cannot benefit anything at all from the Mandatory Provident Fund, which has to take three or four decades before its effects can be seen. Because of the rapidly ageing population, there will only be increasing demands for medical and long-term care services. It is therefore imperative for Hong Kong to formulate a community-wide retirement protection scheme and a long-term care policy. However, the elderly people, who have no votes, cannot elect the Chief Executive. Such being the case, it is not necessary for Mr TSANG to repay them. The community-wide retirement protection issue may then be procrastinated further.

While our desperate calls for electing the Chief Executive by universal suffrage may sound like some noble, abstract and slogan-like theories of democracy, what we actually care about are those disadvantaged who exist in reality with the mere hope of leading a dignified life in a just society. Under the "small-circle" electoral system, however, they cannot possibly give play to their force or influence policy formulation. Nor can they make any impact on the details of policy implementation and enforcement, as mentioned by Ms Margaret NG earlier. Therefore, democratic reform is the only channel for them to take part in the formulation of policies relating to the people's livelihood. Without democratic reform, the Chief Executive can, like what he is doing at the moment, choose what to listen according to his wishes, or even choose to listen or not to listen to the voices of the disadvantaged. Democracy and the people's livelihood are therefore two sides of a coin: they are simply inseparable.

In the policy address, the Chief Executive has not done anything to reverse such an unfair political system. Nor has he offered any specific proposals. He has merely highlighted his determination in pursuing excellence in governance. In this respect, the Chief Executive has raised several points: First, to revamp the Executive Council through the inclusion of non-official members and the withdrawal of most of the Bureau Directors. I believe, subsequent to the reform, the Executive Council will be reduced to an organ which is half-advisory and half-decision-making, neither fish nor fowl, and hard to name. The Bureau Directors, who were previously able to discuss Hong Kong's overall development in a holistic manner, will obviously see their power weakened for they will no longer take part in the mechanism whereby they can participate in the discussion. Although the Executive Council appears to have authority, it has no responsibilities. Moreover, in the absence of practical information, which was previously provided by Policy Bureaux, the Executive Council will no longer be able to conduct diverse and appropriate discussions in formulating policies. What is the exact relationship between the Bureau Directors and the Executive Council? Do the Bureau Directors or the Executive Council actually hold the ultimate decision-making power?

Furthermore, the Chief Executive is determined to expand the membership of the Commission on Strategic Development to 100. In the absence of representatives from the corresponding Policy Bureaux or government departments, the 100 members of the Commission, representing diverse views, will definitely counter-balance one another. In the end, the Commission will probably be reduced to a "discussion forum". Nevertheless, the Chief

Executive may use the Commission as a venue to distribute free political lunches to repay those people who helped him during the Chief Executive election campaign. Under this mechanism, the Chief Executive is actually the one who gives final approvals. Moving freely under the three institutions, the Chief Executive can at one time say that this is the view of the Bureau Directors. Then at another he can say that this is the view of the Election Committee or the Commission. Under these three institutions, it is actually the Chief Executive who gives final approvals.

It has therefore been pointed out by some academics that such a separation of powers is actually tantamount to a centralization of powers. I am afraid the so-called initiatives for pursuing excellence in governance are actually sugar-coated poison. Should he eventually manage to arrogate all powers to himself through this centralization of powers by way of separation of powers, coupled with the fact that he is only required to be accountable to a handful of persons under the "small-circle" electoral system, the imbalance of powers will eventually enable him to act even more arbitrarily. Is it the so-called strong leadership that we want? Even if he is capable and skilful, it will be extremely dangerous should he make a mistake, as all of us do make mistakes too, in the absence of checks and balances. We should remember that soon after taking office, TUNG Chee-hwa also told us that he had to build a strong government. Consequently, under TUNG's leadership, Hong Kong suffered for seven years. We certainly do not wish to see the recurrence of the same mistakes.

In the mainstream constitutional reform package published last week, the Government has not only failed to return the right to elect the Chief Executive to the people. It has also failed to make institutional improvements to the checks and balances imposed on the powers of the Chief Executive. Although all this is expected, I find it most worrying that the entire community's discussion on constitutional reform appears to be led by the Government. At present, it seems that all of us have focused only on discussing whether appointed District Council members should have the right to elect the Chief Executive, whereas the entire issue of democratization has been forgotten. While the Government is obstinately insisting that the exclusion of the appointed District Council members from the Election Committee is out of the question, there are rumours from informed sources that the Central Authorities are determined not to go backward and that the package is not easy to come by. However, have Members considered whether they will accept the package if the Government really backs

down and refrains from giving appointed District Council members the right to vote? How should the pro-democracy camp act? What are the views of the community at large?

Madam President, I very much suspect that this so-called District Council package is actually a trap. Should the Government withdraw its proposal while heated debates on the issue of appointed District Council members are still going on, the public will easily be misled into thinking that the Government has really listened to public opinion and such progress is nonetheless better than stagnancy. Should that be the case, the trick of the Government will work. I hope Members will not be deceived by the Government. We certainly oppose the proposal of giving appointed District Council members the right to elect the Chief Executive or Legislative Council Members. However, this is just a very small component of the entire constitutional reform. Success in striving for the Government's revision of this proposal is not tantamount to substantive progress in democratization. The Government has refused to discuss with us the timetable and the roadmap on the ground that the conditions are not yet ripe. However, the Basic Law has already made it clear that universal suffrage is the ultimate goal. I would like to ask this question: How can the package put forward in the Fifth Report facilitate our transition to a universal suffrage package? I simply cannot see any concrete directions in this package to let us know that it is leading us to universal suffrage and that it can enable universal suffrage to be implemented in the next election or the one following the next. To me, this package is basically aimless. If I quote the words of the Chief Executive during an interview in North America, universal suffrage appears to be realizable 100 years from now.

Chief Secretary Rafael HUI has even said that he has to beg this Council for votes. Despite his miserable description, I find it very disgusting on the contrary. It seems to me that the Government is now treating the people like beggars. By offering some petty advantages, the Government would have presumed that the people have received enormous benefits. If this is already considered progress in democratization, I think Hong Kong people deserve more.

Lastly, the Chief Executive has repeatedly indicated that Hong Kong is but a Special Administrative Region — all political reforms must be approved by the Central Government. During his visit to North America, he also mentioned that we were not masters of our own destiny. May I ask Mr TSANG, as a

Chief Executive striving for strong governance, why he has suddenly behaved in such a humble manner, saying that he is not the master of his own destiny? Why can he not exert his utmost to express the wishes of Hong Kong people to the Central Government? Why can he not express the sophisticated political aspirations of Hong Kong people in this respect with his true "people-oriented" spirit? Why can he not genuinely consider the well-being of every citizen and enable the constitutional reform to achieve universal suffrage expeditiously and the formulation and implementation of the entire political and administrative framework and policies to reflect the needs of the people in various aspects?

Thank you, Madam President.

MR CHIM PUI-CHUNG (in Cantonese): Madam President, the subject of today's debate is to thank the Chief Executive for his address. To me, this policy address is an advance notice on policy, and I support this motion. However, I would like to make a few points of criticism.

The Chief Executive's policy address is divided into three parts, with the first part emphasizing "strong governance". May I ask the Chief Executive where "strong governance" will focus on? His appointment of eight more Executive Council Members merely represents his attempt to revive the mode of the former British Hong Kong Government prior to 1997. We do understand the former mode of administration. The current representatives of the Executive Council, though euphemistically called advisors to the Chief Executive, are actually his employees. Be they advisors or employees, they are all directly, or indirectly, employed to work for him. Undeniably, the Chief Executive, Mr TSANG, has the full support of the Central Government. However, full support is not tantamount to strong governance. He must deliver before he can demonstrate to us his commitment to serving the people. I must reiterate that, as a Chief Executive, he is but a public servant of the people. He must in no way harbour the mentality of indulging in his own belief that he is capable of achieving "strong governance". We also understand that he uses "strong governance" to encourage himself to pursue governance excellence. However, failure to do so will only lead to harsh governance dominated by power politics and dictatorship. I very much hope that the Chief Executive is not harbouring such a mentality. However, in dealing with a lot of things, he has always given people such an impression.

Second, the Chief Executive's advance notice emphasizes the importance of fostering harmony, which can be seen in two aspects, one being overall social harmony. Actually, most Hong Kong people are benign. Despite their peaceful fight for their rights, they merely hope that the socio-economic condition can enable them to live and work in contentment, and with peace of mind. They have no major disputes, struggles or arguments. As regards harmony in this Council, I have always had the feeling that the Government does not take this Council seriously. It will communicate with us only when something has happened. The Basic Law mentions the goal of achieving executive-led government. In this connection, it must be borne in mind that the Basic Law is talking about executive-led, not executive-headed, government. There is a clear distinction between the two. Many laws and codes have to be submitted to this Council by the Executive Council or the Government before discussion and legislation can take place here in this Council. However, it does not mean that the Legislative Council is headed by the executive organ.

Madam President, I cannot help mentioning a recent delegation to the Pearl River Delta by the Legislative Council of the SAR Government. In this visit to the Pearl River Delta by the Legislative Council, in what capacity did the Chief Executive become the head of the delegation? He should either be an honorary head or an advisor instead. The right of this Council has been trampled on as a result of this incident. Madam President, you should formally reflect our views in writing to him, for there should be no muddling through about this. As a legislature, this Council must deal with everything in an unambiguous manner. While other departments might be able to act perfunctorily, this is not to be tolerated by this Council. It is meant to be a manifestation of autonomy. Here I formally and openly implore the President to do what should be done.

Third, the Chief Executive put forward the concept of strong governance "for the people" in a solemn manner. Certainly, we very much hope that everything done is for the well-being and happiness of the people, but the people cannot be treated as "fools". This is unacceptable. Why have I said something like this? A few incidents have occurred lately. The first one is the development of the West Kowloon Cultural District. Why has this issue become so confused and complicated? The Government has asked for \$30 billion, but has no idea how to distribute the money. The problem is actually very simple to solve. The Government uses the money gained from auctioning the portion considered to be property development to set up an authority to

manage the entertainment and cultural projects. Why does the Government have to act in this way to make the people so confused that they simply have no idea what is right? It is not convincing to say that this has nothing to do with transfer of benefits. The second incident involves the use of the Tamar site. We understand that people wishing to make contacts or communicate with the Government have to visit its offices, even if they are located in Shau Kei Wan, or places even more remote. A responsible government does not necessarily have to use this piece of land. Instead of acting in defiance of public interest, the Government should make good use of this precious piece of public asset. Madam President, these are my views on the theme of the Chief Executive.

Next I would like to discuss matters relating to the first session: administration of justice and legal services. To start with, I am not being philistine, but I still wish to congratulate the new Secretary for Justice on joining in government work to give play to his abilities. I have always believed that the Secretary for Justice should carry out reforms to address the judicial and court problems. With respect to the payment of court costs in a criminal case at present, if it is ruled that the defendant, who caused the prosecuting department to hold doubts about him, though eventually acquitted, will still not receive any compensation and will be lectured by the Judge instead. I think it is necessary for the Government to introduce legislative amendments to the effect that, if a defendant criminally prosecuted is convicted of all his or her charges, he or she should be responsible for the payment of costs. However, if he or she is acquitted of all charges, the Government will then have to be responsible for the payment of costs. It should not be decided, citing the reason that the Court has found it necessary to prosecute because of the act of the defendant, that the cost is to be borne by the defendant. Of course, if five charges have been laid, and if only one charge is convicted, the costs can be split evenly. This is more convincing to the public. Secondly, we understand that the operation of the entire Court involves enormous costs. In a recent long-running civil case, why does the public have to pay the litigation fees incurred as a result of some rich people fighting for their family fortunes. While the "user pays" principle is applicable to effluent, why can the Court not examine the feasibility of requiring users to pay court fees? I very much hope that the Secretary for Justice can pay more attention to these issues in carrying out his work.

Madam President, the next area I would like to turn to covers constitutional affairs. In connection with the recently launched constitutional

reform package, we hope that the Government can let all the people of Hong Kong, including me, to have a clearer idea of the content of the package, because I am very doubtful. Here are the questions I would like to raise: First, the election of DC members, whether they were elected among themselves, to this Council dates back to 1985. Why does the Government have to revert to its former path 23 years after — as the new initiative is to be implemented in 2008? It is said that the election in 2008 is expected to be better than that in 2000. In what way is the election in 2008 different from the one held in 1985?

In paragraph 20 of his advance notice, the Chief Executive has made it very clear that DC members will be given enhanced responsibilities for the purpose of monitoring the management of libraries, swimming pools and sports venues in the districts. However, he has not mentioned that the power of DC members will be suddenly inflated to such an extent that they can elect the Chief Executive. What explanation can the Government offer? Justice WOO mentioned the other day that getting votes by means of bribery was out of the question under the present situation. However, have the rights of those people who chose not to take part in the District Council Elections in 2003 been exploited? If it was explicitly stated at that time that DC members would be given such power, many more people would have stood for the elections. Is it reasonable for such power to be conferred on DC members all of a sudden? The Government owes the public an explanation.

Madam President, what is the percentage of these 529 DC members compared to 1 600 representatives? Students who are seated in the public gallery should know how to do the calculation. The answer should be approximately 33%. Will the one who confers on the DC members such power be thus enabled to suddenly secure 33% of the votes as a result of this new arrangement? This is indeed questionable. Of course, the Government has explained that this is not going to happen. Yet, I still hope that the Government can convince the people and me by offering us a more in-depth explanation on these issues.

Madam President, I hope that government officials can respect the system for electing Legislative Council Members. The term of Legislative Council Members is four years. Commanding the trust of their trades and industries, functional constituencies and the public, they have absolute power to make their voting decisions on behalf of their own sectors. They should not be challenged by so many members of their trades and industries. In this respect, I hope

government officials can pay more attention during lobbying, or else unnecessary legal disputes might arise, which should be avoidable.

Madam President, the third area deals with the affairs of civil servants and employees of subvented organizations. While I have always held great respect for our Civil Service, civil servants have to understand that their treatment is way better than that received by employees in many regions, countries, and even cities in other parts of the world. I believe they do understand that their benefits are better than those received by others, and many of their benefits are even unimaginable in other places. Under such circumstances, I would like to emphasize again that civil servants should be better able to stand by their performance pledge, which was introduced in 1992 by Mr Chris PATTEN, the last Hong Kong Governor. Civil servants will definitely say that they will continue to serve the people. However, they should be able to do even better to convince the people and improve the impression of the various sectors of the territory about them. The civil service system, being part of the Government's overall establishment, has to complement the Government's overall operation at the same time.

The fourth area deals with security affairs. We all know that the promotion of the Secretary for Security has been very smooth, from the Immigration Department to the Independent Commission Against Corruption. Of course, he must have some exceptional capabilities. However, I often find him acting quite perfunctorily in answering questions. The communication between Hong Kong and the Mainland is now very close. Hong Kong people, be they members of the public or businessmen, are often treated unfairly in many places on the Mainland. Of course, we do not hope to see Hong Kong people visiting the Mainland develop a sense of superiority. However, given the ties between the two places, particularly their close commercial connection, there ought to be a relatively comprehensive mechanism to safeguard their property. The Government should not merely say that Hong Kong people visiting the Mainland must abide by its laws, because the ordinary people are not entirely well-versed in mainland laws and a lot of restrictions imposed therein. It is imperative for the Government to resolve the relevant issues.

The issue of right of abode has been frequently raised by many Honourable colleagues. I have also received a lot of complaints and raised this issue with the Secretary for Security. Here I would like to express my hope that the Secretary for Security can, based on humanitarian considerations, Hong

Kong's actual situation and the goal of building a harmonious society as emphasized by the Chief Executive, reconsider this issue in an effort to seek a legitimate solution so that some parents will still see the lovely side of Hong Kong.

Madam President, I have already used half of my speaking time. I will continue to speak on other areas tomorrow.

MR RONNY TONG (in Cantonese): Madam President, I would also like to say, as other Honourable colleagues did, that I am so glad to see the Secretary for Justice, Mr WONG Yan-lung, sitting in this Chamber for the first time and listen to our debate. However, if I have a choice, I would rather have Mr WONG as our Chief Executive.

Madam President, the topic of our discussion today is the maiden policy address delivered by Mr Donald TSANG after resuming office as the Chief Executive. It is a pity and also ironic that the Chief Executive has advocated the "people-based" approach in his policy address, but he is now in New York while the Legislative Council, the highest power organ representing people in the Hong Kong Special Administrative Region (SAR), is debating his policy address. He would rather discuss with the Americans their history in New York, than listen to Honourable colleagues' debate on his policy address in this Chamber. I remember that whenever important or Budget debates were to be held in the past, Secretaries of Department would change their itineraries as far as possible even if they have scheduled visits out of Hong Kong. What is the significance of his visit to New York? Is it some deliberate arrangement? Does Chief Executive Donald TSANG consider the creation of world public opinion or the improvement of relations between the executive and legislature as well as its governance more important? I am not sure whether the Chief Executive had been forced to go to New York, or he considered that the delivery of the policy address was already an indication of strong governance, and hence discussions among Legislative Council Members do not carry much significance. I think that Chief Executive Donald TSANG should sort out these issues.

Coming back to strong governance for the people. We have really seen new horizons over the past three months. We saw turnovers in the posts of the Chief Secretary for Administration and the Secretary for Justice, as well as elites of the days of the British Hong Kong Government joining the Executive Council. Furthermore, we saw our Chief Executive keep visiting districts to put up

"caring shows", and cried out loudly in front of the camera after a family tragedy that it was angering God and men, with a view to projecting before the public a decisive, professional and caring image which even accommodates different views. No wonder a recent public opinion poll indicates that the popularity rating of the Government has again increased by 5%, and it appears that "strong governance for the people" does deserve credits.

However, under "strong governance", is marketing or the quality of politics or governance more important? The course who process of introducing the constitutional reform package has highlighted meticulous preparations. Months before the announcement of the constitutional reform package, the Government has been flying balloons for Hong Kong people to digest the reform proposals. In this way, some gibberish grounds put forward by the opponents can be heard in advance, and uni-directional opinion surveys can be conducted secretly. The uni-directional opinion surveys to which I referred will certainly not touch on the most important issues. For example, the question as to when universal suffrage will be implemented will certainly not be raised; while the question as to whether members of the public consider the appointment system fair will definitely not be raised either. The Government announced the proposals after members of the public had digested them, so that he can reply "no negotiations" at once. At the same time, the Government is also apt at playing down its strong leadership. Chief Secretary for Administration Rafael HUI — regrettably he is not here today — knows how to put on a weak look in front of the media, highlighting the need for him to "beg for votes from Members" due to the Government's lack of support. Such marketing skills were certainly not found in the days of Mr TUNG Chee-hwa being the head of the administration. It appears that the ulterior motive of these political skills is to cover up the deficiencies of the constitutional reform package by manipulating and creating public opinions.

The question is: Can a reform package which contravenes the basic principle of democracy and lacks foresight measure up to the people's expectations, and can it be acceptable to them? Please let me cite an "old" Western proverb: You can fool all the people some of the time, and some of the people all the time, but you cannot fool all the people all the time. The SAR Government hopes to win popular support simply by various means of strong political tact, rather than a reform proposal with material elements of democracy. Will such a proposal be accepted in the end? In fact, I have mentioned before that this is a "one yes and three noes" proposal. "One yes" means the Chief

Executive has increased 102 votes for the next Chief Executive Election by appointing District Council (DC) members, while Hong Kong people have none. As for the Legislative Council, members of the public have only one vote to elect one Legislative Council Member and another vote for electing one DC member, while the Chief Executive has 102 votes for electing five Legislative Council Members. The "three noes" are simply no timetable, no roadmap and no detail of the constitutional reform.

We will first discuss the issue of empowering appointed DC members to vote in the elections for the Chief Executive and the Legislative Council. The acceptability of the appointed DC members has all along been questioned, and with rising democracy aspirations today, the system of appointment has been discarded by Hong Kong people. It is worrying that, after the appointed DC members were conferred with the right to vote, will they become an organized force that is so powerful as to reverse the majority view originally represented by the DCs? To put it in the extreme, assuming that during the election of Legislative Council Members, six DC members among 529 of them will be returned under the proportional representation system, so in other words, appointed DC members can elect one or even two appointed DC members as Legislative Council Members. Despite that the details of the election are not yet known, this possibility cannot be ruled out. If this is the case, it is tantamount to the appointment of one or two Legislative Council Members by the Chief Executive. Can this be regarded as progress towards democracy?

As regards vote planting in the Chief Executive election, despite the unconvincing explanations offered by the SAR Government, yet some fundamental doubts have not been dispelled. For example, what should be done when a seat in the DC become vacant before 2007? Will the Government fill the vacancy by making another appointment? If so, is this a case of vote planting? Will the Government undertake not to appoint another DC member to fill the vacancy even if one arises in the future? The Chief Executive can give such an undertaking today, how about in the future? Will such a problem which arises in each and every term cause seriously division in the Hong Kong community? Can this be regarded as progress towards democracy?

We shall put the issue of vote planting aside now because Justice WOO said it would be out of the question. Is it fair to the candidates with the Chief Executive of the former tenure paving the way for the Chief Executive of the

next tenure? Can this be regarded as the Chief Executive's intervention of the election result? Furthermore, the newly-added 300 members representing functional constituencies will become new parties with vested political interests, and yet the electorate base is not broadened. Is this not an imposition of additional barricades to hinder the implementation of universal suffrage in the future? If we can have universal suffrage in the future, not only will we have to eliminate the 700-odd members representing functional constituencies, but over one thousand of them. Can this be regarded as progress towards democracy?

I will now switch to the timetable and roadmap, where the logic involved is even more straightforward. In fact, Chief Secretary for Administration Rafael HUI had said that we were like playing with building blocks, and it is sufficient that a picture is formed. This is the crux of the matter. What does the picture formed by assembled building blocks look like? What blueprint should we follow when assembling the blocks? Is the picture of universal suffrage in the mind of the Chief Executive same as ours? Secretary Stephen LAM had mentioned in this Chamber that universal suffrage could be achieved through indirect elections of the functional constituency, whereas the predecessor of Secretary for Justice, Mr WONG, had also made similar remarks. Is this the picture in the mind of the community? When can we see this picture? The Government cannot tell, and neither can we see it. Can this be regarded as progress towards democracy?

After 20-odd years' of intensive lobbying, the aspirations of Hong Kong people for a democratic political system have become very clear. We are capable of implementing universal suffrage for the dual elections in 2007 and 2008, but even if universal suffrage cannot be achieved in 2007 and 2008, the SAR Government should be obliged to present a package that is the closest alternative to universal suffrage to Hong Kong people. During the past few months, we have been intensively lobbying the Government and even the Central Government for achieving this target. So far, what we have here is only a package of retrogression in democracy. May I ask the Chief Executive, Mr TSANG, if he will feel ashamed if he is here?

Finally, I want to talk about the governance reform proposed in the policy address. In the policy address, the Chief Executive, Mr TSANG, mentioned that he had to focus on political issues, and therefore two Secretaries of Departments had been authorized to play the important role in policy planning and co-ordination. In order to enhance the efficiency of the Chief Executive's

Office, the post of Information Co-ordinator will be created again and a Mainland Affairs Liaison Office will be established under the Constitutional Affairs Bureau. The Commission on Strategic Development and the Executive Council will be further expanded and the role of District Officers will be strengthened. Simply reading out these reforms has taken me one minute, but I am referring to one task only, that is, an expansion of the government structure. What will be the effect of such an expansion of the government framework? Will this make us even more worried about democracy?

The expansion of the Executive Council, for example, is a most natural reorganization, and we very much support it. However, we can see that in appointing members of the Executive Council, the Chief Executive, Mr TSANG, still cannot give up his heavy reliance on the business sector. Is this a political engineering by the Chief Executive, Mr TSANG, to recruit talented people and draw them over to his side, with a view to leveraging on this new force to besiege the old force, and forcing the opponents to take sides? Will the senior officials be bypassed if the accountability officials are only required to attend meetings of the Executive Council on a selective basis so as to attend to their administration duties? Is this the Chief Executive's "ultimate stroke" to tighten up his political powers? Will the expansion of the Commission on Strategic Development to nearly 100 or more, thereby allowing the participation of the so-called non-government representatives and representatives of political parties in this consultative body, create another high-level advisory body that counteracts against the Legislative Council, and even forces it to take sides? Let us take a helicopter view of this. Who will benefit from the entire proposal ultimately? What is the purpose of proposing different options? Is it for creating more parties with vested interests so as to hinder the progress of universal suffrage?

As we all know, during the two-year tenure, the only mission of the Chief Executive, Mr TSANG, is to create a good and objective environment conducive to Hong Kong's development of the far-reaching constitutional reform proposal, in the hope that the proposal can be endorsed smoothly. I believe that this is also the paramount political mission, as assigned by the Central Government, to be completed by the Chief Executive, Mr TSANG, within his tenure. However, I would like to tender my advice to the Chief Executive again and hope that it can be heard in New York: In order to ensure the smooth passage of the constitutional reform package, the most appropriate way is not begging for votes,

manipulating and pitching public opinions by maneuvering, or seeking the representation of public opinion, but instead putting forward a package that will truly and earnestly give Hong Kong people democratic representation and heading towards universal suffrage. Thank you, Madam President.

MR PATRICK LAU (in Cantonese): Madam President, I found that the first policy address delivered by the Chief Executive, Mr Donald TSANG, is relatively pragmatic. I found that there is a greater likelihood that the pledges in the policy address will be implemented, and with efficiency. In particular, regarding the construction projects of varying scales mentioned therein, I am confident that the Government, guided by the principle of "strong governance", will launch the projects one by one shortly, in order to solve the problems of inadequate community facilities and chronic unemployment among workers in the construction sector.

The theme of this policy address is "strong governance for the people". The first and foremost task is to carry out a major overhaul of the government structure so that the Chief Executive can centralize powers. At present, the Government is promoting a style of governance characterized by "strong governance" in order to achieve the objective of enhancing the ability to govern on the basis of executive-led government. However, I think that the executive and the legislature must be united in order to achieve this objective. I agree with the point raised by a number of Members, namely, Members of the Legislative Council must be given both powers and responsibilities. In the future, with the introduction of universal suffrage, political parties and functional constituencies should also take part in administrative work. Only in this way can economic recovery be induced and the problem of unemployment be solved at the same time as the overall interests of Hong Kong are borne in mind. Moreover, what matters most is that the standard of living of the public can also be improved.

Madam President, under the guiding principle of "effective governance", it is stated that the Government will "work in collaboration with the construction industry to monitor and control payment of workers' wages and reduce non-value-added multi-layer subcontracting to raise industry standards." I believe that it is desirable to aim at safeguarding the payment of workers' wages and raising industry standards, however, monitoring and control initiatives are

merely stopgap measures that cannot get to the root of the problem. In fact, the underlying cause for the non-payment of wages to workers is an insufficient number of projects. Many projects that have been approved have experienced long delays. Moreover, the policy of awarding contracts to the lowest bids has forced companies in the sector to lower their bidding prices to unreasonable levels in order to get the projects. Not only does this affect quality, it will also lead to cash flow problems or even the winding up of companies when slight delays or difficulties are encountered in the implementation of projects, thus rendering them unable to pay wages to the workers.

Therefore, I think that we should try to deal with the problem at root by launching various projects as soon as possible, reviewing the policy of awarding contracts to the lowest bids and formulating a tender system that adopts the market principle of cost-effectiveness but also ensures the quality of the project. I hope that the Competition Policy Review Committee can complete its review as soon as possible and make specific recommendations to help the sector find a way out of the present predicament. What worries me most is that over-regulation will only create more obstacles and affect the room for survival for the entire industry. If workers do not even have any work to do, how can they get any wages?

In fact, apart from the problems relating to awarding contracts to the lowest bids, the lack of tacit understanding among departments also makes the application and approval procedures very cumbersome and complicated and substantially increases the administrative costs. This also creates lots of headaches for the sector. Even though I have reflected this problem a number of times, no improvement has been made so far. Therefore, I strongly agree with the new measures formulated according to the principle of effective governance, that is, a cross-departmental pilot scheme to raise the standard and quality of government services. I hope that the Government can draw lessons from this pilot scheme and solve the problem of a lack of tacit understanding among departments step by step. I believe that a cross-departmental policy-making mechanism should be established for the construction sector. Different departments should be led by senior officials who are vested with the powers and responsibilities to resolve the existing situation of various departments shifting their responsibilities to one another, so that the process of approval by various departments can be expedited and the projects completed more efficiently.

Some people believe that given the territorial mentality, a cross-departmental policy-making mechanism will not be able to perform its intended functions. Moreover, its role will degenerate into that of a messenger who goes from department to department for consultation. However, I think that the weak Government in the past was more susceptible to the effects of this territorial mentality, but things are now very different given the present situation characterized by strong governance. As a matter of fact, the former Secretary for Works in the colonial era could already assume the role of the highest decision-maker and effectively reconcile the contradictions among various departments. We hope that the establishment of the aforesaid post can help the sector and make its operation smoother.

Madam President, I strongly agree with the new measures designed to promote effective governance, including that of enhancing the law drafting skills of law draftsmen, since there are many outdated rules on construction that cannot keep up with the changes in the actual circumstances in the existing legislation, and they should be amended properly. As I have said before, at present, ground level shops are all required to provide a ramp at the shop front. However, in Hong Kong, given the high land value, right after the completion of the ramp, they will be removed. As a result, the building works will become illegal. This practice not only hinders the operation of the shops but also costs a lot of money.

Apart from raising the quality of law drafting, the most important point remains that of actively making improvements to some outdated legislation. With as many as 300-odd guidelines regulating Authorized Persons at present, in addition to other legislation restricting architectural design, creativity and up-to-date development in the construction of buildings are hampered. Therefore, a set of well-developed and comprehensive legislation should be put in place for professionals' reference. More important still, there must be a wise official who takes charge of enforcing the law and exercising discretion according to actual circumstances, so that obstacles to the development of the industry can be eliminated.

Madam President, laws are certainly important, but the formulation of policies is just as important. Therefore, I support the proposal of increasing the number of members of the Commission on Strategic Development. I hope that the Government can invite more people from the construction, surveying and urban planning sectors to offer their professional advice on technical issues, so that effective policies can be introduced. I understand that various professional

bodies have offered their professional advice to the Government. The establishment of a standing committee will serve to further bolster the present consultation mechanism.

Regarding policies at the district level, I support the idea of enhancing the functions of the District Councils (DCs). This is also what I have always been calling for. Each DC can capitalize on the advantages in its district and help realize the goal of developing town planning and urban designs featuring local characteristics for the 18 districts, as proposed by me previously. However, the policy address did not elaborate on the financial power of the DCs or whether they can decide on the progress of the projects in their districts according to the needs in their districts. Since the Fifth Report of the Constitutional Development Task Force also proposes that five seats for representatives from the DCs be added in the next Legislative Council, I believe this shows that the Government attaches great importance to the functions of the DCs. Although it sounds a bit too political to say this, still I hope that the Chief Executive can further establish the power of DCs in managing their finance flexibly and provide more resources to them, so as to facilitate community planning and development and improve the living environment and quality of life of the public. Thank you, Madam President.

DR LUI MING-WAH (in Cantonese): Madam President, on 12 October, Chief Executive Donald TSANG announced his maiden policy address since assumption of office. Entitled "Strong Governance for the People", the policy address sets down three major objectives: first, pursuing excellence in governance; second, fostering harmony in the community; and, third, helping the economy to power ahead. Society in general approves of this policy address, deeming that it is a very good step towards fostering harmony in the community. I shall give my views on the major areas in the policy address for the consideration of the Government.

First, I shall talk about "pursuing excellence in governance and enhancing administrative efficiency".

The most pressing task for Chief Executive Donald TSANG after assuming office is to enhance the Government's ability of governance. After so many years of expansion, the Government has turned into a mammoth and bloated organization marked by overstaffing and declining efficiency. There is thus a need for an overhaul. This is going to be a decisive move. Competent

governance hinges on the formulation and quality of policies, whether directives can be passed down smoothly, whether policy enforcement is effective, whether monitoring is adequate, whether the staff establishment is reasonable and whether there is a fair system of disciplinary actions and rewards. It is only when the Government has established a sound management system that the Chief Executive can achieve the objective of strong governance, policies can be filtered down smoothly for enforcement and governance can bear any fruit.

Any overhaul of the management framework must be carried out in a top-down manner. This explains why Mr TSANG has decided to delegate to the Chief Secretary for Administration and the Financial Secretary the very important responsibilities of overseeing the 11 Directors of Bureaux and forming the Policy Committee with them. The Policy Committee will formulate policies and submit them to the Chief Executive in Council for final decision. This is a clever reform because the Chief Executive can thus extricate himself from the day-to-day operation of the Government and concentrate on other more important tasks such as formulating long-term strategies and communicating with the Central Authorities.

Since the Chief Executive may be kept in the dark and fails to have a good grasp of the actual situation following the delegation of top government management to the Chief Secretary for Administration and the Financial Secretary, Mr TSANG has decided to reorganize the Chief Executive's Office by creating an additional post of Permanent Secretary alongside the Director of the Chief Executive's Office. The latter will continue to be a political appointment, responsible for liaison with the Legislative Council, the Commission on Strategic Development, political organizations, various sectors and district personalities. The Permanent Secretary will be responsible for internal management, including co-ordination with the Chief Secretary for Administration's Office, the Financial Secretary's Office, various Policy Bureaux and the Executive Council; keeping track of the implementation of major policies; and ensuring that the directives of the Chief Executive are followed through. All these initiatives are largely meant for monitoring purpose and are all matching measures necessitated by the delegation of authority. Playing a pivotal role in ensuring that Principal Officials will discharge their duties properly, these initiatives are an apt manifestation of Mr TSANG's shrewdness and his mastery of the science of management.

A yet greater display of Mr TSANG's wisdom is the creation of the post of Information Co-ordinator who will be responsible for the Government's overall

public relations strategies, co-ordinating publicity on the introduction of major policies, strengthening communication with the media and centralizing the dissemination of information. In this age of information, when public opinions are largely shaped by the media, the Information Co-ordinator can be perceived as playing the role of influencing the mouthpieces of society. The significance of the post can thus be easily imagined.

Some think that Mr TSANG is clever because despite his apparent delegation of authority, all his major reforms will instead enable him to have a firmer grip of power, a better grasp of how his governance is received and a clearer understanding of various issues, thus assuring that the Government can function with high efficiency.

Another point I wish to discuss is about the Executive Council and the Commission on Strategic Development.

The function of the Executive Council is to assist the Chief Executive in policy formulation. Whether it can successfully perform this function hinges on its composition, the backgrounds of Executive Council Members, the Chief Executive's attitude towards it and the importance he attaches to it. The eight new Executive Council Members are all elites of society coming from the industrial and commercial sector and various professions. I think their appointments are appropriate because according to the findings of opinion polls, economic development and employment are respectively the first and second aspirations of Hong Kong people. As long as there can be continuous economic development, the number of jobs will necessarily increase. I believe that the new Executive Council Members will surely be able to offer useful advice to the Chief Executive on promoting the further development of Hong Kong economy.

It is very clever of Mr TSANG to place renewed emphasis on the Commission on Strategic Development and expand its membership to 100. With the Commission on Strategic Development, elites from various sectors can be recruited for the purpose of consultation. More importantly, the political support for Mr TSANG will also increase in the future. This is indeed a very clever tactic, one that can kill two birds with one stone. It should be noted that as an advisory body, the Commission on Strategic Development will certainly be useful in the provision of advice. However, as shown by many past examples in history, the development of a society is often determined by a handful of people and the highest decision-maker will play the key role. The highest decision-maker of Hong Kong now is Mr TSANG.

I now wish to say a few words on economic development. Since I am not going to say much, I do not intend to deliver a separate speech.

Nothing is said on the direction of our long-term economic development. Sustained economic development is the very basis required for fostering harmony in the community. The experience of Hong Kong in recent years has once again testified to the close relationship between the two. In the policy address, Mr TSANG emphasizes, "We have a steadfast commitment to promoting economic development." In regard to economic development, he explains in detail the intensification of the Mainland/Hong Kong Closer Economic Partnership Arrangement (CEPA) and the supporting measures adopted by the Special Administrative Region Government. He also points out that the Individual Visit Scheme for mainland residents to visit Hong Kong has gone a long way towards boosting the local retail and job markets. However, we should realize that these are all economic activities taking place and seeing effects. They can at best add vigour to the economic development of Hong Kong, instead of fundamentally changing the very fragile nature of the Hong Kong economy. In particular, when it comes to the long-term economic development and prosperity of Hong Kong, these two economic measures cannot possibly play any leading role. That is why we must not pinch too much hopes on their effects. The GDP growth in the past two years, amounting to 5% to 7% at the very least, was quite satisfactory, but the unemployment rate still stood at the high level of 5.5%, showing that the masses are unable to benefit from the economic recovery brought about by CEPA and the Individual Visit Scheme.

Besides the lack of any economic initiatives, the policy address is also marked by a heavy overtone of "positive non-intervention". Mr TSANG is still engrossed in actions to "consolidate our position as Asia's world city and our role as a key international financial, trading, transportation and information hub of China", but he has not yet realized the various crises and challenges faced by Hong Kong in the fierce competition both inside and outside China. Nor is he aware that Hong Kong's existing pillar industries are unable to provide any substantial support for our sustained economic growth and satisfy the demand for jobs. If these deep-rooted problems existing in the economy of Hong Kong are not resolved, they will pose potential threats to our economic development and add uncertainties to the efforts of fostering harmony in the community.

On this occasion, I hope that Mr TSANG can formulate a blueprint for the long-term economic development of Hong Kong with all the wisdom and vision of a politician. I hope that he can formulate a long-term development strategy, set down the direction of development and take positive steps to unite all Hong Kong in the course of progress. That way, Hong Kong will once again become a happy land for all of its residents. This is the only way for him to live up to the trust and expectations of Hong Kong people.

Thank you, Madam President.

MR LEUNG KWOK-HUNG (in Cantonese): Madam President, last night, I flipped through the policy address of the Chief Executive several times, but nowhere could I see the word "民主" (the rule of the people, that is, democracy). He is really something. Speaking of "民主", I must mention Secretary Stephen LAM, who frequently says that it is alright to have something missing because, given time, we will gradually make it. Do Members know what will happen when a little something is missing from "民主"? What will happen when that little something is missing from "主"? With the missing of that little something, "主" will become "王", meaning "king". The king is now on tour in Canada and the United States, so he does not have any time for visiting his subjects. This is a policy address with so many things missing. Members can see that there are so many things missing. I cannot find any mention of "民主", and I now know that something is missing from it, so that it has become "民王" (the king of the people). The king of the people even had the face to talk about "using power for the people and showing concern for the people" when he sought to re-export his ideas into Hong Kong from the United States. Why has he gone to the United States? The only reason is that there, he can say whatever he likes and talk more like a sensible human being. Honestly, he behaved quite well in that particular interview, speaking quite sensibly. I hope that when he is back, he will say the same things instead of anything else.

This legislature is indeed a bore. All the speeches are nothing but just old stuff, prepared, maybe, three years ago or just three days ago. They are all cliché. In the Ante-Chamber earlier today, I read the news about the death of a certain 95-year-old woman. She was not the Queen Mother of England — Members thus need not worry, for they do not have to spend any money on sending their condolences. The woman was named PARKS. Why is this lady so famous? It all went to a certain day 50 years ago. That day, she was going

back home after work. Feeling tired, she walked to the front-row seats of the bus and sat down. But no sooner had she done so, she was told to look for a seat at the back rows instead. Members may not understand why she was told to do so. The fact is that in the United States then, racial discrimination was very rampant and the front-row seats on buses were reserved for the Whites. Our Ms PARKS was basically not a person who liked fights. She was just a little bit puzzled, wondering why she still had to walk all the way to the back rows when she was so very tired. "Why should all the front-row seats be reserved for the Whites?" she wondered. Consequently, she refused to comply. She did not mean to make any fuss. She was just being human, led simply by a very natural inquisitive urge to question why she could not sit where she was. In the end, she won. One year later, the United States Supreme Court ruled that it was unconstitutional to practise segregation on buses.

Ms PARKS was more respectable than many of us here, because she was so honest in questioning the existence of inequalities or unequal rights. On my part, I must question why some people can each have two votes while others just have one. Why should the colour of one's skin have any bearing on one's right to vote? Why should property produce any bearing on one's voting right? Why should the so-called professionals have more votes simply because of their greater abilities? Fifty years has passed and Ms PARKS is long gone. But Hong Kong is still caught amidst all these inequalities. Actually, the encounter of Ms PARKS can lead us to consider what will happen if Mr LAM and Mr WONG are now both forbidden to sit on the front seats on buses and forced to move to the back seats instead. Is this fair? Will they comply? Will they report to the police? They naturally will. But we cannot possibly report to the police because we are all under others' absolute control.

I can still remember another lady — it seems that today has been turned into a ladies' day, right? As a matter of fact, women are all very respectable, for they account for half of the world's population. Earlier today, I gave Ms Margaret NG a gift, a book about a lady named PANKHURST, a well-known female politician in Britain. She was a very capable woman but was arrested countless many times. Once in prison, she refused to eat, and during her fast, someone even poured food into her stomach using a two-yard long apparatus. She refused to eat because she was fighting for the same right wanted by the people of Hong Kong now — universal suffrage. Oh, Mr LAM, please look at me.

During her times, there was universal manhood suffrage but women had no votes. In other words, half of the population were denied the right to vote. Nowadays in Hong Kong, only some 100 000 people have the right to elect 800 people who can in turn elect the Chief Executive. And, 30 of the seats in this Council are returned just by some 100 000 people. Should Members not find all this very shameful? British women after the First World War should all criticize their government for being crazy. They made uniforms and manufactured bullets every day during the War, so that their soldiers could fight in the front line. But they did not have the right to vote, so their government was indeed crazy. Our present Government also says that we are crazy. What is the use of talking about the manufacture of uniforms and bullets anyway? We are just not capable enough and we do not have the permission of "Grandpa".

The people of Hong Kong are still denied what Ms PANKHURST struggled for 80 years ago. Since genders and ethnic origins can no longer resist the struggles for equality, new excuses have been invented — education levels, whether one is of "blue blood", whether there is any approval of "Grandpa", whether we are just "second-class" citizens, and so on. Do Members find it shameful to defend a system like this?

Having told the stories of these two ladies, one happening some 50 years ago and the other some 80 years ago, I really feel ashamed of men. These two ladies were so brave, and they were the glory of their countries and own peoples. Nowadays, in the United States, passengers are no longer required to sit in the back-row seats of a bus because they are yellow. Nowadays, in Britain, women are no longer considered ignorant and barred from voting. All these are the fruits of the two ladies' struggles. But years back, all government officials criticized that they were crazy and anti-social.

Where liberty is, that is my country; where liberty is not, that is my country. I am not out of my mind because these two sayings are just about the same principle. Some say that where liberty is, that is their country. Lofty sentiments often give one a great sense of glory. Some also say that where liberty is, that is not their country. This is precisely a very well-known quotation from Thomas PAINE. What the people of Hong Kong and the democrats are fighting for today is nothing but a basic human right provided for in the United Nations covenants on political and civil rights. We see that Mr TSANG is bragging here and there overseas about how wonderful Hong Kong is.

But Hong Kong is not wonderful at all because there are no civil rights. Do those Members find this a shame?

If those Members do find this a shame, then they should all go back to their dream about strong governance and simply seek to ensure enough votes for the passage of their policies. They should all keep their mouths shut instead of staging such a farce in this Chamber. The more they speak, the more unconvincing they will become, so they must stop all that sophistry. Actually, there can never be enough criticisms against these Members. Even when an opinion poll indicates a 65% support, what can we possibly do? Nothing can be done as long as Grandpa (that is, the Central Government) does not give any consent. In that case, may I ask Secretary Stephen LAM to ask his boss, Mr TSANG, to give us an opportunity to visit Beijing, so that we can hold discussions with the Standing Committee of the National People's Congress?

But is he qualified to speak for us? Does he understand what we want? Even if he can understand, he will not speak for us because he is a government official. What is the objective..... oh, not many Members are present now..... that all Members in the pan-democratic camp are fighting for? They want to tell the whole world, the whole China and all Hong Kong people that Hong Kong cannot introduce universal suffrage not so much because of any public opinion disapproval but just because of the opposition of that very object that supersedes all public opinions in Hong Kong. To fight for universal suffrage is our duty. We must not give up hastily once our request is rejected. Suppose one has been beaten up, one will certainly report to the police and give a statement. One will certainly do so whether or not the culprit can be caught. One will never say that since the culprit cannot be caught, nothing should be done and no statement should be given. And, one will not thus say that the beating is right. Human beings will not do something like this. Are we human beings?

Going to Beijing to talk things over is the least that pan-democratic Members can do for the people of Hong Kong. It is a separate issue even if we still fail to get what we want in the end. Members must not believe the mainland catch-phrase that it is no use speaking out. I must say that if one does not speak out, one's views will go not recorded. If we do not speak out, it will be recorded in history that all Hong Kong people did not want any democracy, or that once "Grandpa" turned down 2012 as an option, they all stopped doing anything further.

Pan-democratic Members should be more courageous. The door has been welded and cannot be opened, reminding us of the metal house described by Mr LU Xun. Should we stand up to break open the door or simply destroy the house? Or, should we do nothing at all? Anyway, that was a story told long ago. Today, if we back down, we will betray our constituents, we will betray our own souls. I must advise all pan-democratic Members not to dine with anyone trying to lobby them. They must not discuss any timetable or roadmap with all these people because our duty is to reflect public opinions and act in accordance with our own conscience. We are no salesmen engaging in any transactions. If nothing can be done, then we should initiate a movement on introducing universal suffrage in 2012. But this does not mean that we should do so right now.

We are now inside a tall building, the former site of the Supreme Court. Some say the whole issue is just like making a model using building blocks, hinting that Hong Kong people should give up the pursuit of democracy. A pile of building blocks will collapse on reaching a certain height and nothing can be assembled without the concerted efforts of all. As a result, if the pan-democratic camp refuses to assist in this "building blocks" game, no model of any false democracy can be assembled. KONG Shangren wrote in one of his works, the *Peach Blossom Fan*, "Behold, he is erecting a magnificent edifice. Behold, he is throwing a feast. But, behold, his magnificent edifice is collapsing." I am not talking about the situation today. I am talking about what happened during the discussions in early July 2003 on the enactment of legislation to implement Article 23 of the Basic Law. "Behold, he is erecting a magnificent edifice" and "Behold, he is throwing a feast" are a good description of the scene in this Chamber at that time. And, of course, "Behold, his magnificent edifice is collapsing" can describe what happened in the night of 9 July 2003. I do not think that we can cause the collapse of the edifice. But neither do I think that pan-democratic Members should try to support a crumbling edifice of others with their shoulders.

Mr TSANG is now on tour in the United States and Canada. Many people wonder why he has gone there. The answer is of course that he wants to do some business. I once wanted to give him a book entitled *Death of a Salesman*. The story is about a 63-year-old man who had been working all his life as a salesman until he suddenly felt that the job was meaningless. His wife ignored him, and his son also ignored him. He then realized that it was meaningless to sell goods harmful to people. But I have given up the idea

because I had misplaced the book somewhere, under my pillow, maybe. Or, I might have thrown it away already. I have bought another book for Mr TSANG, a book on Faust. Some wonder what he is doing in the United States and Canada. Well, he is trying to sell what is most valuable to him in exchange for a happy life for seven years. Faust became omnipotent and omnipresent and did everything he liked. But all these lasted just three days. Mr TSANG can last a bit longer, seven years perhaps. But he has sold not only his own soul but also the soul of Hong Kong people because he has told the world that as a Hong Kong believer himself, he can say for Hong Kong people that they do not want democracy. He has not told Beijing that Hong Kong people want democracy, and that it should thus give some to us. What kind of Chief Executive is he? He has told such a blatant lie.

Honourable colleagues, an opportunity for all Legislative Council Members to go to Beijing to explain the case in person to the Standing Committee of the National People's Congress is the banner of the pan-democratic camp. Even though some Members do not want to go, we can still go there ourselves. The Government can no longer say anything because all of its hidden intentions have become so apparent by now. It is no longer the question of whether Secretary Stephen LAM allows us to do so. It is all about whether Beijing will allow us to do so. I therefore hope that all pan-democratic Members can boldly adhere to their position and tell Beijing to withdraw the resolutions as quickly as possible. I also hope that all those who are listening to my speech today can rally outside the Government Secretariat at 4 pm on 30 October to tell Donald TSANG loudly that he must not betray the people of Hong Kong; he should say no to Beijing instead of us.

Thank you, Madam President.

MR FREDERICK FUNG (in Cantonese): Madam President, politically speaking, there have been two recent events that are completely beyond the expectation of most Hong Kong people. The first is the sudden departure of former Chief Executive TUNG Chee-hwa. The second is the decision of the Central Government to select and accept Mr Donald TSANG, a political figure groomed by the colonial government, as the new Chief Executive of Hong Kong.

What can we notice from these two events? I think there are two things. The first is the political effect of the march on 1 July in 2003. In response to

the demand of several hundred thousand Hong Kong people, the Central Authorities saw it fit to redress the immeasurable grievances of Hong Kong people by removing their common eyesore. The second thing is that the Central Authorities have come to recognize the feasibility of the governing tactics adopted during the British colonial era. Donald TSANG has been chosen precisely because he is well-versed in such tactics.

The two things mentioned above have led to several outcomes. To begin with, following the stepping down of former Chief Executive TUNG Chee-hwa, all Hong Kong people have breathed a sigh of relief. Most of them are quite happy with this, particularly with the new Chief Executive. This is quite similar to the case of a large corporation or enterprise, where the incoming CEO can live a much better life because the most thorny issues have all been tackled by his predecessor. The second outcome is the restoration..... the restoration of the governing tactics adopted by the former colonial regime. And, to put it simply, there are three such tactics. The first one is the adoption of oligarchy. By this, it is meant that an aloof figure, the Governor (the equivalent of our Chief Executive now), was put in sole charge of the Government. The second tactic was the reliance on civil servants as the backbone of the governing team. Civil servants were responsible for both governing and policy enforcement. The third tactic was the implementation of "consultative democracy", whereby the elites of society were absorbed. This may also be called the "administrative absorption of politics", a design that serves to absorb political conflicts. If we can bear all the above ideas and concepts in mind when reading the Chief Executive's policy address, especially its first theme on "pursuing excellence in governance", we will certainly have a much better understanding.

I shall say a few words on how the two themes mentioned by me are related to the objective of "pursuing excellence in governance" mentioned by the Chief Executive in his policy address. The first major policy is to restore the oligarchic system, turning the Chief Executive into an aloof figure with ultimate authority. In this regard, several measures are mentioned in the policy address. The first measure is to replace the existing arrangement, whereby the three Secretaries of Departments and 11 Secretaries of Bureaux are put under the direct charge of the Chief Executive. In place of this arrangement, the three Secretaries of Departments are to take charge of the Bureaux falling within their respective portfolios, playing the role of policy co-ordination and holding discussions on policy initiatives. In essence, all matters related to policy formulation, conflicts and co-ordination will be handed over to the three

Secretaries of Departments under this new arrangement. This appears to be a delegation of authority, but in reality, the Chief Executive will become detached as a result. Thereafter, even if there are any policy problems, especially problems that lead to public outcries, the Chief Executive will not be implicated. However, this does not mean that the Chief Executive has relinquished his powers completely, for he has on the other hand announced that instead of attending Executive Council meetings on a regular basis, all Directors of Bureaux will only need to turn up when matters within their portfolios are on the agenda. This is in a way an attempt made by the Chief Executive to strip the generals of their powers. The Executive Council will be his last defence. In case he does not approve of any proposals or policies tabled, or in case he finds any problems or inadequacies, he may still resort to the Executive Council as a means of veto.

The second measure involves a move to strengthen the functions of the Chief Executive's Office. A directorate post will be created to take charge of what we call intelligence work and gauging the views of the Legislative Council, political organizations and the general public. All this is in fact political intelligence. The Permanent Secretary will be the official in charge of intelligence within the court of the Chief Executive, for he or she will have all the information about the offices of the three Secretaries of Departments and 11 Policy Secretaries. And, besides having all the information, he or she will also be the "whip" of the Civil Service — there are "party whips" in political parties, and the Permanent Secretary will be the whip of the Civil Service. In addition, as mentioned in the policy address, he or she must also perform two much more important tasks: keeping track of the implementation of major policies and initiatives and ensuring that the directives of the Chief Executive are followed through.

The second major policy is to turn the Civil Service into the backbone of the governing team. Actually, as Members can observe, following the implementation of the Accountability System for Principal Officials invented by the former Chief Executive, the promotion of civil servants to the ranks of Policy Secretaries and the three Secretaries of Departments is no longer possible within the civil service establishment. However, if we look at the past hundred years or so, we will notice that all these principal officials responsible for governing and policy implementation were chosen from the civil service establishment. And, if we also look at the incumbent Policy Secretaries and three Secretaries of Departments, or even the Chief Executive elect, we will also realize the

difficulties in identifying suitable talents to run Hong Kong. Most of the incumbent Policy Secretaries and Secretaries of Departments were once civil servants, some being Administrative Officers or even highly experienced Administrative Officers. This shows that all those responsible for governing Hong Kong, Policy Secretaries, Secretaries of Departments and the Chief Executive alike, must have a good grasp of the civil service system and also the knowledge to make it function well. Consequently, it does seem to be a very good idea to adopt this arrangement, to groom civil servants within the civil service system as our future Policy Secretaries, Secretaries of Departments and even the Chief Executive. But it must be realized that in the case of many civil servants, the reasons for joining the Civil Service may just be a good job and its fringe benefits, including the pension. They may never have aspired to a political career. But, well, their mentality may have to change from now on. As can be expected, some civil servants will be willing to change their old mentality and switch to a political career, following the examples of the Policy Secretaries and Secretaries of Departments present in this Chamber today. But some other civil servants may never have considered this as an option. In that case, how can we groom any civil servants as our future Policy Secretaries, Secretaries of Departments and even Chief Executive? One possible solution is to create some positions dedicated to providing assistance to Policy Secretaries. These assistants to Policy Secretaries may be recruited from the Civil Service; alternatively, candidates from outside the Civil Service may also be recruited. Following a period of grooming, nurturing and exposure, these assistants to Policy Secretaries will in time become well-versed in the culture and values of the Civil Service. More importantly, their grasp and understanding of the civil service system will make them ideal candidates for ascension to the offices of Policy Secretaries, Secretaries of the three Departments and even the Chief Executive. The proposal is therefore designed to establish a civil service team for the continued governance of Hong Kong.

I now wish to talk about the system of "consultative democracy". In the colonial times, the then Government sought to rally the support of professionals or the elite from different sectors through appointments to the former Executive Council and the 400 or so advisory committees. This tactic seemed to have worked well. We notice that the policy address also contains measures along the same line. These measures include the addition of eight new Executive Council Members who are all elite of their respective sectors. Tai-pan level personalities and "top-notched" figures from various sectors are appointed. This is exactly the same as the tactic employed by the former colonial government.

Another measure is of course connected with the Commission on Strategic Development (the Commission), about the recent invitations to membership aimed at expanding the number of members to 100. The precise aim of this measure is to draw the elite from different sectors into the Commission, so as to form a new platform for the absorption of different kinds of views, including dissent opinions, into the establishment. This is in a way a mechanism facilitating the continued governance by the ruler.

As for the enhancement of district work mentioned in the policy address, it indicates clearly that Chief Executive Donald TSANG actually aims to strengthen his work not only at the central level, but also in the districts. After the 1967 Riot, the then Governor converted district consultative organizations into district boards. The enhancement mentioned in the policy address now is in fact a continuation of that practice. District boards were actually formed by the conversion of kai fong associations and other district consultative committees. It was hoped that district problems could be raised, discussed and even resolved in district boards at an early stage. However, is the present proposal on enhancing district work going to head in the same direction? For various reasons, particularly the exaggeration by the press in recent days, all of us think that the authority of district management will be delegated to District Councils (DCs). However, we must carefully study the original text of the policy address. It is said, "The executive departments will follow the decisions of the District Council in managing such facilities." The transfer of any power to DCs is not mentioned, nor is any delegation of authority. In what ways will the situation be different then? We cannot notice anything from the text of the policy address, nor from the actual duties of DCs. At the time when moves were taken to scrap the Urban Council and Regional Council, the Policy Secretaries or Secretaries of Departments responsible for the task claimed that the powers and functions of the two Municipal Councils would be transferred to DCs. However, nothing on this is mentioned in the policy address. We can thus notice that DCs will just be treated as district consultative bodies.

The analyses mentioned above can show us that all the paragraphs on "pursuing excellence in governance" are just a modern version of colonial rule. In more sarcastic parlance, they are all about the restoration of colonial political tactics.

Can colonial rule be successful in any way? History tells us that colonial rule in all countries is doomed to extinction. Why? I am a student of politics,

so I can share with Members the several reasons I have explored in my studies. The first reason. Even when a colonial regime is truly efficient, devoid of any corruption, decadency and disorder, it may still fail to attach any importance to the people's aspirations due to its over-emphasis on effective governance. The only concerns of such colonial governments are to put in place a sound system, introduce good policies and do a nice job in policy implementation. Whether the people really need or appreciate all these is just of secondary importance to these governments.

The second reason. Under some colonial systems, there is an over-emphasis on the economy and a neglect of the people's livelihood. In a similar fashion, since 1997, our Chief Executives and even the SAR Government have also been emphasizing that a prosperous economy is the panacea to all problems. The authorities argue that when the economy is in good shape, all problems will disappear. They think that when the economy is in good shape, the poverty problem will vanish; when the economy is in good shape, there will be no need for helping the poor; when the economy is in good shape, there will be no need for policy improvements; when the economy is in good shape, the people will face no livelihood problems. The economy has turned around over the past one or two years. But we can still see that although many people have been working very hard, for as many as eight to 12 hours a day, their incomes are still so meagre that they cannot even support themselves, let alone fend for their families. The unemployed remain unable to find any jobs and many people still have to ask for assistance and live on Comprehensive Social Security Assistance (CSSA) despite their wish to get a job. It is not so much because they are lazy but just because they have no alternative.

The third reason. There may be an over-emphasis on the elite and a neglect of the masses. Is it wrong to lay emphasis on the elite? No. But it is wrong to place "over-emphasis". If a consultative committee or the Commission for that matter is made up entirely of the elite, or if over 90% of its members are the elite, how much room can be left for the masses? Are we then supposed to rely solely on DCs? Of particular importance is how the elite look at the views of the masses. I was once a member of several consultative committees appointed by the Government, and the elite on them once told me of their views about the masses: "All of them want money, Ah Kee. They naturally want increases in CSSA rates." "They will not possibly want any decreases in CSSA rates, right? They all want a flat. They will be very happy if they can get one for free. Best if they do not have to pay any rent." "This is

not feasible at all. If we help the poor in this way, they will all come to us for money. Ah Kee, this is not the way." I do not want to talk about how the elite have come to such conclusions. But I must say that it is utterly wrong for the elite to look at the masses in these ways. I can testify that the masses as I know them are not people like this. The absence of any channels to absorb the masses into the policy-making process is one of the major factors contributing to the extinction of colonial governments or colonial regimes.

There are three inadequacies, usually called the "Three D's", meaning the "disregards" for the people's aspirations, their livelihood and the masses. This is one of the reasons for the extinction of colonial regimes in history. Problems are bound to emerge and all conflicts will surely surface in society. I can tell all the government officials present here that although Hong Kong managed to become a metropolis during the 100 years or so of colonial administration, there were still several riots. Members may still remember that after the political riots in 1954 and 1967, a series of small-scale riots also occurred in 1981. These riots were the results of ineffective governance.

To solve all these problems, we must eliminate the "Three D's", that is, the "disregards" for the people's aspirations, their livelihood and the masses. We maintain that a "people-based" system must be established. Under this system, regardless of the motives of the elect or the motives of his political party, he must adopt a "people-based" attitude in governance, because the system will oblige him to do so instead of being swayed by the inclinations of any particular individuals. What I mean is that we cannot tolerate any system under which while Chief Executive Donald TSANG and Chief Executive CHAN Tai-man are people-based in attitude, Chief Executive CHEUNG Sam can be otherwise. Under no circumstances can we accept a system under which every Chief Executive can do things in his own way. What is the system I have in mind? A system under which, regardless of who is elected, the elect must adopt a people-based attitude.

Unless people can give me a counter-example, I must say that as far as my observation goes, in all places with a market economy, elections based on universal suffrage are invariably implemented. At least, no one has ever criticized that such electoral systems are wrong and must be overthrown. And, in countries where such electoral systems are effectively implemented, there have been no fundamental problems that may cause the collapse of these systems. Another reason, of course, is that Hong Kong must adopt a political system to

match its market economy. There is a common viewpoint among people like us who study politics: Any particular economic system will always see the emergence of a political system that goes hand in hand with it. In Western societies practising market economy, elections based on universal suffrage have been implemented effectively for some 300 to 400 years. Unless people can show me that there are other political systems to go with the market economy, I cannot see why Hong Kong can possibly ignore universal suffrage or even proceed so slowly with its implementation while this system has been proven so workable by other countries with a long history of democracy. In theory, I should not be the only one who buys such logic; the Communist Party of China should also buy it because it should be what dialectical materialism is all about! Therefore, I fail to see why Members should fear that the Central Government will not approve of universal suffrage.

Madam President, the policy address avoids making any substantive mention of constitutional development. It simply tells the people to refer to the Fifth Report of the Constitutional Development Task Force (the Fifth Report) and requests the Legislative Council to support the constitutional reform package. The Fifth Report released on 19 October can of course make up for the brevity of the policy address in this respect. But I do not intend to discuss the Fifth Report point by point here because this is not the debate topic today. And, neither do I wish to be misled by the Government's publicity tactic to concentrate on DCs, on whether the package should be endorsed, whether the system of appointment should be supported, or any other issues for that matter.

On the contrary, I wish to look at the matter from a broad perspective, trying to find out whether anything has been proposed in the Fifth Report to pave the way for the eventual introduction of universal suffrage for the election of the Chief Executive and Legislative Council Members as provided for in the Basic Law. I wish to find out whether there are any inadequacies.

I shall evaluate the proposals in the Fifth Report by asking five questions. First, are there any proposals to make the existing political system more democratic? Second, are there any proposals on a timetable and steps, that is, a roadmap, for the introduction of universal suffrage? Third, are there any proposals on developing party politics and nurturing political talents? Fourth, are there any proposals on reforming the mode of governance? And, fifth, are there any proposals on reforming the consultative mechanism for local politics, so as to enable wider participation?

The first principle involves the introduction of more elements of democracy into the existing political system. The Fifth Report contains relatively few proposals on improving the existing political system, nor does it seek to enlarge the electorate base of the Election Committee. Besides, the traditional functional constituency electorate base for the Legislative Council is kept intact. This means that company votes and corporate votes will not be changed to individual votes. Put simply, the system of one person having several votes will remain. Some claim that the addition of some 500 DC members to the Election Committee or the election of six Legislative Council Members by DC members will serve the purpose of allowing 3 million electors to indirectly elect Legislative Council Members and the Chief Executive. But will this really be the case? Well, it might have been possible to argue that way if there had not been 102 arch-enemies of democracy among the 500 DC members — I do not know whether Members are aware that the antonym of "democracy" is "appointed membership". To include the 102 appointed DC members is just like adding a tiny bit of "cat shit" to a bowl of shark's fin noodle. Because of this bit of "cat shit", no one will ever eat the noodle.

The second principle is about the drawing up or formulation of a timetable and roadmap for the introduction of universal suffrage. The Fifth Report states on the outset that this request will not be accepted, though it also proposes to increase the number of Election Committee members to 1 600. But what is the point of increasing the number to 1 600? This actually means a 100% increase each time. Are we then supposed to wait 120 years as suggested by Dr Fernando CHEUNG earlier? Besides, what kind of development will follow after the introduction of 10 more seats to be shared equally between directly elected Members and functional constituency Members? No one knows. Are we supposed to continue our discussions after this development? Are we supposed to mark time? Or, are we supposed to introduce full-scale universal suffrage after the next term? When the answers to these questions are still not available, the authorities have already hastened to assert that it is beyond the scope of the Fifth Report's recommendations to estimate the length of time required for the introduction of universal suffrage as provided for in the Basic Law.

The third principle is about the development of party politics and the nurturing of political talents. The Fifth Report categorically rules out the possibility of the Chief Executive carrying any political affiliation. The implication of this is that political parties and those in power must remain antagonistic, never to have any connections whatsoever. But may I ask all the

government officials present here whether they know of any places or countries which can still run their affairs well in the absence of any political parties — be they the most economically advanced countries, Third World ones or even our Motherland, China? The answer must be no. There is no such experience or example in the whole world. That might be possible during the colonial or feudal times, because there were kings. The authorities cannot convince us that this is feasible, but they still claim that there is no need for developing party politics and nurturing political talents. I fail to see any proposals in the Fifth Report on this age-old problem well-recognized by all.

The fourth principle is about reforming the mode of governance. I have already talked about this, saying that this is precisely where we can see the restoration of the colonial governing regime. I shall not dwell on that anymore. The fifth principle is about the transfer of power to DCs in local administration. I have also talked about it, so I shall not make any repetition. My conclusion is that the Fifth Report is incompatible with these two principles.

Therefore, to put it simply, I can say that the Fifth Report cannot fulfil the five principles mentioned above. I also fail to notice anything in the Report that can enable the people to see the views of the Government on the future constitutional development of Hong Kong. If the Government does not have any views, can we say that the constitutional development package is just a very short-sighted step? But what are we going to do when this short-sighted step will in fact lead to the revival of colonial governing tactics and oligarchic politics? How can checks and balances be effected?

The former Chief Executive, Mr TUNG, once remarked that a mariner should not blame the rough seas. The implied message is that a mariner should have the ability to negotiate the rough seas. But I also wish to tell him that the people of Hong Kong are fully able and mature enough to handle universal suffrage. We have never blamed the rough seas. Our only complaint is that our helmsmen have all the time kept us in confinement, allowing our ship to remain adrift. I believe that it is only by formulating a clear course and timetable for the voyage that we can all join hands to overcome the stormy seas, tide over all difficulties and reach our destination.

Madam President, I so submit on constitutional development. I support the amendments of Mr LEE Wing-tat, Miss TAM Heung-man and Dr Fernando CHEUNG.

MR DANIEL LAM (in Cantonese): Madam President, the Chief Executive, Mr Donald TSANG, said in the policy address that work at the district level had to be stepped up, powers of district officers be strengthened, the role of the District Councils (DCs) be expanded, and the partnership with the Heung Yee Kuk New Territories had to be vigorously forged. These are all signs of the Government putting into practice the decentralization of power to local bodies. This is no doubt progress from the angle of district administration.

However, from the point of view of local residents, we consider that it is more important to enhance participation of DC members and people in local affairs, and to let the Heung Yee Kuk and the ex-officio members play a greater role, so that they can have better achievements in reflecting the wishes of New Territories residents and in promoting the development of New Territories affairs, as well as functioning more effectively in the higher levels of the Government. For example, the 27 ex-officio members coming from Rural Committees are assuming a very important role in bridging the Government and the people. They are returned by statutory elections and should not be neglected. They have gone through elections and represent the views of 700 000 indigenous residents. They surely have the support of the people.

Madam President, as we can see, we have been reunited with China for eight years, but the DCs are still like a decorating vase, and neither has the Heung Yee Kuk commanded the respect due to it. Some government officials do not understand the aspirations of New Territories residents and fail to protect the legitimate traditional interests of the indigenous residents of the New Territories according to the Basic Law. As a result, the indigenous residents have suffered enormously. Today, the Chief Executive has proposed that the functions of regional bodies should be respected, but more importantly, we hope that the authorities can act as soon as possible to honour this pledge.

Madam President, the Chief Executive expressed that the partnership with the Heung Yee Kuk New Territories would be vigorously forged. While this is encouraging, we all the more hope that the Chief Executive and the Government are not simply paying lip-service. We hope that the Government will really attach importance to this pledge it has made. In future, before making policy planning involving the major interests of the New Territories, the Government should consult the Heung Yee Kuk fully and allow the parties involved to participate in the actual implementation of the policy, so that the development of

the New Territories will not be hindered again, just as it has been with the conservation policy.

The Chief Executive made it clear that the DCs would be allowed to manage certain regional facilities, but is it still in the Government's memory that when the Government scrapped the two Municipal Councils, it had also pledged to hand over the relevant powers to the then district boards? Unfortunately, this pledge has not been honoured over the years. This proposal of the Chief Executive only reflects that some power will be transferred to the existing DCs but sheds no light on arrangements for the granting of specific statutory power in vetting and approving resources. I hope that the Government could take this bold step.

District affairs tie closely with the people. Even if the issues are trivial, they may be of great concern to the people in their everyday life. The demands of every district differ. Uniform policies and measures set down by the Government may not be applied flexibly in each district. However, if powers are devolved to the DCs and the Heung Yee Kuk, the functions of the two can be enhanced. Then, planning would match the needs of local districts and resources would be used to their optimal, thereby bringing benefits and convenience to the people.

We hope that the Government will consider allocating more resources, for example, forming an ad hoc group or committee which is directly accountable to the Chief Secretary for Administration for co-ordinating district work, promoting and strengthening the role of the DCs and conveying the aspirations of the people to the top echelon direct.

Madam President, partnership in district affairs between the Government and the Heung Yee Kuk should not be confined to Hong Kong. We all know that quite a number of New Territories indigenous residents are residing overseas. When some district administrative measures of the authorities affect the interests of these residents, there is always no way for them to be informed. Therefore, I suggest that the Government step up work in this regard, work hand in hand with the Heung Yee Kuk and instruct overseas offices of the Hong Kong Government to co-operate, so as to provide these residents with better services.

Madam President, Mr LAU Wong-fat and Mr CHEUNG Hok-ming mentioned that they welcome the Government's decision to reduce the size of the closed area, but we oppose the Government's move to make decisions without

having fully consulted the local residents. The Government should increase its strength in planning and development. It can consider making more effective planning for land released from the closed area, for example, for constructing exhibition centres for business purposes, China-Hong Kong logistics centres and intermediary services centres, or even for running elderly services, and so on.

If an intermediary services area is set up in the border zone, the edge of Shenzhen-Hong Kong co-operation can be fully utilized, and consultation services in such sectors as finance, law, communication, logistics, business management, tourism, and so on, can be provided. The Heung Yee Kuk has started consultations in this connection. We all hope that the Government will come up with comprehensive planning so that not only can land be released, but synergetic development of Hong Kong and Shenzhen can also be promoted.

Madam President, I so submit.

DR KWOK KA-KI (in Cantonese): Madam President, the topic under debate today is the first policy address announced by the new Chief Executive. But I find this policy address most disappointing. I am disappointed, but I am not referring particularly to the lack of any sincerity in the policy address to improve the situation of Hong Kong. Nor am I talking about its failure to put forward anything concrete in regard to certain improvement initiatives that are long overdue, such as those on health care reforms, a minimum wage and maximum working hours as well as other policies on improving the people's livelihood and helping the poor. Nor is my dissatisfaction related to the failure of the policy address to say anything about issues regarded by us, by the general public, as significant, particularly the attempt to shift the responsibility for constitutional reform to the Chief Secretary for Administration.

The greatest cause of my dissatisfaction is the Chief Executive's tactics and behaviour before and after the announcement of the policy address. As we all know, Chief Executive Donald TSANG has in fact been working in the Government for a very long time, so he cannot possibly detach himself from the major policies formulated for Hong Kong, including the constitutional reform package and individual livelihood policies. Besides, he was all the time the head of the Constitutional Development Task Force until he switched to the post of Chief Executive. However, such a key person like him has managed to get

away altogether. He simply does not show up at the most critical moment, including the discussions today.

The second cause of my dissatisfaction is that on behalf of the people of Hong Kong, he said something that I find most shameful on certain international occasions. When speaking during his trip to the United States and Canada yesterday, he remarked that even women in the United States only won the right to vote more than 100 years after independence, so Hong Kong should really proceed gradually and orderly. He said, "We do not believe in a big bang. We believe in incremental stages to find a solution." I do not know whether it was due to the lack of any better analogy that the Chief Executive resorted to this historical example of a century or two ago, an example that we would neither approve of or commend, an example that Americans will probably find shameful. Americans will all find the suppression of the rights of women and ethnic minorities very shameful. But our Chief Executive has derived so much delight from citing this example.

Nowadays, in the 21st century, everybody wishes to live in a democratized political environment. Even China has recently released a white paper on democracy, on democracy within the Communist Party. Even the Central Authorities have released a white paper on democracy, but then, our Chief Executive has still compared the constitutional reform of Hong Kong with all these shameful experiences in history. Regarding our constitutional reform, are the people of Hong Kong supposed to wait a hundred years, just like the Negro slaves and women in the United States? How can he say something so mean? Perhaps, his remark was simply not meant for us, because he mentioned at that time that since Hong Kong was not a sovereign, its constitutional reform must obtain the approval of Beijing. This was indeed a very nice display of his allegiance. At this very time when all people are so keen on showing their allegiance, the Chief Executive's remark is undoubtedly the best manifestation of his allegiance.

However, just several months ago, when he appealed as a politician to members of the public for support, he said something quite different. He talked about pursuing a "people-based" government. He also talked about strong governance for the people and pursuing excellence in governance.

Actually, from all the experiences between 2003 and 2004, Hong Kong people can see that good governance does not hinge on the ability of any

individual or his good intentions. What we instead need is a sound system. Are we supposed to organize a march of 500 000 people as a show of our strong discontent every time when we want the Government to make certain changes? Must we always rely on the wisdom of the Central Authorities and wait quietly for the replacement of TUNG Chee-hwa by a bright Donald TSANG? This is at best rule by man. Perhaps, Chinese people are long accustomed to this practice, but this will never be of any help to both Hong Kong and China. What we need should be the rule of law, a sound system and excellence in governance. Democratic reforms and elections are not just meant for certain Members or pro-democracy Members. Honestly, I may even aver that the pro-democracy camp is destined forever to serve as a mirror of some kind, playing the opposition role. And, under the existing undemocratic system, it is extremely difficult for the pro-democracy camp to become the ruling party. However, even if we cannot become the ruling party, even if we cannot gain any ruling power in this present age, we still hope that the Government can pursue excellence in governance.

When the Chief Executive first expressed his intention of introducing political reforms, saying that he wanted to groom some political talents such as administrative assistants to Directors of Bureaux, I thought that the Government was sincere in introducing some innovations. However, it now turns out that nothing has been done. What he now proposes are just a membership expansion for the Executive Council and wider terms of reference for the Commission on Strategic Development. The former is nothing but a political tactic of the Chief Executive; his predecessor has left behind seven Executive Members, so he wants to appoint another eight. We once nicknamed these eight people the "Heroic Eight", ridiculing them for trying to save the Chief Executive by diluting the influence of the old Executive Council Members. Anyway, this is just the personal choice of the Chief Executive, and it really does not matter so much because everybody knows very well what little credibility the Executive Council commands.

I initially thought that the Commission on Strategic Development (the Commission) the Chief Executive talked about was just another ordinary advisory body. But then, last week, when Chief Secretary for Administration Rafael HUI briefed the Legislative Council on the constitutional reform package, he leaked the truth. In talking about constitutional reform, he remarked that first, he was not sure which direction should be followed and second, he did not

think that conditions were already ripe for the introduction of universal suffrage. Saying so, he shifted the whole matter to the Commission. My immediate response was that all this was really absurd. It is clear that Chief Executive Donald TSANG actually intends to bypass some disobedient organizations, such as the Legislative Council and the Executive Council left behind by his predecessor, by adopting what I regard as a heterodox means. According to him, the Commission will consist of many elites and enjoy a very high status. But he has also given the show away because, according to him, one must satisfy three conditions before one can be appointed to the Commission. First, one must love the country and Hong Kong. This is no problem at all, as all the 6.8 million Hong Kong people actually love the country and Hong Kong as much as the Chief Executive does. Second, one must come from the cream of society. This is no problem either because anyone to his liking will surely become an elite member of society no matter what. Third, one must see eye to eye with him. This condition is really something. It tells us that even if a person with ability and insight is willing to serve Hong Kong, he will not be appointed to the Commission if he does not see eye to eye with the Chief Executive. I think that since seeing eye to eye with him is the most important condition, it will be better to rename the Commission as the Sycophants' Commission. How can this Commission resolve the major problems facing Hong Kong, including constitutional reform? As a matter of fact, the Secretary for Constitutional Affairs also attends the meetings of one of the Legislative Council Panels, the Panel on Constitutional Affairs. Why does he not make use of this Panel? There are also many political parties and academics in the Legislative Council and the Government may always consult them. Why has the Government chosen to build the Commission into a separate platform? What is the motive behind this?

The many observations I have had since the Chief Executive's assumption of office all convince me that he is more like a politico than a politician. He has employed many tricks, including the appointment of people he likes to the Executive Council and the staging of a drama written and directed by himself — the Commission on Strategic Development. What is more, he has also adopted many tactics that the Government never adopted before, including flying the balloon for the constitutional reform package. He has also used the media, asking people to write articles in his support. As can be expected, many of those who write in his support all claim that they are driven to do so by their love for the country, Hong Kong and Donald TSANG. These writers are mere lackeys. What is the motive behind all their praises and mystification of the

constitutional reform package and the Chief Executive? The pursuit of democracy in Hong Kong has always followed a long and rugged path. We have all the time been talking about democracy and we have been doing so for some 20 years. What has been put forward contains nothing new at all.

Madam President, it is once again proposed that a coterie of some 500 people (including District Council members) be allowed to elect six Legislative Council Members. This proposal is no novelty. As early as 1985, there was already a similar proposal on establishing a grand electoral college. How can such a revived proposal be regarded as anything new? We once demanded universal suffrage in 2007 and 2008. But we now know that this will not be possible. We know that following the interpretation of the Basic Law by "Grandpa", there are no longer any prospects for this demand. As a result, we now only ask for something very humble, just a timetable for the introduction of universal suffrage. We think that once a timetable is set down, we will be able to proceed towards this goal. But we are again told that this request is still excessive and cannot be entertained. At this juncture, I suppose I should really quote a remark from an article written by Mr Jasper TSANG. In this article, he says that our request is driven by ulterior motives. I do not know what he actually means by ulterior motives. What is our request all about? It is just about the announcement of a timetable. How can anyone thus claim that we have ulterior motives? We have never mentioned any deadline because we know only too well that we are not considered qualified to do so. We are practically on our knees, begging for a timetable. Is it still wrong to make a request like this?

More outrageously, it has been argued that if no constitutional reform can be implemented, pro-democracy Members should be held responsible. It is indeed very much a tragedy for the Government to have said something like this. I do agree with Donald TSANG that it will be a tragedy if no constitutional reform can be implemented. However, just who has put forward the present constitutional reform package in the very first place? If the package was formulated by all Hong Kong people or with the participation of all Legislative Council Members, then it would have been right to put the blame on us. But this is not the case in reality. Were there ever any channels and opportunities for us to participate in the process of formulation? And, were we ever able to take any part? There were just two rounds of consultation on the Fourth Report, directed respectively at 400 and 330 "honourable" representatives. There were 450 submissions and following some publicity efforts on their part and a furtive

opinion poll sampling 1 255 respondents, the package was described as having the general support of the people. This is simply absurd. It is alright even if the Government is still unable to put forward any roadmap for democratization. But it must not make any slanderous accusations and put all the blame on us. I very hope that we are able to respond to the accusation that we should be held responsible, because by doing so, we can show that we do have a say on democratization. We can even say that we are all guilty in the sense that we are unable to do so today. I very much hope that this is the case, but I regret to say that it is not.

The Chief Executive makes two points very clear in the policy address. First, he says, "The SAR Government exercises its powers and functions in great transparency and under the watchful eye of the public. To me, a strong government does not work behind closed doors. Rather, it heeds public opinion, adopting the public interest as the guiding principle". How great is the degree of transparency? How does the Government work under the watchful eye of the public? Well, he has even ignored the supervision of the Legislative Council and staged a separate drama named the Commission on Strategic Development. As for strong governance, he actually has two focuses. The first involves the employment of a great number of political tricks to concentrate all powers upon himself. The other focus, the more important of the two, is the show of allegiance to the Central Authorities. He says that he does not want to work behind closed doors but will instead pay heed to public opinions. But can what I have just mentioned be regarded as public opinions? Can the views expressed in a seminar attended by several hundred people and the findings of a furtive opinion poll be regarded as public opinions? If yes, then how should we look at the views expressed by the 500 000 protesters two years ago and the votes cast by the people of Hong Kong last year? Are all these not public opinions? To him, even the views expressed by Members in this Chamber are not public opinions. To him, only the views he likes to hear are public opinions. Those who put forward such views are all regarded as the elite, as showing their love for the country and Hong Kong. There seems to be a franchise of some kind, and the franchise is granted personally by Mr Donald TSANG.

Second, he says that he wants to "strengthen co-operation with the Legislative Council, and create a political and social environment conducive to effective governance". But his present actions are actually damaging the relationship between the executive authorities and the legislature. This does not matter so much, however, because what is being damaged is not any kind of

personal relationship. Under the existing political system of Hong Kong, only Legislative Council Members can hold themselves accountable to the people through an electoral system. Although the elections are not yet perfect and fully developed, Members are nonetheless returned by elections. Our duty is not to speak for ourselves but to negotiate with the Government on behalf of the people. The maintenance of a good relationship with the Government is not meant for the convenience of Members or for giving them face. Rather, it is meant for upgrading governance. But the Government has deliberately chosen not to do so.

I am extremely dissatisfied with the entire policy address and the tactics employed by the Government before and after the release of the Constitutional Development Task Force Report. The tactics employed by the Government are all heretical. Every day in the press, we will read all sorts of "unofficial news" and articles written by lackeys of the Government and the like. Every possible attempt is made to smear people in disagreement, to put the blame on them as much as possible, as if they were the only culprits and the Government was not in any way responsible. The Government has adopted an irresponsible attitude towards its governance and the development of democracy. Why has it behaved like this? Why does it say that we powerless Members must be held responsible if the package cannot be passed by the Legislative Council? I have said many times that we are simply unable to give any more views after the announcement of the package. The most outrageous thing is that we are simply told that the package as announced brooks no amendment. And, the Government does not have any intention to do so either.

Are our demands in any way excessive? I really want all those people to listen to these demands once more. We ask for a roadmap and a timetable for the introduction of universal suffrage, and this is a long-standing demand of Hong Kong people. We demand an expansion of the electorate base, which is permissible even with the interpretation of the Basic Law by the National People's Congress. We advocate the abolition of certain unfair arrangements in some functional constituencies, that is, the replacement of corporate or company votes by individual votes. And, we also demand the abolition of the system of appointed membership. These four demands are not in violation of the Basic Law, nor do they contravene the Basic Law interpretation given by the National People's Congress on 26 April last year — though disapprove of the interpretation and we are well aware of the harm it has done to Hong Kong, we are still prepared to abide by the law. The Chief Executive governs Hong Kong

in accordance with the law, and Legislative Council Members have made these four demands also in accordance with the law. However, the four demands have been described as something like demons, as undemocratic, immoral and counter-productive to the development of democracy in Hong Kong. Such criticisms are much too excessive.

I suppose I really have to stop here because I must reserve some time for speaking on livelihood issues. But I still hope that the Government will stop all its pretences. If it really cares about the benefits of the people and the development of democracy, if it really aspires to be a responsible government, it must stop deceiving itself as well as others.

I so submit. Thank you, Madam President.

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, the Chief Executive, Donald TSANG, said in his maiden policy address, "I am honoured to deliver my policy address today. It builds on our past achievements and delivers on the pledges I made during the Chief Executive Election campaign. I have pledged to secure a 'people-based' government which pursues excellent governance, a harmonious community and widespread economic growth."

Madam President, these words indeed sound very appealing. Actually, I think all the people of Hong Kong greatly share his words. It would be best if the Chief Executive could really secure a "people-based" government and build a harmonious community because it is definitely not our wish to see social instability caused by endless arguments in the community every day. However, the question lies in whether the policy address really carries any substance in securing a "people-based" government. Will the discussion on the notion of governance be reduced merely to a framework devoid of substantive contents? This is what we should discuss.

A number of colleagues indicated earlier that many problems had reflected the continued existence of social disputes today, particularly conflicts in the constitutional reform package were even worse. I think I shall leave the issues relating to people's livelihood to the next session.

Regarding the constitutional reform package, Members can see that the Government has, during the period, told us that it has to beg for votes. Madam

President, what is reflected when a person says that he or she has to make entreaties? I have not done any in-depth studies. But, generally speaking, if a person has a conviction and the belief that the truth or justifications are in his hands, it will be extremely difficult for him to think of making entreaties, particularly when he is a government official. Why should he resort to begging if he truly believes he can demonstrate to others his conviction or policy objective? Why does he have to act in that way? This is really baffling. Is it because he was afraid that he could not convince us and therefore he had to beg us to support him by giving him votes of sympathy? Is this the case? If this is so, I think the problem actually lies in how the notion of "people-based" government can be thoroughly manifested and truly reflected. Had the Government managed to do so, I think the people would have unanimously voiced their support without any need for begging. I remember three years ago, on 1 July, the day Hong Kong people came out and joined in the call for the stepping down of TUNG Chee-hwa. The Government would not need to resort to begging if its proposed package is based on public opinion and the people.

Apart from his remarks about begging for votes, the Chief Secretary also compared constitutional reform to the building blocks game, a dangerous game because the blocks may collapse at any time. Moreover, the blocks can be rebuilt at any time as long as the Chief Executive so wishes, even if all the building blocks have been put together to form a construction.

However, Madam President, should we regard constitutional reform as such a vulnerable, dangerous game, like walking on a tightrope? If we really examine our future development, particularly if "gradual and orderly progress", as stated in the Basic Law, is considered our guideline, then must we build a strong and stable foundation today, instead of acting dangerously as if putting together building blocks? However, I see that the step taken by the Chief Secretary is extremely dangerous. He has not even got the faintest idea of whether the reform will work.

Why? Madam President, here reflects another problem. As quoted by Dr KWOK Ka-ki earlier, Chief Executive Donald TSANG will merely resort to closed operation in saying that he will base on public opinion and act in public interest. If this is really the case, why has he acted like walking a tightrope? It transpired that he had not really listened to public opinion when formulating

the constitutional reform package. Neither had he really consulted public opinions. Instead, he merely consulted those considered by the Government to be essential. I once asked some of my friends in the pro-democracy camp about the appointment system proposed this time. They all told me that they had merely seen such reports in the newspapers, but had never heard of any attempts by the Chief Secretary to consult them. The Government has never consulted, nor discussed with, us on the whole constitutional reform package, not to mention the appointment system. Such being the case, how can there be a foundation on public opinion?

This explains why I believe that he was really speaking from his heart when he said that he had to build the blocks and beg for votes, for he should have known deep in his heart what he had done. The Chief Secretary should know very well how much effort the entire Policy Bureau has made throughout the formulation of the constitutional reform package. This is why he considers his move dangerous, unsteady and improper, as if walking a tightrope.

As a matter of fact, many Honourable colleagues have mentioned already that there is nothing special about this constitutional reform package, only that it represents the worst-ever retrogression. As pointed out by a number of colleagues just now, the retention of the appointment system and the "small-circle" election are by no means new. Like old issues being revisited, there is no breakthrough at all. How is the Government going to tell me, given the "gradual and orderly progress" stated in the Basic Law, that the package is based on "gradual and orderly progress"? How can the Government provide us with the basis for implementing universal suffrage? The package is brilliantly written; it says that everything can be settled once this step is taken. We have kept asking the Secretaries of Departments and Directors of Bureaux to tell us clearly how "gradual and orderly progress" can be achieved after the implementation of this package to let us see the prospect of implementing universal suffrage tomorrow? Nevertheless, the Secretaries of Departments and Directors of Bureaux merely said, "Let us take this step first. What else need we say if this step is not taken?" This is the only reply we have got. The officials would not have said anything like that had "gradual and orderly progress" been really on the agenda. Their reply would not have ended so quickly. They could have kept telling me a lot of things, such as what would happen in 2000 something, and so on. They should have a long-term plan to tell me. Unfortunately, they have absolutely nothing to say.

We will fall into its trap should we support the Government. How can it guarantee that the future political system will be better than the existing one? What can it do to make us know for certain what will happen in the future? It is almost like we can see no future. Furthermore, many better arrangements of the colonial era are completely absent from the constitutional reform package. So, how can we accept it? Madam President, while such words as "strong governance for the people" and "people-oriented governance" sound pleasing to the ears, the Government has merely given people an impression of inconsistency of words and deeds, and it is unable to convince us that the new policy objective introduced by the Chief Executive, Mr TSANG, is able to integrate public opinions in society and implement constitutional reform on the basis of public opinion.

I have yet another greater worry. That the Government has, besides proposing the constitutional reform package, even mentioned the need to nurture political talents. What will the Government do to achieve its goal of nurturing political talents? Instead of resorting to partisan practices to give political parties an opportunity to develop in a normal manner, the Government is poised to create sort of an abnormal and freaky post of Deputy Bureau Director for the sake of nurturing political talents. The Government will inevitably do so if it is elected, as successors can be nurtured by this means. Yet, it is a great pity that our Government is not elected. If the plan is to go ahead, some people will have to be picked to fill the posts. Actually, I have once said that a government party will thus come into being. Despite the denial by the Secretaries of Departments and Directors of Bureaux, the objective reality does exist. Who will be picked by the Government? Surely, neither Mr Alan LEONG nor I will be picked. So, who will be picked? Of course, people sharing similar political ideas as those of the Government will be picked instead. Furthermore, I have been told by the Secretaries of Departments and Directors of Bureaux that the people chosen will be encouraged to stand in elections, not only in DC elections or Legislative Council elections, but also in the Chief Executive election. The Government is actually doing this to serve its purpose of nurturing successors. However, these successors will all be nurtured under the Government's framework and concepts, completely detached from the general public. In my opinion, this approach of the Government will deprive the public of their right to participate and prevent the system of popular election from being implemented in a fair and honest manner. Consequently, the people will not be able to choose and participate because the successors always have an edge for they know the operation of the Government very well and have a lot of exposure opportunities. Is it fair and impartial?

Despite the Government's pledge to return power to the people and implement universal suffrage — universal suffrage can be implemented only through returning power to the people — how can the Government demonstrate that it has the inclination to do so? On the contrary, every step taken is intended to enable the Government to make preparations for consolidating the *status quo* seven years later instead of returning power to the people. Therefore, it may be extremely difficult for us to support the constitutional reform package. The difficulty lies in, besides issues of principle, the very fact that we cannot see any direction proposed by the Government telling us what the prospects before us are.

With these remarks, Madam President, I will not accept this constitutional reform package.

MR ALAN LEONG (in Cantonese): Madam President, since it is the first time that the new Secretary for Justice attends the Legislative Council debate, please allow me to welcome Mr WONG Yan-lung, SC. At this juncture when Hong Kong is thirsty for talents, he resolutely gave up his private practice to take charge of the Department of Justice, acting as the gate-keeper of the rule of law in Hong Kong. Shouldering heavy responsibilities, he has a long way to go. I expect this Council can work together with the Secretary for Justice in better defending the rule of law in Hong Kong and to create more favourable conditions.

Madam President, in just a matter of nine months, this Council is again debating the Motion of Thanks in relation to the policy address. The new Chief Executive, Mr Donald TSANG, has moved the time of delivering the policy address from January back to October, as during the days when the accountability system was not even implemented. He has even restored the old colonial system so that the Policy Bureaux will be co-ordinated by both the Chief Secretary for Administration and the Financial Secretary, and the Executive Council will again be led by non-official Members. He has also strengthened the structure of the Commission on Strategic Development and other advisory institutions.

Madam President, with all these traces plus the Fifth Report of the Constitutional Development Task Force (the Fifth Report), the thinking of Mr TSANG in dealing with issues of governance is crystal clear. In other words,

on the design of the constitutional system, he will not speed up fundamental reform in order to attain the target of electing the Chief Executive and all Members of the Legislative Council by universal suffrage. Instead, he is going back to the old road of "absorbing politics into the administration" as in the colonial age. He is making use of the advisory mechanism to project an image of widely accepting public opinions, in order to conceal the snail-paced democratization.

Madam President, I would ask the Government of the Hong Kong Special Administrative Region (SAR) not to forget that the Basic Law, which emerged with the reunification of Hong Kong, has drawn a blueprint for the governance of Hong Kong which is different from that of the colonial era. In other words, the Chief Executive and his government have to be responsible to the Central Authorities and the SAR, the executive be responsible to the legislature, the legislature be returned by people and the constitutional system will eventually move towards universal suffrage. All these show that from now on, the SAR Government will have to be directly accountable to the Hong Kong people, and the voices of Hong Kong people will not only assist the civil officials in making decisions, but on the contrary, only with the people's mandate can the policies proposed by civil officials be implemented.

In the political system of the colonial era, Hong Kong people were regarded as second-class citizens. However, the Basic Law has made a serious undertaking of "Hong Kong people ruling Hong Kong", and the Government being accountable to Hong Kong people and the Legislative Council. Hong Kong people will no longer be satisfied to be the target of consultation on policies, but rather, they have to be the master deciding the directions of policies through a democratic mechanism.

The biggest problem with the administration of the SAR is not the lack of talents, but negligence to the new planning mapped out by the Basic Law on the division of work among political talents. The best platform for collecting public views and debating different interests will no longer be closed door committee meetings, but the Legislative Council which holds open debates and the periodic elections of public representatives. The advisory committees of various scales should retreat to the back seats and concentrate on the detailed planning of individual policies. This kind of division of work will truly be in line with the mode of policy making provided by the Basic Law.

Madam President, let me reiterate that the Government must conduct a sincere, meaningful and genuine consultation on the Fifth Report, and it must consider making amendments to the new package of proposals according to public views. Appointed DC members should no longer be vested with the power to elect the Chief Executive and Legislative Council Members. At the same time, the Government should give a clear account of the roadmap and timetable for universal suffrage. It should not let the past 25 years return a blank paper on the democratization of the political system of Hong Kong. Still less should the history of these 25 years become a portrait of the next 25 years, letting history repeat itself.

In my opinion, if the package of proposals cannot gain enough support from the Legislative Council due to the Government's stubbornness, and constitutional development makes no progress as a result, the Government should bear the biggest responsibility.

Madam President, I so submit.

MR LAU KONG-WAH (in Cantonese): Madam President, this year is a very special one, because it saw the announcement of two policy addresses, one in January and the other in October. We have had to conduct two policy debates as a result. The theme of the policy address announced by the then Chief Executive in January is "Working together for economic development and social harmony". The theme of the one announced by the new Chief Executive, Mr Donald TSANG, in October is very similar, and it is mainly about "fostering harmony in the community" and "helping the economy to power ahead". The only major difference between the two policy addresses is that Mr TSANG puts "pursuing excellence in governance" in a very conspicuous position. Obviously, fostering stability and harmony in the interest of development is the keynote in society and also the main aspiration of the people. To achieve stability, we must upgrade our governance. To foster harmony, we need to show tolerance. To make development possible, we must help the economy power ahead on all fronts. Consequently, I support the policy addresses this year.

However, what changes have occurred to Hong Kong over the past nine months from January to October? What new mentality have the people developed since the new Chief Executive assumed office? I believe what is

most special is the strenuous effort made by Mr TSANG to achieve "strong governance" since he came to power. After reviewing my own remarks during the policy debate in January, I find some of them are particularly meaningful. At that time, I put forward one viewpoint: (start of quote) "the people do not want a weak government, they want a government which can provide strong leadership, one which is resolute and undaunted, fear no evil and has the will power to rule." (End of quote) I pointed out then that strong leadership was of vital importance; strong leadership would only emerge when there was a strong government; with strong leadership, a direction could be identified; and, with a direction, there would be resolute and fruitful governance. All these are in line with public opinions and they are proper remedies. That is why the people all want a strong leadership. Strong governance of course requires the backing of the people, but very often, the people are only concerned about short-term results. For this reason, a strong leader true to the skin must also take account of the long-term and overall interests of society. If he is led entirely by the findings of opinion polls, he will probably lose his way in the course of economic and constitutional development.

Besides, during the policy debate in January, I also said something else that still arouses mixed feelings in me even now. We were then discussing how we could resist the forces of opposition and foster harmony in the community. This was what I said: (start of quote) "I agree that assistance should be given to these people to go to the Mainland and gain first-hand experience of the developments there. If these people's knowledge of the Mainland is still frozen at that of 16 years ago, these people will only become prejudiced and extremist. There would not be any possibility of speaking a common language or creating a harmonious situation." (End of quote)

I am very happy to see the successful completion of Legislative Council Members' recent visit to Guangdong. I noticed that many Members were able to overcome their political complex and spoke freely. During the trip, I closely observed how every Member behaved off camera. Mr SIN Chung-kai of the Democratic Party, for example, led us in singing the patriotic song "In Praise of the Motherland" on the coach. In the first issue of *A45*, Ms Margaret NG writes, "We should all contribute to the bright prospects of Hong Kong and China." This shows that her scope of contribution is well beyond Hong Kong. Even Mr LEUNG Kwok-hung listened attentively to the speakers at the seminar. He even raised his hand before asking a question, obeying all the rules and never interrupting others. This was indeed praiseworthy. I treasure all these words

and deeds, in particular the comments of ZHANG Dejiang, Secretary of the Guangdong Provincial Party Committee. He talked about the development of Guangdong and the crises faced by it, pointing out at the same time that since the role played by Hong Kong was largely economic in nature, it would be very difficult to maintain its present status if it failed to do well with its own economy. This comment is most enlightening, showing the pragmatism and spirit of sincere co-operation, in brief, the innovative mindset, of the new generation of leaders. Even Members who return frequently to the Mainland seldom hear any remarks like this. But such occasions of healthy interaction and two-way communication are just too few.

After this trip, Members all agree that a very good start has been made, and that there should be a greater number of such pragmatic exchanges in the future. Members agree that the various panels of the Legislative Council should organize their respective visits to the Mainland. As the Chairman of the Panel on Transport, I am making preparations for one such trip. I hope that the visit can be a pragmatic one marked by useful exchanges. I believe that this will be welcomed by Hong Kong people.

Honestly speaking, the political relationship between Hong Kong and the Mainland over the past 16 years has not been a normal one, as it has been marked all the time by tension. I therefore think that by succeeding in untying the knot now, we have already taken the very difficult first step. The economy of our country is powering ahead at full steam. Its space technology has achieved rapid advances. People even expect to witness the ascendancy of our whole country in the next 20 years. According to some commentators, China is now undergoing a grand period of stability and prosperity rarely seen over the past several hundred years. Back in Hong Kong, we now see the emergence of stability and harmony, a situation that has eluded us for so long since the reunification eight years ago. I believe Members will all agree that it is not at all easy to achieve such a situation. I hope that everyone involved in politics can refrain from being obstinate to the extent of upsetting the whole situation. This is definitely not a wise approach. The DAB's scrutiny of the constitutional reform proposals put forward by the Government is based precisely on its observations about this overall situation.

The Government's constitutional reform package is compatible with the Basic Law and the decision of the Standing Committee of the National People's Congress. It will also enable the political system of Hong Kong to achieve

gradual and orderly progress in line with the aspiration of society. However, some people simply ignore all the elements of progress in the package, and they have been making a big fuss about the system of appointed membership. Actually, the system of appointed membership will certainly be abolished sooner or later, much as universal suffrage will eventually be introduced. If people criticize the gradual abolition of appointed membership and the gradual and orderly introduction of universal suffrage for being undemocratic, if they insist that the only democratic approach is to achieve it in just one go, then I must tell them that actual examples in history have proven that the case will be exactly the opposite. If we insist on achieving it in just one go, we will end up marking time. Only a gradual and orderly approach can yield results. No one can possibly deny that ever since the start of democratization in Hong Kong, progress has always been made at each and every stage along the way. Are people saying that there may be no progress at all in 2007 and 2008? Are they saying that any step forward in these two years will be tantamount to a retrogressive step in the process of democratization? Why do they insist on marking time? The people all want advances and progress.

Constitutional development can be compared to sailing against the current — either you keep progressing or you keep falling behind. The wise man in China who said that a thousand-mile journey begins with the first step also offered two other pieces of advice in the same classic to people involved in politics — he who stands on tiptoe is not steady, and he who strides cannot maintain the pace. By "he who stands on tiptoe is not steady", it is meant that while one who purposefully stands on tiptoe may appear outstanding or taller than others for a little while, he will fail to stand steadily and firmly in the long run. It is a pity that we can often observe such behaviour in this legislature. "He who strides cannot maintain the pace" refers to a person who intentionally takes big strides. However, he simply cannot keep doing so for too long. In the end, speed will kill speed. These two pieces of advice can be applied to the kind of attitude we should adopt towards constitutional development. Frankly speaking, the DAB did conduct some internal discussions on the Fifth Report of the Constitutional Development Task Force. We also had our own opinions. We know only too well that it requires courage for one to stand by one's original proposals. But I must say that it will require yet greater courage for one to do the opposite. What then should be the criteria of making an appropriate judgement? The answer lies in whether the package can bring forth any progress, whether it is beneficial to the community as a whole. One must not take his personal gains and losses into account.

In Buddhism, the "sacrifice" and "gain" of a person is viewed from the perspective of a dialectical relationship. It is explained that a big "sacrifice" will yield a big "gain", that a small "sacrifice" will yield a small "gain", and that if no "sacrifice" is made, there will be no "gain". We in the DAB have put aside our own proposals in the hope of achieving progress in constitutional development and fostering social harmony, so that everybody can concentrate on improving the economy and maintaining the status of Hong Kong. I sincerely hope that those who oppose the package can change their mind before it is too late. After all, can marking time bring us any benefits? Some adopt an all-or-nothing kind of attitude characteristic of a big gambler. But this is simply incongruous in the community of Hong Kong, where people are so moderate and sensible.

I can fully appreciate some Members' desire for the early introduction of universal suffrage. Just now, Mr CHEUNG Man-kwong talked about being insistent. Sometimes, it is easy to be insistent but difficult to give up. He also talked about "withdrawing after learning the difficulties". But why is it impossible for us to simply "go ahead in spite of the difficulties"? The attainment of a consensus on political development requires mutual understanding and accommodation. We must still proceed however difficult the situation is. Mr LEE Cheuk-yan remarked just now that a child must be plunged into the water if he is to learn how to swim. But if a child is not well-prepared, if he has been given no instructions, or if he cannot learn how to swim step by step, he will surely be drowned. Mr LEE Cheuk-yan's attitude towards democratization is indeed very worrying. In contrast, Mr LEE Wing-tat put forward a very correct notion in criticizing Mr MA Lik. He said, to this effect, "The concept of democratization is all about an evolutionary process." He is right and I agree with him. But precisely because of this, I simply wonder why he chooses not to make any progress. Why does he refuse to support a package that makes room for sustainable development?

Recently, Mr Martin LEE has been describing the Guangdong visit as an ice-breaking trip, but he has also been saying that it is just a trap. He has repeatedly said that one will be undemocratic if one does not insist on the introduction of universal suffrage in 2007, but he has also admitted that the year 2012 can be considered as well. People are thus confused by his wavering position. All these remarks are frankly counter-productive. The Government has now put forward a package of proposals marked by advances and a clear

sense of direction. The argument that it is a retrogression in democratization is simply unconvincing. A couple of days ago, some members of the Democratic Party did some back step outside the Government Secretariat in mockery of what they regarded as the retrograde nature of the constitutional reform package. The point is that if the package cannot be passed, our constitutional development will have to mark time and these protesters will become the very people causing the regression. There will be no progress, and all will stand to lose. In that case, these protesters will ironically become the targets of their own mockery.

Madam President, besides constitutional development, I also wish to say a few words on public security. At the end of this year, the Sixth Ministerial Conference of the World Trade Organization (MC6) will be held in Hong Kong. Earlier, at a meeting of the Panel on Security, I asked the Secretary for Security a question on the security measures to be adopted by the Government around the holding of MC6. He undertook to minimize the nuisances caused by MC6 to the general public. The point is that according to the police, the routes of the marches to be held by non-governmental organizations have already been worked out, but the details will not be announced until early December. The DAB calls upon the Government to announce the relevant information as soon as possible, so that those affected can make early preparations. If the Government does not do so, people will only be able to make very hasty preparations given insufficient information and time. If any violent protests or riots break out, there will be huge and serious consequences.

Moreover, whether MC6 can be conducted smoothly will largely hinge on the scale of protests to be staged by the organizations concerned. It is therefore imperative for the SAR Government to communicate adequately with these organizations and reach some kind of agreement with them. The Government should select a wide variety of organizations for communication. I hold that the SAR Government should proactively contact different kinds of organizations or groups, particularly those noted for their radical protest tactics and concern about highly contentious issues. That way, appropriate precautions and arrangements can be made to reduce conflicts or even avoid tragedies.

In regard to immigration issues, I also wish to say a few words on the Individual Visit Scheme. All along, the DAB has been advocating the extension of the Individual Visit Scheme to all the provinces and cities in Pan-PRD. The policy address also mentions the policy in this regard. This should be

something very delightful. But when the Secretary for Security briefed Members on the policy address during a recent meeting of the Panel on Security, he disclosed that the SAR Government could not prevent those mainlanders with criminal records in Hong Kong from continuing to apply for entry to Hong Kong under the Individual Visit Scheme. I am gravely worried by this remark of his. According to the Secretary for Security, even if the authorities submit to the Mainland a list of mainlanders with criminal records in Hong Kong, there is no guarantee that their applications for permits to visit Hong Kong will necessarily be rejected within one to five years. The reason is that the mainland authorities will conduct a separate security check on each and every application to ascertain whether the criminal records supplied are true. I therefore cannot help asking why the present notification system, which is the outcome of negotiations between the two sides, has still come under doubt. A couple of days ago, for example, a man from the Mainland was sentenced to life imprisonment for repeatedly robbing women during his visits to Hong Kong. I really find this most incomprehensible. Have the authorities sought to find out why this man could still enter Hong Kong repeatedly despite his records of arrest? Did the SAR Government pass the relevant information to the Mainland? Did the mainland authorities make any mistakes in final checking? The DAB urges the SAR Government to approach the relevant mainland authorities and negotiate with them on strict adherence to the policy of refusing to issue any permits to mainlanders with criminal records in Hong Kong. This is of particular importance and I believe it is the grave concern of both the general public and the Central Government. Besides, even if mainlanders with criminal records in Hong Kong are issued permits, staff of the Immigration Department should still exercise their power under the Immigration Ordinance whenever they doubt the purpose of entry of any persons. What is more, the DAB has always been concerned about the problem of Two-way Permit holders committing crimes in Hong Kong. We urge the authorities to start at the immigration level and take stern actions to prevent mainlanders from entering Hong Kong to commit such crimes as illegal employment, prostitution and robbery.

I so submit. Thank you, Madam President.

MS AUDREY EU (in Cantonese): Madam President, when Donald TSANG stood in the Chief Executive election, he said that his interest lay in politics and so issues of people's livelihood were left to the Directors of Bureaux. Therefore, I was not surprised when I noted in his first policy address that the greatest lengths were devoted to governance and politics.

The most notable thing about the policy address is that the political blueprint mapped out in it is largely based on appointment. Apart from adding eight appointed members to the Executive Council, he has proposed that some assistants be appointed to the Directors of Bureaux. Such appointments are of a political nature. The membership of the Commission on Strategic Development will be increased to 100 persons. In this way many people who share the same convictions with the Chief Executive are appointed and this may serve the purpose of resisting the Legislative Council. In future when items which have got the consent of the Commission are introduced to the Legislative Council, it will be alleged that these items have received the blessing of these elites from society. In this way, the Legislative Council is compelled to accept them. In addition, there will be a revamp of the advisory bodies and statutory bodies.

As a matter of fact, there are many channels for appointment by the Government. There are more than 500 such advisory bodies, and most of which are vested with great powers. If it is said that appointing people to these bodies is a way of recruiting talents, then this has been done on a large scale already. But he has gone so far as to propose in his package of proposals for constitutional reform to include 102 District Council (DC) members whom the Chief Executive has appointed in his personal capacity into the Election Committee which will select the Chief Executive. On top of this, these people will elect among themselves to return candidates to fill five newly created seats in the Legislative Council.

It should be noted that these successors or so-called political talents whom the Government has taken the initiative to groom will come from an entirely different avenue from those political talents who have been produced by or cultivated through democratic elections. Anson CHAN points out in an interview published in the inaugural issue of *A45* that there should be a sharing of powers between the Government and the Legislative Council, and that party politics should be developed. The Basic Law provides that the ultimate aim is the selection of the Chief Executive and the formation of Legislative Council by universal suffrage and so the best way to groom political talents is to open up the political system. This will enable those who take part in politics gain access to the Legislative Council through fair and open elections, even to assume the office of Chief Executive in the end.

We can see clearly that the road which Donald TSANG has in mind is not like this. What can be seen from the constitutional reform package is that some political shortcuts are offered to some of these elites so that they can participate in politics through government appointment. If this political shortcut is allowed to expand, how can aspiring people be attracted to take the other road which could mean numerous obstacles and high risks entailing fund-raising, forming a political party and running in elections? Such a road is more orthodox, fairer and more open. If some shortcuts are offered, not only will it not attract aspiring people to take part in politics through the proper channels, but it will also make the business sector think that there are more convenient channels to exert influence on the Government and reap the most gains from it. This is what has led to public speculations about the existence of collusion between the Government and business.

Donald TSANG told us that this package of proposals had not come by easily. Why? As he told people in Canada, since Hong Kong had been under colonial rule for 140 years, so it would not be fair to criticize the SAR Government for not achieving universal suffrage within a short time. It was more than a century after the American Independence that women were given the right to vote. Now I know what is meant by gradual and orderly progress. Now I know why we have no timetable — we have to wait for 100 years or 140 years. No wonder he is embarrassed and he dares not mention a timetable to us. Those who do not have the right to vote are in the same situation as those women 100 years ago. I am not sure if Donald TSANG knows that this is precisely something which is unfair, unjust and disgraceful. But he has the face to advance this argument to explain why to date we cannot select the Chief Executive and Members of the Legislative Council by elections which are fair and open by "one person, one vote". It comes as no surprise that Ms Margaret NG has described this as exposing TSANG's own follies.

Madam President, I am convinced that this is an age where right and wrong are confused. Why? First, I find balanced participation nothing but barring participation. This is because when Rafael HUI, Chief Secretary for Administration came to this Council on 19 October to talk about the package of proposals, a most crucial remark in his speech was about setting up the Commission on Strategic Development to examine how to attain universal suffrage under the principles of "balanced participation", "looking after the interests of different strata of the community" and "providing adequate checks and balance", and so on. I do not see his point. Madam President, I think you

would recall at that time I sought his elucidation. Universal suffrage should mean everyone is entitled to the right to vote. The most balanced form of participation is "one person, one vote". What is meant by attaining universal suffrage under the principle of balanced participation? It transpired that this so-called balanced participation is to ensure that political shortcuts are open to a handful of privileged and these people are given political free lunches. There must be guarantees, guarantees given to a certain number of people to secure a certain number of votes. This is the first instance of confusing right and wrong.

As for the second instance where right and wrong are confused, Madam President, when people speak of protection, they would usually mean protection of the weak. But in Hong Kong, what is protected are the strong. People who are most qualified to take part in politics would not do so because they have political shortcuts and free lunches. The Government always talks about protecting the professionals and the business sector. I get furious when I hear that. Because I think this is an insult to the professionals because the more knowledgeable they are, the more qualified they are candidates in elections. I also think that this is an insult to the business sector because the richer and more powerful a person is, the more resources he will have at disposal if he wants to stand in elections through open channels. Unfortunately, all through these some 20 years, the Government has been playing the same old tune time and again, singing that the business sector wants balanced participation. Does the Government not feel embarrassed when it tells people this? This is the second instance of confusing right and wrong.

For the third instance of confusing right and wrong, much has been heard in this Chamber today. Members say that appointed Members enjoy the same rights as those directly elected and there is no difference between them. Mr HUI, the Chief Secretary, told us the other day that not giving votes to appointed members of the DCs would be to relegate them into second-class citizens. I asked Mr HUI what would become of those who did not have any votes — would they become third-class citizens?

On depriving appointed DC members of the right to vote, a newspaper today comments to the following effect: Secretary for Constitutional Affairs Stephen LAM warned yesterday that if the right to vote of the appointed DC members was stripped, some of them might be unhappy about becoming "second-class citizens". They may resort to filing an application for judicial review. The result could be disastrous.

This is in effect a warning to the democratic camp that if appointed DC members are not accepted, the floodgate for lawsuits will be flung wide open. I would like to tell you President that I felt sickened when I heard it. This is because the aim of applying for judicial review is to uphold justice. I hope the new Secretary for Justice could hear this point, that if those appointees wish to get greater privileges, so causing a wave of applications for judicial review, that would certainly not serve the aim of judicial review and justice.

In this connection I would like to remind Justice WOO Kwok-hing. Someone asked him whether this inclusion of appointed DC members would lead to vote planting. His answer was an expanded electorate did not mean corruption in election, for the fact that when someone was given the right to vote, one could never be sure to whom the vote would eventually be cast. He said that he did not know and he needed to look into the issue. Madam President, if he thought that it was a political question and it would not be proper for him to answer, then he could choose not to answer. No one would say that he was dumb. But he chose to tell other people that he did not know. Had he really wanted to answer, he could have put it simply that justice must not only be done but also seen to be done. Any appointment, be it for the purpose of securing a second term or for the purpose of securing the second term of the next Chief Executive, is not desirable.

Earlier on Mr LAU Kong-wah pointed out in his speech that sooner or later the appointment system would have to be abolished. If this is the case, then why should there be appointed DC members? Since the system is bound to be abolished sooner or later, why is this regarded as a progressive move to take? He said that he agreed with Mr LEE Wing-tat that democratization is an evolutionary process. But the direction for such development should not lie in the system of appointed DC members which is bound to be abolished. On top of it, the Government has never told us when it will be abolished. And so why should we agree to this? It is a matter of principle for us to oppose the idea of increasing the number of appointed DC members — not even one, for one is far too many.

The fourth reason why I say that this is a time and age where right and wrong are confused is that there are lots of comments saying that people from the democratic camp should be very happy when such a package of proposals is presented to them and they should celebrate with champagne. They are also reminded that they would go down in history as sinners of a thousand generations

if they do not accept it. I would think that this is something done by people who criticize after grabbing the greatest benefits. This kind of argument is really confusing right and wrong. The spirit of democracy lies in equality. It is a system which everyone can take part and it is a one-person-one-vote system. No one in this system will reap benefits at the expense of others. Everyone will take part and not for the sake of any one person or any one party. The most interesting thing about this is newspapers often say that if this kind of election is held, the democratic camp will be able to snatch all the six seats while some other newspapers say that if such a kind of election is held, the DAB will take all the six seats. I fail to see any connection between the two. If only the system is fair and open, the winners will become Members or the Chief Executive. Why are there talks about usurping power, reaping benefits at the expense of others and criticizing other people? Our demand is very simple and it is: a system which is fair, just, open and which everyone can take part. We are opposing only because there is to date no such system in place.

The fifth instance of confusing right and wrong is this often-heard comment that Hong Kong people lack enough preparation and maturity. That is why no timetable for universal suffrage can be given, for Hong Kong has not reached such a stage. It is interesting to note that the DAB was founded in 1992 and it was around the same time as the Liberal Party and as far as I know, up to the present moment the DAB still states in its platform that it will strive to attain elections by universal suffrage in 2007 and 2008 whereas the Liberal Party changed the date a few years ago. Now those people who strive for fixing the time for the dual elections by universal suffrage in 2012 are now harping on the same old tune and offering excuses like no consensus is reached, universal suffrage is too early and the people are not mature enough for it, and so on, in refusing to change their view.

Madam President, this is a time and age where right and wrong are confused. If there are people still saying to us that Hong Kong is not mature enough and not ready for it, I can only say that these people are both insulting the people of Hong Kong and they themselves.

Thank you, Madam President.

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

MR MARTIN LEE (in Cantonese): Madam President, it is unfortunate that the students sitting in the public gallery just now have left. I say it is unfortunate because if they have not left and stayed here to listen to a debate like this, they would have really thought that there has never been any consensus in Hong Kong on the pace of development of democracy.

That will be wrong. In July 1984, the Hong Kong British Government issued a green paper on representative government. It was proposed that two kinds of elections should be held to return Members to the then Legislative Council. One was functional constituency elections and the other was indirect elections among members of the district boards. At that time, I suggested that a few seats for direct election could be set up as well. This would enable the people of Hong Kong to tell which electoral system was better. Unfortunately, government officials told me in private that such an arrangement should be kept as it was for the first time and there should be direct elections in 1988. This was what the Government had informed me in private and there was nothing in writing to this effect. In 1987, the Hong Kong Democratic Foundation advocated that direct elections be introduced in 1988. In the meantime, from 1985 to 1990 when I was a member of the Basic Law Drafting Committee, I also expressed hopes that Hong Kong people could have a democratic constitutional system. So in this regard, there was actually a consensus in Hong Kong.

On 21 May 1989, after the march by 1 million people, those people in the UMELCO, that is, the unofficial members of the Executive Council and the Legislative Council, reached a consensus proposal of the two Councils. Under this proposal, in 1991, one third of the 60 seats in the then Legislative Council, that is, 20 seats, should be returned by direct elections. Then in the election to be held in the following term in 1995, half of the seats, that is, 30 seats, should be returned by direct elections. Then in 2003, all the 60 seats would be returned by direct elections. As for the Chief Executive, Members were of the view that the Chief Executive should be returned by direct elections. In the Basic Law which was promulgated in 1990, it is clearly stated that the ultimate aim is to elect the Chief Executive and all Members of the Legislative Council by universal suffrage. It is also set out clearly in Annex I and Annex II that this so-called ultimate aim of universal suffrage can be achieved in 2007.

In addition, around 1997, the chairmen of the three major political parties in Hong Kong at that time, that is, Jasper TSANG, James TIEN and I agreed

after numerous debates that the Chief Executive should be returned by universal suffrage in 2007 and all Members of the Legislative Council should be returned by the same in 2008. Madam President, at that time there was no one — be they Members of this Council or others — who thought that it was too early or it was an attempt to make overnight changes. Nobody said that things should not be done when preparatory work was not done in good time or that political parties were not mature enough, and so on. Those people who did not say such things included members of the DAB, among which is our Honourable LAU Kong-wah who once belonged to the former United Democrats of Hong Kong.

Then what in fact had happened? The reason is very simple. On 1 July 2003, many people — in fact it was close to 1 million — took to the streets out of their strong dissatisfaction with the SAR Government, particularly the attempt by it to force through the passage of legislation related to Article 23 of the Basic Law in the Legislative Council. Afterwards, in the District Council elections in November, the DAB suffered a humiliating defeat. The Central Government then called a halt to the democratic movement in Hong Kong and as things have developed, now we are in a situation of Beijing people ruling Hong Kong. We all know that nowadays our Vice Chairman ZENG Qinghong oversees all important issues of Hong Kong and his namesake Donald TSANG is only there to take the orders. Now social sentiments can be considered harmonious, because everyone is saying that harmony is the order of the day. In other words, there should be harmony on the major premise of Beijing people ruling Hong Kong and no democracy for Hong Kong. If we are to oppose any package proposed by the Government, then we are being unwise and what we are doing will disrupt and upset this state of harmony.

Madam President, Hong Kong is in fact a very harmonious society. We do not have problems faced by other countries, such as racial discrimination and religious conflicts. Even when the people of Hong Kong march on the streets, regardless of their numbers and it could be 100 000, 200 000 or 1 million — it has always been peaceful. Now what our Government is trying to make us do? It is to make us — the 25 Members from the democratic camp — support the Fifth Report which is very undemocratic for the sake of harmony.

Now this so-called consensual politics is emerging again. I recall Dame Lydia DUNN used to tell me not to blast the Government all the time but voice out some constructive criticisms. I asked her who then was to decide whether

my criticisms were constructive or not. Her answer was she was to be the one, of course. This was how things used to be. But times are different now and those things have become history. The times when Members of the Legislative Council were appointed has gone. And there is no turning back for Hong Kong. Ours is a pluralistic society where the freedom of speech is cherished. Our people are very knowledgeable and we know that they insist that there should be democracy, the rule of law, human rights and freedom. As a matter of fact, consensus politics is only practicable in a one-party dictatorship, in a place where divergent views are stamped out. This is why in all democratic countries or places, party politics is practised. In other words, elections will decide everything. Those who win will rule and those who lose will go for now, though they may come back next time.

Some people are of the view that political parties in Hong Kong are not mature enough and so there should not be any timetable for attaining universal suffrage. As a matter of fact, such a timetable for attaining universal suffrage has already been set in the Basic Law and like I said just now, the time is 2007 and 2008. A consensus used to have been reached among the three major political parties of Hong Kong and all Members of this Council did not oppose dual elections by universal suffrage in 2007 and 2008. Nobody said that there should be mature political parties in the first place before a timetable for universal suffrage could be devised. Actually, the issue is quite simple. If a date for universal suffrage is set, all the political parties will work hard towards this target and they will put in the best of their efforts. They will all take part in the elections. Concerning the election of the Chief Executive, of course only one person will win. But that does not matter, no political party will say that it has not made the preparations. The DAB did not say at that time that it was not prepared, nor did the Liberal Party. But now when the overlords from the North say "stop", then everyone say that they are not prepared for it. However, even if they are not, there are others who have made the preparations. Why do they have to stop and wait? This does not make any sense at all.

Madam President, if a date for universal suffrage is not fixed, then those who hold vested interests and their political parties will certainly employ a delaying tactic. This is because they are afraid of losing when democracy dawns. Then what should they do? Now at least the number of seats they hold in this Council will form a majority and so it is only natural that they will oppose the advent of universal suffrage. Both the Chief Executive and the Government

say that things in the Fifth Report do not come by easily and so even if none of the many sensible demands from the democratic camp are accepted, no opposition should be put up by it. If opposition is put up and consequently the Report is not passed, the constitutional system will come to a standstill and the democratic camp will have to bear the blame. How ridiculous indeed.

Madam President, in any democratic country or place, if the government there wants to introduce some reforms — some very important reforms — to its constitutional system, will it shift the blame onto the opposition party and say it is the opposition party's fault when the reforms are not endorsed? Would it be wrong to say that it will not? Let us look at the case of Junichiro KOIZUMI of Japan and how he handled this scenario. He resigned first, then dissolved the Diet and started all over again. He will have a fresh start after winning the elections again. This should be how things work. The opposition party must not be told to bear the blame. Should we be asked to resign because the package is not endorsed? This is totally unthinkable. Actually, there are some columnists who call for our resignation should that happen.

Some people say that a big stride has been taken. But I really fail to see any big stride being taken. If this can be considered a big stride, then what will become of the next instance? Now it is "five plus five", the next time it will be another "five plus five" and in the time after next it will be another "five plus five" again. And so every time it is considered that a big step forward is taken. Madam President, the situation now is like when I go for a hike in the Peak. I go very fast, I take big steps and I go forward step by step. But what I am doing in fact is going in a roundabout. I will come back to the place where I started. Some people have asked us why we do not accept this package of proposals. My answer is simple: I do not want to make big strides only to find out in the end that I have only made a big detour and come back to where I started.

A friend of ours, Alan HOO, SC, has talked about the meaning of gradual and orderly progress. He has said that although it is not clearly spelled out in the Basic Law, actually the case would be quite clear if only we read Annex II very carefully. It is set out that in the first term, that is, in 1998, 20 seats would be returned by direct elections. Then in the second term, that is, in 2000, four seats to be returned by direct elections are added, making the number of such seats forming one fifth of the total. In the third term in 2004, six more seats to be returned by direct elections are to be added, making the number of such seats

30 or one quarter of the total. He says this is the pattern. In the first time, one fifth of the seats are added. Then one quarter of the seats are added. Then what comes next? In the fourth term in 2008, one third of the seats will be added and one third of 30 seats will make 10 seats. That means there will be 40 seats returned by direct elections. Then what will happen in the next term? In 2012 or the fifth term, of course one half of the seats will be added. And one half of 40 seats will be 20 seats. By then all the 60 seats will be returned by direct elections. Unfortunately, as he told me later, after he had advanced this theory, he was subjected to scathing attacks because of this. But actually, this is what is meant by gradual and orderly progress. Why can this not be done?

This morning I had a debate with the Honourable Sir David AKER-JONES on the English channel of the radio. He talked about the bicameral system. But as the ultimate aim as specified in the Basic Law is to have all Members returned by direct elections, so I suggested that with respect to functional constituencies, like the legal constituency, the candidates can be nominated by the lawyers while the Member representing the constituency will be elected by all the voters. The same goes for the medical functional constituency and all other functional constituencies. By so doing at least it can be seen that the arrangement found in the Basic Law is followed. A member of the audience who claimed that she was from the Netherlands phoned in. She said that this would not work because the public could not tell which doctor or lawyer to vote for. I said that things would be fine when there was party politics. But actually this would not work too well either.

It is not true that nobody has ever put forward the idea of a bicameral system. I for one had suggested this at a very early stage. I once suggested to the mainland officials that the bicameral system of the United Kingdom be adopted. But my suggestion was turned down in no time. This was because they thought that it was time-consuming and would impede the progress. As this Dutch lady caller said this morning, this system would be very slow. It is common knowledge that a bicameral system would develop slower than a unicameral system. If a bicameral system is to be practised now, as the system is not mentioned in the Basic Law, forcing through the adoption of this system would be tantamount to overriding the arrangement spelled out in the Basic Law which is the product of numerous efforts made and debates held over the years and things would have to start all over again.

Now the Government is really turning over the table and starting everything anew. For the Commission on Strategic Development (the Commission), as I have said before, the Commission in its Cantonese shortened form sounds like the tactic used in the game of mahjong. It is when a player discards a pair of "fat choy" tiles in his hand in order to make all the tiles belong to the same suit. But if after a pair of "fat choy" tiles has been discarded and there is still a pair of "red chung", then what should be done? Actually, the Government is thinking of establishing a body like the previous Basic Law Consultative Committee so that representatives from every trade and industry can take part and they will hold their never-ending debates there while never arriving at any conclusion. Only numerous reports are compiled and that will be it. But the problem is how will the democratic camp which is a minority in the Commission convince the holders of vested interests who are the majority? In the end, when after talks have been held for one or two years, and when no conclusion can be drawn, it will be easy for people to say that we do not have a consensus.

Madam President, it is now 21 years since the green paper was issued in 1984 and we are still arguing about the same thing, trying to arrive at some consensus again. Madam President, if this package of proposals is not passed, what is so bad if things come to a standstill? If things stand still, then shall we wait for another term until it is 2012 or are we going to make some more detours? Even if we are to make detours, no one knows how many terms we have to wait. I asked Sir David today how many terms do we have to wait before there is universal suffrage. He did not give me any reply. Then I told him that all this functional constituency stuff seemed to be his making and at that time it was only meant as a stop-gap measure during the transitional period. But he did not reply. I asked him again, since he said that the bicameral system was so good, then why he did not propose that at that time. Again he was silent. Why did he not answer? Because he did not know how to. He knows and everyone knows as well that the Government is slowing down the pace of the progress of democracy. Those who like football matches will know that the team who has more goals will often bring the ball to the corner position just to kill time. Now each and every move the Government takes is meant to kill time.

Madam President, perhaps I would like to put forward some constructive comments now. Chapter Six of the Fifth Report points out — this is a point which many people have overlooked — that the legislative intent of Article 46 of the Basic Law is that the Chief Executive may only serve for not more than two

consecutive terms and may not serve for more than 10 years. A new Chief Executive elected under a Basic Law Article 53 para 2 situation may only serve for one further term after the expiry of the remainder term and the remainder term is considered as a "term". Therefore, he wants to enact legislation on this. In other words, Donald TSANG, the Chief Executive, has told us that he would not be in office for another 10 years. He would only be in office for five more years. Of course, many people may commend his decision and say that he does not cling to power and he is generous. However, I do not think we should set up an institution only because of one person. I think that it should be institutionalized.

Madam President, after the interpretation of the Basic Law made by the National People's Congress — I should have said before the interpretation of the Basic Law by it, I had asked the then Secretary for Justice Elsie LEUNG. My question was: If the remainder of the term is counted, it would be fine if the remainder of the term is six months, but what if it is seven months or eight months? This is because the Chief Secretary for Administration can only act as the Chief Executive for six months and after this a new Chief Executive will need to be elected. Then does it follow that the remainder term of office of the Chief Executive elect will only be one or two months. If this is counted as a term, then even if the person will win in the election and can serve another term, then the most he can serve for these two terms is five years and some months. On the other hand, as pointed out in this Report, if the office of the Chief Executive falls vacant at a very early stage of his five-year term and if the remainder of a term is not counted, then the person can stay in office for a maximum of 14 years. So how about this? Actually, both arrangements are problematic as the legislative intent is clear and, that is, each term of office of the Chief Executive shall be five years and two terms would mean 10 years, no more and no less. If the Chief Executive gets the support of many people, at most he can stay in office for 10 years and if he does not have their support, his term of office will be five years. This is how things will go.

Now the Government is sternly saying that, regardless of how short the remainder of a term is, it shall be deemed as a term. I do not think so. Now the Standing Committee of the National People's Congress (NPCSC) has given the SAR Government some room to manoeuvre as the NPCSC has not made any interpretation on this and say that it shall be one term or two terms. When we were arguing this point, some mainland expert said that reference can be drawn from the Constitution of the United States, that is, the term of office of the

successor or the person filling the vacancy shall have half of the original term. This is to be regarded as a threshold and no across-the-board approach is taken. I really hope that the Government can consider this.

My suggestion is that depending on the actual length of time of the Chief Executive elected in a by-election has to spend in discharging the duties of the Chief Executive, a decision is made as to whether or not this is counted as a term. The threshold for such purpose is two years and a half. I think that the remainder of a term can be counted from the day this Chief Executive has won in the by-election and appointed by the Central Authorities and up to the expiry of that term, that is, on the 30 June of a certain year. Thus, the number of days, months and years in the remainder of the term can be worked out. If the period of time which the Chief Secretary for Administration was acting as the Chief Executive is counted as if this adds up to half of the term of office, that is, two years and a half, then it can be regarded as a term. In Donald TSANG's case, he won in the by-election later and so the length of time when he was acting as the Chief Executive was also counted. But this would not be counted if another person won. If the length of time does not add up to two years and a half, then it shall not be regarded as a term. In actual practice, this should not be deemed as a term. But now this is no longer an important issue anymore, for our incumbent Chief Executive Donald TSANG has made it clear that he will not stand in a re-election. He will stay in office for seven years. So this problem is tackled. For if not, what should we do if any Chief Executive tenders his or her resignation at a very late stage of his or her term of office, for example, when there are just nine months left? I therefore hope that the Government will not make any rash move on this issue. It must think carefully, for the NPCSC has given us room to manoeuvre. Thank you, Madam President.

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

MR JASPER TSANG (in Cantonese); Madam President, I thought Mr Martin LEE loves to discard the "fat choy" tiles in mahjong (incidentally, the shortened form of the Commission on Strategic Development (the Commission) sounds the same in Cantonese as discarding the "fat choy" tiles.) He says that he only wants to collect a hand with tiles of the same suit. He should be able to declare a win, but he would rather wait and collect all the tiles of the same suit. So in

this case he should love to discard the "fat choy" tiles and that is to say, he should love the Commission dearly.

Madam President, every time when I find myself in a debate like today's debate, I would not feel very much at ease. This is because debates like this are actually debates between the opposition party and the Government and the proposals in question come from the Government. We have listened to speeches from Honourable colleagues and problems are raised by Honourable colleagues of the so-called pan-democratic camp on this policy address and the Fifth Report which are relentlessly attacked for retrogression, confusing right and wrong, and so on. Actually, these accusations should be left to the defence by government officials because my colleagues from the DAB have made comments in support of the Fifth Report on the package of proposals on constitutional development. It can be said that we have done our part as "royalists". *(Laughter)* These accusations should be left to the officials sitting on the other side to respond. However, looking at the officials in attendance today, apart from the new Secretary for Justice — to avoid unnecessary speculations, on behalf of the DAB I would like to extend our welcome to the new Secretary for Justice — all the officials have been public servants and they are used to civility and gentleness in speech. They would not retort when verbally abused by Members. Therefore, I am not sure how they would reply later on.

On an occasion like this, which role should we play? Supporters of the DAB would think that we should not play the role of the opposition or the opposition party. However, I wish to point out that contents of the policy address are not suggested by us. At last, I have found a topic and that is.....

MR TAM YIU-CHUNG (in Cantonese): Constitutional system. It is constitutional system.

MR JASPER TSANG (in Cantonese): We have not suggested the contents in the policy address, right? *(Laughter)* All the proposals there are made by the Chief Executive. However, Madam President, our role is not the most embarrassing, because a Member of the Council from the pan-democratic camp is in a more embarrassing position than ours. Mr Ronny TONG told the little friends in the public gallery earlier that our Chief Executive would rather go to the United

States to talk about affairs in the United States with the Americans and not sit in this Chamber and hear how we debate on the policy address. But as far as I know, throughout all these years, irrespective of whether the governors before the reunification and the Chief Executives afterwards, they would not attend the policy debate. However, there is one Honourable colleague of ours who would rather go with the Chief Executive to Canada and does not take part in this policy debate. This is something Members should be informed. *(Laughter)* He may find himself in a far more embarrassing position than us, for he does not know whether he should play the part of the opposition or that of a true "royalist". *(Laughter)*

I have just found a topic that is worth talking about. Dr YEUNG Sum has mentioned my name in his speech, saying that I used to talk about party politics very often but I have said nothing about it today. Apart from Dr YEUNG Sum, many Members from the so-called pan-democratic camp also talk a lot about party politics and they even ask the Government to facilitate the development of party politics.

I was listening to the speech made by Dr YEUNG Sum and I would pay special attention whenever he mentioned my name. I was a bit baffled for Dr YEUNG said that all along political parties had existed and he pointed out some were pro-China and some were democratic. In the elections of the preceding terms of the Council, the ratio of popular support for these parties was 6:3:1, that is to say, 60% supported the democratic parties, 30% supported the pro-China parties and 10%..... Actually, he did not say it this way and this shows I was really paying much attention..... He said that 100% were wavering in their position. But actually, he should have said 10% and that was just a slip of the tongue.

Even if this 6:3:1 ratio is true, the 60% and 30% of the people are not supporters of political parties. Though Dr YEUNG Sum is not here in this Chamber, I would still want to tell him this. What are democratic political parties? How many democratic political parties are there? Even if the Hong Kong Association for Democracy and People's Livelihood (ADPL) of Frederick FUNG is included, there would just be two of them, right?

Just by comparing the situation in this Council for this term with the previous term, the number of Members from the democratic and pan-democratic camps is more than that in the last term. There were 22 Members in the last

term, and there are 25 Members this term. But Chairman LEE Wing-tat, the Members who belong to political parties have fallen in number. When all these are added up together, that is, adding together the number of Members from the Democratic Party and the ADPL, has the number of seats gained by the democratic camp during the elections all through these terms increased or decreased? Are these so-called parties from the democratic camp getting more or less support from the voters? Putting aside the seats in the Council, because the democratic camp would say that this kind of election is a distortion of public opinion and it is unfair. But still, please count the numbers. Is the democratic camp getting more votes or less, and is it getting a larger or smaller share of the votes? Will the democratic camp not feel ashamed? The democratic camp may say that the Government does not lend its support to the development of political parties and plays no part in it. But this mentality is precisely the reason which accounts for the fall of the democratic camp, is it not? Parties all over the world both past and present would grow in the face of hardship and oppression. To be honest, right after the reunification, everyone was saying that the SAR Government would favour the DAB. We all know this. We could not help but say, "This is too bad." Did the Government help us before the reunification? Did the Chris PATTEN administration help us? Even if we assume that he did not help the democratic camp, he would not lend the DAB a hand. So this is how we have been fighting and this is how we have grown. We never went to beg Chris PATTEN to give us some room for development. We never asked him why our members were not appointed to the advisory bodies. We could tell from the beginning that all these would happen. Would the Hong Kong British Government appoint members of the DAB to the advisory bodies? No. You are right. In the very end, (*laughter*) when it knew that things would change, the Hong Kong British Government did it and it was in an amazing and interesting manner. In those days Joseph WONG was the Secretary for Education and Manpower and in 1996 he looked me up and invited me to join the SCOLAR. This was the first time in my life to get an appointment. And that was how it happened.

New Council Members for this term, those new Members belonging to the pan-democratic camp — I have not counted Mr LEE Wing-tat in for he has staged a comeback and I extend my warmest welcome to him — none of them belong to any political party, not even one. On the contrary, new Members other than those from the pan-democratic camp, most of them do have political affiliations. Why? Later on, the pan-democratic camp implored Chief Secretary Rafael HUI who is now sitting opposite to us and said that the Government should help political parties develop and give them room for growth.

How can such acts convince people that they are true believers of party politics? The first reason is, as I have said, our friends from the democratic camp, especially our long-time friends from the Democratic Party, they have passed the responsibility entirely onto the Government. Earlier on at least two Members from the democratic camp, that is, LEE Wing-tat and Martin LEE, they are the incumbent and former chairmen of the Democratic Party, have said that once a timetable for attaining universal suffrage is set, the political parties can develop. Mr LEE Wing-tat has even gone as far as saying that once a timetable for attaining universal suffrage is set, they would stop being the opposition party and they will no longer just put forward views against the Government. He has also said that with a timetable, they will think about how to move forward in the hope of becoming a ruling party. If a timetable for attaining universal suffrage is not set, will they stop doing all these?

Some people say that the DAB is afraid to touch on the issue of a ruling party. That is not true. As a matter of fact, there is no such thing as a ruling party under the existing system. But we should ask ourselves honestly, even if we were given this chance to become the ruling party today, are we capable? No, we do not have such capabilities. That is why the DAB is constantly striving hard to become better, grow and gain the recognition of more people and convince people from all strata across the community to join our ranks. In this way we can gradually build up our capabilities. Such is our view.

On the one hand we say that party politics should be developed and that the Government should share its powers with the Legislative Council, but on the other, and for reasons unknown, when the Government has proposed that some officials specially tasked with political affairs be added to assist the Directors of Bureaux, our friends from the pan-democratic camp all object, saying that this is useless. Do we have to aim at an overwhelming victory every time, just like collecting all the tiles from the same suit in a mahjong game? Some people say that this kind of political cadre post is tailor-made for the DAB. How can they say such things? Personally, I cannot see a large number of suitable candidates from the DAB for such posts. However, this move at least will serve to show that the Government now admits that Directors of Bureaux cannot be expected to discharge the duties of governance by themselves alone and there must be more political appointments.

Donald TSANG made this concept clear enough in his election campaign and I think that the idea is a sensible one. It can serve to provide an avenue for

those who want to participate in politics by allowing them access into the Government with the express aim of engaging in political affairs. This could be considered as a kind of political appointment as well. I oppose the idea of relegating these people to the ranks of political cadets. Surely, such posts are meant to groom political talents but we must not forget that once these people have joined the Government, they will be required to carry out political work in the departments, liaise with the media, various political parties and all strata across society. In such circumstances, they will know for sure that they are required to do political work. They will realize that if the Government is to market its policies, support from the community should be enlisted and enlisting such support would mean political work. They should be required to have such a mentality and I do not think there is anything wrong to separate them from the ranks of the civil servants. If it is considered that they have not done enough, they can be told to work harder. But we cannot say that the idea is useless.

Therefore, I do not see why some Honourable colleagues from the so-called democratic camp would say on the one hand that party politics must be developed before there can be progress in democracy, but on the other they have not put their view into action. Some of them pass the responsibility onto the Government. Some of them play smart and only talk and talk. The Democratic Party is somewhat better, at least they have formed a political party. But there are some Members here who, despite their emotional rhetoric whenever mention is made of party politics, have made it clear that they will never join any political party. They even say that their group is not a political party and it must never be referred to as such. Why?

It gives people this impression: Never join any political party if you want to continue enjoying a high popularity rating. Things will turn nasty if you form a party or join a party, for your popularity ratings will plunge. If this is the case, then how can we blame the Chief Executive for not willing to join any political party? What should be done if even Members themselves harbour such a view?

So the first thing is, I think if we say that we need to set a goal and if we agree that there should be gradual and orderly progress, then.....Just now Ms Audrey EU has talked about the question of confusing right and wrong, I think we really ought to make a comparison. If a comparison is made between the proposals in the Fifth Report and the existing system, do we see greater room for

democracy or smaller? Is the base for democracy broadened or narrowed? How can the Report be considered retrograde? How can it be said that maintaining the *status quo* is better than accepting the proposals in the Fifth Report? It is fine when we say that the proposals are inadequate, but if we say that the proposals are worse than the existing arrangements, then it would sound unconvincing. Since there is a goal in front of us — what we are doing is not making a detour round the Peak as Mr Martin LEE has said but we are moving right straight ahead — then how can this be going back to where we started? This is point number one.

Point number two, I hope friends from the democratic camp, especially those from the Democratic Party, can really put their thoughts into action. And if they truly believe in party politics and think that it should be developed, then they must support any proposal advanced by the Government which is conducive to the development of party politics in Hong Kong. They must never say one thing and do another.

The job of responding to the criticisms made by the opposition party must be left to the relevant public officers, as a matter of course. Thank you, Madam President.

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

MR JAMES TO (in Cantonese): Madam President, may be I would talk about security matters first. Not many Honourable colleagues have talked about this policy area and the Secretary has been sitting here for a whole day already.

First of all, I would like to talk about covert surveillance and interception of communications. The Government has indicated that a bill on this will be introduced to this Council soon for legislation. I hope Members will be on the alert when the Government says that because it has never said that the basic principle of the legislative proposals is to submit the cases to the Court for vetting and approval. I also hope that members of the public will be clear about this as well. This is because all covert surveillance and interception of communications activities are done in secret and if they are to be effective and successful, they must be done in the dark. It would be a very dangerous thing if

things are allowed to be done in the dark in the absence of any monitoring from an independent third party. Let me cite an example. Things done in broad daylight as, for example, a warrant for entry into some premises to carry out a search, it will require an application be made to the Court for such a warrant, except under certain special circumstances. This is because a search will lead to findings and people may lodge a complaint. Hence the enforcement of such a warrant will require the approval of the Court because the rights of the public must be protected. If an executive organ has done a lot of work in the dark and the objects of the searches made are not papers or such like articles of substance but some messages, contents of dialogues and so on, these will greatly encroach on human rights and the governance of a place. However, if legislative work is carried out by some executive department, there is no way the rights of the public can be protected and it will never meet the standard mentioned in Article 39 of the Basic Law, that the rights should be protected.

The second point I would like to make is about the global threat of avian flu. How come this matter will have anything to do with security? This morning Mr Fred LI said jokingly that a special meeting would be convened to discuss how preventive work on diseases should be carried out, especially with respect to institutions about animal and poultry diseases. He said that his panel would hold a meeting and if the problems are not tackled, then it would be my turn, that is, the panels on health matters and security matters would need to study into the issues, especially on the complementary and contingency measures. So I hope the relevant government departments, including the Security Bureau, will make the preparations. Dr York CHOW, Secretary for Health, Welfare and Food, has said that if the situation becomes critical, it would be necessary to close the boundary crossing points. The security authorities should keep a close watch on the situation, take reference of the relevant laws and make manpower deployment plans. The last thing I wish to see is an overlap of the timing of an avian flu attack and the Ministerial Conference of the WTO (I therefore pray every day that this would not happen). I have done an analysis myself to see whether or not the police can cope with pressure from all sides and whether or not the police will be put under great pressure. I hope the Secretary will devise sound plans in this regard in advance. This is because we are not sure if God will be on our side and forbid the outbreak of an avian flu pandemic or if there will be no outbreak at some specific times, such as during the WTO conference. I am very much worried about this and so I hope the Government will make all the preparations.

Third, I would also like to talk a little bit about the WTO conference and I think developments in Hong Kong would follow entirely different rules of the game. Some Members have said earlier that efforts should be made to pacify some radical groups, especially those from abroad, which come here to stage demonstrations. This is because demonstrators in Hong Kong are really not that radical, the most radical of all could be "Long Hair" and there may be some more radical ones, but events that may happen here will entirely be different from those overseas. I do not think the Government should smear the demonstrators in advance through various means, such as giving briefings here and saying that the demonstrators will burn things or a riot will occur. I think discussions should be held with these groups or bodies, though it would not be easy to find them. So I do not think discussion will be of great use. Now the Government cannot discuss things well with the co-ordinator of the demonstrators, TANG Yin-ngo. There are even some heated arguments as both sides cannot even agree on some basic matters like the locations, routes, and so on. The result is that the lady does not want to talk anymore or act as the co-ordinator. Under such circumstances, as discussions have come to nothing, I do not know how preparations in this regard can be done well.

On the other hand I am worried. As I have said in the panel, these events would take their course by following an entirely different set of rules of the game. I hope the Government would handle these events well. Such events are probable and they are large-scale — my estimate would be at least 8 000 or 10 000 people would take part. Some of these incidents may just be technical fouls or minor events. When handling these incidents, the Hong Kong authorities may apply the kind of wisdom as they have shown in similar incidents in Hong Kong and insist that order and peace be kept, but these must be handled with great care, for it is doubtful that the same kind of wisdom or insistence on order and peace can be applied. When the public order authorities are to handle the situation, they should not rely on all those measures which have been used in Hong Kong before. For if this is the case, some chain reactions may be triggered off to lead to outcomes of a larger scale which are more likely to be tragic.

The last item I wish to talk about in security matters is about reforms in ambulance service. Each year there are hundreds of thousands of calls for ambulance service, involving a large number of members of the public. Some people will criticize or argue that nearly half of such calls for ambulance to take patients to the accident and emergency department are not actually emergency

cases. Therefore, I propose that screening can be made to determine the priorities for rescue and allocate resources accordingly. For my part, I am very worried because such a move may become an excuse for the Government to slash services in this respect. I am also worried that the screening work to be done in the first stage will offer the Government an opportunity to change the charging scheme of the service, that is, the real intention is to classify services and prioritize these services according to the degree of their emergency and fees are charged for each level of emergency in much the same way as the charging schedule of the accident and emergency departments. Some people even speculate that using the ambulance service may cost a few hundred to a few thousand dollars each time. In such circumstances, if the people are not in an acute condition, they will definitely choose to take a taxi instead of an ambulance to go to the accident and emergency department. I agree that the Government may give some thoughts to this, but frankly, once the cat is let out of the bag, the public will know that the Government is making use of the screening only to accord priorities, and the actual improvements that can be made would only be minimal. This is my prediction.

On administration of justice and legal services matters, the Government has of late proposed a reciprocal enforcement of laws in Hong Kong and on the Mainland. Yesterday, there was an interesting report in the newspaper and it pointed out that in 2002 the Government had conducted a consultation and proposed all of a sudden that with respect to commercial contracts, if only it was provided that the court of law, such as that in Hong Kong or on the Mainland, should be the basis for arbitration when disputes arise, then the adjudication made would automatically be enforced on the other party in Hong Kong or the Mainland. I think that this should be handled with great care. Actually, many Members voiced their opposition to this when the proposal was raised in the panel. These Members come from various backgrounds and political affiliations, and it has become a trans-party concern. Of course, most of the members of that panel come from the legal profession, but in any case they do reflect the anxieties of people of different backgrounds and the same for all people who are involved, be they owners of big businesses or small businesses.

Apparently, great differences exist between laws in Hong Kong and on the Mainland. When this approach is taken, if arbitration on the Mainland is preferred, the adjudication will be automatically enforced in Hong Kong, in that case, I think that it would be hard for the deterrent effect to be given full play. To be frank, the reason is the legal system on the Mainland is not well-developed.

During our trip to Guangdong Province, some mainland officials mentioned this point expressly or hinted about this. They were also very frank about it. This is something commendable about them. For they know this is something that should be improved and this is precisely the case with their legal system. On top of this, the Party is superior to the law on the Mainland and so there is no judicial independence in their Courts. Therefore, if this reciprocal approach is adopted, Hong Kong people will be put in a very vulnerable position.

We welcome Mr WONG Yan-lung, the new Secretary for Justice. He has spent a lot of time today listening to the debates of Members. There are two points in his portfolio which I think are very important and these involve the Security Bureau as well. The first is about personal safety. The reciprocal transfer of fugitives and the so-called reciprocal enforcement of arbitration adjudication are actually crucial issues in the protection of Hong Kong people. Hence these issues warrant careful consideration. An example is about Hong Kong people doing business on the Mainland. At first these people may think that they are just doing some small business. Many Hong Kong people find doing this attractive because of CEPA. So a small business owner runs a proprietorship business on the Mainland. The contract he enters into with a mainlander may specify that the amount of compensation payable is only \$10. But the Court may in the end pass a judgement requiring him to pay a compensation of \$100 million, \$1 billion, \$10 billion or even an amount that would deprive him of all his properties in Hong Kong. So he is placed in a very vulnerable position. Of course, if he is ordered to make a compensation of \$10 billion, there could be another approach to handle it as it is a case involving \$10 billion. In any case, it is often the small businessmen who are least able to deal with lawsuits. I hope therefore that the Government will act with great prudence in this regard.

I once said jokingly that there should be regulations imposed on activities known as leveraged foreign exchange transactions. A few years ago, we proposed that laws should be enacted on this and a warning statement should be issued to those who took part in such activities. I have no idea what the latest position of this is. In the following session, there will be debates on things like warrant. There may also be calls for more precautionary measures as may be suggested in some review report. There may be a need to warn the participants in such activities, for if they have really signed a contract and if a choice is made as to the location of the Courts to institute legal proceedings, for example, on the

Mainland, it would be advisable that it must be stated that any judgement passed after the institution of legal proceedings, irrespective of the magnitude of the impact or whatever, it should only be enforced in Hong Kong. But if this is not something both parties have agreed, then they will have to rely on sheer luck.

A while ago I heard many Honourable colleagues debating on constitutional development. I would like to make a few comments. First of all, I would like to mention the Chief Executive. During his visit to Canada, the Chief Executive made some remarks. The more he talked, the more uneasy I felt. Judging from the sentiments in society lately, after all the trials and tribulations over the past years, with a new Chief Executive in office and the appointment of a new Secretary of Department, things have got much better and one can feel a sense of vitality, freshness and hope. All these are reflected by the opinion polls. But I thought, why did the Chief Executive's performance in Canada invoke my unpleasant memories of the way in which Regina IP defended the enactment of legislation on Article 23 of the Basic Law and how she handled things? The Chief Executive said that he would not use epithets like one-party dictatorship to describe the Beijing administration, or the Central Government. For him, dictators are people like HITLER and SADDAM who ruled their countries by words of their mouth. Only these people are dictators and clearly this is not the case with China.

Why did he have to defend this point? Why did he have to come to the defence of China or the Central Committee of the Communist Party of China? At times, I wonder whether or not China or the Central Committee of the Communist Party of China would want our Chief Executive, that is, Donald TSANG, to come to their defence and argue for them in this issue. I do not quite believe this is the case. In my judgement, I do not quite believe this is the case. If Hong Kong people think that this Chief Executive is more open and he has some new thinking and he is even a smart guy, then, did this smart guy say all these because he was compelled to say them under those circumstances, or has his stand really changed and he is convinced that what he said is true?

Chief Executive Donald TSANG has said that Hong Kong is not a sovereign and we cannot be the masters of our own destiny. Of late someone asked me whether I knew why the Central Government had picked Donald TSANG. It is because this would serve a great exemplary effect on Taiwan and it wants to tell the people there that it does not mind using the so-called orphaned

ministers and remnants of a bygone dynasty. Actually, this will exert great pressure on Taiwan and it will produce a great united front effect. The Central Government wants to tell the Taiwanese people that they too cannot be masters of their own destiny — of course, the bottomline is there can be no independence. And for Hong Kong, despite more than two decades of constitutional reform efforts, and despite the Basic Law being crystal clear on this and stating that elections by universal suffrage can be held in 2007 and 2008, a flat denial is made and everything comes to a halt. Then there are all these gestures that universal suffrage belongs to an indefinitely distant point in future. Just imagine what will our compatriots in Taiwan think when they see all these, what kind of exemplary effect will we produce on them?

A few days ago I met a senior citizen who is in his seventies. Put it nicely, one can say that he is enjoying life as he can go out to travel around the world. Put it in a nasty way, he is near the end of his life. He told me that the greatest grievance he had was, from 1984 to 2005, more than 20 years have passed after all these talks about democratic elections by universal suffrage, it is still not in sight. And his feelings swelled as he asked me, "James, tell me, will I have any hope of seeing a democratic election by universal suffrage in Hong Kong? For me, this may not be the most important thing, but I really hope that my children, my grandchildren, my friends and their children and grandchildren will all be able to see the day when Hong Kong will have a democratic election based on 'one person, one vote', with fair, reasonable and balanced participation." He asked me whether or not he would see the coming of this day. He said that he would like very much to share this with the people of Hong Kong and he asked me whether or not I could say this for him or place an advertisement on this in the newspaper for him. He said that he was prepared to pay for the costs of placing this advertisement.

Honourable colleagues from the DAB said that the economic restructuring must complete and the economy must be improved before democracy could be developed. But must there be an assumption before democracy is practised and that is, democracy is bound to undermine the economy? Is this the case in Hong Kong? Should we look at the development of democracy from this angle? Honourable colleagues from the DAB say that national education should be strengthened and that knowledge of "one country" is very important. After pondering over this for a long time, still I failed to understand it. At last, someone who claimed to be a communist enlightened me and now I understand.

He said, "Of course, it should be done this way. Our minds will be put at ease if the person elected is a communist or someone whom the communists can control." Then I told him frankly that they constantly engaged in struggles and it was true even to this day and I asked why they had to do so. If there were less struggles and if the focus of attention was put on development, then China's achievements would be even more remarkable. They have spent lots of time on struggles, for every 10 hours, six hours will be spent on how to consolidate their own power. If they do not spend time on struggles but concentrate their efforts on developing the national strength, then its achievements will be even more remarkable. He said, "This is true, but, James, the reason is we are not elected by the people."

I think this is a most amazing answer. I was startled by his answer. This person calls himself a communist and I have reason to believe that he is really a member of the communist party. He says that communists in China are not elected by the people and what they rely on is the constitution in history in which it is stated that they are the rulers. That is why they must fight among themselves to decide who is to rule. Had it been a democratic system, those people returned in an election would be the ones chosen by the people to rule the country. But this is not the case on the Mainland now. To become rulers, they must fight to get the power to rule.

After this personal encounter, I think they know very well the truth behind it and so they are worried about elections by universal suffrage in Hong Kong. It may be due to this reason that some people urged that national education should be strengthened because if the ruler is chosen by the people of free will, then they should be prevented from choosing someone whom the communists think is not acceptable. I do not know if this is the key to unlock the secret behind it all. However, I realize that the Basic Law itself has imposed a lot of hurdles, including the nomination committee that would be required even if elections by universal suffrage are to be held in the future. I am not sure but I suspect I have heard one or two people (they might be called the most progressive people), and they have said that the system should be changed. They do not think that there should be a nomination committee. However, as far as I know, people from the democratic camp or most of the people — I would say at least more than 90% of them — agree that there should be a nomination committee. Therefore, in a certain sense, the safety coefficient is already set at a very high level.

Some Honourable colleagues have said that the appointment system will be gradually abolished with a view to achieving full abolition ultimately. Therefore, they asked me why I was so adamant on this. The appointment system had been abolished before 1997 but then it was said that the appointment system should be revived. Now it is said that there should be less appointments. And so the Government can even argue that the appointment system is gradual and orderly progress. Therefore, even if the appointment system will be abolished, one can never assert that it will never stage a comeback. Previously I had never thought that Mr TUNG would be bold enough to revive the system of appointment for DC members. If you ask me whether or not I had ever thought of that before it was proposed, I would say that I had not. Therefore, I was really shocked when he put that into practice. Given that even a system already abolished can be revived, one can just say nothing is impossible.

Recently, many people have asked us what kind of timetable we are after and whether it is only a certain calendar year. If it is only a year that should be named, some people may say it is 2012 while others may say it is 2017, 2022, and so on. Can the State leaders of China make a solemn pledge without being bound by any specific year so that the people of Hong Kong can be given greater confidence, such that they can trust that the State and the Central Government will have the determination to let democracy grow in Hong Kong? Can talks be held on this? Recently, people have often mentioned this possibility. My response is that the public knows very well what kind of pledge can be made by what kind of people and whether or not the pledge they make is credible and acceptable. As a matter of fact, someone once made a pledge to me. A few years ago in a breakfast meeting, at that time many people were there and the chief of a giant Chinese business group said to me that he believed we would certainly be able to watch the Olympic Games in Beijing in 2008. I asked him whether or not he could guarantee that, and he said certainly. He said that this would definitely be possible, judging from developments in the country and the way things were going at that time. Mind you, that was at a time when Mr TUNG had not stepped down and it was before 1 July 2003. Now where is this boss? He is arrested. Is the guarantee he made still valid? Who can make a pledge that will certainly be honoured? How high should the position of a person be before a pledge can be made? Even if it is said that no particular year can be named (of course even if a particular year is named, it does not follow that it is valid because that is only a pledge by someone), I would still think that if a definite pledge is made or even a particular year is specified, the public would feel assured. This is like the case of the senior citizen mentioned by me just

now. He is now 78 years old. He said to me, "Who can ever make this pledge? The SAR Government, Donald TSANG or President HU Jintao? Can you tell me, will I be able to see democratic election by universal suffrage in Hong Kong?"

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If no Member wishes to speak, the meeting will be suspended for 10 minutes. When the Council resumes, public officers will speak.

7.15 pm

Meeting suspended.

7.25 pm

Council then resumed.

PRESIDENT (in Cantonese): Will the 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): Council now resumes. We now continue with the debate in the first session. Five public officers will speak in this session. Each of them will have 15 minutes to speak and altogether they have a maximum of 75 minutes.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, in the policy address entitled "Strong Governance for the People", published on 12 October, the Chief Executive has not only thoroughly honoured the commitments made by him during his election campaign, but also realized the vision of "people-based" governance by pursuing excellence in governance, fostering harmony in the community and helping the economy to power ahead.

In the course of formulating the policy address, the Chief Executive met with Honourable Members and representatives from different sectors of the community in groups in order to grasp their views on priorities of administration and major policies before finalizing the policy address. This has fully manifested the desire of the Government to sincerely co-operate with the Legislative Council and its determination to pursue "people-based" governance.

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

The underlying notion of "Strong Governance", the title of the policy address, is to govern according to the law, discharge the functions and powers conferred on the Hong Kong Special Administrative Region (SAR) by the Basic Law, and put "executive-led" governance into implementation. Though the legislature exerts checks on the administration by the Government, they are actually complementary. With different responsibilities, powers and functions, the executive and the legislature exercise their powers and perform their functions as laid down in the Basic Law.

Our view is that both the executive and the legislature must act in the interest of the well-being of the wider community, proactively answer the aspirations of the public at large, and work in sincere co-operation with mutual understanding and mutual accommodation. This is the only way to establish effective governance in the SAR and maintain public confidence, thereby promoting Hong Kong's sustainable prosperity and development.

The Government has always practised what it preaches by establishing partnership between the executive and the legislature with concrete actions. When major issues arise, the Government will explain our ideas and position as early as possible through meetings with Honourable Members in groups, as well

as through existing channels such as panels, and listen to the valuable views of Members. In recent years, accountable officials have very often briefed the Legislative Council first on major new policies or decisions of public concern by issuing statements. They will also attend by all means meetings held by the Finance Committee and relevant panels to personally explain to Members the government proposals on funding applications or policy areas involving major public interest.

Looking to the future, other accountable Bureau Directors and I will continue to maintain effective communication and close liaison with the Legislative Council on an equitable basis of mutual respect and, in accordance with the mutually complementary mechanism based on mutual checks and balances, as laid down by the Basic Law, make concerted efforts with the Legislative Council in striving to safeguard the overall interest of the territory and serve all the people of Hong Kong based on mainstream public opinions.

To realize strong governance, the Government must broaden and consolidate its basis of support. The Commission on Strategic Development (the Commission) will be expanded by extensively enlisting people from different backgrounds so that various sectors of the community can examine with the Government major issues relating to Hong Kong's long-term development. In respect of major policies, Policy Bureaux will submit topics intended to be explored and examined to the Commission. The discussions and views of the Commission will in turn become the major considerations of the Policy Bureaux in policy formulation.

The expanded Commission will have more than 100 members, comprising representatives from the business, labour, social welfare, academic, professional and media sectors, as well as people with different political backgrounds. The membership list will be published next month. To enable the 100 or so members to effectively participate in its work, the Commission will set up an executive committee and three other committees overseeing governance and political development, social development and quality of life, as well as economic development and economic co-operation with the Mainland. The first meeting of the expanded Commission is expected to be held by the end of next month.

Next, I would like to say a few words on one of the issues about which Honourable Members have expressed great concern in their speeches earlier, that

is, constitutional development. The Constitutional Development Task Force (the Task Force) published its Fifth Report on 19 October to put forward a package of proposals on the methods for selecting the Chief Executive in 2007 and forming the Legislative Council in 2008. The package was formulated after an extensive and phased consultation by the Task Force on the views of various sectors since its establishment in January last year. We believe the package has found the most suitable point of equilibrium among the diverse views expressed by various sectors and is most likely to secure support from various sides.

I have to emphasize that the proposed package seeks to broaden the electorates for the two election methods and increase their democratic elements in a pragmatic manner. Half of the new Election Committee members and all the new Legislative Council seats will basically be directly or indirectly returned by 3 million or so voters. Moreover, nearly 60% of the seats of the fourth term Legislative Council will be returned by geographical elections.

The SAR Government has made its best effort within the existing space to formulate for the two election methods proposals that best suit Hong Kong's actual circumstances and are most capable of answering the aspiration of the community in regard to constitutional development. Compared with the existing election methods, the proposed package will increase the democratic elements and representativeness of the two election methods. This represents a big, concrete step towards the ultimate goal of universal suffrage.

It has been the general consensus in society, as well as one of the key areas of work of the SAR Government, that our constitutional development should proceed and march towards the ultimate goal of universal suffrage as provided in the Basic Law. While some people think that a timetable should be set for universal suffrage, others believe that universal suffrage will naturally lead to "balanced participation". However, is the implementation of universal suffrage that simple in Hong Kong?

Regarding the issue of setting a timetable for universal suffrage, it must be realized that universal suffrage is a process, or a means, to certain ends. The community has yet to engage in solemn, serious discussions on these ends. As a responsible government, we must first commence work in this respect.

As a matter of fact, the SAR Government has already drawn up a timetable for various preparatory tasks for universal suffrage. A consultation document on the review of District Councils will be published in the first quarter of next year. Another consultation paper on the further development of the accountability system, including the nurturing of political talents and the role of the Civil Service, will be published in the second quarter of next year. The Committee on Governance and Political Development, set up under the Commission, will also begin discussions and studies on constitutional development shortly.

The Basic Law has provided a framework for the systems practised in Hong Kong. Insofar as our political system is concerned, it must not deviate from the "executive-led" principle. At the same time, the complementary relationship and checks and balances between the executive and the legislature must be maintained bearing in mind the objective of assuring Hong Kong's stability and prosperity. Meanwhile, the Basic Law has also provided that the ultimate goal of universal suffrage has to be achieved in the light of Hong Kong's actual circumstances in a progressive and orderly manner.

Hong Kong's constitutional development must take into account the fundamental characteristics of its political framework, such as the principles of "one country, two systems" and "a high degree of autonomy", the role of the Chief Executive, the roles of the executive and the legislature, and their relationship. The political values cherished in Hong Kong, such as effective governance, stability and prosperity, upholding the rule of law, equality, human rights and freedom, protection of overall interest, democracy, social harmony, and so on, have to be taken into consideration as well.

Madam Deputy, universal suffrage systems differ from place to place around the world in the light of actual circumstances. Our purpose of setting up the Committee on Governance and Political Development within the Commission is to examine how universal suffrage can be implemented in compliance with the principles and requirements of the Basic Law. The issues to be examined by the Committee on Governance and Political Development shortly may include, for instance, ways to ensure the effective implementation of principles, namely "giving consideration to the interests of all sectors of society" and "facilitating the development of capitalist economy", in the process of developing our political system and in the ultimate achievement of universal suffrage; changes

required to be made to the functional constituencies of the Legislative Council before the ultimate goal of universal suffrage is achieved; and the composition and operation of the Legislative Council after the ultimate goal is achieved.

The most important point is to seriously study what objectives universal suffrage should achieve, such as how to maintain a balanced budget and low taxation. We must build a consensus in society on how to implement universal suffrage to fulfil the agreed objectives in line with Hong Kong's political framework, political values, and so on.

We hope that the people and groups proposing to formulate a timetable can stop insisting on immediately — immediately — setting a timetable. Constitutional development is an ongoing evolutionary process which cannot be completed instantly. A step-by-step, progressive and orderly approach must be adopted. Universal suffrage can be achieved only when certain conditions are fulfilled and all the support measures are in place.

I hope Members can see clearly that the SAR Government has adopted an open and proactive attitude in promoting several important issues relating to constitutional development. To start with, the Committee on Governance and Political Development, set up under the Commission, will extensively enlist people from different backgrounds to make concerted efforts to piece together a roadmap to universal suffrage. We are also prepared to open up some middle-level posts in the Government to give people with different backgrounds an opportunity to accumulate administrative experience for the purpose of nurturing political talents for the territory. Furthermore, we have planned to turn the District Councils into organs with actual powers and responsibilities by enhancing their functions in managing district facilities. The constitutional reform package for 2007 and 2008, if passed, will increase the number of parliamentary assembly seats, thereby broadening the scope of participation in politics.

Madam Deputy, please allow me to recap that the SAR Government has come up with all these ideas about constitutional development in the hope that Members and the general public can understand that the SAR Government, after summing up the experience learnt over the past eight years, is ready to promote constitutional development in all directions in an effort to upgrade the standard of administration of the entire SAR. We are indeed sincere in inviting Members to support and participate in the various tasks mentioned by me earlier to lead Hong Kong to the path leading to the establishment of a democratic political system.

Madam Deputy, with respect to the views expressed by Members on a number of other issues mentioned in the policy address, I am afraid I cannot respond to these issues one by one because of the time constraints. I will therefore leave them to my colleagues who will give detailed explanations and responses later in this debate or on other occasions.

With these remarks, Madam Deputy, I implore Members to support the policy address delivered by the Chief Executive for the year 2005-06, and oppose the amendments proposed by Mr LEE Wing-tat and Miss TAM Heung-man to the Motion of Thanks. Thank you.

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam Deputy, the Chief Secretary for Administration has made a general response to the constitutional reform issue and I would like to add my response to some specific arguments put forward by Members.

First of all, I would like to stress again that the proposed package for elections in 2007 and 2008 do have some substantial — I repeat, substantial — improvement in the democratic element. This is because the number of members in the Election Committee will increase from the original 800 to 1 600. The number of directly elected Members of the Legislative Council will increase from the original 30 as well. The number of Legislative Council Members and District Council (DC) members directly returned from geographical constituencies and indirectly returned will add up to a total of more than 440. Earlier on Mr Martin LEE cited an analysis made by our learned friend Mr Alan HOO, SC in which it was pointed out in great detail that the number of directly elected seats had grown by one fifth from the first term Legislative Council to the second term; then one quarter of seats had increased from the second term to the third term and therefore the number of seats to be increased from the third term to the fourth term should be one third. I do not know if Mr Martin LEE has realized that in our Fifth Report it is proposed exactly that 10 seats will be increased through direct elections in geographical constituencies and indirect elections. Before our very eyes is a package of proposals which will enable the grooming of more political talents through greater opportunities for political participation, then why do we not lend our support to this package?

Ms Audrey EU has talked in great lengths on some arguments about confusing right and wrong. To argue that a proposed package which has moved

forward towards democracy as retrograde serves only to confuse and confound. It is confusing right and wrong in its extreme.

Earlier on Mr CHIM Pui-chung asked why after 23 years — actually it should be 25 years from 1985 to the present — that the proposal to use DCs to pave the way for universal suffrage is brought up again. From the first district board election held in 1982 and the first Legislative Council election in 1985, it has been more than 20 years. Our attempt to make use of indirect elections to increase the democratic element in the elections is because we wish to increase the number of directly elected seats. Through functional constituency seats we hope to add to the democratic element, provide more opportunities for political participation and broaden the electorate base. Thus we propose to adopt a new mode to enable more seats in the Legislative Council to be returned through election by DC members among themselves.

Many Members have mentioned the issue of appointed seats. As a matter of fact, appointed members to DCs can now take part in electing 42 members of the Election Committee and one Member of the Legislative Council. Our position is to imbue equal status to elected and appointed members in the new arrangements for the dual elections in 2007 and 2008, for the reason that they enjoy equal status under existing law. In addition, we notice that after the 2007 election, the newly elected DCs will be put under a more politicized ethos. Mr Albert CHAN — he is not in the Chamber now — made special mention that we should take note of this point. This is precisely because of this point raised by Mr Albert CHAN and which has been considered by other Honourable Members that we have decided that the element of appointed seats be preserved in the structure of the DCs when members of the new term of DCs are elected in end 2007.

Today, many Members have talked about the issue of a timetable or a roadmap. We understand the desire of Members from the pan-democratic camp to pursue a timetable and a roadmap for attaining universal suffrage. I would like to make one fundamental point clear and, that is, the Fifth Report we released today is proposed in the hope that there can be progress in the system for the two elections in 2007 and 2008. But that does not preclude us from talking about a roadmap, a timetable or such like issues of great importance at a later time. There would be no need for Members to reject the package proposed by us this time and Members could continue discussing issues like a timetable, a roadmap, and so on.

Mr LEE Cheuk-yan and a few other Members have mentioned an opinion poll which the SAR Government commissioned The Hong Kong Polytechnic University to conduct. In fact, the poll is only an aid to gauge public acceptance and support of the proposed package for the 2007 and 2008 elections. To a certain extent, this move is a response to the question which Members asked the Government in a Council meeting held last December when the Fourth Report was announced. The question was about whether or not the SAR Government would consider conducting an opinion poll. After we had decided the main components of the proposal, we began to gauge public response and support for them by conducting this poll. The poll is also in line with the views expressed in the community over the past 18 months. Overall, 55% of the public support our proposals for the 2007 and 2008 elections. We also notice that during the past week the polling institutes in many universities and the media conducted various surveys and opinion polls. In general, public response to the proposals for the 2007 and 2008 elections is positive and they basically support and accept the proposals.

Dr KWOK Ka-ki queried whether or not the poll would meet professional requirements in the general sense. I can tell Dr KWOK that the answer is yes. The poll has been conducted by The Hong Kong Polytechnic University with the same professionalism that it has shown in the past. A total of 1 200 people were interviewed and we may say that the spectrum was rather wide.

On Dr KWOK Ka-ki, I would say that he has misunderstood a point when he said that when the Chief Executive talked about enhancing governance, the Chief Executive had said that those recruited to work with us would need to be in agreement with the Chief Executive. By that the concept can be applied to the principal officials, that is, those who assume the posts of Secretaries of Departments and Bureau Directors. It can also refer to those people who are invited to join the Executive Council as non-official members. This is because all these people, that is, Members of the Executive Council and the Principal Officials will all need to agree with the governance philosophy of the Chief Executive before they can function as a team. However, the case with the Commission on Strategic Development (the Commission) is somewhat different. People invited to join the Commission would belong to a broader political spectrum and as we all know, we are inviting friends from the democratic camp to join the Commission as well. This is because our goal is to pool views from all quarters on how Hong Kong can become better. So I am afraid Dr KWOK might have misunderstood this point a bit.

Mr LEE Wing-tat made special mention of the issue of whether or not the Chief Executive might maintain his or her party affiliation. Mr James TIEN has also talked about how the Government is to co-operate with the political parties. Over the past one and a half years, we have heard views expressed on the review of the constitutional developments for 2007 and 2008. A lot of these views showed great reservations about the retention of party membership for a person elected as the Chief Executive. Findings of the survey conducted by us show that more than 70% of the people think that the existing requirements should be maintained, that is, the Chief Executive elect should resign from his or her political party. My interpretation of this response is that it is public expectation that the Chief Executive of Hong Kong should work hard for the overall interest of Hong Kong, strike a balance between the various aspirations from the political parties and groups and place the well-being of the people of Hong Kong above all else. Such are the views found in society.

On party politics, there are two points I wish to make and that is, I have both recognition and an expectation for Members and party leaders. My recognition comes from the fact that though the political parties to which Members belong do not have a large membership — the Democratic Party has a few hundred, the Liberal Party may have some more, but the number is still a few hundred, and the DAB has a few thousand — the force they can mobilize in society is tremendous. This is because the political parties can attract hundreds of thousand votes in every election. These parties should therefore cherish this power to mobilize the masses.

Speaking on my expectation, I expect every one of us to cherish this package we have for 2007 and 2008 and train up people of various political parties and background to play a part in political affairs. When I visited the 18 districts in Hong Kong, I was impressed by members of the DCs. They come from various backgrounds and many of them are political talents who are committed to serving the community and the people of Hong Kong. This is why the SAR Government is positive about the development of political parties and the grooming of political talents. First, in the package of proposals on elections in 2007 and 2008, we have proposed that the number of seats be increased so that people can have greater room for competition. Second, under our existing policy, the Secretaries of Departments, the Bureau Directors and the principal officials may all have political affiliations. Mr Henry TANG, for example, used to have a political affiliation. Third, we are ready to open up some middle-level posts in the Government, such as assistants to Bureau

Directors, for application from political parties, the business sector, the academia and people of other background. The post will enable them to gain more administrative experience. Earlier on the Chief Secretary for Administration has mentioned this and we will release a consultation paper on this in the second quarter of next year.

Developments in the constitutional system and political parties may complement each other. This is a truth which is evident enough. I am convinced that both the party leaders and our colleagues sitting here are well aware of the fact that Hong Kong is a free society and for political parties to develop, what the Government must do is to offer more opportunities for people to take part in politics. But can the political parties manage to get enough support? Will there be so many people who will set aside resources and make contributions to the political parties for their development? Will the parties be able to win the confidence of the people in this political market which is as liberal as the markets for other trades and sectors in Hong Kong? The Government must build a sound political infrastructure in order that people interested in politics can play a part.

Before I conclude, I would like to make a brief response. Mr Martin LEE has raised an issue about the Basic Law and that is, how many years can the newly returned Chief Executive serve in office? After examining the issue, we think that the first thing that the newly returned Chief Executive, that is, the Chief Executive returned in a by-election, should do is to complete the remainder of the term. Then according to the Basic Law, he can have a second term. Completing a second term means exactly what it means and this means five years are added to two years and this is the maximum. This is because the legislative intent of the Basic Law is that any one Chief Executive may complete a second term once, but the total number of years in office shall not be more than 10 years.

I am therefore a bit surprised today, because when we discussed the issue of the by-election of the Chief Executive on previous occasions, Mr Martin LEE expressed his great doubts on the possibility that the total tenure of office of the new Chief Executive could be 12 years. However, just as he has said a while ago, the question is: If the maximum number of years for the first occasion is at most two years and a half and that is not counted as a term, then if the office-bearer can stand in election for another term after he or she has completed the first term, then would this mean that the person can stay in office for 12 years

and a half at most? I am not sure if I have misunderstood Mr LEE's idea and if I do, we can discuss it after the meeting. But I wish to stress that according to the understanding of the Basic Law by the SAR Government, the design of the Basic Law is such that any Chief Executive may serve for a maximum number of 10 years. And so, under the present circumstances, that will mean the remainder of the term plus a term of office of five years. Such is our position.

Madam Deputy, in conclusion, I would like to mention two points. First, Mr LEE Wing-tat pointed out that he had been greatly impressed by Mr James TIEN who made a bold decision to stand in direct elections instead of in a functional constituency election. We share Mr LEE's view. However, in the proposals which we have put forward for the 2007 and 2008 elections this time, we have actually drawn a very important line and that is, there will not be any increase in the number of functional constituency seats in the conventional sense from now on. It follows that people from the chambers of commerce, the professions and trade unions, that is, people from the business sector and the professionals, if they wish to play a part in the constitutional development of Hong Kong and in politics, they would in the long run, need to start from the district level and that means through taking part in the direct elections and in the work of the DCs. This position of the SAR Government is clear enough and this is also indicative of our wish to work for the achievement of universal suffrage and to go forward in such a direction.

The second point I wish to make is that Mr CHEUNG Man-kwong commented that Members of this Council are helpless. He likens their position to a player in a game of tennis who is denied the right to service. But this is not the fact as Members do have the right to veto. This means they do have the right to serve the ball. Members from the pan-democratic camp have actually served a number of balls when they expressed their doubts about appointed members in the DCs and when they insisted that a roadmap or timetable be devised. That is why if an analogy of a singles match of tennis is used, the situation now is like we have served the ball and so have they.

As a matter of fact, we are preparing for another tennis match and this time it is doubles in which there are four players: the Government, the political parties, the sectors and the academia. This is the Committee on Governance and Political Development under the Commission on Strategic Development. Players there can take turns to serve the ball and make their views known and try to convince others. However, at the end of the day, this doubles match will

become one which both sides or in fact all sides will win. This is because if we all work hard to put together a roadmap to universal suffrage, it will be the people of Hong Kong who will be presented the trophy and win ultimately. Madam Deputy, I so submit.

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): Madam Deputy, first of all, I would like to thank Members for expressing valuable views on civil service matters.

As the Secretary for the Civil Service, I have the responsibility to dedicate myself to maintaining the political neutrality of the Civil Service, safeguarding the legitimate interests of civil servants, and ensuring that we have a clean, efficient, committed and professional Civil Service that renders full support to the SAR Government in its policy execution and provides quality service to the community.

To keep pace with the changes and progress of our society, our civil service system needs to undergo various reforms. Since 1999, the SAR Government has been implementing the civil service reform, and significant achievements have been made in streamlining the civil service establishment, rationalizing civil service pay and benefits, improving the reward and disciplinary mechanism, and enhancing staff training. As in the past debates on the policy address, I will attach a summary on the progress of the civil service reform to this speaking note for the reference of Members and the public.

I have taken note of the comments given by Mr WONG Kwok-hing, Mr TAM Yiu-chung and Mr LEE Cheuk-yan about the employment of non-civil service contract staff and outsourcing of government services. I will continue to discuss these issues with Members at future meetings of the Panel on Public Service. Here I would like to reiterate two points. First, as a good employer, the Government will set the remuneration package for non-civil service contract staff with reference to market situations; second, a key principle governing outsourcing of government services is that it would not result in staff redundancy. Today, I shall focus on the efforts we have made to maintain the integrity and efficiency of the Civil Service.

Our Civil Service is widely acclaimed as one of the cleanest civil service forces in the world. According to the annual report released by the

Transparency International last week, Hong Kong's Corruption Perception Index compares favourably with that of last year. This is also the best Corruption Perception Index we have ever achieved since reunification in 1997. We shall however remain vigilant in guarding against corruption. The Civil Service Bureau and the Independent Commission Against Corruption (ICAC) have been maintaining close co-operation with various departments to promote a clean culture within the Civil Service. To this end, we have adopted a three-pronged approach, namely prevention, education and sanction.

On the prevention front, we work closely with the ICAC's Corruption Prevention Department to critically review departments' operational procedures in discharging various government functions, for example, licensing, regulation, procurement, contract management, staff management and public works.

On the publicity and education front, we have just issued the updated Civil Servants' Guide to Good Practices to civil servants of all ranks. The booklet outlines the good conduct required of all civil servants. In June this year, we organized a large-scale leadership forum in conjunction with the ICAC to enable the Government, the public sector and the business community to share experience in integrity management and identify new challenges.

For the very small number of misbehaving civil servants, we will continue to impose severe sanctions. Once an allegation of corruption or misconduct is substantiated, we will take stern actions in accordance with the law or civil service disciplinary procedures.

Our integrity management measures have achieved positive results. Only 38 government employees were prosecuted for corruption in 2004, representing a decrease of 24% over 2003. As of the first nine months in 2005, the figure was further reduced to 20. This prosecution figure was very low when compared with the overall size of the civil service establishment of 160 000. Corruption reports involving government departments received by the ICAC are also on the decrease in recent years. In the first nine months this year, the number of reports received showed a decrease of 12% over the same period last year. However, there is no room for complacency. We shall keep the effectiveness of various measures under constant review and adopt new initiatives to ensure that Hong Kong continues to have a clean and honest Civil Service that is acclaimed internationally.

Over the past few years, various departments have been sparing no efforts to streamline their organizational structure and achieve manpower savings to meet the Government's need for reducing expenditure. At present, the civil service establishment has been reduced by 17% from the peak of 198 000 posts in January 2000 to 164 000 posts. The actual strength stands at about 157 800. We shall continue to follow the principle that we will review our manpower requirement critically and increase or decrease the number of staff. It remains our target to reduce the civil service establishment to about 160 000 posts by the end of March 2007. Yet, to implement the new measures mentioned in this year's policy address, we envisage the need to slightly increase the number of directorate posts and create about 1 000 middle or lower-rank posts in the coming year. We shall consult relevant panels of the Legislative Council on specific proposals and seek the approval of the Establishment Subcommittee of the Finance Committee in due course.

(THE PRESIDENT resumed the Chair)

Despite resource and manpower constraints, the SAR Government remains committed to providing more and better services to cater for the needs of the community and the development of society. Departmental management and front-line staff have sought to further enhance operational efficiency by streamlining work procedures and improving the mode of service delivery. Our achievements in enhancing efficiency are widely recognized by the international community. According to the World Competitiveness Yearbook 2005 released by the International Institute for Management Development, we rank first in terms of government efficiency. A report issued by the World Bank in May this year also indicates that our Government Effectiveness Index has been improving since 2000.

I understand that some people think that there is still room for improvement in certain aspects of the Government's work. We will strive to do better. As a general point, I believe that the vast majority of the public recognize the contributions made by the Civil Service. According to the recent surveys conducted by the University of Hong Kong and The Chinese University of Hong Kong, the ratio of respondents satisfied with the performance of the SAR Government is record-high while the ratio of dissatisfied respondents is the

lowest since reunification. Given that the Civil Service forms the backbone of the SAR Government, both the views of the international community and of the local public confirm that our Civil Service on the whole maintains its high quality and continues to improve.

To further enhance our efficiency, we must remain determined in handling the small number of civil servants who do not measure up despite our assistance and counselling. In 2003, we streamlined Section 12 of the Public Service (Administration) Order, enabling departments to retire officers with persistent substandard performance. After consulting the Public Service Commission, the management and the staff sides, we have revised the relevant procedures last week and have shortened the period for measuring underperformance from 12 months to six months. In other words, an officer will be removed if he underperforms over a period of six months. The revised procedures not only serve as a more effective management tool, but also demonstrate to the vast majority of dedicated and diligent civil servants that we will not tolerate the very small number of substandard performers.

Since taking up office as the Secretary for the Civil Service, I have been actively pushing ahead with the civil service reform. Some may think that the reform measures are too much or too drastic, while many hold the opposite view. Yet, we have not slowed down the pace of reform. Last week, at the meeting of the Panel on Public Service, I briefed Members on the policy initiatives outlined in this year's policy agenda. I shall keep Members informed of the progress and seek their views when necessary. I look forward to continuous co-operation with civil service colleagues, Members of the Legislative Council and the community at large in our efforts to modernize and upgrade our Civil Service. I have full confidence that our civil servants will continue to regard it an honour to serve the community and the public will continue to take pride in having a quality Civil Service.

Madam President, finally, please allow me to make a clarification. I heard Mr Jasper TSANG, who is not present at the moment, mention just now that I appointed him as member of the Standing Committee on Language Education and Research (SCOLAR) in 1996. I do not wish Members to mistake it as Mr Chris PATTEN's idea. The appointment is based solely on my recognition of Mr TSANG's abilities which is a valuable asset to the education sector. This is the clarification I wish to make here. Thank you, Madam President.

SECRETARY FOR SECURITY (in Cantonese): Madam President, I am deeply grateful to Members for expressing their views on security policies. We shall study and follow up these views carefully. I wish to take this opportunity to offer further explanations on Members' views in respect of several major areas. Many Members have talked about the need for introducing universal suffrage. In this regard, the Government shares the same view as that of the people of Hong Kong, and steps are being taken to reach this goal. But very few Members have mentioned the efforts made by the Administration to improve governance. In fact, the Government of the Hong Kong Special Administrative Region (SAR) has been making strenuous efforts to maintain the stability and prosperity of Hong Kong, so that it can continue to create and maintain advantages in the international arena. The advantages of Hong Kong are frequently mentioned by both the local people and foreigners. Such advantages include a sound system upholding the rule of law, a clean government, a free society that protects freedom and human rights, a flexible business environment, and so on. However, we must not forget that ultimately, we must maintain the law and order of society, and our ability to do so is one of the many significant considerations of foreign investors contemplating any development in Hong Kong.

When compared with other major cities in the world, Hong Kong has always ranked top in terms of law and order. Understandably, we must not be complacent, because we must realize that since the fruit we enjoy today is the outcome of our past efforts, our sufficient or otherwise preparatory efforts today will largely determine whether we can continue to enjoy sustained security in the future.

If Hong Kong is to maintain a low crime rate to the envy of all other major cities in the world, it must always remain highly vigilant in respect of crime prevention. Therefore, while all law-enforcement agencies must diligently discharge their duties, they must also command the approval and support of the general public. Without a peaceful environment, Hong Kong will never secure steady development.

Many Members have talked about the Sixth Ministerial Conference of the World Trade Organization (MC6). The MC6 will be held in Hong Kong in mid-December, and all of us hope and expect that it can contribute to the further liberalization of world trade. Although it is not so appropriate for the Security Bureau to talk about how a better free trade mechanism can benefit Hong Kong, I

nonetheless wish to assure the Legislative Council that we are both determined and able to ensure the smooth conduct of MC6 while enabling all to express their various views on the WTO through reasonable and lawful channels and minimizing the impacts on the rest of society.

The Government has never underestimated the challenges we have to face in hosting this WTO conference in Hong Kong. As early as one and half years ago, we already started our preparations. We estimate that more than 11 000 people will be coming to Hong Kong for the conference, including 6 000 members of various deputations, 3 000 media representatives and 2 000 representatives of non-governmental organizations. In addition, large numbers of local and foreign organizations as well as individuals will also be staging demonstrations in Hong Kong during the conference period.

Madam President, I believe most of the protesters are peaceful and law-abiding, but we do not rule out the possibility that some of them may stir up trouble or even resort to violence. I must stress that we will never tolerate such acts. The police and the relevant front-line departments are adequately prepared for any contingencies.

Hong Kong is a place where huge importance is attached to the freedoms of expression and assembly, which means that we will do everything possible to facilitate the exercise of such rights by all. The police and law-enforcement officers will be guided by this principle in employing reasonable and flexible tactics to cope with all public activities. At the same time, I also hope that all Hong Kong people can appreciate why the authorities have to impose various temporary measures such as traffic diversions and the designation of certain areas as restricted zones. I wish to thank all Hong Kong people in advance for their tolerance of the convenience caused by all these temporary measures. I also hope that they can render their support and co-operation.

Just now, Mr James TO expressed the hope that the police would not over-react in the course of law-enforcement, and that they would refrain from showing any unnecessary responses to the actions of protesters. In this connection, I can assure Mr TO that the police have always been tolerant of protesters in all cases. As for liaison with non-governmental organizations, we have been maintaining communication with them all along. For example, we have been maintaining constant contact with the Hong Kong People's Alliance on WTO. As Members are aware, it has been agreed by both sides that certain areas are to be designated as assembly and demonstration zones.

I also wish to appeal to Members for their support because we have submitted to the Legislative Council a piece of subsidiary legislation on the designation of restricted zones. We hope that Members can complete the scrutiny of the legislation as quickly as possible, so that we can deliver a clear message to both the public on which sections of roads will be closed and to protesters on where they may stage their marches and demonstrations. I hope that Members can help us in this respect.

As I have just pointed out, the maintenance of our edge in the law and order situation and a low crime rate is essential to creating conditions for the long-term development of Hong Kong. We must therefore give our law-enforcement agencies lawful and reasonable investigative powers necessary for the detection of crimes and protection of public security. These powers include the interception of communications and secret surveillance under specified circumstances. As we frequently emphasize, these powers have always been exercised within lawful and constitutional parameters. In view of the concern expressed by the Legislative Council, we are now actively making legislative preparations and we intend to submit legislative proposals on the interception of communications and secret surveillance to the Legislative Council in the first half of the current Legislative Session.

It is mentioned in the Chief Executive's policy address that on the premise of maintaining an effectively managed border, the existing border closed area contiguous to Shenzhen will be significantly reduced in size and studies will be conducted on the suitable use of the land thus released. In the coming few months, the Security Bureau will make a proposal on the demarcation of the new closed area after the size reduction, taking account of the need for Shenzhen-Hong Kong co-operation in combating cross-boundary crimes and preventing smuggling and illegal immigration.

Since sizeable land holdings and wetlands with conservation value are found in the land to be released after the demarcation of the new closed area, and in view of the divergent views of various social sectors on developing the land concerned, overall planning will be conducted with input from other Policy Bureaux and departments on land planning, transport, environmental conservation and other aspects. Proposals on the future uses of the land concerned will then put forward for public consultation.

One advantage of Hong Kong is its pool of talent from many places. In order to upgrade our competitiveness in the course of globalization, we must actively explore various effective measures to attract more talents to come and develop their career here. The Security Bureau will review the immigration policies on a regular basis, so as to ensure that they can cope with the development and needs of society.

It is pointed out in the Chief Executive's policy address that we are considering introducing a new scheme under which a certain number of talented people from the Mainland and overseas who meet specific eligibility criteria will be allowed to stay in Hong Kong for a certain period of time, without the requirement of securing an offer of local employment beforehand, so that they can decide whether they want to develop their career in Hong Kong on a long-term basis.

We are currently conducting studies on the specific details of the scheme and it is expected that the scheme can be implemented in the first half of 2006. Tentatively, we intend to learn from the relevant experience of foreign countries and introduce a more objective points system to assess an applicant's eligibility in terms of age, education levels, professional qualifications and other relevant experience and track records. We believe that the scheme will help induce young and talented people to come to Hong Kong to assist us in promoting economic development.

Economically, socially and in terms of people's livelihood, there are close ties between Hong Kong and the Mainland. There are now large numbers of Hong Kong residents doing business, working, visiting relatives, travelling and even living in the Mainland, particularly the Pearl River Delta Region. The SAR Government has received an increasing number of requests for assistance connected with Hong Kong residents running into trouble in the Mainland. We are extremely concerned about the legitimate rights of Hong Kong people, especially those being detained.

Undoubtedly, under the principle of "one country, two systems", all Hong Kong people staying in the Mainland must obey the laws and relevant regulations there. Those Hong Kong people suspected of contravening the laws and regulations in the Mainland will not be accorded any special treatment due to their identity as Hong Kong residents. But the SAR Government is still very concerned about the conditions of such Hong Kong people kept under detention

and it will approach the relevant mainland authorities upon the requests of detainees or their families, or whenever we notice any violations of the detainee's legitimate rights.

On 1 January 2001, the Ministry of Public Security in the Mainland and the Security Bureau of Hong Kong agreed to introduce a reciprocal notification system, whereby both sides will notify each other of the unnatural deaths of, or the imposition of criminal compulsory measures on, residents from the other side. And, since June 2003, the mechanism has been extended beyond public security and customs authorities to also cover the People's Procuratorate and national security units. The mechanism is basically operating very smoothly, with most notifications made within 10 days. As I mentioned in the motion debate on 19 October, the Security Bureau will liaise with the mainland authorities at a suitable time, so as to explore how the existing mechanism can be further improved to cope with the actual situation nowadays.

Madam President, the Security Bureau will continue to implement various measures to maintain the law and order of Hong Kong, facilitate the entry and exit of both the local people and visitors and provide various reliable and efficient rescue services.

Thank you, Madam President.

SECRETARY FOR JUSTICE (in Cantonese): Madam President, first of all, I wish to thank a number of Members for the welcome and congratulations extended to me. I wish to respond to the comments made by Members on legal matters in four areas. The first is upholding the rule of law, the second is the relationship between the executive and the legislature, the third is the protection of public interests by law and the fourth is the importance and development of the legal profession.

Concerning the first area, that is, upholding the rule of law, my reply consists of five points. First, I fully understand that the mission of the Secretary for Justice is to serve as the primary legal advisor to the Chief Executive and various government departments. My duty is to offer independent and objective legal advice so that the enactment of legislation and governance are founded on the law. The Chief Executive has made pledges on safeguarding the rule of law in his policy address. I fully agree with and believe

in this pledge and this is also one of the reasons for my acceptance of the appointment. In this regard, I will exert my utmost to lead my department in delivering on this pledge fully. I understand the independence that my responsibilities call for and I will do my best to fulfil my duties.

The second point has to do with the need for the Chief Executive to be subject to the regulation of the Prevention of Bribery Ordinance, as Ms Margaret NG has pointed out. The Chief Executive has already made an undertaking earlier on to submit a legislative proposal as soon as possible. Members all know that constitutionally speaking, the status of the Chief Executive is different from that of other government officials, so it is necessary to handle this issue very carefully. However, I am pleased to inform Members that the Government has already completed the relevant review and will submit the proposal to the Panel on Constitutional Affairs next Tuesday, that is, on 1 November, for discussion on the relevant issues. It can thus be seen that the Chief Executive, apart from keeping his pledge of upholding the rule of law steadfastly, also puts it into practice.

The third point has to do with issues relating to covert surveillance and the implementation of the Interception of Communications Ordinance. Just now, the Secretary for Security has already given a reply on the relevant issues. Nevertheless, I still wish to add a few comments concerning the legal aspect.

Firstly, the Government is proceeding at full steam in enacting legislation and making amendments. The matters involved are actually highly sensitive and have far-reaching implications, therefore, we have to proceed very carefully. As pointed out by Mr James TO, and on the one, covert surveillance must be conducted covertly for it to be effective, on the other, it is necessary to put in place a monitoring mechanism. We have to proceed in great caution and cannot be hasty. After the Court had delivered its judgement on covert surveillance, the Government responded positively by, among other things, issuing an executive order to regulate such actions. Since the legal proceedings concerning the executive order and the Interception of Communications Ordinance will begin soon, it is not appropriate for me to discuss this matter here any further. However, I wish to stress that it is untrue that the Government has no intention of introducing legislation, or is dragging its feet on this matter. On the contrary, we are making a great deal of effort in this regard. I fully understand the concerns of the public over this matter and will strive to strike the best balance.

Fourthly, I wish to comment on the remarks made by Ms Margaret NG regarding the role that I play in constitutional reform. I wish to stress that concerning the legal issues that arise, the colleagues in the Department of Justice and I will fulfil our responsibilities and offer all necessary legal advice and services. There can be no gainsaying that the constitution is within the scope of the rule of law. This is the pledge that I make to Members.

Fifthly, on upholding the rule of law, I wish to respond to the matters raised by Mr CHIM Pui-chung. He pointed out that when deciding the legal costs of criminal cases, if the defendant was found not guilty but his behaviour had been considered to have aroused suspicion that had led to understandable prosecution, he would not be granted any legal cost. Such a legal principle is not unique to Hong Kong and other jurisdictions have also subscribed to and enforce this principle. I also firmly believe that the Court will invoke the relevant legal principles justly and make appropriate rulings in different cases. The foregoing is my reply to the comments on upholding the rule of law.

The second area has to do with the relationship between the executive and the legislature. As the Chief Executive stressed in his policy address, in full recognition of the status, powers and functions of the Legislative Council, the Chief Executive and his colleagues in the Government will strengthen communication with Members, let them understand our thinking on policy and legislation as early as possible, listen to their views, and foster sincere co-operation. I fully understand that important constitutional powers and functions are vested in the Legislative Council by the Basic Law. For the Government to operate effectively, it is imperative that there is mutual respect between the Government and Members, and that they can co-operate sincerely. I will surely exert my utmost to establish a relationship of co-operation and mutual trust founded on compliance with and adherence to the law by both sides, with the Legislative Council and the Panel on Administration of Justice and Legal Services under it, as well as all work units that have to deal with legal issues from time to time.

The third area is related to safeguarding public interests through the law. Here, I wish to make three points in reply. First, Mr James TO has dwelled on the considerations in the implementation of mutual assistance in legal matters between the Mainland and Hong Kong. In fact, as Members are aware, the

issues in this regard have been discussed for a long time. Mr James TO pointed out the areas requiring attention in implementation and I fully understand the importance of it. We will certainly handle matters very carefully whenever considerations on personal safety or property are involved. However, I wish to add here that if a consensus can be reached with the Mainland on mutual legal assistance, it will be of tremendous benefit to Hong Kong as a regional centre for legal services and dispute resolution. This is the point that I wish to emphasize.

The second point is related to the issued mentioned by Mr Albert CHAN concerning the problems caused by debt collection companies. My reply is that if these debt collection companies contravene the laws of Hong Kong when they collect debts, the Department of Justice will definitely initiate prosecution according to our principles and policies. If members of the public are subjected to any nuisance, they must make a report to the police so that we can have the basis to carry out investigations. On the other hand, we will actively consider if it is necessary to enact legislation to regulate the activities of recovery agents. However, it is necessary to have sufficient evidence on the social impact caused by recovery agents. We are now actively liaising with the Consumer Council, the Hong Kong Bar Association and The Law Society of Hong Kong to understand the problems involved. Meanwhile, a white paper on this subject was issued in the United Kingdom in mid-October to review the regulation of this kind of recovery agents. In the report, there is a substantial number of studies on the merits and demerits of such a move. We will follow up this matter actively.

The third point is that, as Mr Patrick LAU has pointed out, in many areas, it is necessary for the law to respond to the actual circumstances by making improvements and introducing reforms accordingly. On this, I can say that I fully subscribe to such a view. We will definitely follow this up when dealing with issues relating to the people's livelihood and other areas having an impact on society.

The fourth area has to do with the importance and development of the legal profession. We firmly believe that in order to uphold the rule of law and lay a strong foundation for the rule of law in Hong Kong, apart from the devotion of our colleagues in the Department of Justice, it is also necessary to have a strong, independent and professional team of lawyers. We highly respect and attach great importance to the concerns expressed by the legal profession about various

matters and the amendment of legislation. Furthermore, concerning the opportunities for their professional development, we will also consider this issue very carefully and provide all possible assistance.

Here, I wish to respond to the comments made by Mr LI Kwok-ying just now. Although it so happened that I was not in the Chamber when he delivered his speech, I have obtained a copy of his speech and read it carefully. On the services provided by the legal profession to the Mainland, the former Secretary for Justice and various departments have already taken a lot of proactive measures.

We are grateful to Mr LI for his suggestions in this regard and we also agree with the direction suggested by him. We have had a number of discussions with the two legal professional bodies and are working towards securing a relaxation of the conditions of practice on the Mainland as far as possible. However, any development in this regard must be founded on the principle of mutual benefits and the relationship is bilateral. Considerable breakthroughs have been achieved following the implementation of CEPA III. However, I undertake that my colleagues and I will conduct further studies and relay his views to and lobby the mainland authorities. Apart from CEPA, we have also done a lot in other areas, including enhancing the understanding of the laws of Hong Kong and those of the Mainland. All such work is designed to enable Hong Kong to develop into a regional centre for dispute resolution.

The foregoing is my response to Members' views on legal matters. Madam President, before closing, I wish to say that I have been sitting here since 11.00 am and listening carefully to Members' speeches, which have enhanced my understanding of many issues. I will surely bear in mind the expectations that many Members have expressed as well as their enlightenment. I have also heard Members' call that I have to uphold justice loud and clear. However, I also wish to point out that concerning upholding justice, I am sure all of my colleagues here and I have always been doing so, only that it is also necessary to consider issues from various angles.

Madam President, the foregoing is my reply. Finally, I urge Members to support the motion and oppose the amendment.

Thank you.

SUSPENSION OF MEETING

PRESIDENT (in Cantonese): The first debate session ends. It is now 8.33 pm. Since Members have reached the consensus that this meeting spanning several days should be suspended at about 9 pm, I think the second debate session should not commence now and we had better leave it for tomorrow, in order to conduct it in one go. Therefore, I now suspend the Council until 9.00 am tomorrow.

Suspended accordingly at twenty-six minutes to Nine o'clock.